Journal of
Leadership, Accountability and Ethics

Journal of Leadership, Accountability and Ethics

This Issue

Rynetta R. Washington, Charlotte D. Sutton, William I. Sauser, Jr.

Relationships between servant leadership theory and the more empirically supported theories of transformational leadership and transactional leadership were examined using questionnaire data from 207 employees. Employees' perceptions of their supervisors' servant leadership were found to be positively related not only to employees' perceptions of their supervisors' transformational leadership but also their supervisors' transactional contingent reward leadership and transactional active management-by-exception leadership. Perceived servant leadership was negatively related to both perceived transactional passive management-by-exception leadership and laissez faire leadership. It appears that servant leadership theory shares much in common with other modern theories of leadership, especially transformational leadership theory.

Karen L. Fowler, Michael Fronmueller, Jane O. Schifferdecker

This paper presents an analysis and visual map of Citigroup's interlocking directorates that could have been related to the mortgage crisis. Interlocking directorates occur when a member of the board of directors of one company sits on the board of directors of another company, providing the opportunity for shared communications and exchanges of information. An analysis of eight Citigroup board members indicates 1,209 links.

Charles D. Kerns

Given the value of engagement and the costs of disengagement, more accountability by managerial leaders for workplace engagement levels seems likely and desirable. With increased accountability, a practical perspective and framework for fostering and managing this process may help guide leaders in positively impacting workplace engagement to enhance well-being and performance. After reviewing engagement from a managerial leadership perspective, providing an engagement profile, presenting an Engagement-Management Cycle, and offering some benefits associated with this process, a stepwise approach to applying this process is presented. An example of this approach applied with an executive is offered. Some challenging issues are reviewed.

Lisa DeFrank-Cole, Melissa Latimer, Maryanne Reed, Michele Wheatly

One university is addressing the gender gap in leadership with an internal model designed to support and inspire groups of women in leadership positions without leaving campus. Based on a coaching method used at Harvard's Women's Leadership Forum, our leadership initiative provides an on-campus leadership development and support program for women. This paper assesses the overall impact and effectiveness of this program and compares results of an external coaching model versus an internal facilitator (coach) model. This "grow your own" program is a low cost, effective model for leadership development that could be replicated by other institutions.

In this article, the author introduces the leadership approach known as "leaderful practice," an alternative to the traditional trait-based approach of individual leadership. Leaderful practice is shown to sustain an ethical infrastructure based on democratic principles. It is democracy not in its representative sense, however, but in its endorsement of public engagement of all those affected by the activity and decision at hand. The article makes the ethical case for leaderful practice based on two paramount ethical behaviors: dialogue and meaning making, and on three virtues: authenticity, humility, and dignity. Leaderful participants not only pay heed to emancipatory processes but also attend to practices that preserve a sustainable future.

There is ongoing debate about the characteristics of effective leaders. Emotional intelligence is a relatively understudied and often disputed theme in leadership. However, existing research suggests that EI is indeed helpful in the development of leaders. This paper defines the concept and its components, and addresses its role in leader development. It will also provide propositions for relationships between EI and leader development through several leader development strategies, namely 360-degree feedback, action learning, developmental assignments, developmental relationships, coaching, and job enrichment. Implications and suggestions for future research in the field of EI, as it relates to leadership will be discussed.

Whistleblowers have been protected under an assortment of legal theories. In light of the adverse consequences whistleblowers continue to suffer and their increasing role in the detection of fraud, efforts have been made to increase that protection. The article summarizes the application of key common law and statutory whistleblower protections before the Dodd-Frank Wall Street Reform and Consumer Protection Act and the substantial reforms in the Dodd-Frank Act. The actual results to date of the Dodd-Frank Act are detailed. The current results are inconclusive in that the enacted reforms are still in the early stages of implementation.

This paper tests a three variable model of contextual influencers on undergraduate student perceptions of the acceptability of cheating. Building on previous work examining the perceived acceptability of cheating (Bloodgood, Turnley, & Mudrack, 2010)*, we tested the hypotheses that institutional honor codes, religious affiliation, and religiosity will all directly influence the students' perceptions of the acceptability of cheating. Data collected from business students at two separate institutions, one religiously affiliated and one public, were used to test our model. Regression showed honor codes, religious affiliation, and religiosity were significant determinants of student perceptions of the acceptability of cheating, supporting our hypotheses.*

We argue that the concepts "rules" and "relationships" are heavily affected by mindsets related to language and culture. Western societies base laws and enforcement on the assumption on transparent, universal rules, whereas East Asian societies rely more on relationship-based governance. Interviews with 58 employees from a global construction company spanning Scandinavia, Germany, and China show how evoking authority under uncertainty may exacerbate rather than solve failing co-operation. Knowledge transfer and innovation are crucial to business operations and cross-cultural management must find workable solutions. "Cultural ambassadors" are working on both sides to co-ordinate communication and establish relationships.

GUIDELINES FOR SUBMISSION

Journal of Leadership, Accountability and Ethics
(JLAE)

Domain Statement

The *Journal of Leadership, Accountability and Ethics* is dedicated to the advancement and dissemination of business and management knowledge by publishing, through a blind, refereed process, ongoing results of research in accordance with international scientific or scholarly standards. Articles are written by business leaders, policy analysts and active researchers for an audience of specialists, practitioners and students. Articles of regional interest are welcome, especially those dealing with lessons that may be applied in other regions around the world. Research addressing any of the business functions is encouraged as well as those from the non-profit and governmental sectors.

Focus of the articles should be on applications and implications of management, leadership, ethics, and governance. Theoretical articles are welcome as long as there is an applied nature, which is in keeping with the North American Business Press mandate.

Objectives

- Generate an exchange of ideas between scholars, practitioners and industry specialists

- Enhance the development of the management and leadership disciplines

- Acknowledge and disseminate achievement in best business practice and innovative approaches to management, leadership and governance

- Provide an additional outlet for scholars and experts to contribute their ongoing work in the area of management, leadership and ethics

Submission Format

Articles should be submitted following the American Psychological Association format. Articles should not be more than 30 double-spaced, typed pages in length including all figures, graphs, references, and appendices. Submit two hard copies of manuscript along with a disk typed in MS-Word (preferably).

Make main sections and subsections easily identifiable by inserting appropriate headings and sub-headings. Type all first-level headings flush with the left margin, bold and capitalized. Second-level headings are also typed flush with the left margin but should only be bold. Third-level headings, if any, should also be flush with the left margin and italicized.

Include a title page with manuscript which includes the full names, affiliations, address, phone, fax, and e-mail addresses of all authors and identifies one person as the Primary Contact. Put the submission date on the bottom of the title page. On a separate sheet, include the title and

an abstract of 100 words or less. Do not include authors' names on this sheet. A final page, "About the authors," should include a brief biographical sketch of 100 words or less on each author. Include current place of employment and degrees held.

References must be written in APA style. It is the responsibility of the author(s) to ensure that the paper is thoroughly and accurately reviewed for spelling, grammar and referencing.

Review Procedure

Authors will receive an acknowledgement by e-mail including a reference number shortly after receipt of the manuscript. All manuscripts within the general domain of the journal will be sent for at least two reviews, using a double blind format, from members of our Editorial Board or their designated reviewers. In the majority of cases, authors will be notified within 60 days of the result of the review. If reviewers recommend changes, authors will receive a copy of the reviews and a timetable for submitting revisions. Papers and disks will not be returned to authors.

Accepted Manuscripts

When a manuscript is accepted for publication, author(s) must provide format-ready copy of the manuscripts including all graphs, charts, and tables. Specific formatting instructions will be provided to accepted authors along with copyright information. Each author will receive two copies of the issue in which his or her article is published without charge. All articles printed by *JLAE* are copyright protected by the *Journal*. Permission requests for reprints should be addressed to the Editor. Questions and submissions should be addressed to:

North American Business Press
301 Clematis Street #3000
West Palm Beach, Florida 33401
jlae@na-businesspress.com
866-624-2458

How Distinct is Servant Leadership Theory? Empirical Comparisons with Competing Theories

Rynetta R. Washington
Auburn University

Charlotte D. Sutton
Auburn University

William I. Sauser, Jr.
Auburn University

Relationships between servant leadership theory and the more empirically supported theories of transformational leadership and transactional leadership were examined using questionnaire data from 207 employees. Employees' perceptions of their supervisors' servant leadership were found to be positively related not only to employees' perceptions of their supervisors' transformational leadership but also their supervisors' transactional contingent reward leadership and transactional active management-by-exception leadership. Perceived servant leadership was negatively related to both perceived transactional passive management-by-exception leadership and laissez faire leadership. It appears that servant leadership theory shares much in common with other modern theories of leadership, especially transformational leadership theory.

INTRODUCTION

The topic of servant leadership has received growing attention in the leadership literature. First introduced by Robert K. Greenleaf in 1977, servant leadership emphasizes the good of followers over the self-interest of the leader by (a) valuing and developing people, (b) practicing authenticity in leadership, (c) building community, (d) providing leadership for the good of followers, and (e) sharing status and power for the common good of followers, the total organization, and persons served by the organization (Laub, 1999). Since its conceptual inception, servant leadership has been espoused by a growing number of researchers as a valid theory of organizational leadership (Chin & Smith, 2006; Liden, Wayne, Zhao, & Henderson, 2008; Neubert, Carlson, Roberts, Kacmar, & Chonko, 2008; Russell & Stone, 2002; Tebeian, 2012; Van Dierendonck & Nuijten, 2011).

The surge of empirical and practical interest in servant leadership theory can be attributed to a movement away from traditional hierarchical and patriarchical leadership (Crippen, 2005; Nwogu, 2004). Traditional hierarchical leadership is often represented by a pyramid model characterized by a top-down authority structure with leaders located at the top and all decisions flowing from the top down to organizational members (Magoni, 2003). Such a traditional model of leadership clearly indicates that organizational members are expected to serve their leaders (see Sergiovanni, 2000). In direct opposition

to the pyramid model, the inverted pyramid calls for leaders to be located at the bottom of the organizational pyramid in order to serve the organization. Consequently, the inverted pyramid model is the essence of servant leadership—that is, leadership emphasizing the good of followers over the self-interest of the leader (Laub, 1999).

The emergence of this approach to leadership was further articulated by Spears (1995), who explained that as the end of the twentieth century approached, traditional autocratic and hierarchical models of leadership were slowly yielding to a newer model of leadership—a model that attempted to enhance the personal growth of workers and improve the quality of organizations through personal involvement in decision making, a combination of teamwork and community, and ethical and caring behavior. Like many other leadership thinkers, Spears referred to this emerging approach to leadership and service as servant leadership.

In recent years, research on servant leadership has begun to shift from primarily anecdotal support to empirical validation. Various authors have contributed to the literature through the development of servant leadership measures and assessments (i.e., Liden et al., 2008; Reed, Vidaver-Cohen, & Colwell, 2011; and Van Dierendonck & Nuijten, 2011). In 2013, Parriss and Peachey completed a systematic review of 39 studies on servant leadership. They noted that despite the increasing efforts to develop tools to measure the construct, only a limited number of studies had empirically examined the concept.

The purpose of the current study was to advance the empirical support regarding the distinctiveness of servant leadership theory by exploring the relationship between servant leadership and two of the most popular leadership theories currently being discussed by researchers—transformational leadership and transactional leadership (Smith, Montagno, & Kuzmenko, 2004).

BACKGROUND OF SERVANT, TRANSFORMATIONAL, AND TRANSACTIONAL THEORIES

Servant Leadership Theory

Greenleaf (1977) suggested a first-among-equals approach to leadership as "key to [a servant leader's] greatness" (p. 21). Thus, servant leadership places the leader in a non-focal position within a group such that resources and support are provided to followers without expectation of acknowledgement (Smith et al., 2004). Unlike traditional leaders who are primarily motivated by aspirations to lead, servant leaders are motivated more by a desire to serve than to lead (Greenleaf, 1977). In their review, Parriss and Peachey (2013) noted that despite increasing interest in servant leadership, it remains ill defined. Such lack of clarity in definition leaves authors grappling with how to operationalize the theory. Based on their 2002 review, Russell and Stone identified nine core functional attributes of the theory plus 11 supportive attributes. Barbuto and Wheeler (2006) integrated the attributes into five factors. Van Dierendonck (2011) conceptualized the model with six key characteristics.

In their review, Parriss and Peachey (2013) found 14 different instruments that have been developed to examine servant leadership. Most of these instruments focus on the unit level of analysis, while only a few (e.g., the Liden et al., 2008, instrument) focus on the individual level of analysis. The Liden et al. analysis developed a seven-factor model of servant leadership: (1) conceptual skill, (2) empowering others, (3) helping subordinates grow and succeed, (4) putting subordinates first, (5) behaving ethically, (6) emotional healing, and (7) creating value for the community.

Transformational and Transactional Leadership Theories

Unlike servant leadership theory, transformational leadership and transactional leadership theories have been investigated in numerous empirical studies since Burns (1978) first introduced the concepts. Burns considered leaders to be either transformational or transactional, while others such as Bass (1985) viewed leadership as a continuum with transformational leadership on one end and transactional leadership on the other end. The following sections offer a brief background of these two leadership models.

Transformational Leadership Theory

According to Judge and Piccolo (2004), transformational leadership has proven to be a most popular research topic in leadership literature, given that more studies have been conducted on transformational leadership than on all other popular leadership theories combined. The most widely researched version of transformational leadership theory was developed by Bass (1985), who stated that transformational leadership:

occurs when leaders broaden and elevate the interests of their employees, when they generate awareness and acceptance of the purposes and mission of the group, and when they stir their employees to look beyond their self-interest for the good of the group. (Bass, 1990, p. 21)

In essence, transformational leaders build commitment to organizational objectives and empower followers to accomplish objectives (Yukl, 2006) by: (a) making followers aware of the importance of task outcomes, (b) orienting followers toward performance beyond established organizational standards, (c) activating higher-order intrinsic needs, and (d) focusing on follower empowerment instead of dependence (Bass, 1985; Judge & Piccolo, 2004; Yammarino, Spangler, & Bass, 1993).

Judge and Piccolo (2004) contend that transformational leadership includes four dimensions—individualized consideration, idealized influence (charisma), inspirational motivation, and intellectual stimulation. Individualized consideration involves leaders providing mentorship and coaching to followers in order to attend to followers' concerns and needs. Idealized influence is the charismatic component of transformational leadership in which leaders are respected, admired, and ultimately emulated by followers (Avolio & Bass, 2002; Bass, 1998; Bass & Avolio, 1994). These charismatic leaders appeal to followers' emotions and arouse identification with the leaders by displaying convictions (Judge & Piccolo, 2004) such as the value of integrity and ethical and moral conduct (Tracey & Hinkin, 1998). Furthermore, a key component of idealized influence is the development and communication of a shared vision that inspires followers to align their individual interests and values with those of the leader and the organization (Jung & Avolio, 2000).

Akin to idealized influence is inspirational motivation, which emphasizes passionate communication of an appealing and inspiring organizational vision that can be shared (Hater & Bass, 1988). By modeling appropriate behaviors and using symbols to focus followers' efforts (Bass & Avolio, 1990), leaders with inspirational motivation provide meaning for tasks, challenge followers with high standards, and communicate optimism about future goal attainment (Judge & Piccolo, 2004).

Intellectual stimulation is a transformational leadership behavior that increases follower awareness of problems and encourages followers to view old and familiar issues from new perspectives (Bass, 1985). Leaders who utilize intellectual stimulation solicit followers' ideas, challenge assumptions, take risks, and stimulate creativity in followers (Avoilio & Bass, 2002; Judge & Piccolo, 2004). Given the potential similarities between components of transformational leadership and servant leadership (Stone, Russell, & Patterson, 2003), later sections of this article develop propositions about potential associations between these two leadership approaches.

Transactional Leadership Theory

Viewed as more commonplace than transformational leadership (Burns, 1978), transactional leadership is described as an exchange process in which leaders recognize followers' needs and then define appropriate exchange processes to meet both the needs of the followers and leaders' expectations (Bass, 1985). Such leadership relies on hierarchical authority, task completion, and rewards and punishments (Tracey & Hinkin, 1998). Transactional leadership can result in follower compliance; however, since the transactional leader primarily emphasizes giving followers something they want in return for something the leader wants, transactional leadership is not likely to generate great enthusiasm and commitment among followers (Bass, 1985).

Forms of transactional leadership include contingent reward leadership, management-by-exception that is active or passive, and laissez faire leadership (Bass & Avolio, 1990). Bass (1985) differentiated contingent reward and management-by-exception according to the leader's level of activity and

engagement with followers. Contingent reward behavior involves clarification of expectations and tasks required to obtain rewards, as well as the use of negotiated incentives.

Management-by-exception behavior is the degree to which leaders enforce rules to avoid mistakes and take corrective action on the basis of results of leader-follower transactions (Judge & Piccolo, 2004). Transactional leaders who practice management-by-exception focus on followers' mistakes and intervene only after work standards have not been met. Active management-by-exception involves leaders actively monitoring follower performance in order to anticipate deviations from standards prior to their becoming problems (Hater & Bass, 1988). On the other hand, leaders who practice passive management-by-exception wait until followers' behaviors have created problems before they take corrective action against obvious deviations from performance standards. In either of the two cases of management-by-exception, leaders emphasize the use of tactics such as discipline, punishment, and negative feedback to foster desirable performance (Bass & Avolio, 1993).

Transactional leadership in the form of laissez faire leadership is described as a leader's lack of guidance to followers and disregard of supervisory duties (Bradford & Lippit, 1945). According to Bass (1985), such non-leadership involves the leader taking no initiative to meet followers' needs and actually withdrawing when deviations occur. As a result, laissez faire leadership is often referred to as the least active and least effective leadership style (Barbuto, 2005).

COMPARING THE THEORIES

Servant Leadership Theory Versus Transformational Leadership Theory

Researchers have raised questions about whether or not theories of servant leadership and transformational leadership are related. Questions may stem from the thought that both theories describe people-oriented, moral, and inspirational approaches to leadership (Graham, 1991) that emphasize the importance of valuing, mentoring, and empowering followers (Smith et al., 2004). In fact, Graham (1991) and Smith and colleagues (2004) argued both approaches are rooted in charismatic leadership theory, which calls for leaders to exercise power through followers' belief in and identification with the personalities of the leaders.

Farling, Stone, and Winston (1999) noted that the transformational leadership model presented by Burns (1978) parallels Greenleaf's (1977) model of servant leadership with corresponding values of human rights, justice and equity. Similarly, Stone et al. (2003) argued that servant leadership and transformational leadership both incorporate characteristics such as respect, vision, influence, modeling, trust, integrity, and delegation. Stone and colleagues noted that servant leadership and transformational leadership are likely to be most similar in their emphasis on individualized appreciation and consideration of followers.

Likewise, Smith and colleagues (2004) argued that at the level of theoretical dimensions, transformational leadership's idealized influence, inspirational motivation, and individualized consideration corresponded with components of servant leadership. Therefore, the following hypothesis is offered:

> *Hypothesis 1: Employees' perceptions of their immediate supervisors' servant leadership will be positively related to employees' perceptions of their immediate supervisors' transformational leadership.*

Servant Leadership Theory Versus Transactional Leadership Theory

Servant leadership and transactional leadership are distinguishable in a number of ways. Servant leaders emphasize activities that demonstrate concern about followers' well-being, while transactional leaders focus on the routine maintenance activities of allocating resources and monitoring and directing followers in order to achieve organizational goals (Kanungo, 2001). Servant leaders gain influence in a nontraditional manner that originates from servanthood (Russell & Stone, 2002); as a result, followers are given a measure of freedom to exercise their own abilities. Unlike the servant leader who influences

followers through personal development and empowerment, the transactional leader influences followers through the use of rewards, sanctions, and formal authority and position to induce compliant behavior.

While servant leaders work in various ways to uplift the morale and motivation of followers, transactional leaders cater primarily to short-term self-interests of followers (see Bass, 1999). Servant leaders use influence strategies that consider followers' values, norms, and attitudes and that empower followers, while transactional leaders utilize rewards, punishments, and formal authority to induce compliant behavior.

Unlike servant leaders, transactional leaders serve their personal interests (e.g., material benefits, status, power) by requiring followers to demonstrate behaviors compliant with the leaders' expectations (Kanungo, 2001). The control strategies used by transactional leaders do not permit follower empowerment, autonomy, and development (Kanungo & Mendonca, 1996) as afforded by servant leadership.

Servant Leadership Versus Contingent Reward Leadership

Leaders who practice transactional contingent reward leadership reflect behavior further distinguishing transactional leadership from servant leadership. According to Blanchard and Johnson (1985), transactional leaders create strong expectations for employee work behaviors, along with clear indications of rewards employees will receive in exchange for meeting transactional leaders' expectations. Transactional leaders work to induce compliant behavior by not only using rewards but also sanctions and formal authority—all influence strategies contradicting the empowerment strategies emphasized by servant leaders.

> *Hypothesis 2: Employees' perceptions of their immediate supervisors' servant leadership will be negatively related to employees' perceptions of their immediate supervisors' contingent reward leadership.*

Servant Leadership Versus Management-By-Exception Leadership

Leaders who practice transactional active or passive management-by-exception also demonstrate behavior that distinguishes transactional leadership from servant leadership. Transactional leaders who practice management-by-exception do not involve themselves with followers until deviations from work standards occur (Bass, 1985; 1990). Such leaders intervene only when corrective action is necessary, and the leaders arrange actions to correct specific failures. Passive leaders wait until followers' behaviors have created problems before they take corrective action against obvious deviations from performance standards. On the other hand, active leaders monitor follower performance in order to anticipate deviations from standards prior to their becoming problems (Hater & Bass, 1988). Both active and passive management-by-exception emphasize the use of tactics such as discipline, punishment, and negative feedback (Bass & Avolio, 1993) and other influence strategies that oppose the empowerment tactics embraced in servant leadership.

> *Hypothesis 3: Employees' perceptions of their immediate supervisors' servant leadership will be negatively related to employees' perceptions of their immediate supervisors' active management-by-exception leadership.*
> *Hypothesis 4: Employees' perceptions of their immediate supervisors' servant leadership will be negatively related to employees' perceptions of their immediate supervisors' passive management-by-exception leadership.*

Servant Leadership Versus Laissez Faire Leadership

Laissez faire leaders distinguish themselves from servant leaders by the laissez faire leaders' lack of involvement in their leadership of followers (Bradford & Lippit, 1945). Unlike servant leaders who are primarily driven by the interests of followers, laissez faire leaders do not consider nor work to meet the needs of followers—even when action is necessary (Bass, 1985). In contrast with servant leaders' focus

on active participation in the development of followers, laissez faire leaders are defined by overall inactivity in relationships with followers (Barbuto, 2005).

> *Hypothesis 5: Employees' perceptions of their immediate supervisors' servant leadership will be negatively related to employees' perceptions of their immediate supervisors' laissez faire leadership.*

See Figure 1 for a diagram of the relationships proposed in the current study.

FIGURE 1
A DIAGRAM OF THE RELATIONSHIPS PROPOSED IN THE CURRENT STUDY
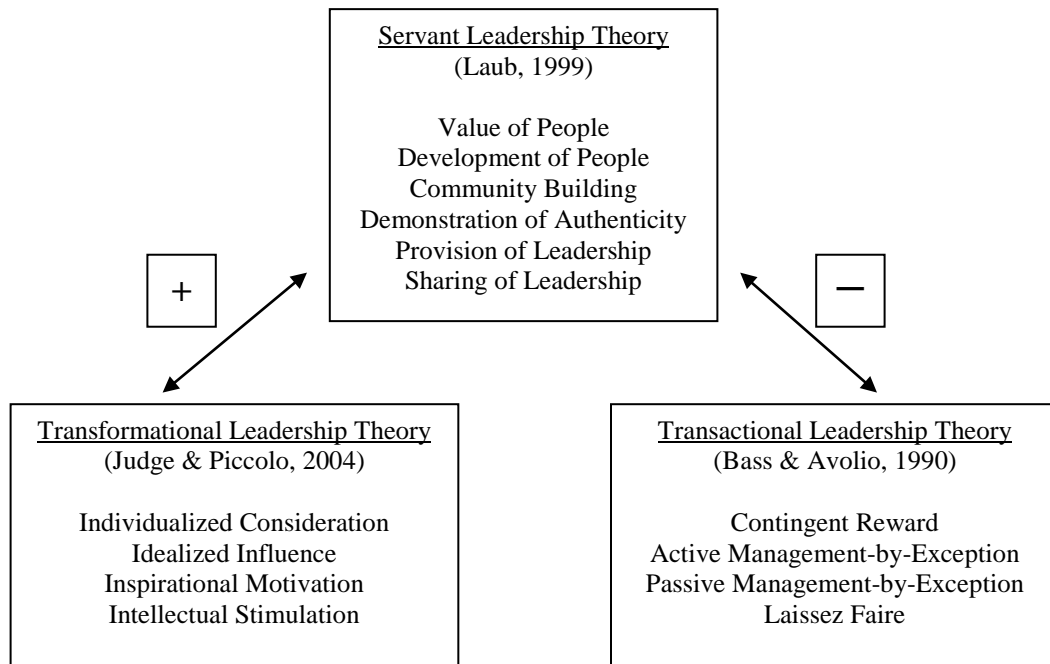
METHOD

Sample and Setting

Questionnaire data were gathered from 207 employees in five public and private sector organizations in the Southern U.S. The organizations included a daycare center, a community foundation, a newspaper, and two municipal public works facilities (each public works facility was located in a different state). A multi-organizational sample was used in the study to enhance the variation and generalizability of responses. Table 1 summarizes subsample sizes, response rates, and demographic information.

Seventy-nine percent of the participants were male, 44% were European American, and 52% were African American. The average age was 45. On average, participants had worked in their current jobs for 5.2 years and worked in their current organizations 10.5 years. Of the 473 employees invited to participate in the study, 207 (44%) completed the questionnaire. The few missing values in the data were imputed by a regression method, which replaces a missing value with the linear trend (predicted value) for that point based on regression analyses of existing values. Since a small percentage of missing values was imputed, sample variances should not underestimate population variance.

Procedure

A questionnaire was administered to all employees in order to capture employees' perceptions of their immediate supervisors' servant leadership, transformational leadership, and transactional leadership behaviors. All questionnaires were administered to respondents via personal delivery by the first author

TABLE 1
DEMOGRAPHIC INFORMATION BY SAMPLE

Variable	Sample 1	Sample 2	Sample 3	Sample 4	Sample 5
Organization	Daycare	Foundation	Newspaper	Public Works I	Public Works II
N	5	4	1	186	11
% response rate	22	100	50	49	18
Education					
% Less than HS degree	0	0	0	8.1	18.2
% High school degree	40	0	0	31.2	27.3
% Some college but no college degree	20	25	0	39.8	36.4
% Junior college or associate degree	0	0	0	14	0
% Bachelor's/undergraduate college degree	0	50	0	3.2	18.2
% Bachelor's degree and some graduate work	0	0	0	1.6	0
% Master's/graduate Degree	0	0	0	1.6	0
% Master's degree and some doctorate work	20	25	0	0.5	0
% Doctorate	20	0	100	0	0
Ethnicity					
% African American	100	75	0	46.8	100
% Asian American	0	0	0	0.5	0
% European American	0	25	100	47.3	0
% Hispanic American	0	0	0	1.6	0
% Native American	0	0	0	1.1	0
% Pacific Islander	0	0	0	0.5	0
% Other	0	0	0	2.2	0
Gender					
% Female	100	100	100	17.7	9.1
% Male	0	0	0	82.3	90.9
Mean age (years)	36 (3.49)	24.50 (0.58)	63 (0.00)	45.5 (2.15)	43.5 (2.51)
Mean job/position tenure (in years)	2.02 (0.83)	1.17 (0.77)	23 (0.00)	5.37 (5.68)	3.29 (3.20)
Mean organization tenure (in years)	2.02 (0.83)	1.17 (0.77)	23 (0.00)	10.84 (8.69)	10.45 (8.80)

Note. Standard deviations are shown in parentheses.

and/or designated personnel. A labeled box or folder was placed in the buildings for completed questionnaires to be returned by given deadlines. All questionnaires were administered in a similar manner in order to minimize variance that could be attributable to measurement methods rather than constructs of interest (Podsakoff, MacKenzie, Lee, & Podsakoff, 2004).

To minimize common method bias due to cross-sectional self-reporting, a delay was adopted between data collection points for different constructs from the same sources (Avolio, Yammarino, & Bass, 1991). To discourage and minimize social desirability in responses, respondents were assured by both the researcher and leaders of the sampled organizations that complete confidentiality would be maintained. Respondents were also assured that there were no right or wrong answers to questionnaire items. These steps helped to reduce the likelihood of respondents editing responses to be more socially desirable or even consistent with how they think the researchers or organizational leaders may have wanted them to respond.

Measures

Servant Leadership

Servant leadership was measured using the Liden et al. (2008) 28-item servant leadership instrument. The scale measures employee perceptions of seven dimensions of their immediate supervisors' servant leadership: (a) emotional healing, which is the act of showing sensitivity to others' personal concerns; (b) creating value for the community, or demonstrating genuine concern for helping the community; (c) conceptual skills, which include knowledge of the organization and relevant tasks so as to be in a position to effectively support followers; (d) empowering, or encouraging and facilitating followers in problem-solving and in determining when and how to complete work tasks; (e) helping subordinates grow and succeed, which involves the demonstration of genuine concern for followers' career development by providing mentorship and support; (f) putting subordinates first, or clarifying to followers that meeting followers' work needs is a priority; and (g) behaving ethically, which involves interacting openly, fairly, and honestly with followers. Respondents rated agreement with each of the 28 items on a 7-point Likert scale, with 1 representing "strongly disagree" and 7 representing "strongly agree." The items were altered slightly to fit the specific context of the study. Sample items are, "My immediate supervisor cares about my personal well-being." "My immediate supervisor gives me the freedom to handle difficult situations in the way that I feel is best." "My immediate supervisor puts my best interests ahead of his/her own." Cronbach's alpha for each dimension are: conceptual skills (α = .80); empowerment (α = .79); helping subordinates grow and succeed (α = .82); putting subordinates first (α = .86); behaving ethically (α = .83); emotional healing (α = .76); creating value for the community (α = .83) (Liden et al., 2008). Since overall servant leadership was tested in the current study, each servant leadership score represented the average response across all 28 items. Cronbach's alpha for the overall servant leadership measure in the current study is .97.

Transformational Leadership

Transformational leadership was measured using 20 items from Avolio and Bass' (2004) Multifactor Leadership Questionnaire (MLQ—Form 5X). The MLQ is one of the most widely used instruments employed to measure transformational leadership (Tejeda, Scandura, & Pillai, 2001). Each item rates how frequently specific behaviors are demonstrated by managers, supervisors, and top leaders in the organization. The items measure the four dimensions of transformational leadership: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. A 5-point Likert scale was used for rating the frequency of the observed leader behaviors, with 0 representing "not at all" and 4 representing "frequently, if not always." The items were altered slightly to fit the specific context of the study. Example items are, "My immediate supervisor: (a) talks about his or her most important values and beliefs, (b) talks enthusiastically about what needs to be accomplished, and (c) re-examines critical assumptions to question whether they are appropriate." Cronbach's alpha is .73 for eight idealized influence items, .83 for four inspirational motivation items, .75 for five intellectual stimulation items, and .77 for three individualized consideration items (Avolio & Bass, 2004). In the current study, Cronbach's

alpha is .92 for the idealized influence items, .87 for the inspirational motivation items, .90 for the intellectual stimulation items, and .77 for the individualized consideration items. Since overall transformational leadership was tested in the current study, each transformational leadership score represented the average response across all 20 items. Cronbach's alpha for the overall transformational leadership measure in the current study is .96.

Transactional Leadership

Transactional leadership was measured using 16 items from Avolio and Bass' (2004) MLQ—Form 5X, an instrument commonly used to measure transactional leadership (Tejeda et al., 2001). Each item rates how frequently specific behaviors are demonstrated by managers, supervisors, and top leaders in the organization. The items measure the four dimensions of transactional leadership: contingent reward, active management-by-exception, passive management-by-exception, and laissez faire. A 5-point Likert scale was used for rating the frequency of the observed leader behaviors, with 0 representing "not at all" and 4 representing "frequently, if not always." The items were altered slightly to fit the specific context of the study. Sample items are, "My immediate supervisor: (a) provides me with assistance in exchange for my efforts, (b) waits for things to go wrong before taking action, (c) focuses attention on irregularities, mistakes, exceptions, and deviations from standards, and (d) avoids getting involved when important issues arise." Cronbach's alpha is .69 for four contingent reward items, .75 for four active management-by-exception items, .70 for four passive management-by-exception items, and .71 for four laissez faire leadership items (Avolio & Bass, 2004). In the current study, Cronbach's alpha is .85 for the contingent reward items, .74 for the active management-by-exception items, .66 for the passive management-by-exception items, and .83 for the laissez faire items. Since each dimension of transactional leadership was tested in the current study, each transactional leadership score represented the average responses across items for each of the four dimensions.

Data Analysis

Regression analysis was used to estimate the relationships between supervisors' perceived servant leadership and transformational leadership, contingent reward leadership, active management-by-exception leadership, passive management-by-exception leadership, and laissez faire leadership. Table 2 reports the means, standard deviations, and intercorrelations for the study variables, and Table 3 reports the regression results. Hypothesis 1 predicted employees' perceptions of their immediate supervisors' servant leadership will be positively related to employees' perceptions of their immediate supervisors' transformational leadership. Transformational leadership was positively related to servant leadership (β = .86, $p < .01$) and accounted for over 70% of the variance in servant leadership ($R^2 = .73$). Hypothesis 2 predicted employees' perceptions of their immediate supervisors' servant leadership will be negatively related to employees' perceptions of their immediate supervisors' contingent reward leadership. Surprisingly, contingent reward leadership was positively related to servant leadership (β = .80, $p < .01$) and accounted for 65% of the variance in servant leadership ($R^2 = .65$). Hypothesis 3 predicted employees' perceptions of their immediate supervisors' servant leadership will be negatively related to employees' perceptions of their immediate supervisors' active management-by-exception leadership. However, active management-by-exception was positively related to servant leadership (β = .38, $p < .01$) and accounted for 14% of the variance in servant leadership ($R^2 = .14$). As Hypothesis 4 predicted, employees' perceptions of their immediate supervisors' servant leadership was negatively related to employees' perceptions of their immediate supervisors' passive management-by-exception leadership (β = -.23, $p < .01$) with an R^2 of .05. Finally, as predicted in Hypothesis 5, employees' perceptions of their immediate supervisors' servant leadership was negatively related to employees' perceptions of their immediate supervisors' laissez faire leadership (β = -.40, $p < .01$) with an R^2 of .16.

TABLE 2
MEANS, STANDARD DEVIATIONS, AND INTERCORRELATIONS AMONG STUDY VARIABLES

Variable	*M*	*SD*	1	2	3	4	5	6	7	8	9	10	11	12
Demographic Variables:														
1. Age	45.00	2.26	---	-.08	.05	-.19**	.31**	.47**	.13	-.02	.05	.03	.00	.07
2. Education	2.99	1.43		---	-.05	.30**	-.10	-.17*	-.17*	.11	-.26**	-.20**	.17*	.17*
3. Ethnicity	2.10	1.28			---	-.05	.12	.14	-.17*	-.21**	.14*	.00	-.13	-.20**
4. Gender	0.21	0.41				---	-.09	-.15*	-.12	.08	-.12	-.07	.19**	.13
5. Job tenure	5.19	5.64					---	.55**	-.10	-.20**	.20**	.13	-.21**	-.19**
6. Organizational tenure	10.48	8.71						---	-.07	-.12	.11	.10	-.07	-.09
Ratings of Leadership:														
7. Active management-by-exception	9.31	3.78							(.74)	.50**	-.01	.18*	.38**	.54**
8. Contingent reward leadership	6.37	3.86								(.83)	-.35**	-.13	.80**	.91**
9. Laissez faire leadership	52.74	18.70									(.83)	.56**	-.40**	-.37**
10. Passive management-by-exception	4.46	4.36										(.70)	-.23**	-.14*
11. Servant leadership	144.36	32.37											(.86)	.86**
12. Transformational leadership	10.42	4.00												(.93)

Note. N=207. Alpha coefficients are in parentheses along the diagonal.
*p < .05.
**p < .01.

TABLE 3
REGRESSION RESULTS FOR SUPERVISOR TRANSFORMATIONAL LEADERSHIP, CONTINGENT REWARD LEADERSHIP, ACTIVE MANAGEMENT-BY-EXCEPTION LEADERSHIP, PASSIVE MANAGEMENT–BY-EXCEPTION LEADERSHIP, AND LAISSEZ FAIRE LEADERSHIP ON SERVANT LEADERSHIP

Variable	B	$SE\ B$	β
Supervisor transformational leadership	66.24	3.50	.86**
Supervisor contingent reward leadership	76.55	3.76	.80**
Supervisor active management-by-exception leadership	114.29	5.57	.38**
Supervisor passive management-by-exception leadership	156.39	4.25	-.23**
Supervisor laissez faire leadership	157.77	2.96	-.40**

Note. $N = 207$.
**$p < .01$.

DISCUSSION

The present research endeavored to provide empirical support for servant leadership theory by studying its relationship with the well-supported leadership theories of transformational leadership and transactional leadership.

As predicted, perceived servant leadership was positively related to perceived transformational leadership. In other words, supervisors perceived as servant leaders were likely also to be perceived as transformational leaders. Chin and Smith (2006) argue that the characteristics of transformational leadership resemble many of the characteristics of servant leadership. Their study suggests that while servant leaders are transformational leaders, the reverse may not be true. "Servant leaders and transformational leaders share a common goal to transform their followers and organizations, albeit with different motivations, strategies and personal values" (p. 19).

Literature on servant leadership often grounds the theory originally in the context of spirituality at work (Autrey, 2001; Blanchard & Hodges, 2003; Blanchard, Hybels, & Hodges, 1999; Greenleaf, 1977; Sauser, 2005), but as the theory has entered the mainstream literature on leadership (e.g., Bass, 2000; Kouzes & Posner, 2007) it has become apparent that the methods employed by servant leaders overlap considerably—if not completely—with those used by transformational leaders (Stone et al., 2003). In fact, as this study has confirmed, operationally the two theories appear to be identical. Even at the questionnaire item level, transformational leadership and servant leadership are operationalized using virtually identical descriptors.

As also expected, perceived servant leadership was negatively related to perceived passive management-by-exception and laissez faire leadership. Supervisors reported as demonstrating servant leadership were not likely to be reported as demonstrating behaviors characteristic of passive management-by-exception or laissez faire leadership styles. For leaders never to intervene in employee work or to intervene in employee work only when corrective action is necessary involves respective use

of either inactivity in leadership or discipline, punishment, and negative feedback (Bass & Avolio, 1993)—tactics that oppose the empowerment tactics embraced in servant leadership.

Surprisingly, perceived servant leadership was positively related to perceived contingent reward leadership and perceived active management-by-exception leadership. That is, supervisors perceived to practice servant leadership were likely also to be perceived to practice both transactional contingent reward leadership and transactional active management-by-exception leadership. These findings were somewhat unexpected, given transactional leadership theory's primary emphasis on the fulfillment of leaders' personal needs by requiring followers to demonstrate behaviors compliant with the leaders' expectations (Kanungo, 2001). However, according to Conger and Kanungo (1998), transactional leaders operate according to a vision that *may or may not* represent the shared perspective advocated by servant leaders. Thus, there may be the possibility that transactional leaders share some decision-making with followers such that followers' interests are considered in the development of the transactional leaders' exchange of rewards for compliance. As a result, transactional contingent reward leadership may resemble servant leadership when transactional leaders create work expectations agreed upon by followers. Contingent reward behavior may then be used to set up transactions with employees in order to achieve both work goals (Bass, 1985) and personal employee goals.

Likewise, perceived transactional active management-by-exception may also appear akin to servant leadership in some respects. Although an active management-by-exception leader monitors a follower's performance in order to anticipate deviations from standards prior to their becoming problems (Hater & Bass, 1988), active management-by-exception leadership may appear as a form of servant leadership when the imposed standards are embraced by both the transactional leader and his/her follower. Such a rationale may help to explain why perceived servant leadership was found to be positively related to perceived transactional active management-by-exception leadership in the present study.

LIMITATIONS

Limitations of the current study include a demographically and organizationally limited sample. While respondents represented five different organizations, the vast majority came from one organization. The sample was predominantly male (79%). Given that a significant positive correlation was found between gender and servant leadership ($r = .19$, $p < .01$) (i.e., female participants were more likely to report their leaders as servant leaders), the current study should be replicated in samples with more even distributions of gender.

CONCLUSION

The present research represents an attempt to further develop servant leadership theory by empirically comparing and contrasting it with theories of transformational and transactional leadership. Such comparisons and contrasts are needed in the academic literature, as implied by Bass and Avolio (1993), who stated "we have only scratched the surface in terms of connecting…transformational leadership to other models" (p. 75). Bass (2000) concluded servant leadership's profound conceptual foundation offers great opportunity for further theoretical development, as was endeavored in the current study.

The results of the present study continue to suggest that servant leadership shares much in common with other theories of leadership, especially transformational leadership. In fact, the question posed by Stone et al. (2003) remains to be answered:

> [W]hat is the real difference, if any, between transformational leadership and servant leadership? Is servant leadership just a subset of transformational leadership or vice versa? Are transformational leadership and servant leadership the same theory, except for their use of different names? (Stone et al., 2003, p. 353)

We encourage future researchers to continue efforts to answer this question. Are there any aspects of servant leadership which differentiate it from other possible forms of transformational leadership? Can subtle individual differences in leader focus (Stone et al., 2003) or leader motives (Chin & Smith, 2006)—the 'desire to serve' that spiritual proponents of servant leadership (e.g., Autry, 2001, p. 8; Blanchard & Hodges, 2003, p. 17; Blanchard et al., 1999, p. 78; Greenleaf, 1977, p. 21; Sauser, 2005, p. 356) often term as 'the heart of a servant'—be teased out using measures that focus on leader behavior like those in the present study? If such theoretical differences are too subtle to be found using the state of the art measures of servant leadership and transformational leadership employed in this study, then perhaps servant leadership and transformational leadership are indeed simply two names for the same powerful theory of leadership. If so, then we are witnessing the convergence of two important streams of theory and research in leadership.

REFERENCES

Autry, J.A. (2001). *The servant leader: How to build a creative team, develop great morale, and improve bottom-line performance.* Roseville, CA: Prima Publishing.

Avolio, B.J., & Bass, B.M. (2002). *Developing potential across a full range of leadership cases on transactional and transformational leadership*. Mahwah, NJ: Lawrence Erlbaum Associates.

Avolio, B.J., & Bass, B.M. (2004). *Multifactor leadership questionnaire*. Lincoln, NE: Mindgarden, Inc.

Avolio, B.J., Yammarino, F.J., & Bass, B.M. (1991). Identifying common methods variance with data collected from a single source: An unresolved sticky issue. *Journal of Management, 17*, 571-587.

Barbuto, J.E., Jr. (2005). Motivation and transactional, charismatic, and transformational leadership: A test of antecedents. *Journal of Leadership and Organizational Studies, 11*(4), 26-40.

Barbuto, J.E. & Wheeler, D.W. (2006). Scale development and construct clarification of servant leadership. *Group & Organization Management, 31*, 300-326.

Bass, B.M. (1985). *Leadership and performance beyond expectations*. New York: Basic Books.

Bass, B.M. (1990). From transactional to transformational leadership: Learning to share the vision. *Organizational Dynamics, 18*(3), 19-31.

Bass, B.M. (1998). *Transformational leadership: Industrial, military, and educational impact.* Mahwah, NJ: Lawrence Erlbaum Associates.

Bass, B.M. (1999). Two decades of research and development in transformational leadership. *European Journal of Work and Organizational Psychology, 8*(1), 9-32.

Bass, B.M. (2000). The future of leadership in learning organizations. *Journal of Leadership Studies, 7*(3), 18-40.

Bass, B.M., & Avolio, B.J. (1990). Developing transformational leadership: 1992 and beyond. *Journal of European Industrial Training, 14*, 21-27.

Bass, B.M., & Avolio, B.J. (1993). Transformational leadership: A response to critiques. In M. M. Chambers & R. Ayman (Eds.), *Leadership theory and research: Perspectives and directions* (pp. 49-80). San Diego: Academic Press.

Bass, B.M., & Avolio, B.J. (1994). Introduction. In B.M. Bass and B.J. Avolio (Eds.), *Improving organizational effectiveness through transformational leadership* (pp. 1-9). Thousand Oaks, CA: Sage Publications.

Blanchard, K., Hybels, B., & Hodges, P. (1999). *Leadership by the book: Tools to transform your workplace.* New York: William Morrow and Company.

Blanchard, K., & Hodges, P. (2003). *The servant leader: Transforming your heart, head, hands & habits.* Nashville, TN: J. Countryman.

Blanchard, K., & Johnson, S. (1985). *The one-minute manager*. Berkeley, CA: Berkeley Publishing Company.

Bradford, L.P., & Lippitt, R. (1945). Building a democratic work group. *Personnel, 22*(3), 142-148.

Burns, J.M. (1978). *Leadership*. New York: Harper and Row.

Chin, D., & Smith, W. (2006). An inductive model of servant leadership: The considered difference to transformational and charismatic leadership. Paper presented at the meeting of the Academy of Management, Atlanta, GA.

Conger, J.A., & Kanungo, R.N. (1998). *Charismatic leadership in organizations*. Thousand Oaks, CA: Sage Publications.

Crippen, C. (2005). Servant leadership as an effective model for educational leadership and management: First to serve, then to lead. *Management in Education, 18*(5), 11-16.

Farling, M.L., Stone, A.G., & Winston, B.E. (1999) Servant leadership: Setting the stage for empirical research. *Journal of Leadership Studies, 6,* 49-72

Graham, J.W. (1991). Servant-leadership in organizations: Inspirational and moral. *Leadership Quarterly, 2,* 105-119.

Greenleaf, R. K. (1977). *Servant leadership: A journey into the nature of legitimate power and greatness*. Mahwah, NJ: Paulist Press.

Hater, J.J., & Bass, B.M. (1988). Superiors' evaluations and subordinates' perceptions of transformational and transactional leadership. *Journal of Applied Psychology, 73*(4), 695-702.

Judge, T.A., & Piccolo, R.F. (2004). Transformational and transactional leadership: A meta-analytic test of their relative validity. *Journal of Applied Psychology, 89*(5), 755-768.

Jung, D.I., & Avolio, B.J. (2000). Opening the black box: An experimental investigation of the mediating effects of trust and value congruence on transformational and transactional leadership. *Journal of Organizational Behavior, 21*(8), 949-964.

Kanungo, R.N. (2001). Ethical values of transactional and transformational leaders. *Canadian Journal of Administrative Sciences, 18*(4), 257-265.

Kanungo, R.N., & Mendonca, M. (1996). *Ethical dimensions of leadership*. Thousand Oaks, CA: Sage Publications.

Kouzes, J.M., & Posner, B.Z. (2007). *The leadership challenge* (4th ed.). San Francisco: Jossey-Bass.

Laub, J.A. (1999). *Assessing the servant organization: Development of the servant organizational leadership assessment (SOLA) instrument*. Unpublished doctoral dissertation, Florida Atlantic University.

Liden, R.C., Wayne, S.J., Zhao, H., & Henderson, D. (2008). Servant leadership: Development of a multidimensional measure and multi-level assessment. *The Leadership Quarterly, 19,* 161-177.

Magoni, F. (2003). Pyramids and paradigms. *Pastoral Forum, 20*(1), 14.

Neubert, M.J., Carlson, D.S., Roberts, J.A., Kacmar, K.M., & Chonko, L.B. (2008). Regulatory focus as a mediator of the influence of initiating structure and servant leadership on employee behavior. *Journal of Applied Psychology, 93*(6), 1220-1233.

Nwogu, O.G. (2004). *Servant leadership model: The role of follower self-esteem, emotional intelligence, and attributions on organizational effectiveness*. Paper presented at the Servant Leadership Roundtable, Regent University.

Parriss, D.L., & Peachey, J.W. (2013). A systematic literature review of servant leadership theory in organizational contexts. *Journal of Business Ethics, 113,* 377-393.

Podsakoff, P.M., MacKenzie, S.B., Lee, J.Y., & Podsakoff, N.P. (2003). Common method biases in behavioral research: A critical review of the literature and recommended remedies. *Journal of Applied Psychology, 88*(5), 879-903.

Reed, L.R., Vidaver-Cohen, D., & Colwell, S.R. (2011). A new scale to measure executive servant leadership: Development, analysis and implications for research. *Journal of Business Ethics, 101,* 415-434.

Russell, R.F., & Stone, A.G. (2002). A review of servant leadership: Developing a practical model. *Leadership and Organization Development Journal, 23*(3/4), 145-157.

Sauser, W.I., Jr. (2005). Ethics in business: Answering the call. *Journal of Business Ethics, 58*, 345-357.

Sergiovanni, T.J. (2000). *Leadership as stewardship*. New York: John Wiley and Sons, Inc.

Smith, B.N., Montagno, R.V., & Kuzmenko, T.N. (2004). Transformational and servant leadership: Content and contextual comparisons. *Journal of Leadership & Organizational Studies, 10*(4), 80-91.

Spears, L.C. (Ed.). (1995). *Reflections on leadership: How Robert K. Greenleaf's theory of servant leadership influenced today's top management thinkers*. New York: John Wiley & Sons.

Stone, A.G., Russell, R.F., & Patterson, K. (2003). Transformational versus servant leadership: A difference in leader focus. *Leadership & Organizational Development Journal, 25*(4), 349-361.

Tebeian, A.E. (2012). The impact of motivation through leadership on group performance. *Review of International Comparative Management, 13*(2), 313-324.

Tejeda, M.J., Scandura, T.A., & Pillai, R. (2001). The MLQ revisited: Psychometric properties and recommendations. *Leadership Quarterly, 12*, 31-52.

Tracey, J. B., & Hinkin, T. R. (1998). Transformational leadership or effective managerial practices? *Group & Organization Management, 23*, 220-236.

Van Dierendonck, D. (2011). Servant leadership: A review and syntheses. *Journal of Management, 27*(4), 1228-1261.

Van Dierendonck, D., & Nuijten, I. (2011). The servant leadership survey: Development and validation of a multidimensional measure. *Journal of Business Psychology, 26*, 249-267.

Yammarino, F.J., Spangler, W.D., & Bass, B.M. (1993). Transformational leadership and performance: A longitudinal investigation. *Leadership Quarterly, 4*, 81-102.

Yukl, G. (2006*). Leadership in organizations*. Upper Saddle River, NJ: Prentice-Hall.

Mapping Interlocking Directorates: Citigroup's Eight Links with the Mortgage Crisis

Karen L. Fowler
Colorado State University—Pueblo

Michael Fronmueller
Colorado State University—Pueblo

Jane O. Schifferdecker
Colorado State University—Pueblo

This paper presents an analysis and visual map of Citigroup's interlocking directorates that could have been related to the mortgage crisis. Interlocking directorates occur when a member of the board of directors of one company sits on the board of directors of another company, providing the opportunity for shared communications and exchanges of information. An analysis of eight Citigroup board members indicates 1,209 links.

INTRODUCTION

In the past few years, one of the largest monetary crises in American history has quickly developed and grown into a worldwide economic breakdown, with home values and markets falling like never before except for the Great Depression. The sub-prime mortgage crisis, started by numerous participants and circumstances, has mushroomed into global disorder. Discovering what set in motion the mortgage crisis is not the purpose of this paper. The purpose is to demonstrate a potential link between the interlocking board members of the nine major banking institutions involved, especially Citigroup, and how strategic relationships and social networks might increase the probability that interlocks could have magnified the crisis. This paper presents an example of how interlocking directorates could be a source of information, through board networking opportunities, which may have led each of the entities to be involved in the buying of the sub-prime mortgage packages. The paper also presents a visual map of Citigroup's eight links.

INTERLOCKING DIRECTORATES

An interlocking directorate occurs when a member of the board of directors of one company sits on the board of directors of another company. A direct interlock occurs when one board member is the link between two companies. When a director of company A and a director of company B are both directors of company C, there is an indirect lock. Interlocking directorates, therefore, are linkages among corporations created by individuals who sit on two or more corporate boards (Domhoff, 2005).

The research literature published on interlocking directorates is extensive both theoretically and empirically and encompasses many diverse disciplines, industries, and countries. An Internet search using Google Scholar, Advanced Scholar Search, produced 16,400 articles, with 4,250 published since 2009. Popular avenues of research include the relationship between interlocking directorates and a nearly insurmountable number of other variables. Examples include:

Corporate performance (Overfelt, Annaert, Ceuster, & Deloof, 2009; Phan, 2003)
CEO compensation (Dalton & Daily, 2001; Shropshire, 2010)
Board monitoring and/or weak governance (Devos, Prevost, & Puthenpurackal, 2009)
Busy directors--directors serving on numerous boards (Cashman, Gillan, & Jun, 2012)
Corporate headquarters locations (Kono, Palmer, Friedland, & Zafonte 1998)
Corporate decision making and strategic choices (Bazerman & Schoorman, 1983; Geletkanycz & Hambrick, 1997; Yoo, Reed, Shin, & Lemak, 2009)
Environmental uncertainty (Lang & Lockhart, 1990)
Resource dependence (Schmidt & Keil, 2013)
Class integration (Mizruchi, 1996)
Reputational advantages or disadvantages (Zajac & Westphal, 1996)
Adoption of proactive environmental strategies (Ortiz-de-Mandojana, Aragon-Correa, Delgado-Ceballos, & Ferron-Vilchez, 2012)
State-owned versus non-state-owned enterprises (Choon-Yin, 2008; Li, Tian, & Yan, 2013)
Information sharing and networking (Borch & Huse, 1993; Shropshire, 2010)

Of interest in our research is the relationship between interlocking directorates and the ability to pass information quickly through the network. One way of accomplishing this is to map the structure of the existing interlocks for a particular company of interest. Our research objective was to examine the structure of Citigroup's interlocking directorates to determine whether any links were present with other financial institutions involved with the mortgage crisis.

THE BANKING CONNECTIONS

Every publicly traded United States Corporation is required to have at least three directors on their boards, with most large corporations having at least ten (On, 2004). Each of the companies examined have more than ten, with many between 12 and 18 directors. The initial investigation of the eight banks was conducted through the website *They Rule* (On, 2004), which is a database that allows the creation of maps that connect boards of leading companies to each other and links each director to all of the boards to which they belong. Additional information was then collected from the companies' websites and SEC filings. Our intention was to research Citigroup's board relationships as they existed prior to the peak of the mortgage crisis, followed by an update on those Citigroup Board members in 2011.

The following eight banks were the preliminary group used to connect to Citigroup's Board:
- Bank of America
- Goldman Sachs
- J.P. Morgan Chase
- Mellon Bank
- Morgan Stanley
- Merrill-Lynch
- State Street
- U.S. Bank Corp

After closer inspection of the connections, it became apparent that by using only eight 2004 Citigroup Board Members, there were nine more financial institutions involved in the mortgage crisis that could be

linked to them. In total, there were indirect links to seventeen financial institutions. The nine organizations not included in the first search are Wachovia, Lehman Brothers Holdings, Bear Stearns, Freddie Mac, Fannie Mae, Countrywide, Principle, Wells Fargo and Bank One.

THE EIGHT CITIGROUP DIRECTORS AND THEIR CONNECTIONS

Franklin A. Thomas

Consultant for The Study Group and has served on the board since 2005. He has been involved with nonprofits such as the September 11th Fund and the Friends of the Nelson Mandela Children's Fund. Through one connection with Salomon D. Trujillo, Thomas is indirectly linked with four Board Members on the Pepsi Co Board and four members of the Target Board. Through these two boards and Trujillo, Thomas is indirectly linked with Lehman Brothers Holdings, Wells Fargo, Goldman Sachs, US Bank and Fannie Mae by one link for each of them. Thomas connects to Freddie Mac, Bank of America, Mellon Bank and Goldman Sachs by two links and to Morgan Stanley, J.P. Morgan Chase and State Street by three links. There are five links to Bear Stearns. He serves on the boards of Lucent Technologies and Alcoa in addition to Citigroup, where he has been a board member since 1970.

Kenneth T. Derr

Derr was the Chairman and Chief Executive Officer of the Chevron Corporation from 1989 to 1999 and has been on the board since 1987. He has been a member of the Council on Foreign Relations, the National Petroleum Council and the Hoover Institution Board of Overseers. Derr serves as a director for Halliburton Corporation and through this one board is connected to Wells Fargo by two links and State Street, Merrill Lynch and J.P. Morgan Chase by three links. Derr also sits on the boards of Calpine and AT&T.

George David

Former president of United Technologies Corporation, the manufacturer of the Black Hawk Helicopters, David started his career with the Boston Consulting Group as a Management Consultant. He is a board member of Citigroup, United Technologies and British Petroleum, plus a member on the Business Council and the Business Roundtable. As a member of the United Technologies Board he has links to Fannie Mae, Principal Financial and Wells Fargo through one link, and Wachovia Corporation by two links.

John M. Deutch

Deutch has served as the Director of Central Intelligence, Deputy Secretary of the U.S. Department of Defense, and the Under Secretary for the U.S. Department of Defense and the U.S. Department of Energy. He has held numerous positions at M.I.T. where he is an Institute Professor. He is involved in the Urban Institute as a Life Trustee, plus Resources for the Future and the Center for American Progress, both as a trustee. He has been on the board of Citigroup since 1996. Deutch has a single link through Raytheon Corporation to State Street and a link to J.P. Morgan Chase by three links. He serves also on the boards of Raytheon and Cummins.

Richard D. Parsons

Parsons is the Chairman of Time Warner Inc. and has been in several positions there since 1991, plus he sits on the board. He has been the Chairman and Chief Executive Officer of Dime Savings Bank of New York, General Counsel and Associate Director for the Domestic Council of the White House, Deputy Counsel to the Vice President, Office of the Vice President of the United States, Assistant and First Assistant Counsel to the Governor, State of New York, and a director of Citigroup since 1996. He has only one link to Morgan Stanley. Parsons serves on the boards of Estée Lauder and Time Warner, Inc.

Robert E. Rubin

As the Chairman of the Executive Committee, Rubin has been on the board since 1999. His positions have included Secretary of the Treasury of the United States, Assistant to the President for Economic Policy, Co-Senior Partner, Co-Chairman, Vice-Chairman, Co-Chief Operating Officer and general partner for Goldman Sachs. Rubin has served as a member of the Harvard Corporation, Co-Chairman on the Council on Foreign Relations, on Insight Capital Partners Advisory Board, as a special advisor for Tinicum Capital Partners, and Taconic Capital Advisors as a member of the advisory board. Rubin, through the Ford Motor Company, is associated to Bank One Corporation by one link, Merrill Lynch by two, plus Goldman Sachs and Bank One by three links.

Alain J. P. Belda

Belda has been the Chairman of Alcoa Inc. since 2001 and has held numerous positions there since 1969. He has served on the Conference Board, as a trustee and is a member of The Woodrow Wilson International Center for Scholars, The Business Council, the Business Roundtable, and the World Business Council for Sustainable Development, plus the World Economic Forum International Business Council. He is linked with Countrywide Financial by three links and those three boards are DuPont, Conoco Phillips and Lockheed Martin.

C. Michael Armstrong

Armstrong has been on the board at Citigroup since 1989 and is the Chairman for the Board of Trustees at John Hopkins Medicine. He has been the Chairman of Comcast, Hughes Electronics Corporation, IBM, and AT&T. He has served on the President's Export Council, a member on the Council on Foreign Relations, the Schroder Venture Capital Advisory Board, and a Visiting Professor for the M.I.T. Sloan School of Management. Armstrong is linked through Comcast and Northrop Grumman to Merrill Lynch.

Each of these biographies can be found in numerous articles on the Internet, including the Citigroup website (Citigroup.com, 2008); however the AOL Finance website was used (AOL Finance, 2008). *Business Week's* website lists not only each of the board members, but has also counted the number of board relationships that each has (*Business Week,* 2008). The following is a list of the eight board members, listed above, and the number of associations *Business Week* found between them and their board associations:

Franklin A. Thomas	71
Kenneth T. Derr	54
George David	64
John M. Deutch	98
Richard D. Parsons	252
Robert E. Rubin	234
Alain J. P. Belda	194
C. Michael Armstrong	242

A sample portion of the visual map is shown in *Figure 1*. These numbers do not take into account all of the professional acquaintances that these board members have throughout the government and on major councils. Each one of these directors has the ability to pass along everything from a harmless recipe to a great deal, like the mortgage packages. It would be impossible to definitively prove that banks learned about the sub-prime mortgage packages from their board associations, but there is enough circumstantial evidence to suggest this possibility.

Many more connections could have been indicated if the links were followed beyond the fourth level and it would be possible to complete a full circle back to the initial link. Just by examining the eight board members' links mentioned, there are numerous connections to government agencies and committees, which would link with large insurance, media, and manufacturing entities.

UP-DATE ON CITIGROUP'S BOARD OF DIRECTORS SINCE INITIAL MAPPING

On January 28, 2009, shareholders brought a derivative action suit against sixteen former directors and officers on behalf of Citigroup, seeking to recover the company's losses from their exposure to the subprime lending market. The plaintiffs claim that the defendants failed to properly monitor and manage the corporation in allowing and authorizing the purchase of the subprime mortgage loans. The suit stated that they are liable to Citigroup for corporate waste in (1) allowing the Company to purchase $2.7 billion in subprime loans (2) authorizing and not suspending the Company's share repurchase program in the first quarter of 2007, which allegedly resulted in the Company buying its own shares at "artificially inflated prices" (3) approving a multi-million dollar payment and benefit package for defendant Charles Prince, whom plaintiffs describe as largely responsible for Citigroup's problems, upon his retirement as Citigroup's CEO in November 2007 and (4) allowing the Company to invest in structured investment vehicles ("SIVs") that were unable to pay off maturing debt. The defendants included Franklin A. Thomas, Kenneth T. Derr, George David, and Robert E. Rubin, who are no longer on the board, and C. Michael Armstrong, Alain J. P. Belda, Richard D. Parsons and John M. Deutch were still serving on the board at the time of the filing (In The Court, February 24, 2009).

As of November 9, 2010, U.S. District Judge Sidney H. Stein stated that the case against Citigroup could proceed, although reducing the allegations and dismissing seven of the fourteen defendants, finding that the plaintiffs failed to prove the alleged facts that the bank and its executives knew they mislead investors. On May 17, 2011, Judge Stein dismissed the lawsuit, with prejudice, stating "the amended complaint shareholders should have approached the board first and cannot overcome a simple, irrefutable arithmetic fact: the eight directors who plaintiffs claim are not impartial do not constitute a majority of the seventeen-person board" (Stempel, 2011).

CONCLUSION

Even though there are laws against direct interlocks with businesses in the same industry, these directors do not have to link directly. They have enough indirect social and professional interlocks to promote their class and business interests very well. They sit on the boards of the largest and most influential companies in America and also serve on major government committees. These powerful directors make decisions that affect the lives of many. This article has provided an overview and visual map of Citigroup's eight links that could be related to the mortgage crisis.

REFERENCES

AOL Finance. (2008, November 20). *Citigroup Inc. key executives*. Retrieved from
http://finance.aol.com/company/citigroup-incorporated/c/nys/key-executives

Bazerman, M. H., & Schoorman, F. D. (1983). A limited rationality model of interlocking directorates. *Academy of Management Review*, *8*(2), 206-271.

Borch, O. J., & Huse, M. (1993). Informal strategic networks and the board of directors. *Entrepreneurship: Theory & Practice*, *18*(1), 23-36.

BusinessWeek. (2008, November 20).

Cashman, G. D., Gillan, S. L., & Jun, C. (2012). Going overboard? On busy directors and firm value. *Journal of Banking & Finance*, *36*(12), 3248-3259.

Choon-Yin, S. (2008) Partial privatization, corporate governance, and the role of state-owned holding companies. *Journal of the Asia Pacific Economy*, *13*(1), 58-81.

Citigroup.com. (2008, November 11). Retrieved from
http://www.citigroup.com/citi/corporategovernance/bddir.htm

Dalton, D. R., & Daily, C. M. (2001) Director stock compensation: An invitation to conspicuous conflict of interest? *Business Ethics Quarterly*, *11*(1), 89-108.

Devos, E., Prevost, A., & Puthenpurackal, J. (2009). Are interlocked directors effective monitors? *Financial Management*, *38*(4), 861-887.

Domhoff, G. W. (2005, May). *Power in America, interlocking directorates in the corporate community. Who rules America?* Retrieved from http://sociology.ucsc.edu/whorulesamerica/power/corporate_community.html

Geletkanycz, M. A., & Hambrick, D. C. (1997). The external ties of top executives: Implications for strategic choice and performance. *Administrative Science Quarterly, 42(*4), 654-681.

In the Court of Chancery of the State of Delaware (February 24, 2009). *In re CitiGroup Inc. Shareholder Derivative Litigation* Civil Action No. 3338-CC. Retrieved from http://law.du.edu/documents/corporate-governance/governance-cases/citigroup-in-re.pdf

Kono, C., Palmer, D., Friedland, R., & Zafonte, M. (1998). Lost in space: The geography of corporate interlocking directorates. *American Journal of Sociology*, *103(*4), 863-911.

Lang, J. R., & Lockhart, D. E. (1990). Increased environmental uncertainty and changes in board linkage patterns. *Academy of Management Journal*, *33*(1), 106-128.

Li, L., Tian, G., & Yan, W. (2013). The network of interlocking directorates and firm performance in transition economies: Evidence from China. *Journal of Applied Business Research*, *29(*2), 607-620.

Mizruchi, M. S. (1996) What do interlocks do? An analysis, critique, and assessment of research on interlocking directorates. *Annual Review of Sociology, 22,* 271-298.

On, J. (2004, February 28). Retrieved from http://www.theyrule.net/html/about.php

Ortiz-de-Mandojana, N., Aragon-Correa, J. A., Delgado-Ceballos, J., & Ferron-Vilchez, V. (2012). The effect of director interlocks on firms' adoption of proactive environmental strategies. *Corporate Governance: An International Review, 20*(2), 164-178.

Overfelt, W. V., Annaert, J., Ceuster, M. D., & Deloof, M. (2009). Do universal banks create value? Universal bank affiliation and company performance in Belgium, 1905–1909. *Explorations in Economic History*, *46*(2), 253-265.

Phan, P. (2003). Retrieved from http://www.entrepreneur.com/tradejournals/article/print/110230446.html

Schmidt, J., & Keil, T. (2013). What makes a resource valuable? Identifying the drivers of firm-idiosyncratic resource value. *Academy of Management Review*, *38*(2), 206-228.

Shropshire, C. (2010). The role of the interlocking director and board receptivity in the diffusion of practices. *Academy of Management Review, 35*(2), 246-264.

Stempel, J. (2011, May 17). *Suit vs. CitiGroupExecs over mortgages tossed out.* Thomson Reuters. Retrieved from http://www.reuters.com/article/2011/05/17citigroup-shareholder-lawsuit.

Yoo, J., Reed, R., Shin, S., & Lemak, D. J. (2009). Strategic choice and performance in late movers: Influence of the top management team's external ties. *Journal of Management Studies*, *46*(2), 308-335.

Zajac, E. J., & Westphal, J. D. (1996). Director reputation, CEO-board power, and the dynamics of board interlocks. *Administrative Science Quarterly, 41*(3), 507-529.

Figure 1

George David
64 Relationships

4 United Technologies Links

H. Patrick Swygert	Charles R. Lee	Betsy Benard	Richard D. McCormick
Fannie Mae	Verizon	Principle	Wells

Joseph Neubauer

Wachovia

Richard D. Parsons
252 Relationships

Robert E. Rubin
234 Relationships

C. Michael Armstrong
242 Relationships

Time Warner Inc.	Ford Motor	Comcast
Michael A. Miles	Richard A. Manoogian	C. Michael Cook
Morgan Stanley	Bank One	Northrop Grumman
	E. Stanley O'Neal	Aulana L. Peters
	General Motors	Merrill Lynch
	John R. Bryan	
	Bank One And Goldman Sachs	

Kenneth T. Derr
54 Relationships

Halliburton

American Electric	William R. Howell	Exxon Mobile	Reatha Clark King
Linda G. Stuntz	Helene L. Kaplan		Wells
Raytheon	MetLife	JP Morgan	
Ronald L. Skates	John J. Phelan, Jr.		
State Street	Merrill Lynch		

Figure 1 (continued)

**John M. Deutch
98 Relationships**

Raytheon

Ronald L. Skate

Linda Gillispie Stuntz

State Street

American Electric

William R. Howell

Exxon Mobile

Helene L. Kaplan

J.P. Morgan

**Alain J. P. Belda
194 Relationships**

DuPont

William K. Reilly

Conoco Phillips

Norman R. Augustine

Lockheed Martin

Gwendolyn S. King

Countrywide

**Franklin R. Thomas
71 Relationships**

Salomon D. Trujillo
Pepsi Co and Target Links

4 Pepsi Co Links

Michelle J. Hooper

PPG Industries

Robert **Mehrabian**

Mellon Bank

Indra K. Nooyi

Motorola

Dr. Walter E. Massey

Bank of Ameri

John F. Akers

Lehman Bros.

Henry Kaufma

Freddie Mac

Edward M. Liddey

3M

Linda G. Avarado

Pitney Bowes

Robert E. Weissman

State Street

John B. McCoy

Cardinal Health

Robert D. Walters

Viacom

Alan C. Greenberg

Bear Stear

4 Target Links

James A. Johnson

Goldman Sachs

David B. O'Malle

Fannie Mae

Warren R. Staley

US Bank Corp

Richard M. Kovacevi

Wells

Ruth J. Simmons

Goldman Sachs

Pfizer

William H. Gray III

JP Morgan Chase

Robert A. Enrico

Electronic Data

C. Robert Kidder

Morgan Stanl

Fostering and Managing Engagement: A Framework for Managerial Leaders

Charles D. Kerns
Pepperdine University
Corperformance, Inc.

Given the value of engagement and the costs of disengagement, more accountability by managerial leaders for workplace engagement levels seems likely and desirable. With increased accountability, a practical perspective and framework for fostering and managing this process may help guide leaders in positively impacting workplace engagement to enhance well-being and performance. After reviewing engagement from a managerial leadership perspective, providing an engagement profile, presenting an Engagement-Management Cycle, and offering some benefits associated with this process, a stepwise approach to applying this process is presented. An example of this approach applied with an executive is offered. Some challenging issues are reviewed.

INTRODUCTION

Managerial leadership practices exert an important influence on happiness and well-being in workplace settings (Robertson & Cooper, 2011; Tuckey, Bakker & Dollard, 2012), which in turn have a positive impact on business outcomes. [1] An element of well-being, workforce engagement, has also been shown to have positive influences on workplace outcomes in the work of the Gallup Organization and others. Conversely, disengaged workers can diminish well-being within an organization, which can be detrimental to the commercial value of an enterprise. The managerial leadership practice area of fostering and managing engagement of individuals, workgroups and an entire organization has received little attention in academic and practitioner oriented literature. Instead, sundry perspectives have focused on work and employee engagement outside the context of managerial leadership. The purpose of this article is to shed light on how a managerial leader can positively impact workplace engagement. A systematic framework is offered to help managerial leaders identify, better understand, optimize and evaluate the impact of their actions to enhance engagement on organizational results.

Robertson and Cooper (2011), Attridge (2009) and Wiley (2010) summarize some of the research showing the benefits for organizations in which employees are highly engaged, which include:
- Enhanced employee well-being
- Improved productivity
- Higher returns for investors
- Increased customer loyalty
- Increased operating income
- Employee optimism about positively impacting products, services and quality

Conversely, employee disengagement is connected to significant negative impacts as reported by Rath and Harter (2010) and Harter, Schmidt, Kilham and Agrawal (2009), including:

- Theft
- Low productivity
- Turnover
- Unhappiness
- Lower profitability

With a few exceptions, the study of how managerial leaders enhance and manage workplace engagement is sparse (Shuck & Herd 2012; Shuck, Rocco & Albornoz, 2010; Tuckey et al. 2012). Given the upside of engagement at work and the downsides of disengagement, this is an important area for managerial leadership practice and development. There is an opportunity for practitioners and applied researchers to enhance our knowledge about how managerial leaders influence the engagement levels of their people.

After synthesizing definitions and reviewing various historical backdrops and conceptual frameworks of employee engagement, Shuck and Wollard (2010) offered an emergent definition of the concept. In their formulation, engagement is connected to the achievement of desired organizational outcomes. In this article, employee engagement is viewed as a positive behavioral state where individuals, groups and/or an entire organization respond in ways to advance desired organization outcomes. Response modalities may include overt behavior, affect, sensation, images and cognition. From this perspective, managerial leadership actions are seen as an important antecedent for fostering and influencing employee engagement responses both on an individual and collective basis.

Even though the topic of engagement is of increasing interest in business, consultancy and academia, we currently know relatively little about the practice of fostering and managing engagement by managerial leaders. Looking at engagement from a managerial leadership perspective using a systematic framework may help advance the practice and study of fostering and managing engagement at work. The author and his colleagues encourage others to examine the role of managerial leadership in fostering and managing engagement.

This article is intended to extend the rather limited attention given to this area by offering an approach for practitioners to adapt, and for applied researchers to investigate further. This important topic is explored using information collected from the "real world" (Locke, 2007, 2000).[2] This paper is intended to help managerial leaders more effectively foster and manage engagement, and serve as a springboard for further investigation by applied researchers, which may include quantitative data and analysis.

ENGAGEMENT AND MANAGERIAL LEADERSHIP

There is increasing support for viewing workforce engagement as a competitive advantage for organizations (Christian, Garza & Slaughter, 2011). This advantage is eroded, however, in organizations which breed disengagement, where employees respond in ways that detract from achieving desired organizational outcomes (Wollard, 2011). Alarmingly, it seems that engagement levels among employees have consistently declined over the past decade and employees seem to lack confidence in their managerial leaders' skills to develop an engaged workforce (Martin & Schmidt, 2010; Czarnowsky, 2008). Yet recent reports offered by Shuck and Herd (2012) indicate that organizational leaders believe the development of employee engagement is a top priority. In light of these circumstances, it seems imperative to offer managerial leaders frameworks and tools to help them foster and manage workplace engagement.

Managerial leaders are encouraged to identify key action areas that will build engagement at work.[3] Five key action areas of general applicability for the purpose of fostering and managing engagement would include:

1. Model key engagement behaviors, including vigor/energy, dedication and absorption.
2. Show interest in employee development, learning and well-being.
3. Manage work and job demands while recognizing and optimizing personal and job related resources.
4. Encourage matching skill levels with important and relevant challenges to move toward flow states.
5. Align individuals, groups and the organization on critical success factors including core values, strategic direction and meaningful metrics.

These five action areas or practices relate to various definitions, conceptualizations and research findings found in the literature on engagement. Schaufeli, Salanova, Gonzalez-Roma and Bakker (2002) see engagement as involving vigor/energy, dedication and absorption. Employee engagement levels have been shown to be impacted by the amount of interest shown to employees by managerial leaders (Rath & Harter, 2010; Schuck, et al. 2011). In connecting engagement to work performance, Bakker and Demerouti (2008) as well as Bakker (2011) show the relationship of personal and job resources to job demands. Encouraging the matching of skill levels with challenging work to advance individuals, groups and organizations toward flow states also relates to the managerial practice of engagement (Csikszentmihayi, 2003). Finally, the importance of levels of engagement, alignment and financial outcomes for competitive advantage have been put forth by Cascio and Boudreau (2011).[4]

Bakker, Albrecht and Leiter (2011) offer some key questions for practitioners and applied researchers to consider relating to the role that managerial leaders may play in influencing engagement levels. They underscore the need to examine effective interventions for engagement at organizational, job and individual levels, and to consider the influence that managerial leadership models and associated practices may have on engagement. The need to look at engagement across organizational levels and to focus on the practices managerial leaders execute in creating a culture of engagement are important areas for exploration by practitioners and applied researchers (Wiley, 2010).

While in practice the concept of engagement at work cuts across all organizational levels, the focus is often on engagement of individual employees. To broaden this perspective, the author suggests a more comprehensive view. Based on work with executives in the field, there are at least three organizational levels that managerial leaders need to be concerned about: individuals, work groups and the overall organization. Cole, Bruch and Vogel (2012) as well as Tuckey et al. (2012) underscore the need to investigate models, concepts and practices from a multi-level perspective, pointing out that places of work involve individuals aligning with groups and teams as well as the organization. The managerial leader needs to focus on his or her practices and the impact his or her behavior is having on individual employees, work groups and the larger organization. The recent exploration of employee engagement by Shuck et al. (2011) underscores the critical role managerial leadership plays in shaping engagement, workplace climate and opportunities for learning. Albert Bandura's (1986) work reminds us of the potent impact that managerial leadership modeling of behavior can have on an organization.

It seems clear that managerial leaders have considerable influence on work engagement and the amount of impact can vary across organization levels. Gallup's research, for example, underscores the influential role that managerial leaders have on engagement levels (Rath & Harter, 2010). More attention needs to be given to the role of alignment of engagement across organizational levels. Top management teams should consider spending more time designing, executing and assessing work engagement across their organizations (Wiley, 2010). As managerial leadership actions, including the five areas noted earlier, become part of an organization's operating environment, a culture of engagement will likely be enhanced.[5]

Assuming total organization engagement has not been achieved across all five action areas, managerial leaders should assess where they are in these areas and on two other dimensions (approachability and accountability). This assessment is reflected in the "Managerial Leader Engagement Profile" which is generically depicted in Table 1. Frequency of use, effectiveness and perceived importance can be assessed for each of the seven dimensions. An aspirational goal is for organizations to

become fully engaged and aligned across all organizational levels in each of these action areas in order to optimize engagement throughout an organization.

TABLE 1
MANAGERIAL LEADER ENGAGEMENT PROFILE

Dimensions (1-7):	Usage	Effectiveness	Importance	Observations/ Comments
1. Approachability	Low, Moderate, High	Low, Moderate, High	Low, Moderate, High	
2. Accountability	Low, Moderate, High	Low, Moderate, High	Low, Moderate, High	
3. Modeling engagement	Low, Moderate, High	Low, Moderate, High	Low, Moderate, High	
4. Showing interest	Low, Moderate, High	Low, Moderate, High	Low, Moderate, High	
5. Managing demands	Low, Moderate, High	Low, Moderate, High	Low, Moderate, High	
6. Skill-challenge matching	Low, Moderate, High	Low, Moderate, High	Low, Moderate, High	
7. Aligning critical success factors	Low, Moderate, High	Low, Moderate, High	Low, Moderate, High	

Enhancing happier high performance by fostering engagement is rooted in the work being done in the field of positive psychology and positive organizational scholarship (Cameron & Spreitzer, 2012). Martin Seligman, the father of positive psychology, and his colleagues have brought attention to the empirical study and conceptualizing of happiness/well-being (Diener & Diener, 2008; Schueller & Seligman, 2010; Seligman, 2011). In connection with this work is an increasing focus on engagement in the workplace (Bakker & Leiter, 2010; Schuck & Herd, 2012; Rampersad, 2008).

Considerable discussion has taken place concerning the definition and conceptualization of engagement in workplace settings (Schaufeli & Bakker (2010). These discussions include distinguishing between "employee engagement" (relating to the relationship of the employee with the organization) and "work engagement" (relating to the employee's relationship with his or her work). In practice, however, these attempts to parse engagement likely strain attempts to look at this topic in applied settings, especially managerial leadership driven engagement, in a more integrated way across all organizational levels. While this article, especially as it relates to the five action/practice areas, draws from these previous conceptual formulations, it offers a more integrated organizational leadership perspective from which to view and study engagement across organizational levels. This approach is likely more useful in practice since the majority of workplace settings involve individuals linking with a project group, team and/or the organization (Mathieu, Maynard, Rapp & Gibson, 2008).

To this end, this article and related work (Kerns, 2008; Kerns & Ko, 2010; Kerns & Ko, 2013) consider the broader relationship between happiness and performance in workplace settings. In this effort, various practices to enhance happy-high performance are being explored, including the facilitation and management of engagement by managerial leaders. Connecting the role of managerial leadership in fostering engagement to positively impacting well-being is consistent with the recent work and findings of Tuckey et al. (2012), as well as Stuck et al. (2010).

THE ENGAGEMENT - MANAGEMENT CYCLE

The five practices focused on in this article reflect the various definitions, conceptualizations and research relating to engagement in workplace settings previously cited. With this context in mind, the author views managerial leaders as key antecedents of engagement within organizations. Managerial leaders' actions engage individuals, groups and the overall organization toward advancing desired organizational outcomes.

Engagement management seeks to help managerial leaders identify, better understand, optimize and evaluate the impact of their practice of engagement on important outcome measures including well-being, and quality (Rampersad, 2008; Kanji & Chopra, 2009). The Engagement - Management Cycle depicted below Figure 1 helps further operationalize this definition and process in a general way.

FIGURE 1
THE ENGAGEMENT – MANAGEMENT CYCLE

Phase I: Identifying - Clarifying	Phase II: Affirming – Understanding	Phase III: Optimizing – Integrating	Phase IV: Measuring – Evaluating
• Managerial Leader Engagement - Practice Survey (ML-EPS) • Work Engagement Profile Targeting • Gallup's Q12 • The Utrecht Work Engagement Scale – UWES • PEM (Cole, Bruch & Vogel, 2012) • OEQ12 (Bruch & Vogel, 2012) • Approachability Index (Kerns, 2005) • Accountability/ Behavioral Integrity Index (Kerns, 2005)	• Consulting others • Asking self-strategic questions • The Electronically Activated Recorder – EAR (Mehl & Robbins, 2012) • Behavioral observation • 360° Feedback Survey	• Integrate into Performance Profile • Document and Apply Five Fostering Managerial Leadership Engagement Action Areas/Practices (Modeling Engagement, Showing Interest, Managing Demands, Skill-Challenge Matching, Aligning Success Factors) • Executing FMEP • Gain experience and practice • Acquire knowledge • Obtain feedback	• Assess key results • Review key impacts • Measure Happy High Performance • Make adjustments regarding engagement profile targets. • Approachability Index • Accountability - Behavioral Integrity Index • Optimize engagement profile • Evaluating FMEP execution

© Copyright (2011) Charles D. Kerns, Ph.D.

Phase I

When Identifying and Clarifying one's engagement at work in Phase I, one will assess his or her current engagement profile. Few instruments are available that focus on assessing specific managerial leadership engagement practices in workplace settings. With managerial leaders in mind, additional assessment tools are being explored such as the Managerial Leader - Engagement Practice Survey (ML-EPS) to help identify and clarify actions that foster and manage engagement at work to enhance happy-high performance. "Approachability and Accountability Indices" and other useful assessment frameworks are also being adapted for work with managerial leaders. The Utrecht Work Engagement Scale (UWES) as well as Gallup's Q12 have proven useful in helping to increase executives' awareness of specific aspects of engagement (Schaufeli & Bakker, 2010). The Organizational Energy Questionnaire (OEQ12) and the Productive Energy Measure (PEM) are being explored for their relevance in measuring engagement at work (Bruch & Vogel, 2011; Cole et al. 2012).

Phase II

Once one's engagement profile has been identified, this information must be affirmed and understood. The process of Affirming and Understanding involves seeking feedback from others to confirm the identified pattern of engagement. These consultations should be with trusted others who know the individual well and who are willing to give honest feedback. This exchange should assist the individual in more fully understanding how his or her engagement may be reflected in his or her managerial leadership behavior. In affirming the contents of the engagement profile, strategic questions such as, "How do I show interest in my people?" and/or "Do I effectively model positive energy?" should be asked. In addition to more traditional tools like 360° survey feedback, various technology assisted ambulatory assessment methods are being investigated to further help managerial leaders affirm and better understand their execution of engagement fostering practices (Mehl & Robbins, 2012).

Phase III

After identified patterns of engagement have been affirmed, many useful things can be done to help Optimize-Integrate the practice of fostering and managing engagement at work. Integrate actions that will foster engagement into one's performance based job description, then follow up to obtain feedback on how effectively one is executing actions against a plan for fostering and managing engagement at work. Feedback is especially useful when it focuses on the five action areas of modeling engagement, showing interest, managing resources and demands, skill-challenge matching and aligning critical success factors.

Phase IV

Measuring – Evaluating the impact that one's engagement enhancement practices have on the achievement of key results and other significant outcomes is a key component in the cycle, including measuring and evaluating performance and well-being in relationship to a managerial leader's effectiveness at fostering and managing work engagement. Data collected from approachability indices, key results, performance targets and behavioral integrity indices can also be helpful in assessing effectiveness. **This phase will become increasingly more important as managerial leaders are held accountable for workplace engagement.**

THE VALUE OF FOSTERING AND MANAGING ENGAGEMENT

The process of systematically fostering and managing engagement offers substantial benefits in many areas for managerial leaders and their organizations. Engagement is increasingly linked to well-being and happiness in the workplace (Wagner& Harter, 2006; Kanji & Chopra, 2009). Wiley (2010) convincingly connects an engaged workforce with leadership practices that enhance high performance in organizational settings. Using strategic employee surveys he shows the synergistic effect of performance excellence and employee engagement. This connection between managerial leadership practices, high performance and employee engagement was revealed in a sample of 158 organizations. The author's field work and applied

research in client organizations where managerial leaders practice the five actions noted earlier support this connection (Kerns & Ko, 2010; Kerns & Ko, 2013).

Robertson and Cooper (2011) report clear links between well-being/happiness and employee engagement. They offer a useful indexing of the key benefits to organizations along with supporting research evidence for the value of having engaged employees. Managerial leaders who can effectively manage an employee workforce for greater engagement are likely to realize the following benefits:

- Improved return on investment
- Increased productivity
- Reduced illness-absence
- Enhanced operating income
- Customer satisfaction and loyalty

By effectively managing engagement, managerial leaders can also aid the successful development, documentation and communication of an organization's performance management system. Managerial leaders who can get their people actively engaged in goal setting, action planning, feedback and executing mutually agreed upon plans will likely give their organization a competitive advantage while enhancing the happy-high performance of their people (Mone, Eisinger, Guggenheim, Price & Stine, 2011).

The modeling of key engagement behaviors by managerial leaders, especially vitality and energy, can help optimize engagement within an organization. Leadership pulse survey data show a connection between managerial leadership energy levels and employee engagement (Welbourne, 2007). The benefits of managerial leadership modeling optimal energy for others include being an attractive high impact management practice as well as a cost effective tactic. Managerial leaders who can energize themselves do not require the expenditure of additional organizational resources.

Successfully fostering and managing engagement can likely drive key results across all functional work areas and all organizational levels. When leaders are able to optimize and integrate their skill at fostering and managing engagement at work, they improve the likelihood of increasing happier high performance for themselves and their people. Executives who have applied the approach offered in this article have observed improved performance and enhanced happiness for themselves and other individuals and groups (Kerns & Ko, 2010; Kerns & Ko, 2013). While further support is needed, it is a promising prospect if practicing engagement management at work can help an organization and its people be more effective and happier.

A SEVEN STEP FRAMEWORK

The following seven step framework is offered as a specific adaptation of the Engagement – Management Cycle above. This framework, developed in the context of executive coaching, provides one approach by which organizational leadership may become, and/or lead their people to become, happier-high performers through engagement. To help clarify the approach, a real-world example of implementing the process follows.

Step 1: Positioning, Fostering and Managing Engagement

The first step in the seven step process is intended to serve as the motivating preamble to initiating an Engagement Fostering and Management Program. The coach should review some of the benefits of this approach, orient the client to this systematic and interactive process, and seek to gain commitment for using the approach from the participant being coached.

Step 2: Identifying and Clarifying "Engagement Profile"

Using appropriate assessment instruments, which may include those previously noted in the discussion of the Engagement - Management Cycle, the executive coach will facilitate the client in identifying and clarifying actions that he or she is taking to foster, sustain and manage engagement. The

Approachability and Accountability indices are proving to be especially useful in helping managerial leaders examine how their actions in these areas serve as an antecedent for the engagement behaviors of others.

Step 3: Affirming and Understanding "Engagement Profile"

Once the key aspects of engagement have been identified and are understood, ask the client to do at least three things to affirm his/her engagement profile. This affirmation process helps the individual better understand his/her approach to fostering and managing engagement. First, ask the client to answer a number of strategic questions relating to his/her tendencies to be engaging including, "How do you show interest in your people?" and "To what extent do you model high positive energy?" Second, review the "OEQ12" and related assessments to affirm with the client where he/she typically responds in terms of energy and engagement. This review helps the client understand his/her emotional, cognitive and behavioral reactions and gives him/her ways to define more fully these responses. Third, ask the client to reflect on how aligned his/her people are with critical success factors espoused by the overall organization. The goal for this step is for the client to (1) affirm his/her typical response pattern as it relates to fostering and managing engagement at work, and (2) understand those behavioral patterns and how they can be used to enhance his/her own and other's happiness and performance.

Step 4: Develop Behaviorally Specific Examples of Personal Best Stories (PBS)

The client is asked to identify five to seven significant others who are in turn asked to document one to three situations where they have observed the client effectively fostering and managing engagement. This step is important in helping individuals further affirm and understand their engagement practices as well as to optimize and integrate their profile. The "best-self feedback" tool from which the "PBS" process is adapted was developed at the University of Michigan and is being used in a number of applied settings (Roberts, Spreitzer, Dutton, Quinn, Heaphy & Barker, 2005).

Step 5: Develop and Document Fostering and Managing Engagement Plan (FMEP)

In order to further optimize and integrate the practice of fostering and managing engagement, in consultation with his/her coach, the client develops a one-page "Fostering and Managing Engagement Plan" (FMEP). This typically consists of six to twelve bullet points which index key actions that the client will do to enhance his/her practice of fostering and managing engagement. These actions usually reflect the five key action areas previously discussed.

Step 6: Design a Performance Profile or Performance-Based Job Description

Facilitate the client in developing a one to two page performance profile or performance based job description for his or her current position (Kerns, 2001), integrating the individual's key actions to enhance engagement into this performance management document. This step helps to focus and further optimize the individual's work in fostering and managing engagement. It especially helps in the integration of engagement practices into the current work role.

Step 7: Execute, Coach and Connect to a Happy-High Performance Organizational Culture

Using a self-coaching or executive coaching approach, each individual is introduced to the Engagement-Management Cycle and asked to regularly review and evaluate how well he or she is developing and executing actions to foster and manage engagement. This evaluation includes a review of the progress in executing the personalized Fostering and Managing Engagement Plan (FMEP), attaining key results and in achieving status as a happy-high performer (Kerns, 2008).

APPLYING THE SEVEN STEP FRAMEWORK – AN EXAMPLE

To illustrate and assist in putting the Seven Step Framework into use, the following example is offered.[6] Mark is the President of a marketing and sales oriented division within a multi-national

corporation. He has six key reports and he reports to the CEO for North America Territories. In the context of executive coaching, what follows is the adaptation of the Seven Step Approach to Engagement Management to Mark's situation in his role as division President. This program was part of a larger organizational consulting assignment within Mark's area of responsibility.

Step 1: Positioning, Fostering and Managing Engagement

The executive coach oriented Mark to the overall Seven Step Approach and highlighted a number of benefits that this approach offered him, which included:

- Mark would be able to identify his "engagement profile" and have a systematic way to focus on fostering and managing engagement.
- This is an innovative approach to applying and practicing the art and science of engagement to the practice of managerial leadership.
- With coaching, Mark could learn to apply this approach with his six key reports.
- This approach would help directly drive his key result of increasing the number of happy-high performers in his division, starting with himself.
- The research based support, especially from the field of Positive Psychology and Positive Organizational Scholarship, provides credibility for the managerial leader's practice of fostering and managing engagement.
- An engaged workforce may contribute to his organization gaining a competitive advantage.

After reviewing each of the program steps, Mark was probed for his level of commitment for completing this program. His commitment level was quite high and he was particularly motivated to connect this practice to his overall key result of increasing the number of happy-high performers in his division, starting with himself.

Step 2: Identifying and Clarifying "Engagement Profile"

Mark was asked to complete the Managerial Leader Engagement Practice Survey which included assessing his behavioral tendencies to engage in the five previously noted action areas. He also discussed his self-report observations from the Approachability and Accountability/ Behavioral Integrity indices, and reviewed the frequency and nature of his modeling of engagement to a variety of workplace situations. In consultation with the executive coach, Mark identified the following areas as part of his engagement profile:

- Little experience in explicitly modeling engagement behaviors but recognized how modeling could positively impact one's people to be engaged.
- Displays relatively few approachability behaviors and is weak at expressing interest in his people.
- Is effective at securing resources for his people to help them get projects completed.
- Tends to have a high accountability/behavioral integrity index, but follows up infrequently with his people in his managerial leadership role.
- Needs to more frequently practice skill-challenge matching with his people.
- Needs to more explicitly communicate and track organizational alignments of critical success factors.

Step 3: Affirming and Understanding Engagement Profile

Mark was confident that he had identified relevant and important behavioral patterns associated with his fostering and managing of engagement. However, to strengthen his understanding and affirm these areas, he was asked to do three things. First, he identified several trusted individuals who knew him well to comment on his engagement profile including the items noted in Step 2 above. He sought input from each of his six key reports, the CEO and three peers from other divisions. Second, using the OEQ12, ML-EPS and UWE Scale he found himself to be enthusiastic, driven and generally liking his role. While he

was aligned with the organization's key results areas and mission, he was unclear about the level of alignment of his division with the overall organization. Mark described himself based on these various engagement assessment tools as being fully engaged with his work but uncertain about how his people saw his skills at engaging others. Third, Mark completed the Approachability and Accountability/ Behavioral Integrity indices in consultation with his executive coach. These two reviews focused on behaviors Mark projected that encouraged others to make contact with him and with how consistent he was in matching his "words" with "deeds". These assessments showed that he did not consistently display behaviors that "welcomed" others to approach him and that he missed opportunities to show concern, interest and caring toward his people.

Step 4: Develop Behaviorally Specific Examples of Personal Best Stories (PBS)

Mark asked several people to provide behavioral examples of when he was demonstrating the fostering and management of engagement. Each of the four individuals who responded provided three examples. The observations suggested that Mark was most engaging when he was assessing work demands and resource requirements. Another theme that emerged was that while he frequently challenged his people with demanding projects, he did not always match the challenge with the individual's skill level.

Step 5: Develop and Document Fostering and Managing Engagement Plan (FMEP)

In consultation with his coach Mark reflected on the information gleaned in Steps 2, 3, and 4 to develop and document his FMEP. The key bullet point action areas intended to help him foster and manage engagement that were placed on his FMEP included:

- Increasing the number of times he explicitly models engaging behavior during executive committee meetings with his key reports.
- Tracking his approachability and other behaviors that show interest in others.
- More actively engaging his key reports in making final resource allocation decisions.
- Assessing the competence and confidence of individuals more fully before assigning them challenging work.
- Ensure that all individuals, work groups and strategic projects are aligned with critical success factors.

His FMEP was regularly reviewed at monthly coaching sessions. Mark also routinely asked his key reports for feedback on some of the relevant areas on his FMEP. He was, for example, encouraged to regularly ask his boss and key reports for feedback on how they perceived the alignment of the division with the critical success factors for the overall organization.

Step 6: Design a Performance Profile or Performance-Based Job Description

As part of a performance management system Mark and all other employees in his division had previously prepared a performance based job description. This tool specified the key results, key actions, people and technical skills for which each employee was held accountable.

As part of the Seven Step Approach, Mark took the earlier version of his performance based job description, and fine-tuned the description of a number of key actions that were aligned with his agreed upon key results. For example, he added "Proactively showing more interest in key reports' project work" and "Asking more open ended questions in meetings and in individual conferences" to his performance based job description as key actions designed to drive his key results. These two areas, in particular, helped strengthen his key actions associated with his key result of increasing the number of happy high-performers within his division.

Step 7: Execute, Coach and Connect to a Happy High-Performance Organizational Culture

Mark reviewed the Engagement-Management Cycle with his executive coach, emphasizing the "Optimizing and Integrating" and "Measuring and Evaluating" components. The coaching assignment was expanded to coach Mark to apply the Seven Step Approach with his six key reports. Mark particularly sought help when working with his key reports on identifying and clarifying their levels of engagement and on the development of their Fostering and Managing Engagement Plan (FMEP). As part of step seven, Mark and his coach regularly evaluated how he was doing in fostering and managing engagement and how these efforts were impacting his key result areas, especially relating to increasing the number of happy high-performers. These regularly scheduled feedback sessions served as an "accountability forum" for Mark as he practiced fostering and managing engagement.

This Seven Step Approach is straightforward and provides a logical process to enhancing a managerial leader's performance in fostering and managing engagement. It is also emerging from work in the field that this process can be delivered in a "coach the coach" format, as was done with Mark as he worked with his key reports with support from his executive coach.

SOME CHALLENGING ISSUES

The practice of fostering and managing engagement by managerial leaders is not without challenges. To date, very little attention has been given to profiling and measuring engagement among managerial leaders. There is a need to have assessment instruments for executives to identify and clarify their engagement profile. In addition to being psychometrically fit, these tools must present engagement and their related dimensions in ways that have face validity for business practitioners. As Bakker et al. (2011) argue, leadership has a straightforward and positive impact on employee engagement. Assessment tools which help to index engaging practices of managerial leadership will likely advance practice and applied research in the field of managerial leadership as related to managing engagement levels at work. Assessment tools are being explored to further address this need and focus on the dimensions noted in Table 1. These efforts include the use of a single integrated assessment tool for managerial leaders to use for self-reflection and review of their effectiveness at engaging others at work. The author is hopeful that these exploratory efforts will continue to provide useful information for coaching managerial leaders to effectively foster and manage engagement as well as further applied research efforts.

Closely associated with the assessment issue is the need for a coherent conceptualization of engagement in workplace settings to help guide managerial leader action. In their review of engagement, Schaufeli and Bakker (2010) highlight both the treatment of the topic in academia as well as comment on some of the formulations offered by consultancies. After offering an extensive integrative review of engagement, Shuck (2011), challenges us to focus on the "usability" of this concept in everyday practice. He underscores the current gap between researcher and practitioner when conceptualizing about workplace engagement. The current work attempts to offer a broader practitioner oriented perspective on the topic. It is suggested, from a managerial leader perspective, that by viewing engagement across organizational levels while including consideration of the "employee" and the "work", that the practice of fostering and managing engagement will be advanced. From this view, the managerial leader is charged with effectively executing practices that impact the nature of the work being done, individual employee differences and the operating culture. From an empirical research perspective, separating the engagement construct into "work" and "employee" domains may continue to have utility.

Another challenge is for managerial leaders and applied researchers to look beyond the individual when exploring the role of engagement in the workplace. The alignment of engagement across individual, group and organization levels is likely important in helping to influence happier high performance. This situation is supported by the finding relating to the crossover or emotional contagion seen among work teams and how this engagement enhances performance (Bakker, Westman & Van Emmerik, 2009). Bakker's et al. (2011) observations regarding categorizing engagement interventions by organizational levels helps to underscore the need to examine engagement beyond the individual level. It will be especially useful to pay attention to the practice of engagement throughout an organization and to assess

the level of alignment it enjoys within a particular entity. More fully examining the alignment of individual, group and organization wide engagement will likely help managerial leaders in their efforts to engage others at work and advance the research efforts in this area of study. Looking at engagement across an entire organization may also be important in light of evidence pointing to an engaged workforce as being a source of competitive advantage.

There is also a need to provide a balanced perspective when practicing and researching workplace engagement. Most of the attention in the literature surrounding engagement focuses on the benefits (Bakker, et al. 2011). However, excessive engagement may lead to detrimental work-life balance and possible physical well-being issues (Geurts & Demerouti, 2003). Extending the exploration of engagement beyond the benefits, can help practitioners and researchers better understand the possible downsides of fostering excessive engagement at work.

Employees who are either passively, or worse, actively, disengaged present an additional challenge for managerial leaders and their organizations. Some estimates put the level of disengagement as high as 70% globally (Saks, 2006). According to Blacksmith and Harter (2011), American workers are not engaged or actively disengaged at a rate of 71%, leaving less than 30% of the workforce engaged. They report that this trend was relatively stable throughout 2011. Wollard (2011) offers evidence that disengagement has enormous economic and psychological costs for individuals and organizations and wisely calls for managerial leaders and their organizations to seek a better understanding of the process and dynamics surrounding disengagement. It seems that addressing important questions like "How do fully engaged employees differ from actively disengaged personnel?" and "What are the most significant antecedents of workforce disengagement?" will advance our understanding of this concept. The issue of disengagement and the challenge to address this situation is further underscored by findings that low quality work can be more detrimental to well-being than unemployment (Butterworth, Leach, Stazdins, Olesen, Rogers, & Broom, 2011).

Practitioners and applied researchers are also challenged to focus more on the role of the managerial leader in fostering and managing engagement in the workplace. Further examination of managerial leadership interventions and practices which positively impact performance is needed (Reichard, Serrano & Wefald, 2013; Serrano & Reichard, 2011). Managerial leaders who foster workplace environments that enhance employee engagement can advance desired organizational outcomes. The work showing how managerial leadership practices can positively impact different organizational levels needs to challenge practitioners and researchers to look more closely at a managerial leader's impact on engagement at work. The Linkage Research Model (LRM) or the "Managerial Leadership Practices of 12 O'Clock" framework may prove very useful to both applied researchers and practitioners in exploring the impact of managerial leaders engagement practices on important outcome measures (Kerns , 2005; Wiley & Campbell, 2006). As managerial leaders become more accountable for engagement levels, the importance of connecting engagement enhancing practices with organizational outcomes will likely magnify.

Addressing the challenges of assessment, conceptualization clarity, organizational alignment, work-life balance, disengagement and managerial leader focus will advance the practice of fostering and managing engagement at work. As more attention is given to this area of managerial leadership, additional challenges for practitioners and opportunities for applied research will surface. This is an exciting area and provides hope in helping to increase the number of happy high performers found in the work place

SUMMARY STATEMENT

The development and execution of frameworks and tools to help managerial leaders effectively foster and manage engagement will be beneficial to individuals, groups and organizations. With a logical approach including the adaptation of research findings from positive psychology, positive organizational scholarship, human resource development and other relevant disciplines, managerial leaders' efforts to foster and manage workplace engagement will be advanced. As this work progresses there will be a need for practical assessment methods supported by conceptual clarity including a better understanding of how

organizational alignment, work-life balance and managerial leadership practices relate to fostering and managing engagement at work. These pursuits and related actions will likely enhance managerial leaders' and their people's efforts to achieve high levels of workplace well-being/happiness and performance. With evidence growing to show the impact of engagement on organizational functioning, these endeavors will be especially valuable and will address the call for increased accountability of managerial leaders for workplace engagement.

ENDNOTES

1. A debate comparing and contrasting management and leadership has occurred over more than thirty years. In this article the term managerial leadership is used as a synonym for management and/or leadership. Currently there is also a lively discussion concerning the differences and similarities between happiness/happy and well-being. However, in this article these terms are used interchangeably.
2. Locke and Cooper (2000) and Locke (2007) highlight that qualitative data gleaned from a variety of available sources, including interviews, field observations and other less quantitative methods of inquiry, can legitimize an approach which is based on the integration of real world facts.
3. In identifying key action areas, let a set of criteria be the guide. Criteria might include practicality, match with leader's style and personality, consistency with research evidence, coachable/teachable, and having face validity with practitioners.
4. For a more extensive review of the definitions, conceptualizations and research relating to engagement in workplace settings, see Shuck, B. (2011). Four emerging perspectives of employee engagement: An integrative literature review. Human Resource Development Review, 10(3), 304-328; Bakker, A.B., & Leiter, M.P. (2010) Work Engagement: A Handbook of Essential Theory and Research; Rothbard, N.P. & Patil, S.V. (2012). Being there: Work engagement and positive organizational scholarship. In K. S. Cameron & G. M. Spreitzer (Eds.), Oxford handbook of positive organization scholarship (pp. 56-69). New York: Oxford University Press; Attridge, M. (2009) Measuring and managing employee work engagement: A review of the research and business literature. Journal of Workplace Behavioral Health, 24, 383-398.
5. For a more extensive review of the definition and conceptual underpinnings of "organizational levels and alignment" refer to Zaccaro, S.J., Ely, K., & Nelson, J. (2008). Leadership processes and work motivation. In R. Kanfer, G. Chen & R.D. Pritchard (Eds.), Work motivation: Past, present, and future (pp. 319-360). New York: Routledge; Mathieu, Maynard, Rapp & Gibson (2008). Team effectiveness 1997-2007: A review of recent advancements and a glimpse into the future. Journal of Management. 34, 410-476; Mathieu & Chen (2011). The etiology of the multi-level paradigm in management research. Journal of Management, 37, 610-641.
6. This example is drawn from the author's work as an executive coach with a key executive. For confidentiality purposes, identifying information has been changed.

REFERENCES

Attridge, M. (2009). Measuring and managing employee engagement: A review of the research and business literature. *Journal of Workplace Behavioral Health, 24*, 383-398.

Bakker, A.B. (2011). An evidence-model of work engagement. *Psychological Science*, 20, 265-269.

Bakker, A.B., Albrecht, S., & Leiter, M.P. (2011). Key questions regarding work engagement. *European Journal of Work and Organizational Psychology*, 20, 4-28.

Bakker, A.B., & Demerouti, E. (2008). Towards a model of work engagement. *Career Development International*, 13, 209-223.

Bakker, A.B., & Leiter, M.P. (Eds.). (2010). *Work engagement: A handbook of essential theory and research*. New York, NY: Psychology Press.

Bakker, A.B., Westman, M., & Van Emmerick, I.J.H. (2009). Advancements in crossover theory. *Journal of Managerial Psychology*, 24, 206-219.

Bandura, A. (1986). *Social foundations of thought and action: A social cognitive theory*. Englewood Cliffs, NJ: Prentice Hall.

Blacksmith, N. & Harter, J. (2011). Majority of american workers not engaged in jobs. Retrieved from http://www.gallup.com/poll/150383, 1-20-12.

Bruch, H. & Vogel, B. (2011). *Fully charged: How great leaders boost their organization's energy and ignite high performance.* Harvard Business Review Press, Boston, MA.

Butterworth, P., Leach, L., Strazdins, L., Olesen, S., Rogers, B., & Broom, D. (2011). The psychosocial quality of work determines whether employment has benefits for mental health: Results from a longitudinal national household panel survey. *Occupational and Environmental Medicine*, 68, 806-812.

Cameron, K., & Spreitzer, G.M. (Eds.). (2012). *The oxford handbook of positive organizational scholarship*. New York, NY: Oxford University Press.

Cascio, W. & Boudreau, J. (2011). *Investing in people: Financial impact of human resource initiatives. (2nd Ed.).* Upper Saddle River, NJ: FT Press.

Christian, M.S., Garza, A.S., & Slaugher, J.E. (2011). Work engagement: A quantitative review and test of its relations with and contextual performance. *Personnel Psychology*, 64, 89-136.

Cole, M.S., Bruch, H. & Vogel, B. (2012). Energy at work: A measurement validation and linkage to unit effectiveness. *Journal of Organizational Behavior*, 33, 445-469.

Csikszentmihalyi, M. (2003). *Good business: Leadership, flow, and the making of meaning*. New York, NY: Viking.

Czarnowsky, M. (2008). *Learning's role in employee engagement: An ASTD research study, American Society for Training and Development*, Alexandria, VA.

Diener, E. & Diener, R.B. (2008). *Happiness: Unlocking the mysteries of psychological wealth*. Malden, MA: Blackwell Publishing.

Geurts, S.A.E., & Demerouti, E. (2003). Work/non-work interface: A review of theories and findings. In M. Schabracq, J. Winnubst, & C.L. Cooper (Eds.), *The handbook of work and health psychology (2nd ed.)*, (pp. 279-312). Chichester: Wiley Publishing.

Harter, J.K., Schmidt, F.L., Kilham, E.A. & Agrawal, S. (2009). *Q12 Meta analysis: The relationship between engagement at work and organizational outcomes*. USA: Gallup Inc.

Kanji, G.K. & Chopra, P.K. (2009). Psychosocial system for work well-being: On measuring work stress by causal path way. *Total Quality Management & Business Excellence*, 20(5), 563-580.

Kerns, C.D. (2001). The power of performance profiling: Eight good reasons to concentrate on results. *Graziadio Business Review*, 4: Retrieved from http://gbr.pepperdine.edu/011/performance.html.

Kerns, C.D. (2005). Value-centered ethics: *A proactive system to shape ethical behavior*. Amherst, MA: HRD Press.

Kerns, C.D. (2008). Putting performance and happiness together in the workplace. *Graziadio Business Review*, 11(1). Retrieved from http://gbr.pepperdine.edu/081/performance.html.

Kerns, C.D., & Ko, K. (2010). Exploring happiness and performance at work. *Journal of Organizational Leadership and Business*, 1(5), 68-81.

Kerns, C.D., & Ko, K. (in press). Managerial leadership competencies: A practice oriented action role framework. *International Leadership Journal*.

Locke, E.A. & Cooper, C.L. (2000). Conclusion: The challenge of linking theory to practice. In C.L. Cooper & E.A. Locke (Eds.), *Industrial and organizational psychology: Linking theory with practice* (pp. 335-341). Malden, MA: Blackwell.

Locke, E.A. (2007). The case for inductive theory building. *Journal of Management*, 33, 867-890.

Martin, J. & Schmidt, C. (2010). How to keep your talent. *Harvard Business Review*, 88(5), 54-61.

Mathieu, J.E. & Chen, G. (2011). The etiology of the multilevel paradigm in management research. *Journal of Management*, 37, 610-641.

Mathieu, J.E., Maynard, M.T., Rapp, T.L. & Gibson, L.L. (2008). Team effectiveness 1997-2007: A review of recent advancements and a glimpse into the future. *Journal of Management*, 34, 410-476.

Mehl, M.R. & Robbins, M.L. (2012). Naturalistic observation sampling: The electronically activated recorder (EAR). In M.R. Mehl & T. S. Conner, (Eds.), *Handbook of research methods for studying daily life* (pp. 176-192). New York, NY: Oxford University Press.

Mone, E., Eisinger, C., Guggenheim, K., Price, B., & Stine, C. (2011). Performance management at the wheel: Driving employee engagement in organizations. *Journal of Business Psychology*, 26, 205-212.

Rampersad, H.K. (2008). The way to highly engaged and happy workforce based on the personal balanced scorecard. *Total Quality Management & Business Excellence*, 19(1-2), 11-27.

Rath, T. & Harter, J. (2010). *Wellbeing: The five essential elements*. New York, NY: Gallup Press.

Reichard, R.J., Serrano, S.A., & Wefald, A. J. (2013). Engaging followers at a distance: Leadership approaches at work. In M.C. Bligh & R.E. Riggio (Eds.), *Exploring distance in leader-follower relationships: When near is far and far is near (pp. 109-135).* New York, NY: Routledge.

Robertson, I.T. & Cooper, C.L. (2011). *Well-being: Productivity and happiness at work*. New York, NY: Palgrave Macmillan.

Roberts, L.M., Spreitzer, G., Dutton, J., Quinn, R., Heaphy, E. & Barker, B. (2005). How to play to your strengths. *Harvard Business Review*, 83, 74-80.

Rothbard, N.P. & Patil, S.V. (2012). Being there: Work engagement and positive organizational scholarship. In K.S. Cameron & G.M. Spreitzer (Eds.), *The oxford handbook of positive organizational scholarship*, (pp. 56-69). New York, NY: Oxford University Press.

Saks, A.M. (2006). Antecedents and consequences of employee engagement. *Journal of Managerial Psychology*, 21, 600-619.

Schaufeli, W.B. & Bakker, A.B. (2004). Job demands, job resources and their relationship with burnout and engagement: A multi-sample study. *Journal of Organizational Behavior*, 25, 293-315.

Schaufeli, W.B. & Bakker, A.B. (2010). Defining and measuring work engagement: Bringing clarity to the concept. In A.B. Bakker & M.P. Leiter (Eds.), *Work engagement: A handbook of essential theory and research* (pp. 10-24). New York, NY: Psychology Press.

Schaufeli, W.B., Salanova, M., Gonzalez-Ronná, V. & Bakker, A.B. (2002). The measurement of engagement and burnout: A two sample confirmatory factor analytic approach. *Journal of Happiness Studies*, 3, 71-92.

Schueller, S.M. & Seligman, M.E.P. (2010). Pursuit of pleasure, engagement, and meaning: Relationships to subjective and objective measures of well-being. *Journal of Positive Psychology*, 5, 253-263.

Seligman, M.E.P. (2011) *Flourish: A visionary new understanding of happiness and well-being*. New York, NY: Free Press.

Serrano, S.A. & Reichard, R.J. (2011). Leadership strategies for an engaged workforce. *Consulting Psychology Journal: Practice and Research*, 63(3). 176-189.

Shuck, B. (2011). Four emerging perspectives on employee engagement: An integrative literature review. *Human Resource Development Review*, 10, 304-328.

Shuck, B. & Herd, A.M. (2012). Employee engagement and leadership: Exploring the convergence of two frameworks and implications for leadership development. *Human Resource Development Review*, 11, 156-181.

Shuck, B., Rocco, T.S. & Albornoz, C.A. (2011). Exploring employee engagement from the employee perspective: Implications for HRD. *Journal of European Industrial Training*, 35, 300-325.

Shuck, B. & Wollard, K. (2010). Employee engagement and HRD: A seminal review of the foundations. *Human Resource Development Review*, 9, 89-110.

Tuckey, M.R., Bakker, A.B., & Dollard, M.F. (2012). Empowering leaders optimize working conditions for engagement: A multilevel study. *Journal of Occupational Health Psychology*, 17, 15-27.

Wagner, R., & Harter, J.K. (2006). *12: The elements of great managing*. Washington, DC: The Gallup Press.

Welbourne, T.M. (2007). Employee engagement: Beyond the fad and into the executive suite. *Leader to Leader*, Spring, 45-51.

Wiley, J.W. (2010). *Strategic employee surveys: Evidence-based guidelines for driving organizational success*. San Francisco, CA: Jossey-Bass.

Wiley, J.W. & Campbell, B.H. (2006). Using linkage research to drive high performance. In A. Kraut (Ed.), *Getting action from organizational surveys: New concepts, technologies and applications* (pp. 150-180). San Francisco, CA: Jossey-Bass.

Wollard, K.K. (2011). Quiet desperation: Another perspective on employee engagement. *Advances in Developing Human Resources*, 13, 526-537.

Zaccaro, S. J., Ely, K., & Nelson, J. (2008). Leadership processes and work motivation. In R. Kanfer, G. Chen & R.D. Pritchard. *Work motivation: Past, present and future*, (pp. 319-360), New York, NY: Taylor & Francis.

The Women's Leadership Initiative: One University's Attempt to Empower Females on Campus

Lisa DeFrank-Cole
West Virginia University

Melissa Latimer
West Virginia University

Maryanne Reed
West Virginia University

Michele Wheatly
West Virginia University

One university is addressing the gender gap in leadership with an internal model designed to support and inspire groups of women in leadership positions without leaving campus. Based on a coaching method used at Harvard's Women's Leadership Forum, our leadership initiative provides an on-campus leadership development and support program for women. This paper assesses the overall impact and effectiveness of this program and compares results of an external coaching model versus an internal facilitator (coach) model. This "grow your own" program is a low cost, effective model for leadership development that could be replicated by other institutions.

INTRODUCTION

Despite the recent media attention to successful, high profile female leaders such as Marissa Mayer (President and CEO of Yahoo!), Meg Whitman (President and Chief Executive Officer of Hewlett-Packard), Indra Nooyi (Chairperson and Chief Executive Officer of PepsiCo), and Sheryl Sandberg (Chief Operating Officer of Facebook), data from the corporate world indicate that women represent only four percent of chief executive officer (CEO) positions of Fortune 500 companies (Catalyst, 2013). This lack of progress is dumbfounding given that for the last 25 years, women's entrance into professional and managerial positions has been on par with their male colleagues (Ely, Ibarra & Kolb, 2011). This same pattern is true for female physicians and scientists in the medical fields (Morahan, Rosen, Richman, & Gleason, 2001). Ely et al. (2011) state further that in business, "Even among recent graduates from leading business schools worldwide, women's career progress lags relative to comparable men's" (p.474). In the political sector, women occupy 98 out of 535 seats of the U.S. Members of Congress, representing a total of 18.3% of this decision making group. Of the 50 state governors, only five are women (Center for American Women and Politics, 2013).

It is well documented that women in higher education likewise hold fewer leadership positions than men (Cook, 2012; Eagly, 2007; Haslam & Ryan, 2008; Richardson & Loubier, 2008). Marschke, Laursen, Nielsen, and Rankin (2007, p.1) describe the overall progress in higher education as "'glacial,'" a term that can also be used to describe the gender representation among leaders in higher education. Catalyst (2013) reports that women earn nearly 60% of all bachelors and masters degrees and roughly 50% of all doctorate degrees. However, women are not well represented in the senior leadership ranks (Gardner, 2013). Although the undergraduate enrollment of female students now exceeds that of their male peers, this has "yet to translate into proportional representation in the labour market or access to leadership and decision-making positions" (Morley, 2013, p. 3). Women represent about 29% of higher education presidents, and the majority of them preside over less prestigious, associate degree-granting institutions (Cook & Kim, 2012). These patterns in higher education are found globally as well (Morley, 2013).

Given these patterns in both the corporate world and the academy, it is not surprising that leadership, as it relates to women generally, has been characterized by a number of metaphors such as "glass ceiling," "glass cliff," "labyrinth," "ivory basement," and "velvet ghetto" (Eagly & Carli, 2007; Eveline, 2004; Frenkiel, 1984; Guillaume & Pochic, 2009; Haslam & Ryan, 2008; Hymowitz & Schellhardt, 1986).

In 1984 and then again in 1986, the first references to the term *glass ceiling* emerged (Frenkiel, 1984; Hymowitz & Schellhardt, 1986). This metaphor indicates that women may pursue and succeed in a number of positions throughout their professional careers, but will hit a transparent ceiling when considering the senior-most leadership jobs. They can see through the barricades to the top posts, but are unable to push through them.

Eveline (2004) coined the term "ivory basement" to reflect the disproportionate relegation/concentration of women in academia in the bottom of the "ivory towers". The term "glass cliff" (Haslam & Ryan, 2008) comes nearly twenty years after the debut of "glass ceiling" and describes the precarious progress of women into leadership positions, specifically the delegation of less rewarding tasks to women and/or the appointment of women to leadership roles with a high risk of negative consequences. More recently, Eagly and Carli (2007) announced a different metaphor for women and leadership: the *labyrinth.*

> With continuing change, the obstacles that women face have become more surmountable, at least by some women some of the time. Paths to the top exist, and some women find them. The successful routes can be difficult to discover, however, and therefore we label these circuitous paths a labyrinth. (Eagly & Carli, 2007, p. 6)

In 2009, Guillaume and Pochic created the term "velvet ghetto" to describe the placement of women and other under-represented people into high profile but low power positions in order to promote an image of equity, diversity, and inclusion.

Scholars have identified a number of explanations for why women have difficulty in achieving high-level leadership posts and they include: gender role stereotypes about "good" leaders; the number of women available to fill leadership roles; a limited number of and access to female role models, mentors and/or sponsors; child care responsibilities; domestic duties; a lack of policies that promote work-life integration; variations in networks and support systems; organizational policies, practices, and processes that reproduce inequality; lack of negotiation skills; democratic leadership styles; and prejudice (Eagly & Carli, 2007; Ely, Ibarra, & Kolb 2011; Hornsby, Morrow-Jones, & Ballam, 2012; Hoyt, 2010; Hoyt, Johnson, Murphy, & Skinnell, 2010; Morahan, Rosen, Richman & Gleason 2011; Morley, 2013; Richardson & Loubier, 2008). The assumptions about "why" leadership inequities occur directly shape the format, structure, and goals of leadership programs designed to address the gender gaps in leadership.

In both her 2010 TED Talk and recent book *Lean In: Women, Work and the Will to Lead,* Sheryl Sandberg acknowledges the lack of women leaders at the corporate level and offers solutions to the problem from her perspective as the COO of Facebook. As an increasing number of women are pursuing high-level leadership roles, specifically in higher education, many of them are seeking information and

tools that will enable them to advance to and succeed in the senior ranks. There is a clear need for women to be "effectively" and "efficiently" prepared for and supported in their leadership roles (Madsen, Longman, & Daniels, 2012, p.126).

Programs that have the potential to increase the number of women in leadership positions and provide continued support for female leaders in higher education are important for a number of reasons. First, the path to leadership in higher education can be unique where "often the transition to management can be the result of turn-taking and involves realignment to a completely new job without any training or support" (Morley, 2013, p. 6). Second, Morahan et al. (2011) state that "the attainment of a leadership position does not automatically ensure long-term success for women leaders. Recent research demonstrates that women in leadership roles may be more vulnerable and less likely to achieve sustained leadership success than men with comparable professional experience" (p. 387).

Third, if women continue to be under-represented across all decision making aspects of higher education, then "the expertise and skills of a significant part of the HE workforce are being under-utilized" (Morley, 2013, p. 5). Fourth, an organization's performance improves as the number of female leaders grow within that system (White, 2012). Fifth, higher education institutions need innovative leaders to traverse volatile economic times. Sixth, White (2012) states that the senior leadership positions on most campuses will be affected by retirements and thus "The decade ahead will be a critical period to prepare and promote women of all backgrounds to the highest executive positions and to strength the entire pool of women holding institutional leadership positions" (p. 12). Madsen et al. (2012) draw similar conclusions and add that most institutions lack an "intentional" process for preparing future leaders and thus they are woefully unprepared to deal with a retirement induced leadership vacuum.

Morley (2013) also argues that change in the patterns of higher education leadership are crucial because "The gendered world of HE affects the very nature of knowledge production itself" (p. 15). Morahan et al. (2011) likewise concur that the gender gap in leadership roles "represents a failure to obtain the critical mass needed to effect change, the underuse of some of our best talent; and a contribution to the deficit of strong women mentors" (p. 387).

Marschke et al. (2007) state that it is a mistake to simply "wait for the market to right itself or merely hope that demographic changes will continue in the same direction to achieve equity many generations from now…." (p. 20). They conclude that the only way to remove the "demographic inertia" around equitable gender representation in higher education is to implement radical and purposeful interventions within organizations. Morahan et al. (2011) make a similar argument that "To successfully challenge and change the deep-rooted culture of medicine and science in a sustained way, considerable research indicates that a critical mass of enlightened women leaders, about 5%-15%, is necessary" (p. 388). The authors believe that the only way to achieve this critical mass goal is to support initiatives that promote and sustain female leaders.

Leadership models developed and used by men will not suffice as the only examples for women. Leadership development programs geared specifically toward women are needed. Ely et al. (2011) argue that women's leadership development programs should be designed to "adequately addresses (sic) the organizational realities women face" and "foster in participants a sustained capacity for leadership" (p. 475). Madsen et al. also add that "(W)hile the importance of leadership development programming for both men and women is clear, several articles emphasize the beneficial impact of women-only opportunities" (p. 115).

Our single-sex Women's Leadership Initiative was designed to address the institution's gender gap in networking and leadership support. Based on a coaching method used at Harvard's Women's Leadership Forum, our leadership initiative provides an on-campus leadership development and support program for women. This paper assesses the overall impact and effectiveness of this program and compares results of an external coaching model versus an internal facilitator (coach) model. This "grow your own" model is less expensive than sending one woman at a time to an out-of-state program and it develops a critical mass of female leaders who can regularly connect with women across the campus. It is absolutely important to have national networks, but it is also invaluable to have local connections that can be called upon for a multitude of problems. Our model is a low cost, effective model for leadership development

that could be replicated by other institutions. The results should be of interest to leadership scholars and practitioners focusing on women and leadership, especially leadership development. It is hoped that the evaluation/assessment data from this program will inspire other campuses to create a similar leadership development program for women.

Existing Leadership Models and Literature on Leadership Development

There are a number of nationally known leadership institutes designed for women (Madsen, Longman, & Daniels, 2012). In fact, Madsen et al. (2012) identified nineteen sample international or national leadership development programs, fifty-two sample state or regional leadership development programs, and thirteen sample institutional leadership development programs for women in higher education.

Perhaps some of the best known are the HERS Institutes and the Harvard Women's Leadership Forum (WLF). For both programs, an individual attends the seminar for several days to a week, and then returns back to her campus. The Higher Education Resource Service (HERS) was founded in 1972 and began the first institute at Bryn Mawr College in 1976 (White, 2012).

> HERS Institutes provide an intensive 12-day curriculum that prepares women faculty and administrators for institutional leadership roles. The Institutes focus on knowledge, skills and perspectives for achieving institutional priorities and maximizing institutional resources. HERS Institute participants work with HERS Faculty and HERS Alumnae to develop the professional development plans and networks needed for advancing as leaders in higher education administration. (http://www.hersnet.org/institutes.asp)

The Women's Leadership Forum at Harvard is a five-day development program that "is designed to advance your management and leadership skills" (http://www.exed.hbs.edu/programs/wlf/Pages/default.aspx). This program brings together "a dynamic group of senior businesswomen from around the world—successful leaders of public and private firms, including business owners, entrepreneurs, corporate officers, and nonprofit executives" (http://www.exed.hbs.edu/programs/wlf/Pages/default.aspx).

Although the individual model can be quite effective in personal transformation for the participant, it is a costly and inefficient way to exponentially increase the leadership capacity in an academic institution. Participants in both of these programs incur expense in attending, whether the price is paid by the individual or by the institution that sponsors her. The HERS Institutes as well as Harvard's program are both costly--between $7,000 and $10,000 respectively per person in 2013. In a time of budget cuts and financial constraints, many institutions are not able to afford these expenses.

In trying to reach a large number of women on campus with limited financial resources, our campus instituted the Women's Leadership Initiative (WLI). The mission statement for the WLI is as follows: "The Women's Leadership Initiative strives to empower women in leadership roles by providing them the tools, resources, development opportunities and professional networks that will enable them to reach their full potential."

Our women's leadership initiative grew out of the individual experiences of two female campus leaders. Both had attended (one within the last 10 years and the other more recently) and had very positive experiences at the Harvard Women's Leadership Forum (WLF). They wanted to provide this experience to a substantial number of our institution's women. We contracted with Jane Wells Coaching and Consulting and her business partner, Dr. Harriet Nezer, to serve as the external consultants and coaches for the first round of this initiative. The two external coaches tailored a program for campus, based on the best practices identified in the leadership development literature and the "Board of Advisors" model utilized by the Harvard WLF program. In this model, a large group of women were divided into smaller coaching groups or "pods" led by a professional facilitator. Through a highly structured process of giving and receiving feedback, the women in each group served as advisors and coaches to each other, sharing their professional experience and insights.

In Phase I of our leadership program, twenty-nine women were placed into coaching groups, each consisting of four to five members. Each pod met five times during the Spring semester at rotating locations determined by the individual members. The external coaches, Wells and Nezer, facilitated the first session in person after the initial kickoff meeting, then facilitated the remaining four sessions via Skype from their Boston location. In addition, the participants were assigned homework and reading assignments from the book, *How Remarkable Women Lead* by Joanna Barsh, Susie Cranston and Geoffrey Lewis (2009).

The five sessions were designed to help participants hone their leadership skills, develop concrete strategies to address their individual leadership challenges, and create an engaged leadership community and network. Participants also gained insights into the coaching process, enabling them to more effectively encourage other women leaders. The Phase I coaching sessions ended in May 2012 with an on-campus closing event where 26 women completed the program.

The next step of the program involved training the initial cohort of women to serve as *facilitators for the second round of participants*. In fall 2012, the two external consultants returned to campus to train twenty-two of the Phase I participants who agreed to serve as coaches/facilitators for the Phase II participants. In this on-campus training, the consultants provided a "tool-kit" to each woman who would serve as a coach for Phase II participants. Detailed "lesson plans" and "homework assignments" were contained in a three-ring binder toolkit for use by the internal coaches. The internal coach-facilitators coached 46 women during the spring semester--January through May 2013. Each pod had two internal coach-facilitators and four or five Phase II participants. Forty-three women completed Phase II.

The designers of the curriculum for our leadership initiative indicate that the Centered Leadership model heavily influenced their structure. Barsh, Cranston, and Craske (2008) offer the following summary of the five dimensions of their Centered Leadership Model:

> *meaning*, or finding your strengths and putting them to work in the service of an inspiring purpose; *managing energy*, or know where your energy comes from, where it goes, and what you can do to manage it; *positive framing*, or adopting a more constructive way to view your world, expand your horizons, and gain the resilience to move ahead even when bad things happen; *connecting*, or identifying who can help you grow, building stronger relationships, and increasing your sense of belonging; and *engaging*, or finding your voice, becoming self-reliant and confident by accepting opportunities and the inherent risks they bring, and collaborating with others. (Barsh, Cranston, & Craske, 2008, p. 36)

The design of our approach likewise reflects key findings around Adult Learning Theory and leadership development. According to Allen (2007) "A leadership development program that incorporates the thinking of behaviorists, cognitivist, social learning theorists and developmentalists will not only involve learners at a higher level, it will help architects of leadership development programming design and implement interventions and environments more conducive to learning" (p. 36). Leadership development programs that "incorporate a number of 'real time' opportunities for learners to practice and perform new behaviors" (Allen, 2007, p. 28) incorporates behaviorism into its programming. Allen argues further that "This real time practice includes coaching from independent observers or others and offering immediate feedback to participants. In addition, designers of leadership development programs utilizing this learning theory may consider linking the subject being taught (in this case leadership development) to some form of prestige or desirable outcome" (Allen, 2007, p. 29). The *objectives-centered* instruction as described above is embedded in the structure of our WLI. For example, participants involved in the WLI were asked by the coaches to practice new behaviors (i.e., exhibiting active listening skills, asking non-leading questions, offering positive feedback, etc.) in the context of resolving a current leadership challenge.

Our WLI also contains elements of cognitivism, specifically, "*experienced-centered instruction*". In order to promote understanding, "one goal is for participants to be more in tune with their own processes and ways of knowing" (Allen, 2007, p. 31). Allen states that to achieve this, "a step-by-step model should

be introduced and related to the whole". Also, "a focus on real life problems that have immediate importance will better assist learners in solving problems that have immediacy 'because unsolved problems create uncomfortable ambiguity for learners'" (Allen, 2008, p. 31). The last condition is that "learning must take place in a safe and comfortable environment that will assist participants in solving problems and provide them with opportunities to test assumptions through activity" (p. 31). For the WLI, women were placed in small groups of four-to-five members and asked to complete a number of exercises designed to build trust. In addition, the monthly homework assignments were linked to a real-life work issue and were designed to elicit self-reflection with the ultimate goal of each woman resolving her own leadership challenge.

In terms of social learning theory, the coaches (in both Phase I and II) modeled an approach grounded in appreciative inquiry (where questions are framed to identify strengths), and the assumption was that individuals can find the answer themselves if questioned properly. Coaches were also attentive, supportive, encouraging, and engaged in active listening. Thus, they modeled the desired behaviors. In addition, "Leadership development opportunities should help participants better understand their environment and how it affects those within it" (Allen, 2007, p. 32). There were several exercises within WLI that ask participants to assess the landscape, who were the key players in their leadership challenge, who support/might oppose the work as well as asking them to identify and to assess their networks (where are the holes and what strategies can they use to fill them).

The final piece, developmentalism/transformative learning, was also present in our WLI. All of the homework exercises required deep critical reflection as did the questioning by coaches (and peers). Framing is one of the five cornerstones of the centered leadership model and asked the participants to be aware of their "habits of mind" (the complexity of their understanding of things, how they frame difficulties, challenges, resolve them, whether or not they remember prior successful ventures, etc.).

Researchers have also concluded that coaching and/or mentoring can encourage women in the area of leadership. Learning how to lead from a coach or a mentor is beneficial because "In a coaching relationship, individuals reflect on their own strengths, challenges, and experiences to develop insights and to experiment with new ideas and behaviors" (Patti, Holzer, Stern, & Brackett, 2012, p. 264). Having a mentor gives a mentee more skills (Chopin, Danish, Seers, & Cook, 2013; Madsen, 2008) and they "pay off not just in better performance but also in increased job satisfaction and decreased turnover" (Goleman, 2010, p. 143). In addition, the coaching relationship is not only good for the individual, but also the organization. Chopin et al. (2013) state the following:

> Establishing programs that will foster interpersonal and networking skills would benefit not only the individual but also the organization. Learning from more experienced workers through mentoring relationships is one way for employees to develop the skills necessary to adapt to the rapidly changing organizational structure. (Chopin et al., 2013, p. 17)

While mentoring is said to be beneficial for a person's career as well as for an organization (Chopin et al., 2013) there are difficulties for women in identifying a mentor (Haley & Jaeger, 2012). There are not always opportunities to have a woman as a mentor, especially if one is located in a male-dominated profession.

Ely et al. (2011) state that "Establishing a safe space for learning and experimentation and building a community of peer support are critical elements of any effective leadership development program" (p. 486). Research has documented that having a network of people to talk with and get ideas from in a professional setting is especially important for women. According to Flemming & Nelson (2007) "(R)elationships are important to women's psychological and social development as well as their identity and sense of self…a particular kind of relationship—mentoring. Potential solutions to the problems women face in the workplace are based on these relationships" (p. 20). Enabling women to learn from other women can provide important perspectives. Thus, "Women-only programs foster learning by putting women in a majority position, and this contrast with the more familiar, male-dominated work context can provoke powerful insights (Ely et al., 2011, p. 488).

In summary, like other off-campus leadership development programs for women, our WLI is focused on helping women develop leadership skills (Ely et al. 2011; Hornsby, Morrow-Jones, & Ballam, 2012; Morahan et al., 2010; White 2011;) and enhance their professional networks (Ely et al., 2011). Like the Harvard WLF program, the WLI, uses the "Board of Advisors" model, in which an assigned coach facilitates professional development through a highly structured program of small-group discussion, readings and homework assignments at their home institution. Our approach utilizes some of the best leadership development practices identified for adult learners (Allen, 2007) and like Ely et al. (2011) our program utilized a coaching/mentoring program designed to promote exchanges between women that are authentic and reciprocal and promote relationships that continue beyond the program. Our single sex approach also lines up with the research of Ely et al. (2011), Hornsby, Morrow-Jones, and Ballam (2012), and White (2012).

METHOD

Survey Development and Implementation: Measuring Change

The sections that follow discuss the survey design, including data collection method and instrumentation. The data collection method at Time 1—the introductory meeting for the Women's Leadership Initiative —was group administration. Data collection at Time 2—at least four months after the initial meeting and at the end of the group coaching—was also group administered. We have pre- and post-test data for Phase I of the initiative where approximately twenty-six females in top-level administrative positions on campus were "coached" by external consultants. The women in Phase I occupy positions such as Provost, Deans of Colleges, Associate Deans, Associate Provosts, Directors, Chairs, etc. We also have pre- and post-test data for Phase II of the initiative where forty-three women in the early to mid-level of their careers were coached by the Phase I participants (i.e., internal coaches).

The survey covered the following five broad areas: (1) strategic thinking (How important is strategic thinking to success in your current role; How would you rate your effectiveness at strategic thinking), (2) influencing others (How important is this skill to being effective in your role; how effective are you at influencing your supervisors; how effective are you at influencing people you supervise; how effective are you at influencing your peers), (3) speaking up and asking for what you need (how critical is this to effectiveness in your role; how effective are you at speaking up and asking for what you need), (4) career planning and professional development (how critical is professional development to your success; rank the quantity and quality of your professional networks), and (5) progress on their leadership challenge (how much progress did you feel that you made on your leadership challenge). For the first four areas, participants were asked to rate their responses from one to four with one being "the least" and four being "the most". For the fifth area, participants were asked to rank their progress in terms of 1=no progress, 2=limited progress, 3=progress, and 4=significant progress. For the post-test survey, there were also open-ended questions that asked how the "group coaching" had helped participants with each of these areas and solicited suggestions for strengthening and improving the group coaching process.

Our general analytical strategy was to use statistical techniques for comparing and establishing statistical differences (i.e., not likely to have occurred due to chance) between groups. We utilized paired samples t-tests because we tested the same people on two separate occasions. We also calculated effect size with eta squared to determine the magnitude of the intervention's effect (i.e., participating in the WLI over a semester). For eta squared, .01 indicates a small effect, .06 indicates a moderate effect, and .14 indicates a large effect (i.e., a substantial difference in the scores obtained before and after participating in the leadership initiative).

RESULTS

Specific Results from Phase I Participants (Group Coaching with External Facilitators)

A total of twenty-four out of twenty-six Phase I participants completed the surveys. There were ten variables where pre- and post- responses from Phase I participants are compared. The results indicate that

TABLE 1
COMPARISON AND PRE-TEST AND POST-TEST DATA FOR PHASE I AND II

	Phase I Pre-Test	Phase I Post-Test	Phase II Pre-Test	Phase II Post-Test
Importance of strategic thinking to success	3.68 (n=22)	4.0* (n=22) t-value=-2.31 df=21 eta squared=.20	3.84 (n=25)	3.80 (n=25)
Effectiveness at strategic thinking	2.86 (n=22)	3.36*** (n=22) t-value=-4.58 df=21 eta squared=.50	3.12 (n=25)	2.94* (n=25) t-value=2.38 df=24 eta squared=.187
Importance of influencing others	3.77 (n=22)	3.95* (n=22) t-value=-2.16 df=21 eta squared=.18	3.52 (n=25)	3.68 (n=25)
Effectiveness at influencing supervisors	2.95 (n=22)	2.82 (n=22)	2.76 (n=25)	2.76 (n=25)
Effectiveness at influencing people you supervise	3.05 (n=21)	3.19 (n=21)	3.28 (n=25)	3.14* (n=25) t-value=2.06 df=24 eta squared=.150
Effectiveness at influencing peers	2.95 (n=22)	3.14* (n=22) t-value=-2.16 df=21 eta squared=.18	3.04 (n=25)	3.06 (n=25)
Importance of speaking up and asking for what you need	3.59 (n=22)	3.77* (n=22) t-value=-2.16 df=21 eta squared=.18	3.52 (n=25)	3.74* (n=25) t-value=-2.19 df=24 eta squared=.167
Effectiveness at speaking up and asking for what you need	2.64 (n=22)	2.77 (n=22)	2.32 (n=25)	2.62** (n=25) t-value=-3.13 df=24 eta squared=.289
Importance of professional development	3.29 (n=21)	3.48 (n=21)	3.38 (n=26)	3.31 (n=26)
Quantity/Quality of professional networks	2.45 (n=22)	3.00*** (n=22) t-value=-5.02 df=21 eta squared=.545	2.68 (n=25)	2.84 (n=25)
Extent University supports women leaders	2.54		3.14	2.82* t-value=2.63 df=21 eta squared=.248
Progress made on leadership challenge		3.29		3.0

Note: *p≤.05   **p≤.01   ***p≤.001

there were significant changes in participants' scores on six of the ten variables indicating that participation in the Women's Leadership Initiative had a significant positive impact on their scores (see Table 1). For example, there was a significant difference in the pre/post mean scores on the importance of strategic thinking (3.68 versus 4.0, .05 level of significance). The eta squared indicates that participation in the WLI had a large effect on the respondents' scores. Respondents also indicated that their effectiveness at strategic thinking had significantly improved (2.86 versus 3.36, .001 level of significance) and that WLI participation had a large effect on their mean scores. In addition, there is a significant difference in the importance of influencing others at time one and time two (3.77 versus 3.95, .05 level of significance). The eta squared also indicates a large effect. There was a significant difference in the pre and post scores of their effectiveness at influencing their peers (2.95 versus 3.14, .05 level of significance) with the eta squared again indicating a large effect. There was a significant difference in the "importance of speaking up and asking for what you need" (3.59 versus 3.77, .05 level of significance) and the WLI's effect is considered large. Finally, there was a significant difference in the ranking of the quantity and quality of their professional networks (2.45 versus 3.0, .001 level of significance) and the largest impact measured with eta squared.

Specific Results from Phase II Participants (Group Coaching with Internal Facilitators)

There were eleven variables where pre- and post- responses from Phase II participants were compared. The results indicate that there were significant changes in participants' scores on five of the eleven variables indicating that participation in the Women's Leadership Initiative had a significant impact on their scores. For example, respondents rated their effectiveness at strategic thinking lower at time two than at time one (3.12 versus 2.94, .05 level of significance) and that WLI participation had a large effect on their mean scores. In addition, there was a significant difference in the importance of effectiveness at influencing people they supervises at time one and time two (3.28 versus 3.14, .05 level of significance). The eta squared also indicates a large effect. It might appear counterintuitive that scores on these two variables significantly declined after participating in the WLI. It is quite possible that through conversations with the coaches and their podmates that many of these women broadened their understanding of strategic thinking and/or how others influence people they supervise. It is possible that participants realized that they could be more strategic in their thinking or more effective in influencing people they supervise and thus lowered their self-evaluations at time two. So, these data are probably better reflections of areas that need development and less about our WLI having a negative impact on the participants. In addition, Phase II participants rated the University's support of women leaders significant higher at Time 1 than at Time 2 (3.14 versus 2.82, .05 level of significance). Again, it is possible that through discussions with other women Phase II participants learned that other women on campus (regardless of type of position or location within the structure) had had negative experiences. Thus, the women did not realize the systematic nature of this bias until they began to communicate with other women about their experiences. This more informed awareness is reflected in lower scores at time two.

There was a significant positive difference in the importance of speaking up and asking for what you need (3.52 versus 3.74, .05 level of significance) and the effect of participating in the WLI is considered large. WLI participants also indicated that their effectiveness at speaking up and asking for what they need had significantly improved between time 1 and time 2 (2.32 versus 2.62, .01 level of significance). These results indicate that women who are not professional coaches can effectively coach other women on campus and that the in-house professional model for women's leadership was beneficial for the participants.

Assessing the Overall Impact and Effectiveness of this New Program

A total of thirty-four women were invited to participate in Phase I of the initiative. Twenty-nine women committed to the program and twenty-six participants completed the program for an 89.7% completion rate. Twenty-two of the 26 (84.6%) Phase I participants agreed to serve as coaches in Phase II of the initiative. Fifty-three women were invited to participate in Phase II, forty-six of those women committed to the program, and forty-three (93.5%) completed the program.

The quantitative survey results indicate for Phase I participants that there were significant changes in participants' scores on six of the ten variables (eight if the level of significance was lowered to .10). These results indicate that participating in the Women's Leadership Initiative had a significant positive impact on their scores. Ninety-two percent of the respondents indicated that they had made progress/significant progress on their leadership challenge. Only one woman from Phase I indicated that she did not make any progress on her leadership challenge. The quantitative results from Phase II participants, although they appear to be more mixed, indicate that there are significant positive changes in participants' scores on two (four if the level of significance is .10) of the eleven variables. Every woman from Phase II indicated that she made some progress on her leadership challenge with 82.6% indicating progress/significant progress.

Responses to the open-ended questions inquiring how the "group coaching" had helped participants on each of the skill areas likewise indicated high overall satisfaction with both Phase I and Phase II of the program. For Phase I, at least half of respondents (and sometimes 92%) wrote comments to the open-ended questions and there were no open-ended responses indicating that respondents were dissatisfied with the group coaching. For Phase II, at least two-thirds (and sometimes as high as 81%) of participants wrote responses to the open-ended inquiries and *all* of their comments were positive reflections of their experience. For both groups, the general theme for strengthening and improving the group coaching process was to offer more of it.

In terms of the utility of modifying an external leadership development program to fit a university setting, the cost to participate in the 2013 Women's Leadership Forum at Harvard is $9,500. The cost per faculty member for the HERS Institutes is $6,900. The two-year cost for the external consultants for our WLI was $50,000. A total of 69 women have completed the program for an average cost of $725 each. Harvard's leadership program is a five-day intensive program (not including travel to and from Harvard) requiring at minimum a 40-hour commitment from participants. The HERS Institutes offer both a concentrated immersion format (two weeks, excluding travel to and from the location) and a cumulative multiple sessions format (covering 12 days, excluding four different travels to and from the location). The leadership "cost" of the internal facilitation model is the time commitment from the internal coaches and the women who were coached. Each Phase I participant was asked to give back to the University community by serving as a coach in Phase II of the initiative. For the coaches, these women committed to participating in four hours of training, four hours each for an introductory and completion session, and five 90-minute sessions (as well as preparation for those sessions) for approximately a 24.5 hour commitment. The time commitment for "being coached" was approximately 15.5 hours.

DISCUSSION

It is quite clear from both the qualitative and quantitative data that participation in our University's Women's Leadership Initiative had a significant positive impact on the first round of women. The data for Phase II participants are likewise encouraging; there are just fewer significant positive impacts. One possible explanation for the variations in documented impact is that this was the first time for any of the women functioning as coaches in Phase II to serve in this type of role. It is highly likely that their coaching abilities will improve with each iteration of this process. It is also plausible that the differences in WLI impact can be attributed to differences between Phase I and Phase II participants. As stated earlier, there are clear differences between the women in both the length of time in academia and their current position within the institution. It is interesting to note that the pre-test means for Phase II participants are higher than the pre-test means for Phase I participants on seven of eleven variables indicating an overall higher initial self-assessment from this second group of women. Phase I participants self-assessed higher on the following four variables: the importance of influencing others, their effectiveness at influencing supervisors, the importance of speaking up and asking for what you need, and their effectiveness at speaking up and asking for what you need. Also noteworthy is that Phase II coaches appear to have impacted Phase II participants in terms of understanding the importance of and their effectiveness at speaking up and asking for what they need. In addition, Phase I participants appear to

have made more progress than Phase II participants on their leadership challenge (i.e., they had higher post-test mean scores on their leadership challenge progress, 3.29 versus 3.0).

CONCLUSION

While the current metaphors used to describe women and leadership may seem daunting, including notions of cliffs, basements, ghettos, labyrinths, and impenetrable ceilings, it is our contention that programs such as ours will help significantly more women traverse the pathways of leadership with ease. Perhaps other universities will consider using our model for an internal leadership development program as they think about increasing the overall leadership capacity of their institution and achieving a critical mass of female leaders on their campus.

Using the time-honored techniques of coaching and mentoring provided sound initial results with our program. Women who were not professional coaches (i.e. practitioner faculty and administrators like those at HERS) were able to effectively coach other women on campus. This success is attributable in part to the fact that WLI's structure and curriculum contains components of long-standing external programs designed to have positive impacts on female leaders. Several examples include having the development take place in a female-only environment, targeting women from diverse backgrounds and types of appointments in various stages of their careers, and creating a safe network of trusted colleagues where risk-taking is encouraged.

In our model, a large number of women are able to link their leadership challenges to their core values and address that challenge in a meaningful way without having to leave the institution. This method is more cost-effective than those that send one woman out-of-state for leadership development and networking. We are not downplaying the benefits of attending a program away from home, but want to draw attention to the benefits of on-campus programming. In fact, we would argue that the best strategy is to provide both internal and external development opportunities for women. Women should have the opportunity that external programs offer to pursue strong external networks and to discuss their leadership issues without fear of reprisal.

White (2012) states that the HERS model facilitates external relationship and connections for those women who participate. In contrast, our initiative facilitates internal relationships between and among professional and academic women on campus. The groups or "pods" in our program cut across every type of professional woman leader on campus—which is interdisciplinary in its approach. Lastly, our model enables each woman to solve a particular career/leadership challenge within her own campus environment.

We are in the early stages (i.e., beginning year three) of our WLI program and currently do not have long term data on the impact of this program. Our current data are self-reported about the perceived impact. To be truly sure of the program's effectiveness our future evaluations need to move beyond the perception of participants to results criteria (Madsen et al., 2012). The real "tests" are to see through time if this program expands the collective capacity of our institutional members and to assess the impact of newly development connections among female participants. Our program, like HERS and the Harvard model, will need to modify and change to continue to offer different types of leadership development opportunities as the needs of women and the context for higher education change.

ENDNOTES

1. Three additional variables indicate statistical differences on the pre and post scores (effectiveness at influencing supervisors declines, effectiveness at influencing people you supervise increases, and importance of professional development increases) when the level of significance is lowered to .10.
2. Two additional variables indicate statistical differences on the pre and post scores (importance of influencing others increases and quantity and quality of professional networks increases) when the level of significance is lowered to .10.

REFERENCES

Allen, S. J. (2007). Adult learning theory & leadership development. *Leadership Review, 7*, 26-37.

Ayman, R., Korabik, K., & Morris, S. (2009). Is transformational leadership always perceived as effective? Male subordinates' devaluation of female transformational leaders. *Journal of Applied Social Psychology 39*(4), 852-879.

Barsh, J., Cranston, S., & Lewis, G. (2009). *How remarkable women lead: The breakthrough model for work and life*. New York, New York: Crown Publishing.

Bass, B. M. (1985). *Leadership and performance beyond expectations.* New York: The Free Press.

Bass, B. M. (1990). *Bass & Stogdill's handbook of leadership: Theory, research, and managerial applications.* (3rd ed.). New York: The Free Press.

Belasen, A., & Frank, N. (2012). Women's leadership: Using the competing values framework to evaluate the interactive effects of gender and personality traits on leadership roles. *International Journal of Leadership Studies, 7*(2), 192-214.

Burns, J. M. (1978). *Leadership.* New York: Harper and Row.

Caffarella, R. S., & Daffron, S. R. (2013). *Planning programs for adult learners: A practical guide (3rd ed.)*. San Francisco: Jossey-Bass.

Carli, L. L. (2001). Gender and social influence. *Journal of Social Issues, 57*(4), 725-741.

Catalyst. (2013). *Catalyst quick take: Statistical overview of women in the workplace*. New York. Retrieved May 20, 2013 from: http://www.catalyst.org/publication/219/statistical-overview-of-women-in-the-workplace

Center for American Women and Politics. (2013). *Women in elective office 2013*. Retrieved May 24, 2013 from http://www.cawp.rutgers.edu/fast_facts/levels_of_office/documents/elective.pdf

Chopin, S. M., Danish, S. J., Seers, A., & Cook, J. N. (2013). Effects of mentoring on the development of leadership self-efficacy and political skill. *Journal of Leadership Studies, 6*(3), 17-32.

Cook, S. G. (2012). Women presidents: Now 26.4% but still underrepresented. *Women in Higher Education, 21*(5), 1-3.

Cook, B., & Kim, Y. (2012). The American college president 2012. Center for Policy Analysis, American Council on Education.

DeFrank-Cole, L. M. (2004). An exploration of the differences in female and male self-perceptions of presidential leadership styles at colleges and universities in West Virginia. (Unpublished doctoral dissertation). University of Pittsburgh, Pittsburgh, PA.

Dunlap, D. M., & Schmuck, P. A. (1995) *Women leading in education*. Albany: State University of New York Press.

Eagly, A. H. (2007). Female leadership advantage and disadvantage: Resolving the Contradictions. *Psychology of Women Quarterly*, *31*, 1-12.

Eagly, A. H., & Carli, L. L. (2007). *Through the labyrinth: The truth about how women become leaders*. Boston: Harvard Business School Publishing.

Eagly, A. H., & Carli, L. L. (2007). Women and the labyrinth of leadership. *Harvard Business Review*, *85,* 62-71.

Eagly, A. H., & Chin, J. L. (2010). Diversity and leadership in a changing world. *American Psychologist, 65*(3), 216-224. doi:10.1037/a0018957

Ely, R. J., Ibarra, H., & Kolb, D. M. (2011). Taking gender into account: Theory and design for women's leadership development programs. *Academy of Management Learning & Education, 10*(3), 474-493.

Eveline, J. (2004) *Ivory basement leadership: Power and invisibility in the changing university.* Crawley: University of Western Australian Press.

Fisher, J. L., & Koch, J. V. (1996). *Presidential leadership*. Phoenix: American Council on Education & The Oryx Press.

Flemming, M., & Nelson, B. (2007). Mission possible: Transforming women and building communities. *Adult Learning, 18*(3-4), 20-24.

Frenkiel, N. (1984, March). The up-and-comers: Bryant takes aim at the settlers-in. *Adweek: Western advertising news,* 39.

Gardner, S. K. (2013). Women faculty departures from a striving institution: Between a rock and a hard place. *The Review of Higher Education. 36*(3), 349-370.

Gilligan, C. (1996). *In a different voice* (2nd ed.) Cambridge: Harvard University Press.

Goleman, D. (2010). Emotional intelligence and leadership. In J.T. McMahon (Ed.), *Leadership classics* (pp. 133-145). Long Grove, IL: Waveland Press, Inc.

Guilliaume, C., & Pochic, S. (2009) What would you sacrifice? Access to top management and the work-life balance. *Gender, Work & Organization*, *16*(1),14-36.

Haley, K., & Jaeger, A. (2012). "I didn't do it the right way": Women's careers as faculty in higher education administration. *The Journal of the Professoriate, 6*(2), 1-26.

Harvard Business School. (2013). The Women's Leadership Forum. Retrieved from http://www.exed.hbs.edu/programs/wlf/Pages/default.aspx

Haslam, S., & Ryan, M. (2008). The road to the glass cliff: Differences in the perceived suitability of men and women for leadership positions in succeeding and failing organizations. *The Leadership Quarterly*, *19*, 530-546.

Higher Education Resource Service (2013). HERS Institutes. Retrieved from http://www.hersnet.org/institutes.asp

Hornsby, E. E., Morrow-Jones, H. A., & Ballam, D. A. (2012). Leadership development for faculty women at The Ohio State University: The president and provost's leadership institute. *Advances in Developing Human Resources, 14*(1), 96-112. doi: 10.1177/1523422311428758.

Hoyt, C. L. (2010). Women, men, and leadership: Exploring the gender gap at the top. *Social and Personality Psychology Compass, 4*(7), 484-498.

Hoyt, C. L., Johnson, S. K., Murphy, S. E., & Skinnell, K. H. (2010). The impact of blatant stereotype activation and group sex-composition on female leaders. *The Leadership Quarterly, 21*, 716-732.

Hymowitz, C., & Schellhardt, T. D. (1986, March 24). The glass ceiling: Why women can't seem to break the invisible barrier that blocks them from the top jobs. *The Wall Street Journal*.

Madsen, S. R. (2008). *On becoming a woman leader: Learning from the experiences of university presidents*. San Francisco: Jossey-Bass.

Madsen, S. R., Longman, K.A., & Daniels, J.R. (2012). Women's leadership development in higher education: Conclusion and implications for HRD. *Advances in Developing Human Resources, 14*(1), 113-128. doi: 10.1177/1523422311429734.

Marschke, R., Lauren, S., Nielsen, J.M., & Ranking, P. (2007) Demographic inertia revisited: An immodest proposal to achieve equitable gender representation among faculty in higher education. *The Journal of Higher Education, 78*(1), 1-26.

Merriam, S. B., Caffarella, R. S., & Baumgartner, L. M. (2007). *Learning in adulthood: A comprehensive guide 3rd edition.* San Francisco: Jossey-Bass.

Morahan, P. S., S.E. Rosen, R.C. Richman, & K.A. Gleason (2011). The leadership continuum: A framework for organizational and individual assessment relative to the advancement of women physicians and scientists. *Journal of Women's Health*, *20*(3):387-396.

Morley, L. (2013) *Women and higher education leadership: absences and aspirations*. United Kingdom: Leadership Foundation for Higher Education.

Northouse, P. (2013). *Leadership: Theory and practice* (6th ed.). Thousand Oaks, CA: Sage.

Patti, J., Holzer, A. A., Stern, R., & Brackett, M. A. (2012). Personal, professional coaching: Transforming professional development for teacher and administrative leaders. *Journal of Leadership Education, 11*(1), 263-274.

Richardson, A., & Loubier, C. (2008). Intersectionality and leadership. *International Journal of Leadership Studies. 3*(2), 142-161.

Sandberg, S. (2010, December). *Why we have too few women leaders.* Retrieved from TEDhttp://www.ted.com/talks/sheryl_sandberg_why_we_have_too_few_women_leaders.html

Sandberg, S. (2013). *Lean in: Women, work and the will to lead.* New York: Knopf.

U.S. Department of Labor, U.S. Bureau of Labor Statistics. October 2012. Report 1038. Retrieved May 13, 2013 from http://www.bls.gov/cps/cpswom2011.pdf

Vinkenburg, C. J., van Engen, M. L., Eagly, A. H., & Johannesen-Schmidt, M. C. (2011). An exploration of stereotypical beliefs about leadership styles: Is transformational leadership a route to women's promotion? *The Leadership Quarterly 22*, 10-21.

White, J. S. (2012). HERS Institutes: Curriculum for advancing women leaders in higher education. *Advances in Developing Human Resources 14*(1), 11-27.

ACKNOWLEDGEMENT

The Ethical Essence of Leaderful Practice

Joseph A. Raelin
Northeastern University

In this article, the author introduces the leadership approach known as "leaderful practice," an alternative to the traditional trait-based approach of individual leadership. Leaderful practice is shown to sustain an ethical infrastructure based on democratic principles. It is democracy not in its representative sense, however, but in its endorsement of public engagement of all those affected by the activity and decision at hand. The article makes the ethical case for leaderful practice based on two paramount ethical behaviors: dialogue and meaning making, and on three virtues: authenticity, humility, and dignity. Leaderful participants not only pay heed to emancipatory processes but also attend to practices that preserve a sustainable future.

BACKGROUND FOR LEADERFUL PRACTICE

We are increasingly witness to a change in the very paradigm of leadership in the 21st Century, one in which there is growing appreciation for the need to unlock the capacity of all people to contribute. Perhaps we are finally ready to cast away our impulse for the individual hero without whom the group will founder to the partner who can nurture everyone's contribution? The point is that we can no longer rely on a band of subordinates to await their marching orders from detached bosses who have an illusory possession on problem fixes across the remote corners of the organization. We need organizations that can empower anyone who is capable and who has the willingness to assume leadership in the moment in his/her relationships with peers, team members, customers, suppliers, and other organizational partners.

There may be no choice. The international arena characterizing our organizations today, staffed by increasingly diverse and skillful people, can no longer be solely pulled together by bureaucratic authority. In fact, information, organized now for decision making in the form of distributed knowledge, is gradually breaking down bureaucracy. It is doing this by providing every organizational member with the necessary tools to not only run his or her immediate work function but to also see how that function connects to the rest of the organization, not to mention to complementary operations in allied institutions elsewhere. People have access to information that was once the exclusive domain of top management. As workers become more connected to one another, the entire enterprise is becoming much more interdependent than in the past. Salespeople are being encouraged to communicate customer preferences to systems designers. Nurses and dietitians are part of the same team. Expertise has become as much a function of the cross-functional unit operating together as intelligence professed by one single individual. In this environment, each worker is likely to possess knowledge that may far exceed that of his or her superiors.

Leadership in this more expansive view extends beyond the confines of the chief executive suite. Operating as part of self-directed teams or just as individual contributors, employees assume leadership when they have the relevant responsibility and expertise. As Bill Gore, founder of W. L. Gore, the maker of Gore-Tex, was given to say, "leadership is defined by what you do, not who you are."

The practice of involving everyone in leadership is so distinct from the conventional view of leadership that I have given it a new name to distinguish it from the archetype based on leadership's root definition as "being out in front." I call it "leaderful practice" (Raelin, 2003; 2010). Leaderful practice, in turn, is itself associated with a fundamental humanistic principle that can be simply stated as follows: When people who have a stake in a venture are given every chance to participate in and affect the venture, including its implementation, their commitment to the venture will be heightened. No matter what form the behavioral change may take - be it through participative management, total quality management, or organizational learning – the leaderful approach requires equal participation in leadership and decision making at all levels and in multiple decision processes.

In this way, the leaderful form of leadership sustains an ethical infrastructure as a democratic practice. It is consistent with democratic practice because of its encouragement of the equal contribution of all engaged actors within the public forum. It is not democracy in its representative sense but in its endorsement of public engagement of all those affected by the activity and decision at hand. It promotes discovery through free expression and direct participation by involved parties through their own exploratory, creative, and communal discourses. In this sense, it is as much concerned with the subjective and discourse ethics of individuals, facing at times an obstinate organization, as with an organizational or business ethics, seeking to manage the ethical behavior of organizational members.

THE FOUR C'S OF LEADERFUL PRACTICE

Before delving further into the ethical essence of leaderful practice, it may be helpful initially to categorize it more clinically. There are four perspectives that are critical in establishing a leaderful practice. The four perspectives call on leaders to be concurrent, collective, collaborative, and compassionate (see Figure 1). These so-called four c's may be contrasted with four tenets that have long been associated in the West with what we might simply refer to as the traditional model. Most of us have grown up with this, call it, implicit model, suggesting that its meaning is so widely accepted that there is no need to questions its prevailing connotation. In other words, its qualities have become commensurate with leadership itself. Here, then, are my nominations for the tenets that best characterize the Western historical tradition of leadership.

a. Leadership is serial. Once one achieves the office of leadership, that position is retained at least for the duration of the term of office. Only when one completes his or her term, or vacates or is forced to leave the office, does leadership thereupon transfer to the next leader. Leaders are thus always in a position of leadership and do not cede the honor to anyone else. Further, once acquiring power, most leaders attempt to sustain or increase it. Giving up or sharing power with others would be seen as abdicating one's responsibility.
b. Leadership is individual. That a leader is individual signifies its solitary role. There is only one leader of an enterprise and normally this person is designated as the authority or the position leader. It would weaken or minimally confuse leadership to talk about having more than a single leader or sharing leadership because no one would have the final say in making decisions and directing actions.
c. Leadership is controlling. The conventional leader believes it is his or her ultimate duty to direct the enterprise and engender the commitment of all the employees of the organization. To ensure smooth coordination of functions, the leader is the spokesperson for the enterprise. The subordinate's role is to follow the guidance of the leader and to help him or her successfully accomplish the mission.

d. Leadership is dispassionate. Although the leader recognizes that people have feelings, the leader's function is to make the tough decisions for the enterprise in a dispassionate manner. Tough decisions may result in not satisfying (or may even hurt) particular stakeholders, including employees, but accomplishing the mission of the enterprise must come first. Leaders are also the authoritative source when facing problems in the operation and tend to exude a confidence that they are in charge and that subordinates can rely upon them to handle any challenge facing the enterprise.

Leaderful practice offers an alternative approach to this traditional model, which tends to paint the leader with heroic imagery. Where has the heroic paradigm come from? We might go far back to the historical root of the concept of leadership itself. The Anglo-Saxon *lédan* – for leadership - has the meaning of "going forth" or "standing out in front." Moving up to the Nineteenth Century, Scottish historian Thomas Carlyle insisted that the one certainty that defines history is what "Great Men" have accomplished. Perhaps this is why the pull toward the heroic model of leadership has persisted even though there is so much verbiage extended toward the need to include other members of the organization within the leadership umbrella. Though the value of democratic leadership may be advocated, the drive to have a charismatic leader whom we can love and who can save us sneaks back into our consciousness just as we prepare to assert our own worth and independence. Part of the reason for this is that many of our Western cultures appear to value individualism while preaching teamwork. Whatever the walk of life, be it a corporate setting, a sports team, or an opera, there tends to be a focus on the star performer even when he or she may be entirely dependent upon the team to achieve prominence.

Having reviewed the traditional model, we are now ready to view the contrasting tenets of leaderful practice captured in Figure 1 as the four c's. The first perspective, that leaders be concurrent, stipulates that there can be more than one leader operating at the same time in an organization, so leaders willingly and naturally share power with others. Indeed, power can be increased by everyone working together. Since leaders perform a variety of responsibilities in an organization, it may be counterproductive to insist that there be only one leader operating at any one time and that this person stay in power until replaced serially by the next authority. For example, an administrative assistant, who "knows the ropes" and can help people figure out who is knowledgeable about a particular function, may at times be just as important to the operation as the position leader. Furthermore, this position leader does not "stand down" or give up his or her leadership as members of the group turn their attention to the administrative assistant. The two of them as well as many others can offer their leadership at the same time.

Leaderful practice is not only concurrent, but is also collective. Since a group can have more than one leader operating at a time, we can conclude that people might be operating as leaders together; in other words, that leadership is a plural not just an individual phenomenon. The collective view purports that leadership does not derive from individual influence; rather, it emanates from the process of people working together for a common purpose. It attends to the activity of people in interaction as they seek to enhance, amend, or alter a given practice. The entity to which these people relate is not solely dependent on one individual to mobilize action or make decisions on behalf of others. They are involved together in practice. I include in this assertion the role of the position leader. This "authority" may have formal power conferred on him or her by the organization, but formal authority is not necessarily the most valuable to the operation. Decisions are made by whoever has the relevant responsibility. Leadership may thus emerge from multiple members of the organization especially when important needs arise, such as preparing for a strategic intervention, creating meaning for the group, or proposing a change in operations. Although someone may initiate an activity, others may become involved and share leadership with the initiator.

Consider a team temporarily stymied in its attempt to solve a problem. Feeling disconsolate, members wonder if they will ever find a solution. Suddenly, some member offers an idea, perhaps not a mainstream idea, but one that has an immediate appeal, which engages everyone's imagination. Soon, others begin throwing out additional thoughts and tactics to build on the original idea. For a time, there is almost a breathless quality to the team's functioning as it becomes absorbed in this all-encompassing solution

process. The team is experiencing collective leadership; it is not dependent on any one member, not the position leader, not the idea initiator; everyone is participating. Further, the collective nature of leadership illustrated here incorporates the critical components of learning and meaning making. Team members used their conversation to invent new ways to attack a problem and collectively made sense together from what once was a state of "not-knowing."

FIGURE 1
THE FOUR C'S OF LEADERFUL PRACTICE
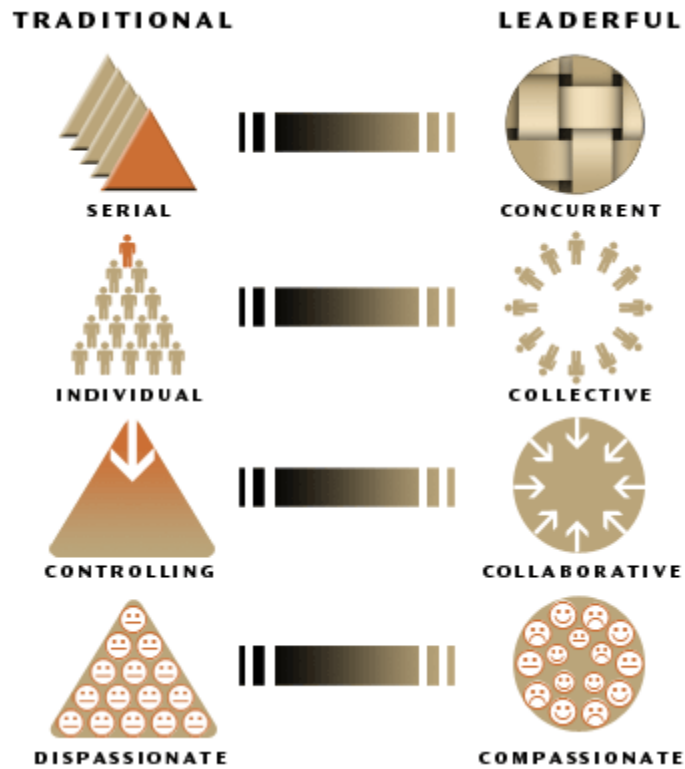
Note - Courtesy: The Leaderful Institute [http://leaderful.org/]

Leaderful practice is also collaborative. All members of the organization participate affirmatively without fear in the affairs of the organization that affect them. They may advocate a point of view that they believe can contribute to the common good of the organization. Although they might be assertive at times, they are equally sensitive to the views and feelings of others and consider their viewpoints to be equally valid. They thus seek to engage in a public dialogue in which they willingly open their beliefs and values to the scrutiny of others. It is through dialogue that collaborative leaders co-create the enterprise. They also understand the difference between collaborating as a pretense versus becoming fully involved. In pretentious involvement, one quickly discovers that all the critical decisions seem to be made when one is absent. Collaborative leaders realize that everyone counts - every opinion and contribution sincerely matter.

Finally, leaderful managers are compassionate. By demonstrating compassion, one extends unadulterated commitment to preserving the dignity of others. Stakeholders' views are incorporated before making a decision for the entire enterprise. Rather than have one key individual make decisions dispassionately for the good of the enterprise, each member of the organization is valued, regardless of his

or her background or social standing, and all viewpoints are solicited regardless whether they conform to current thought processes. In practicing compassion, leaders take the stance of a learner who sees the adaptability of the organization as dependent upon the contribution of others. Members of the organization, not necessarily the position leader, handle problems as they arise. Compassionate leaders recognize that values are intrinsically interconnected with leadership and that there is no higher value than democratic participation. The endowment of participation extends to the wider organization affected by the actions of a given organization. If building a new corporate complex will affect the existing ecology or serenity of a neighboring property, the compassionate leader will include the neighbors in deliberations concerning the construction.

THE ETHICAL CASE FOR LEADERFUL PRACTICE

We have already suggested that the ethical case for leaderful practice can hinge on its democratic infrastructure. This case, however, may strike some readers as dubious since democracy can be viewed as a political form of organization that may serve a functional or even ideological mission without any imputation of its ethical content. Other forms, such as bureaucracy and its hierarchical coordination principle, may be superior as a means of organization while appealing to subordinates who have no interest in managing or in participating in leadership. Hierarchy, it could be argued, is not only more efficient but it is a natural approach given the apathy of most constituents, especially public citizens, not to mention their technical incompetence when it comes to complex matters involving decision making.

In defense of the democratic approach of public engagement, there has been strong support through the years of the equally efficient outcomes produced from democratic or participative management, especially under particular conditions, such as when corporate strategies stress the value of quality as a differentiator (Cabrera, Ortega, & Cabrera, 2003). Furthermore, apathy among employees or citizens is not intrinsic to human nature; in fact, it is likely conditioned by trying to survive in overly bureaucratic paternalistic cultures. Even if bureaucracy were superior to democracy as a means to structure organizations, it would suffer in comparison were it to be set against the loss of promoting cooperative relations among people and of providing corporate staff or public citizens the opportunity to control their own lives and fulfill their human capacity for making sound judgments.

Perhaps Alvin Gouldner (1955) said it best when challenging those who called for the inevitability of hierarchical bureaucracy:

> Instead of explaining how democratic patterns may, to some extent, be fortified and extended, they warn us that democracy cannot be perfect. …Instead of assuming responsibilities as realistic clinicians, striving to further democratic potentialities whenever they can, many social scientists have become morticians, all too eager to bury men's hopes (p. 507).

My initial claim for the ethical case above was noted as being based on the principle of democratic practice. This principle may also lead to a range of ethical behaviors among which are two that will be explored in more detail here: dialogue and meaning making. The first, dialogue, can be characterized as constituting conversations that begin with a stance of nonjudgmental inquiry toward the other. At the same time, speakers commit to submitting their own ideas and views to critical scrutiny. Lastly, participants to dialogue entertain the view that something new or unique might arise from a mutual inquiry that could reconstruct the participants' view of reality.

Dialogue, then, emphasizes the value of listening in human behavior to produce harmonious yet pluralist communities. Listeners, no matter their station in life, defer in deep respect to the contribution of the speaker. They also listen to the content and rhythm of speakers in group settings. They listen with a critical ear to things that are unsaid as much as what are said. When it is their turn to talk, they speak from the heart and solicit inquiry regarding their own viewpoints and suppositions. They become willing to face their own vulnerability that they may lose control, that their initial suppositions may turn out wrong,

or that no solution may be found. By suspending any preconceptions, conversants attempt to reduce the dreaded condition of fear in the group that someone's ideas might be ridiculed or rejected without open-hearted consideration. People acknowledge their positions and power so that no one may come to manipulate or dampen the expression of others. They point out issues arrived at through false reasoning, through hidden assumptions, or through suppression of overlooked or hidden voices. In finding their own voice, they "speak up" in ways not merely sanctioned by privileged social authorities but also because of their self-identified interests and commitments to their community. The resulting dialogue can be characterized as a creative interaction among multiple and contradictory voices that can come to terms with their natural differences.

The second ethical behavior that emanates directly from leaderful practice's democratic orientation is that of meaning making. In classic leadership we are often led to believe that a critical function is that of setting the vision for the organization. But this approach presupposes that the vision is in the mind of the leader rather than emergent from the members of the community who are active participants in their own collective affairs. Rather than rely on individual visionaries, leaderful practice calls on meaning makers, wherever they may "sit" in the organization, to offer meaning to the community, especially when it may face contested terrain or periods of uncertainty or insecurity. These meaning makers are not interested in leadership as a means of ego fulfillment, nor, consistent with especially Eastern philosophical traditions, are they seeking to push to make things happen in the world. Rather, they allow a process to unfold. They see themselves as providing a service to their community, speaking modestly mainly to shed light and create harmony, valuing discernment over impulsion, and looking for synergy among those engaged. Often in the sheer act of framing the reality that is observed, the meaning maker consolidates the prevailing wisdom of the collective community. In the ensuing conversation, there is likely to be deep exploration of ethical dilemmas, recognition of insights based upon alternative framings, empathic awareness based on public and concurrent reflection in practice, and appreciation for the need to either make choices or transcend them in the deliberative decision-making process.

Democratic principles can also lead to particular virtues that have been long characterized as promoting ethical practices. Let's consider three such virtues: authenticity, humility, and dignity. When it comes to authenticity, I contend that leaderful practice can inspire genuineness among community members so that they can bring their whole person to work. Employees don't need to fragment their work and their personal selves. Many if not most of our important social relationships are formed at work, and these connections, when embedded in the organization as part of our social capital, can, as noted in the SHRM (Society for Human Resource Management) Foundation's *Retaining Talent* report (Allen, 2008), produce higher commitment and even retention. Consider the successful tomato processing company, Morning Star, located in California's San Joaquin Valley (Kirkpatrick, 2012). Dedicated to an organizational philosophy of self-management, employees at Morning Star design their own roles but also notably make a set of commitments to their peers. These commitments are captured in so-called "colleague letters of understanding" (CLOUs), which are widely communicated to clarify each person's obligations to his or her team members.

Unfortunately, some of the popular guidance on leadership prescribes a particularized impersonal role that needs to be adopted once in a leadership position. Focusing on developing the self for leadership, the book, *Discovering the Leader in You* (King, Altman, & Lee, 2011), warns prospective leaders that they are no longer "one of the gang." The authors caution leaders to be prepared to lose their long-lasting, genuinely comfortable relationships. They further advise that the higher you climb in an organization, the more you need to tightly control your feelings and your words. "You may want to relax and joke around…. but even in relaxed situations, people are keenly aware of what you say and how you behave. You must always be aware of your image."

Not only do we want the members of our community to express themselves, we want them to *be* themselves. Further, the experience of work need not be a deviation from our personal development nor from our rightful personal enjoyment of life. Work can be fun and personally enlightening. There is already ample gamesmanship that seems expected in our discussions with external constituencies, though we may wish these relationships also to develop to a point of greater authenticity. Most of us,

consequently, prefer a relatively high level of authenticity among members of our immediate communities. As employees in organizations feel more authentic, they feel more liberated to be all that they can be. They become, as Gilbert Fairholm (1998) likes to put it, "thinking contributors, not just physical extensions of the managers' capacities, ideas and creativity" (p. 153).

We can all benefit from spending more time to get to know our colleagues compassionately - to consider them well beyond the organizational role that they may happen to perform. Consider this story that former CEO, Max De Pree of Herman Miller, likes to tell about his father, D.J., the founder of the company (De Pree, 2004). D.J. De Pree would visit the family of any key employee who passed away. He would go to their house and spend time in the living room typically in awkward conversation. One day the millwright died and he went to the home of his widow. In this instance, she asked D.J. if she could read some poetry aloud. He agreed, so she read some selected pieces of beautiful poetry. When she finished, the young De Pree commented on how poignant the poetry was and asked who wrote it. She replied that her husband, the millwright, was the poet. To this day, Max and many others at Herman Miller are still wondering whether this man was a poet who did millwright's work or whether he was a millwright who happened to write poetry.

As a collective approach, leaderful practice expresses a humility that seeks to serve others, that does not seek power for its own sake. People learn to count on others because they have learned that each member, even the weakest, will be kept in mind when decisions are made. Most of us resonate to those who are trustful and who display their humanness. Those who try to sway others with glib speeches are eventually exposed. One doesn't need speech writers when speaking from the heart.

A great example of someone who engendered trust in people through humility is that of Ken Melrose, who at one point took over as president of the near-bankrupt Toro Company (Cashman, 2000). The company's headcount was slashed from 4200 employees to 1800. The entire management team had been terminated except for Melrose. Morale was at an all-time low. He decided to address the remaining employees all together. Here's how he put it:

> We're in a very severe crisis, and you're wondering what went wrong. Well, management has let you down, and the entire management team is gone except for me. If you have to blame someone, then blame me. If you want to be part of the solution, then join me, and we'll bring this company back from the ashes (pp. 181-182).

Melrose's personal appeal to his community (to call it a speech would appear to devalue it) led to a cultural transformation at Toro. In four years the company returned to solid health in large measure due to what we might call Ken Melrose's leaderful practice.

The virtue of human dignity also enters the equation of leaderful ethics. When one commits to honoring the dignity of every involved person in the organization, no decision can be made without considering each such person and one comes to realize that one's contribution is indeed dependent upon others. There are no grand narratives and superimposed truths that govern each activity; rather, we find ourselves drawn to a dialogue about each other's values and commitments. We seek to understand one another and become astutely aware of others' and our own views of reality. Together we seek to create an enterprise that is bigger than what any one of us could have created on our own.

LEADERFUL ETHICS AND SUSTAINABILITY

Might the practice of leaderful behavior extend to the contemporary engrossment in sustainability, defined as the enhancement of the quality of human life while reflecting on our current actions and, in particular, acknowledging the carrying capacity of our supporting eco-systems? There seems to be a natural relationship between the elements of leaderful practice and sustainability, defined in this aforementioned way. In particular, discourse in a collective leadership practice would be governed by a critical personal reflection that recognizes the connection between our individual problems and the social context within which they are embedded. Once participants to dialogue make this connection, they

acquire the necessary intellectual humility, empathy, and courage to challenge standard ways of operating. They learn to consider data beyond their personal taken-for-granted assumptions and begin to explore the historical and social processes underlying enduring universal ethical principles. Sustainable outcomes are also shaped by sustainable practices characterized by emancipatory dialogue. Guided by such criteria as authenticity and fairness, participants warrant that their participatory efforts have a real potential to make a difference, that any dominant discourse will be challenged, and that the practice will be inclusive by incorporating participants from all affected institutions and from diverse backgrounds and points of view.

Dialogue as the cornerstone of communicative action within leaderful practice not only entertains democratic and emancipatory processes but pays heed to the effects of the practice under consideration so as to preserve a sustainable future. This is likely to occur because the outcome of any dialogue is often a new or unique way that had never been conceived prior to the collaborative engagement. As something new, it may be subject to more scrutiny than those positions or consequences already endorsed by members of the group. It may also contain consideration of some of our culture's deepest ethical quandaries, such as intolerance, poverty, gun control, abortion, or climate change. These matters do not resolve easily; rather, they are mired in complexity and even mystery requiring our deepest thinking and profound sensitivity to our fundamental human connections. Consensus on them will also face longstanding institutional pressures, especially by power elites who may try to manipulate the discourse. Nevertheless, by joining together in community, participants in social critique tend to have a better chance to resist oppression and other forms of inequitable social conditions than attempting to intervene on their own to alter extant social arrangements.

CONCLUSION

Since leaderful practice focuses on the group or on collective activity rather than on the traits of individual leaders, its ethical essence will commensurately focus far more on the consensual processes that encourage ongoing shared commitments among members of a community than on static ethical standards. The call to individual leaders to establish ethical guidelines to compel individual employees to observe particular behaviors may miss the mark because social relations are ever evolving and often penetrate into contexts that are unanticipated. But even worse, such objective ethical guidelines may end up requiring a conformity that may unwittingly dampen the free expression, creativity, and dignity of the very individuals whose humanity we wish to preserve. While the age-old paradox of individuality in the face of group acquiescence awaits an indeterminate resolution, I have called for a leaderful practice that privileges the process of inquiry leading to an understanding of one another's experiences, feelings, and assumptions, especially those that have been overlooked. As we engage with one another, we invoke our mutual agency to make a difference in the world that honors our individual and collective needs.

REFERENCES

Allen, D. G. (2008). *Retaining Talent: A Guide to Analyzing and Managing Employee Turnover* (SHRM Foundation's Effective Practice Guidelines Series), Alexandria, VA: SHRM Foundation.
Cabrera, E. F., Ortega, J. & Cabrera, A. (2003). An Exploration of the Factors that Influence Employee Participation in Europe. *Journal of World Business*, 38, (1), 43-54.
Cashman, K. (2000). *Leadership from the Inside Out*, Provo, UT: Executive Excellence Publishing.
De Pree, M. (2004). *Leadership Is An Art*, New York: Crown Business.
Fairholm, G. W. (1998). *Perspectives on Leadership*, Westport, CT: Quorum Books.
Gouldner, A. (1955). The Metaphysical Pathos of Bureaucracy. *The American Political Science Review*, 49, (2), 496-507.
King, S. N., Altman, D. & Lee, R. J. (2011). *Discovering the Leader in You: How to Realize Your Leadership Potential*, San Francisco: John Wiley & Sons.

Kirkpatrick, D. (2012). Self-Management's Success at Morning Star. *T+D*, 66, (10), 25-27.

Raelin, J. A. (2003). *Creating Leaderful Organizations: How to Bring Out Leadership in Everyone*, San Francisco: Berrett-Koehler.

Raelin, J. A. (2010). *The Leaderful Fieldbook: Strategies and Activities for Developing Leadership in Everyone*. Boston: Nicholas Brealey.

Emotional Intelligence: Is it Necessary for Leader Development?

Simone T. A. Phipps
Middle Georgia State College

Leon C. Prieto
Clayton State University

Erastus N. Ndinguri
Framingham State University

There is ongoing debate about the characteristics of effective leaders. Emotional intelligence is a relatively understudied and often disputed theme in leadership. However, existing research suggests that EI is indeed helpful in the development of leaders. This paper defines the concept and its components, and addresses its role in leader development. It will also provide propositions for relationships between EI and leader development through several leader development strategies, namely 360-degree feedback, action learning, developmental assignments, developmental relationships, coaching, and job enrichment. Implications and suggestions for future research in the field of EI, as it relates to leadership will be discussed.

INTRODUCTION

One of the earliest approaches for studying leadership was the trait approach (Yukl, 1981), and it is possibly the most researched area of leadership (National College for School Leadership, 2003). Prior to World War II, the emphasis in leadership research was on analyzing personality traits and characteristics (Geier, 2006). Research on personality as it relates to leadership is still widespread. However, this approach assumes that some persons are "natural leaders," because they are endowed with certain (personality) traits not possessed by others (Yukl, 1981). Thus, further interest has been sparked as regards examining other similar, but distinct qualities that may also affect leadership. For example, mood, which unlike any personality trait, is a more temporary or transitory state, has also caught the attention of scholars (Goleman, Boyatzis, & McKee, 2001). However, this paper will delve into emotion, which is even more ephemeral or transient than mood. The trait approach presumes that leaders are "born," and not "made," and therefore, there is no opportunity for leader development under this approach. By contrast, more state-like characteristics can be shaped. Hence, their examination with respect to leader development is sensible because these characteristics can be molded as individuals are trained to be more effective leaders.

The term emotional intelligence (EI) has surfaced, receiving mixed appraisals, as some researchers' findings minimize its value in the leadership arena (Palmer, Walls, Burgess, & Stough, 2001), while others enthusiastically advocate its importance (Sosik & Megerian, 1999) along with cognitive ability and

experiential background in leaders. Abraham (2004), for example, stated that conceptually, emotional intelligence effectively supplements cognitive intelligence to predict superior performance through its dimensions of self-appraisal, self-regulation, motivation, empathy, and social skills. The author also asserts that successful leaders possess qualities that have undertones of certain emotional competencies that motivate subordinates to exceed expectations.

Leader and leadership development is currently immensely popular, and many organizations have decided to invest in this valuable but costly enterprise. In fact, according to Dolezalek (2005), of the estimated $51 billion spent on training annually, more than $14 billion has been spent on leadership development. Since such emphasis has been placed on leader development, it is important to understand the key elements that play a role in this phenomenon. The purpose of this review is to examine EI as a construct, and to decipher its significance in the leadership arena, especially in the development of effective leaders. Empirical research and other scholarly articles, as well as other literature will be studied, and their findings concerning EI in relation to leadership will be discussed. Transformational leadership (TFL) and Choice Theory (CT) will also be covered as the foundational frameworks to increase understanding of the various subtle intricacies of the construct. Therefore, this paper will endeavor to discover and disclose how emotional intelligence may assist an individual in his/her quest to grow and develop as an effective leader in any organization or community.

This is also a significant Human Resource Development (HRD) topic because an important aspect of the field, besides the development of competent employees, is the development of effective leaders. These leaders are equipped with knowledge, problem-solving skills, social judgment, and social skills (Mumford, Zaccaro, Harding, Jacobs, & Fleishman, 2000). Emotional intelligence encompasses social skills (Zeidner, Matthews, & Roberts, 2004), and is a subset of social intelligence (Salovey & Mayer, 1989), which includes judgment in social situations (Landy, 2005). Therefore, the possession of EI should be an asset for leaders, facilitating their effectiveness in the social or interpersonal aspects of leadership. Hence, it is worthwhile to examine EI in a leadership context. Also, with the plethora of development strategies available, it is wise to explore how they help facilitate the leader development process, and how EI assists individuals as they utilize these development strategies to grow and develop as leaders.

WHAT IS EMOTIONAL INTELLIGENCE?

Goleman (1998) explained that emotional intelligence is the ability to recognize one's own feelings as well as the feelings of others, and to use this awareness to motivate oneself and to manage one's emotions and relationships. There are numerous EI models, some of which will be elucidated in this section. The EI models include a variety of components, but all express a similar concept. Goleman (1995) proposed a mixed model comprising five categories of EI, namely self-awareness, self-regulation, motivation, empathy, and social skills, as can be seen in Table 1. According to Goleman (2001), EI comprises of two competencies, namely the personal competence, which consists of self-awareness and self-management, and the social competence, which embraces social awareness and relationship management. This model, shown in Table 2, is a sequel to his 1995 model, but it still captures the essence of the 1995 model. Self-awareness remains the same, while self management reflects self-regulation, motivation, and empathy, and social awareness and relationship management epitomize social skills.

Sunindijo, Hadikusumo, and Ogunlana (2007) concisely summarize Goleman's EI competencies. They explain that self-awareness taps into one's intuition, and refers to knowing one's feelings and their effects, and using that knowledge for effective decision making. A self-aware individual is able to accurately recognize and assess his/her strengths, capabilities, and weaknesses. Self-management is the ability to regulate or control distressing factors such as anxiety and anger and to restrain emotional impulsivity. It is explained that an astute self-manager can stay positive and motivate oneself and others despite disappointing occurrences. Also, he/she can be flexible and adapt to change and therefore, be more ready to act to take advantage of opportunities.

TABLE 1
EMOTIONAL INTELLIGENCE CATEGORIES

Category	Components
Self-awareness	emotional awareness, accurate self-assessment, self-confidence
Self-regulation	self-control, adaptability, innovation
Motivation	achievement ambition, commitment, initiative, optimism
Empathy	understanding others, developing/serving others
Social skills	communication, influence, conflict management, collaboration

Note. Adapted from "Emotional Intelligence," by D. Goleman, 1995.

TABLE 2
FRAMEWORK OF EMOTIONAL COMPETENCIES

	Self (Personal Competence)	Other (Social Competence)
Recognition	*Self-Awareness* Emotional self-awareness Accurate self-assessment Self-confidence	*Social Awareness* Empathy Service orientation Organizational awareness
Regulation	*Self-Management* Emotional self-control Trustworthiness Conscientiousness Adaptability Achievement drive Initiative	*Relationship Management* Developing others Influence and Visionary Leadership Communication Conflict management Building bonds Teamwork and collaboration

Note. Adapted from "The Emotionally Intelligent Workplace," by D. Goleman, 2001.

Social awareness enables the individual to recognize and understand the feelings of others through the reading of both verbal and nonverbal cues, and thus be attuned to their perspectives and concerns. This helps facilitate more effective interaction toward the achievement of goals. Empathy is also important as it demonstrates the individual's genuine interest in their outlook, which fosters higher levels of community and cooperation. Finally, relationship management allows the individual to influence the emotions of others by attending to their needs, inspiring them, encouraging open communication, being able to manage and resolve conflict well, and showing loyalty and cooperation.

George (2000) specified four major aspects of EI, namely 1) appraisal and expression of emotions, 2) use of emotion to enhance cognitive processes and decision making, 3) knowledge about emotions, and 4) management of emotions. The author also states that the dimensions are all interrelated, explaining, for example, that the ability to accurately assess one's own emotions helps to manage them, and empathy facilitates the management of other people's emotions. Rego and Fernandes (2005) developed and validated an EI model comprising of six dimensions, namely 1) understanding one's emotions, 2) self-control against criticism, 3) self-encouragement, 4) emotional self-control, 5) empathy, and 6) understanding of other people's emotions. In this model, self-encouragement is very similar to motivation in Goleman's 1995 model. However, the second dimension includes a novel idea in the EI framework by specifying "self-control against criticism." This is important as censure can uncover a number of negative sentiments, and control is needed to temper these sentiments, so that positive change can be enabled due to the criticism.

Examination of these models reveals that an emotionally intelligent leader is conscious about and responsive to his/her emotions, possessing the ability to harness and control them in order to deal with people effectively and make the best decisions. Landale (2007) phrases it quite simply and effectively in the six-step process for developing a person's EI. The process includes 1) knowing what you feel, 2) knowing why you feel it, 3) acknowledging emotion and knowing how to manage it, 4) knowing how to motivate yourself and make yourself feel better, 5) recognizing the emotions of other people and developing empathy, and 6) expressing feelings appropriately and managing relationships.

LEADER DEVELOPMENT

Leader development and leadership development are frequently used interchangeably. However, there is a distinction between the two, regardless of how subtle the difference may seem. According to McCauley and Van Velsor (2004), leader development is defined as the expansion of a person's capacity to be effective in leadership roles and processes that facilitate setting direction, creating alignment, and maintaining commitment in groups of people who share common work. Day (2000) defines it as a process that emphasizes the enhancement of individual-based knowledge, skills, and abilities associated with leadership roles.

Leadership development is a broader concept that McCauley and Van Velsor (2004) define as the expansion of the organization's capacity to enact the basic leadership tasks needed for collective work including setting direction, creating alignment, and maintaining commitment. Therefore, leader development embraces the individual, while leadership development focuses on the organization.

This review centers its attention on leader development through developmental experiences. Leader development experiences (or sources of learning) include mentoring and other developmental relationships, job rotation, job enlargement, job enrichment, job assignments, feedback systems, on-the-job experiences, action learning, games, simulations, fellowships, hardships, personal development plans, service learning, sabbaticals, e-learning, and formal training (Allen & Hartman, 2008; McCauley & Van Velsor, 2004; Day, 2000). This review will concentrate on 360-degree feedback, action learning, developmental assignments, developmental relationships, coaching, and job enrichment, all of which should include the essential elements of assessment, challenge, and support, which McCauley and Van Velsor (2004) advocate as the facets that make the leader development experiences effective.

THEORETICAL FRAMEWORK

Transformational leadership (TFL) originated through the work of Burns (1978), and refers to leadership that occurs when leaders broaden and elevate the interests of their employees, when they generate awareness and acceptance of the purposes and mission of the group, and when they stir their employees to look beyond their own self-interest for the good of the group (Bass, 1990). TFL includes four components including idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Bass & Riggio, 2006). Idealized influence is associated with admiration, respect, ethics, trust, and sharing risk. Inspirational motivation is connected to passion, team spirit, and a shared vision. Intellectual stimulation incorporates the prompting of originality and innovation, and Individualized consideration includes responsiveness to the follower's needs for growth and development (Bass, Avolio, Jung, & Berson, 2003; Bass & Riggio, 2006).

Positive results (e.g., employee satisfaction, trust, and commitment, and business performance) continue to emerge on the effects of transformational leadership (Barling, Slater, & Kelloway, 2000). TFL has also been found to positively influence employee motivation (Bono & Judge, 2003) and creativity (Shin & Zhou, 2003). Therefore, it is worthwhile to direct attention toward the development of transformational leaders. There is considerable reason to believe that EI would play a role in transformational leader development. Barling et al. (2000) provide several reasons why individuals high in EI would be more likely to use transformational behaviors. They assert that emotionally intelligent leaders more readily acquire trust and respect from followers, understand followers' needs and interact

accordingly, and realize the extent to which followers' expectations could be raised. Findings from their exploratory study also revealed that EI is associated with TFL. Mandell and Pherwani (2003) found a significant predictive relationship between EI and TFL style and explained that both constructs have several characteristics in common, including the ability to inspire others and arouse enthusiasm for a shared vision, the ability to exhibit empathy and motivation, and the ability to gain respect and trust.

All these issues are relevant to transformational leader development because it involves the cultivation of competencies that incorporate self-awareness and self-management, relationship management, and task fulfillment. Effective transformational leaders are able to use knowledge about themselves, their preferences, and their emotions, as well as knowledge about others, and others' preferences and emotions, to adjust their thinking and behavior to realize goals. Thus, for transformational leader development to take place through developmental experiences, individuals can capitalize on their emotional intelligence, recognizing their emotional tendencies and those of others, and using that recognition to make the right choices (or to choose the right alternatives) as they undergo these experiences.

EMOTIONAL INTELLIGENCE AND LEADER DEVELOPMENT

Many individuals are pessimistic about the worth of emotions, and believe that reliance on emotions is destructive for leaders, producing tendencies of weakness and bad decisions that initiate their downfall. However, others believe that the harness and competent use of emotions can be a significant driving force that allows leaders to build and maintain valuable relationships and achieve goals.

An examination of the capabilities that are cultivated in leader development reveals that self-management capabilities, social capabilities and work facilitation capabilities are all developed (McCauley and Van Velsor, 2004). Self-management capabilities include management of thoughts, attitudes, actions, and emotions, and self-awareness is mentioned as a key aspect of leader development. Social capabilities include interpersonal and social skills, and communication skills, as well as building and maintaining relationships, are mentioned. Work facilitation capabilities include facilitation of the accomplishment of work in organizational systems, and the ability to think and act strategically and creatively, as well as the ability to initiate and implement change, are mentioned. The components of these three capabilities are all engrained in emotional intelligence. The latter involves, self-awareness, self-regulation, social awareness, and relationship management, all of which fall under self-management and social capabilities. These capabilities also allow the leader to be more perceptive so that they can make the best decisions, and thus, work facilitation capabilities are also strengthened by EI.

Robert Cooper, co-author of Executive EQ, referred to emotions as feedback from the heart, and stated that emotions serve as a powerful source of human energy that can offer intuitive wisdom, ignite creative genius, keep the leader honest with himself/herself, shape trusting relationships, provide an inner compass for an individual's life and career, guide the individual to unexpected possibilities, and save the individual and/or the organization from disaster (Landale, 2007).

Landale (2007) also mentions a business leader that condemned the overabundance of intellectual prowess, and advocated the development of emotional and spiritual energy (values and personal authenticity) as a new approach to leadership in order to build great relationships, as well as inspire others to perform exceptionally and believe in the possibility of extraordinary results.

If Cooper and the business leader are correct, emotional intelligence would be a great asset as organizations strive to develop leaders through the use of numerous leader development strategies. For example, among other things, EI would give rise to the discernment and creativity needed for developmental assignments and job enrichment, foster the honest, open, and mutually respectful relationships needed for coaching and mentoring, provide necessary direction for action learning activities, and encourage sincerity and prevent conflict for the feedback process. We explore these possibilities.

360-Degree Feedback

360-degree feedback, also known as multi-rater or multi-source feedback, is a method of systematically collecting or facilitating opinions about a manager's performance from a wide range of coworkers including peers, direct subordinates, the boss, the boss' peers and even people outside the organization such as customers, suppliers, and family members (McCauley & Van Velsor, 2004; Allen & Hartman, 2008). According to Sunindijo, Hadikusumo, and Ogunlana (2007), leaders that are self-aware are more open to feedback. Based on the mean scores of the authors' study, leaders with higher EI scores used participating (i.e., consulting with subordinates before making decisions) more than leaders with lower EI scores. It is reasonable to suggest that they recognize that they have both strengths and weaknesses, and therefore, they are more willing to accept both positive and negative reactions from others without being offended by the more negative remarks. The latter, they would take as constructive criticism, and use it as an opportunity for beneficial change. Also, as a result of their openness to appreciate and incorporate feedback from others, their own understanding is increased. Goleman, Boyatzis, and McKee (2001) state that their research showed that high levels of emotional intelligence create climates in which information sharing, trust, healthy risk-taking, and learning flourish, instead of fear and anxiety. Therefore, individuals with high levels of EI would welcome feedback as a means to learn from their mistakes and to acquire knowledge about how to improve as a leader.

Green (2002) explained that multi-rater feedback helps the leader to identify strengths as well as developmental gaps, thus offering an opportunity for even greater self-awareness. Research also revealed that as a result of 360-degree feedback, individuals are more aware of their actions and decision styles toward others, and they are also more aware of their development needs (McCarthy & Garavan, 1999). Therefore, not only is an emotionally intelligent leader open, ready, and able to use feedback wisely in the leader development process, but he/she is also capable of applying the feedback to enhance his/her self-awareness, and therefore, to further develop his/her EI. According to Goleman et al. (2001), all you need to know about your emotional impact is in 360-degree feedback, if you look for it.

According to a study conducted by Rego, Sousa, Pina e Cunha, Correia, and Saur-Amaral (2007), leaders that possess empathy, self-control against criticism, and understanding of other people's emotions, usually prompt creativity among their employees, suggesting that emotionally intelligent leaders behave in ways that stimulate their followers' creativity. Therefore, the more emotionally intelligent leaders are, the more their employees are described as creative. A possible reason for this finding is that when employees provide negative feedback, or question or challenge the status quo, the emotionally intelligent leaders are more indulgent, and open to new initiatives, and thus clear the way for the employees' creativity to flourish.

This is important in transformational leadership as the transformational leader promotes intellectual stimulation. When leaders are open to constructive criticism through feedback, the employees feel encouraged to discover and/or recommend inventive approaches and tactics because they feel their leaders would be receptive, even though they contradict them. Therefore, they also hold their leaders in higher esteem for allowing them to suggest eccentric ideas and offer differing opinions without fear of punishment. This taps into the component of idealized influence because employees would respect leaders who allow them to contribute despite the "contrary" nature of their contribution. Individualized consideration is also embraced because when employees are allowed to use their creativity and problem-solving skills, they also receive the opportunity to further develop those skills, and thus, the leader is demonstrating his/her concern for their own personal growth. The feedback process helps the growth of leaders because they are learning to engage their employees and allow them also to make a difference. They are also increasing their knowledge and gaining a plethora of novel ideas that would aid them in their development as leaders, as a result of the feedback, (including constructive criticism) that they receive. The following proposition reflects the suggested association among emotional intelligence, 360-degree feedback, and leader development:

> *Proposition 1: The higher the level of emotional intelligence, the greater the leader development through 360-degree feedback.*

Action Learning

Action learning projects are real, relevant, on-the-job experiences that allow the leader to engage in challenging ventures that enable him/her to discover effective means to deal with issues in the workplace. McCauley and Van Velsor (2004) describe these projects as important real-work projects with objectives of delivering measurable results, learning and communicating specific lessons, and developing individual and collective learning and leadership capabilities. These projects should not only focus on the increase of knowledge and skills, but also the ability to change one's perspective and see things differently. Johnson (2008) advocates the development of leaders through their acquisition of new "mental models" or "meaning structures," which pertain to the way leaders view, analyze, and deal with the world. These mental models are an individual's cognitive image and comprehension of reality.

Some leaders' meaning structures may be deficient in that they provide them with a warped understanding of their organizational reality, and thus do not allow them to make the best decisions. Therefore, the development of effective leaders is dependent on the enhancement or transformation of their mental models, and not just on the attainment of facts and other data. According to Sunindijo, Hadikusumo, and Ogunlana (2007), leaders that are self-aware are

willing to learn from experiences. There is a lack of empirical evidence that supports emotional intelligence as an asset for individuals participating in action learning. However, higher scores on EI are significantly associated with greater openness to experience (Schutte et al., 1998), and a moderate observed relationship has been found between EI and general cognitive ability (g) (Schulte, Ree, & Carretta, 2004). Those who score high on g will be more likely to learn effectively from on-the-job experience (Schulte, Ree, & Carretta, 2004).

Therefore, this paper posits that an emotionally intelligent leader, who is self-aware and socially aware, and also skilled at self management and relationship management, would be better able to change his/her mental model through action learning events, especially those that require interaction with others, and that incorporate reflection and feedback from others. As a result, he/she would be better able to understand and analyze a situation, and behave in an appropriate manner to achieve the desired outcome. The new mental model would reflect a more practical organizational reality in terms of employee needs and preferences for optimal performance, and the leader will be able to adjust his/her leadership style to one that is more transformational in nature. He/she will be able to make better decisions as he she serves as a role model, inspires and motivates his/her team, encourages creativity, and attends to the needs of his/her followers. The following proposition reflects the suggested association among emotional intelligence, action learning, and leader development:

> *Proposition 2: The higher the level of emotional intelligence, the greater the leader development through action learning.*

Developmental Assignments

Developmental assignments can refer to an entire job, or an aspect of a job, and can also mean responsibilities added to an existing job (McCauley and Van Velsor, 2004). The authors specify that developmental assignments must force the leader out of his/her comfort zone and require him/her to think and act differently. Therefore, challenge and learning prospect are crucial features of developmental assignments.

In this era of globalization, an appropriate example of a developmental assignment would be an individual on an international assignment, where the acquisition of new knowledge and skills, as well as cultural adjustment play an essential role in success. Results of a study by Gabel, Dolan, and Cerdin (2005) showed that some dimensions of EI play an important role in explaining adjustment and thereby success of international assignments, hence revealing an adjustment-mediated indirect effect of EI on assignment success. It is logical that similar findings would be discovered in the case of individuals with high EI scores who are taking advantage of other developmental assignments. EI would enable them to adjust to any challenges faced, thus allowing them to learn more from the experience, and to develop as a leader.

A study conducted by Sunindijo, Hadikusumo, and Ogunlana (2007) revealed that project managers and project leaders endowed with higher levels of emotional intelligence have the propensity to use more open communication (share information) and proactive (actively seek information from others and identify problems at an early stage) leadership. They also tend to be better listeners, and to be more participative and lead by example.

These are noteworthy discoveries because the aforementioned leadership behaviors would be useful for leaders involved in any developmental assignment. Ginsberg (2008) states that open communication helps leaders get through difficult times, and reduces their isolation at a time when finding solace may be difficult. The author also mentions that it is a form of support and damage control that serves the organization and the leader well. Thus, effective communication between the leader and team members would be important to ensure that the team achieves the goals of the assignment.

Proactive behavior would enable the leader to identify dilemmas and possible setbacks early, so that deadlines could be met and major disasters prevented. The willingness to show active participation in the assignment and the demonstration of leading by example would lead others to be more cooperative and committed to the venture. Additionally, by listening to those involved, the leader would be able to acquire intellectual and emotional information from everyone, and to use it to better comprehend situations and thus make better decisions. Therefore, on the whole, EI and the behaviors that accompany EI would enable the individual to better face the challenges that accompany developmental assignments and to learn more from these experiences.

In addition, the aforementioned behaviors (i.e., sharing and seeking information, listening, and leading by example) are transformational behaviors. When leaders are open to communication, and they proactively seek information, and when they are effective listeners, their employees have an opportunity for their intellect to be stimulated as they can feel free to develop and convey their own ideas without fear of retribution. Also, when leaders lead by example, employees admire and appreciate the participative role that they play as leaders, which is reflective of idealized influence. They are also motivated to follow suit, embracing the concept of inspirational motivation. It is therefore reasonable to suggest that individuals with higher EI levels would be more successful in completing their developmental assignments, obtaining the desired results, and learning from the experiences. Moreover, immersion in developmental assignments would further their understanding of the value of their employees' contributions, and their leadership style would reflect this understanding, with the final outcome being increased development as a transformational leader. The following proposition reflects the association put forward among emotional intelligence, developmental assignments, and leader development:

> *Proposition 3: The higher the level of emotional intelligence, the greater the leader development through developmental assignments.*

Developmental Relationships

Developmental relationships are connections between the leader and other individuals who fulfill a mixture of essential roles according to the needs of the leader (McCauley and Van Velsor, 2004). Such roles may include mentor, role model, feedback provider, and feedback interpreter, and they exist as learning alliances to enable personal growth within the leader. They supply the leader with necessary information, support, and challenge to enable him/her to meet his/her developmental requirements. A more complete list of roles and their functions is provided in Table 3.

Rego, Sousa, Pina e Cunha, Correia, and Saur-Amaral (2007) state that individuals that possess the ability to manage and control emotions are better able to maintain positive moods and repair negative ones. This is crucial in relationship building, and also important to maintain relationships, especially when negative feedback or criticism is offered. Existing research examines mentor competencies more frequently than it does mentee competencies, and emotional intelligence has been shown to benefit mentors, as they need high self-awareness in order to recognize and manage their own behaviors within the helping relationship, and to use empathy appropriately (Clutterbuck, 2005).

However, a mentoring relationship is mutual and reciprocal (Allen & Eby, 2010; Hunt & Michael, 1983). Therefore, this paper proposes that a mentee/protégé who possesses emotional intelligence would also be better able to recognize and manage his/her own behaviors within the relationship, and also recognize the behaviors of his/her mentor, and use this awareness to help manage the relationship so that he/she could gain the most out of the relationship and as a result, grow and develop as a leader. Furthermore, the relationship between a leader and a follower is also reciprocal, and especially in the case of transformational leadership, where there is engagement of all parties to achieve the common goal. Therefore, developmental relationships would provide the leader with experience in relationship management as he/she strives to be a better transformational leader and manage the relationship between himself/herself and his/her followers. The following proposition reflects the suggested association among emotional intelligence, developmental relationships, and leader development:

Proposition 4: The higher the level of emotional intelligence, the greater the leader development through developmental relationships.

TABLE 3
ROLES PLAYED IN DEVELOPMENTAL RELATIONSHIPS

Role	Function
Feedback provider	Ongoing feedback as person works to learn and improve
Sounding board	Evaluation of strategies before they are implemented
Comparison point	Standards for evaluating own level of skill or performance
Feedback Interpreter	Assistance in integrating or making sense of feedback from others
Dialogue partner	Perspectives or points of view different from own
Assignment broker	Access to challenging assignments (new jobs or additions to current one)
Accountant	Pressure to fulfill commitment to development goals
Role model	Examples of high (or low) competence in areas being developed
Counselor	Examination of what is making learning and development difficult
Cheerleader	Boost in own belief that success is possible
Reinforcer	Formal rewards for progress toward goals

Note. Adapted from "The Center for Creative Leadership Handbook of Leadership Development," by C. D. McCauley and E. Van Velsor, 2004.

Executive Coaching
Formal executive coaching is a type of developmental relationship where instruction and advice is provided by the "coach" to the "coachee." The former (coach) pays close, personal attention to the latter (coachee/leader) and teaches and advises him/her. McCauley and Van Velsor (2004) emphasize that the coaching is used to help managers to increase their effectiveness in the workplace, and to develop their capability for future challenges, and is based on an identified agenda. Hall, Otazo, and Hollenbeck (1999) also agree that it is goal-focused. Therefore, there is an agreement between both parties concerning the skills or attributes on which the focus is placed, as well as the challenges that will be faced.

McCauley and Van Velsor (2004) discuss the importance of emotional intelligence in an effective coaching relationship, and they state that being self-aware and knowing one's strengths and development needs are prerequisites to leader development. The authors mention that by learning to better recognize one's own behaviors and understanding the impacts they may have, the coachee is better able to analyze or predict the outcomes of his/her interactions with others (including his/her coach), and take steps to achieve desired results. They also support the importance of emotional competencies, inclusive of self-awareness, self-management, social awareness, and social skills, in leader development, and thus view part of the coach's responsibility to model or exhibit these emotional competencies.

Executive coaching work is often focused on the interpersonal sphere, and typical assignments involve talented executives whose future success necessitates their relating to people more effectively (Brotman, Liberi, & Wasylyshyn, 1998). Therefore, EI should be beneficial to them as they manage the relationship with their coaches, and learn from them, and as they improve their interpersonal skills in order to become better leaders. In addition, Chinsky (2007) states that coaching allows executives to find a confidante with whom they can safely explore new ideas and approaches, difficult situations, or perceived blocks to accomplishing work objectives. Emotionally intelligent leaders would be better able to form a bond with their coaches as a result of their heightened self-management and social skills, and thus reap the benefits of the coaching experience in terms of preparation for leadership.

Effective coaching should also help the individual to develop as a transformational leader, especially if the coach is a transformational leader as well, because he/she would be able to provide counsel based on his/her own personal experience. EI would help facilitate the development of a strong bond between coach and coachee, and enable open and honest communication concerning the individual's strengths and weaknesses as a transformational leader. Trust would be built, and the individual would be able to comfortably share concerns and receive both positive and negative feedback, so that he/she can act upon any recommendations to improve as a transformational leader. The following proposition reflects the suggested association among emotional intelligence, coaching, and leader development:

> *Proposition 5: The higher the level of emotional intelligence, the greater the leader development through coaching.*

Job Enrichment

Whereas job enlargement refers to the meaningful addition of *similar jobs* (Gifford, 1972), job enrichment involves roles being *enriched* or enhanced by adding tasks that are of greater or lesser responsibility, and thus creating a more meaningful job (Moorhead & Griffen, 2004). Therefore, job enrichment allows the leader to apply and develop a wider range of skills and abilities. The added tasks may involve new and challenging aspects that require critical thinking and strategic judgments. Rego et al. (2007) mentions that the ability to manage and control emotions aids in the use of emotion to enhance cognitive processes and decision making. In addition, Abraham (2004) maintains that emotional intelligence enhances employee potential for learning, and that emotional competence translates that potential into task-mastering capabilities.

Zeidner, Matthews, and Roberts (2004) mention that certain competencies such as impulse control, adaptability, conflict resolution, teamwork, and communication skills are subsumed under EI, and that EI affects an array of work behaviors including commitment, teamwork, development of talent, innovation, and quality of service. Job enrichment opportunities encompass added responsibilities and new challenges that require individuals to adapt to different situations and collaborate with others, and effective communication skills and the ability to control impulsiveness will aid in the resolution of conflicts when they arise. Individuals with high EI would also be better able to build and maintain strong relationships, prompting increased commitment. Also, effective collaboration and adaptability would lead to innovation and increased quality of service as individuals work together to produce creative solutions to problems with existing resources. Thus, it seems rational to propose that EI would be an asset to leaders who seek to further their development through job enrichment.

It has been noted that many organizations have focused their investment in leader development activities toward those sources of learning designed to enhance self-awareness, self-regulation, and self motivation (Day, 2000). Therefore, it is recognized that emotionally intelligent leaders are more effective, being better able to relate with employees. According to Allen and Hartman (2008), these leaders can think and act in new ways, and the organization benefits in the form of innovation, increased human capital, and profits. Thus, it is reasonable to posit that these leaders would also be able to employ their EI to learn from and succeed at the tasks and challenges provided through job enrichment, and as a result to further develop themselves as leaders.

In terms of transformational leadership, job enrichment would necessitate that individuals acquire any additional knowledge and/or skills that are needed in order to fulfill their added responsibilities, and to continue leading by example, thus continuing to earn the respect and admiration of followers, and continuing to inspire them. In addition, individuals would have to learn to collaborate and engage with others even more so that any challenges could be tackled in the best possible way. This means that they will have even more reason to encourage employees to be creative thinkers as there will be more opportunities for intellectual stimulation. The following proposition reflects the suggested association among emotional intelligence, job enrichment, and leader development:

> *Proposition 6: The higher the level of emotional intelligence, the greater the leader development through job enrichment.*

This paper proposes that emotional intelligence would play an influential role in leader development through a variety of developmental experiences and/or sources of learning. The dimensions of EI are crucial to the possession of skills associated with understanding and managing oneself, as well as understanding others and managing relationships with them. These skills are beneficial to the leader as he/she strives to succeed in any developmental experience, and thus, they would positively impact the leader development process. Figure 1 demonstrates the proposed relationships using a conceptual model.

DISCUSSION

Leader development has been recognized as important in numerous organizations, and many of them seek to cultivate leadership prowess among their leaders. Transformational leadership has been the style of choice due to its reputation as the most effective leadership style, and leaders are afforded opportunities for growth as transformational leaders through developmental experiences. It has also been recognized that general ability alone is not sufficient to learn from these experiences, and develop as a transformational leader. Research has shown that awareness and management of oneself and others, including awareness and management of the affective aspects of individuals, also contribute to the development process.

Dearborn (2002) refers to emotional intelligence "smarts," alluding that leaders with EI are more effective because of their ability to listen, understand, self-manage, build bonds, share information, and develop others. The author asserts that their intuitiveness concerning the needs of others, and their ability to recognize the nuances of a situation and respond seamlessly to create positive outcomes, are assets to them as they fulfill their leadership roles. These qualities are reflective of transformational leaders, who care about their followers' needs and foster an atmosphere where open communication is encouraged. Welch (2004), a former Chairman and CEO, and a prominent leader admits that a leader's intelligence should have a strong emotional component, and that he/she should possess high levels of self-awareness, maturity, and self-control. Since the literature as well as experience support the premise that EI is not just a positive feature, but also an advantage in leadership in general, and transformational leadership specifically, it is reasonable to attempt to determine its value in the transformational leader development process. Therefore, the pursuit of knowledge concerning the relationship between emotional intelligence and leader development through developmental experiences is worthwhile.

FIGURE 1
CONCEPTUAL MODEL
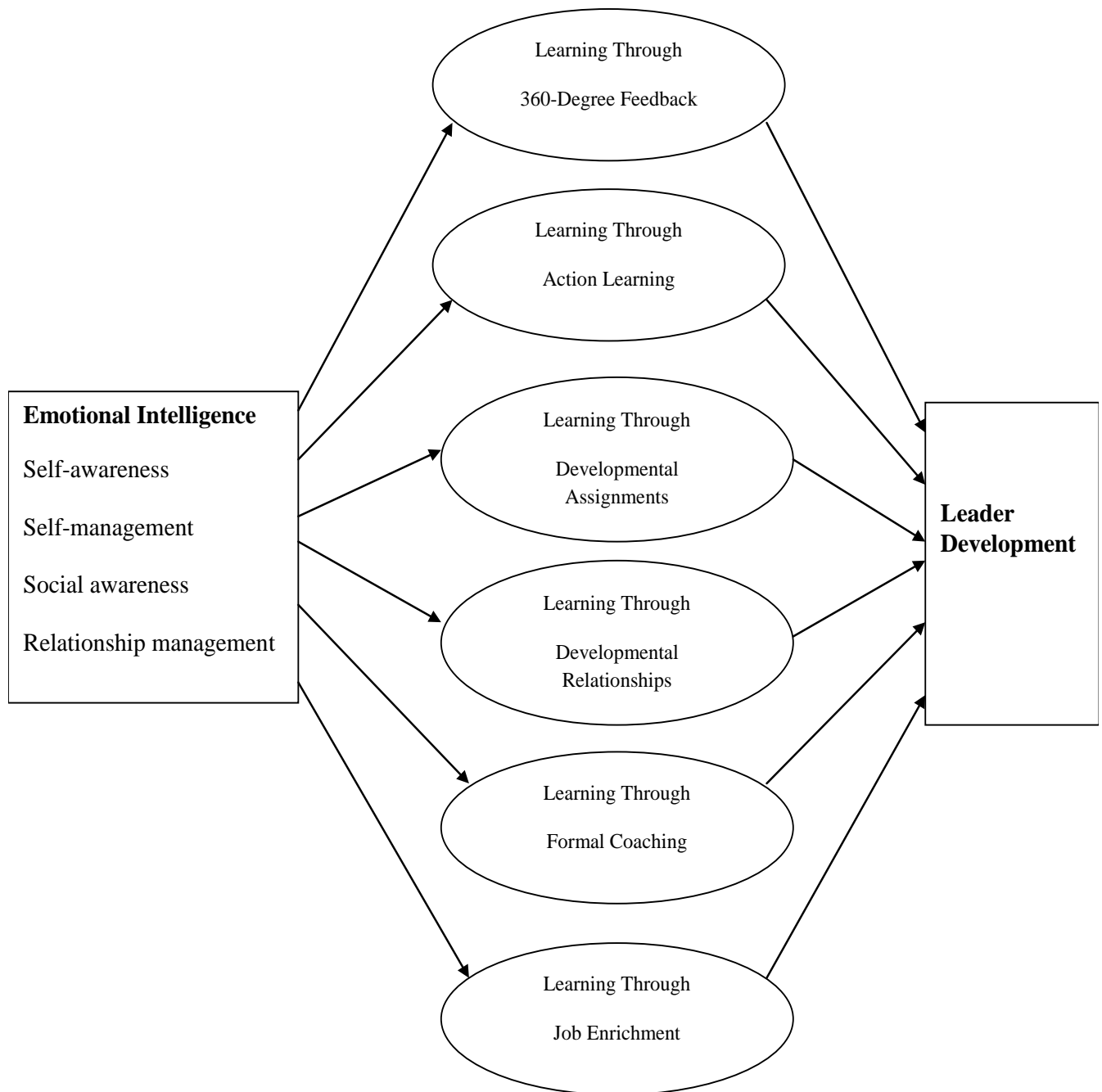
CONCLUSION

In light of the existing research, and considering the results of studies performed, the foundation has been laid to merit further research regarding emotional intelligence and the role it plays in the effectiveness of leader development strategies. Moreover, the high regard of transformational leadership

merits that these strategies be geared toward the development of transformational leaders. EI allows the leader to be conscious of and attentive to his/her own emotions and the emotions of others, and to use his/her knowledge to effectively manage his/her own emotions, as well as the relationships upon which fulfillment of leadership responsibilities depend.

A quote by Stacey Coino states that "Emotions, like germs, are easily transmissible. The trick is passing and receiving the right ones." EI allows transformational leaders to be well acquainted with themselves and others, and sufficiently in control of themselves and their relationships, so that they can convey the appropriate emotions as well as perceive them in others, and thus, make the right decisions to get the job done effectively and efficiently. EI also allows leaders to use their capabilities to benefit from the available developmental experiences that would allow them to further develop themselves as successful transformational leaders.

IMPLICATIONS AND DIRECTIONS FOR FUTURE INQUIRY

The model presented in this manuscript should be empirically tested to establish its validity. A longitudinal study is proposed, whereby organizational leaders' emotional intelligence and transformational leadership are measured at both Time 1 and Time 2. After measurement at Time 1, leaders would experience selected developmental strategies for a period of time, after which, measurement at Time 2 would take place to determine if any increase in EI and/or TFL would be revealed. Results would be beneficial for HRD practitioners, and would also contribute to HRD and leadership research. For practitioners, results of the study could be used to assemble a "toolkit" of developmental experiences that are most appropriate for the development of transformational leaders that are high in EI as well as for the development of those that are low in EI. In terms of HRD and leadership research, the initial validation of this model would lay the foundation for its validation in numerous different organizational settings nationally and internationally to determine its generalizability. In addition, this would be a stepping stone to the discovery of other constructs that should be added to the model to make it even more comprehensive.

In this manuscript, focus was placed on the leader's emotional intelligence and its importance in his/her development through the various leader development strategies. However, what about the individuals on the other side of the table? Do the mentors, the coaches, and the professionals who provide the feedback need EI in order for the leader development strategies to be effective? Bennetts (2002) conducted a study to explore traditional mentor relationships and their impact in the lives of creative workers like poets, actors, writers, painters, sculptors, musicians, and dancers. Participants in the study reported that their most significant learning had been through the opportunities afforded to them by mentors, in learning to live as creative people, and to develop a critical aesthetic sense. In other words, their mentors greatly influenced their creative development. These mentors were described by the participants as displaying the characteristics, criteria, or competencies of EI. It would be interesting to discover whether this finding can be generalized to leader development; that is, whether emotionally intelligent mentors influence higher levels of learning through developmental experiences, as leaders strive to further develop their leadership abilities. Future research should be conducted to determine whether emotional intelligence is necessary for those who assist the leaders in their development.

For this review, emotional intelligence is considered as a single construct to explore its impact on leader development through a number of leader development strategies. However, it would be wise to separate EI into its components and study and compare the significance of each component of EI toward the effectiveness of each leader development strategy, as well as toward leader development as a whole. It would be interesting to note if, for example, self-awareness has more significant effects than social awareness, or motivation has more significant effects than empathy in terms of leader development through feedback, action learning, developmental relationships, or any of the other strategies mentioned in this review.

Management of emotions is an essential part of emotional intelligence, and managing emotions for pay has been coined emotional labor (Hochschild, 1983). Thus, in the workplace, leaders involved in job

assignments, whether labeled developmental or not, are being paid for their emotional management. Therefore, they are practicing emotional labor. Hochschild (1983) also mentioned that emotional labor is stressful, and may result in burnout. Therefore, this suggests that the management of emotions for financial compensation may be harmful to the employee. This alludes to the negative side of using emotional intelligence as part of the leader development process. Additional research should be conducted to determine how emotional intelligence, an apparent asset, can adversely affect leader development.

In a study conducted by Barbuto and Burbach (2006), EI encompasses five factors, namely empathetic response, mood regulation, interpersonal skill, internal motivation, and self-awareness, and a combination of all five factors shared positive relationships with each component of transformational leadership (TFL). Specifically, empathetic response shared significant variance with each subscale of TFL, and especially with intellectual stimulation and individualized consideration. Also, interpersonal skill was positively related to individualized consideration, inspirational motivation, and idealized influence. Among the varying styles of leadership, TFL is recognized as highest on the scale of effectiveness (Muijs, Harris, Lumby, Morrison, & Sood, 2006). Therefore, in terms of leader development, organizations should strive to develop a transformational leader, and should bear this objective in mind when providing opportunities to participate in developmental experiences. Further study is recommended to find empirical support for the correlation between EI and TFL generally, and the impact of EI on the development of a transformational leader specifically, particularly through engagement in developmental experiences.

Additional research should also investigate possible moderators of the EI-leader development relationship. For example, political skill, a construct that embraces social aptitude, should have a moderating effect on the relationship. Porter, Angle, and Allen (2003) explain that political skill combines social astuteness with the ability to relate well and demonstrate situationally appropriate behavior. Emotionally intelligent individuals also possess social skills, on which they can capitalize because of their ability to effectively recognize and manage their emotions as they relate with others and develop as leaders. Another feasible moderator is proactive personality. This trait is affiliated with individuals who identify opportunities and act on them, show initiative, and persevere until they bring about meaningful change (Crant & Bateman, 2000). Individuals with the proclivity to be proactive would benefit from their emotional intelligence, which they would employ as they interact with others to seek and exploit opportunities that assist in their development as leaders.

Finally, since emotional intelligence has been deemed useful for leader development, research should be geared toward finding ways to increase leaders' levels of EI, so that they can become better leaders. In other words, studies should be conducted to investigate the trainability of EI and EI competencies, as well as to determine the factors that shape the emotional abilities and emotional maturity of leaders. Wasylyshyn, Gronsky, and Haas (2006) indicate that coaching does serve as a development resource that enhances emotional competence. Berman and West (2008) note that organizational policies and practices such as the provision of feedback, and mentoring and modeling services, as well as training, selection and promotion criteria, and code development, affect the emotional skills of managers in public organizations. It is also logical that organizational culture and climate would impact individuals' emotional intelligence as they both reflect norms that affect interaction among organizational members. The values and beliefs that organizations espouse, as well as the work environment, may trigger a way of thought and action that endorses emotional intelligence. Therefore, even though emotional intelligence is sometimes considered a dispositional variable, it may be influenced by situational factors as mentioned above. Additional research in these areas is recommended.

REFERENCES

Abraham, R. (2004). Emotional competence as antecedent to performance: A contingency framework. *Genetic, Social, and General Psychology Monographs, 130*(2), 117-143.

Allen, T. D., & Eby, L. T. (2010). *The Blackwell handbook of mentoring: A multiple perspectives approach.* Malden, MA: Blackwell Publishing Ltd.

Allen, S. J., & Hartman, N. S. (2008). Leader development: An exploration of sources of learning. *Organization Development Journal, 26*(2), 75-87.

Barbuto, J. E., & Burbach, M. E. (2006). The emotional intelligence of transformational leaders: A field study of elected officials. *Journal of Social Psychology, 146*(1), 51-64.

Barling, J., Slater, F., & Kelloway, E. K. (2000). Transformational leadership and emotional intelligence: An exploratory study. *Leadership and Organization Development Journal, 21*(3), 157-163.

Bass, B. M. (1990). From transactional to transformational leadership: Learning to share the vision. *Organizational Dynamics, 18*(3), 19-31.

Bass, B. M., Avolio, B. J., Jung, D. I., & Berson, Y. (2003). Predicting unit performance by assessing transformational and transactional leadership. *Journal of Applied Psychology, 88*(2), 207-218.

Bass, B.M., & Riggio, R. E. (2006). *Transformational leadership*. Mahwah, NJ: Lawrence Erlbaum Associates, Inc.

Bennetts, C. (2002). Traditional mentor relationships, intimacy, and emotional intelligence. *International Journal of Qualitative Studies in Education, 15*(2), 155-170.

Berman, E. M., & West, J. P. (2008). Managing emotional intelligence in U.S. cities: A study of social skills among public managers. *Public Administration Review, 68*(4), 742-758.

Bevir, M. (2009). The construction of governance. *International Journal of Organization Theory and Behavior, 12*(1), 60-87.

Bono, J. E., & Judge, T. A. (2003). Self-concordance at work: Toward understanding the motivational effects of transformational leaders. *Academy of Management Journal, 46*(5), 554-571.

Brotman, L. E., Liberi, W. P., & Wasylyshyn, K. M. (1998). Executive coaching: The need for standards of competence. *Consulting Psychology Journal: Practice and Research*, *50*(1), 40-46.

Burns, J. M. (1978). *Leadership.* New York: Harper & Row.

Chinsky, D. (2007). Executive coaching. *Healthcare Executive, 22*(1), 50-53.

Clutterbuck, D. (2005). Establishing and maintaining mentoring relationships: An overview of mentor and mentee competencies. *SA Journal of Human Resource Management, 3*(3), 2-9.

Crant, J. M., & Bateman, T. S. (2000). Charismatic leadership viewed from above: The impact of proactive personality. *Journal of Organizational Behavior, 21*(1), 63-75.

Day, D.V. (2000). Leadership development: A review in context. *The Leadership Quarterly, 11*(4), 581-613.

Dearborn, K. (2002). Studies in emotional intelligence redefine our approach to leadership development. *Public Personnel Management, 31*(4), 523-530.

Dolezalek, H. (2005). 2005 industry report. *Training, 42*(12), 14-28.

Gabel, R. S., Dolan, S. L., & Cerdin, J. L. (2005). Emotional intelligence as predictor of cultural adjustment for success in global assignments. *Career Development International, 10*(5), 375-395.

Geier, J. G. (2006). A trait approach to the study of leadership in small groups. *Journal of Communication, 17*(4), 316-323.

George, J. M. (2000). Emotions and leadership: The role of emotional intelligence. *Human Relations, 53*(8), 1027-1055.

Gifford, J. B. (1972). Job enlargement. *Personnel Administration,* January/February, 42-45.

Ginsberg, R. (2008). Being boss is hard. *Phi Delta Kappan, 90*(4), 292-297.

Goleman, D. (1995). *Emotional Intelligence.* Bantam Books, New York.

Goleman, D. (1998). *Working with emotional intelligence. New York, NY:* Bantam Books.

Goleman, D. (2001). An EI-based theory of performance. *The emotionally intelligent workplace,* C. Cherniss and D. Goleman, eds., Jossey-Bass, 27-44.

Goleman, D., Boyatzis, R., & McGee, A. (2001). Primal leadership: The hidden driver of great performance. *Harvard Business Review*, *79*(11), 42-51.

Green, B. (2002). Listening to leaders: feedback on 360-degree feedback one year later. *Organization Development Journal, 20*(1), 8-16.

Hall, D. T., Otazo, K. L., & Hollenbeck, G. P. (1999). Behind closed doors: What really happens in executive coaching. *Organizational Dynamics, 27*(3), 39-53.

Hochschild, A. R. (1983). *The managed heart: Commercialization of human feeling.* Berkeley: University of California Press.

Hunt, D. M., & Michael, C. (1983). Mentorship: A career training and development tool. *Academy of Management Review, 8*(3), 475-485.

Johnson, H. H. (2008). Mental models and transformative learning: The key to leadership Development? *Human Resource Development Quarterly, 19*(1), 85-89.

Landale, A. (2007). Energy of a leader. *Manager: British Journal of Administrative Management,* (57), 25.

Landy, F. J. (2005). Some historical and scientific issues related to research on emotional intelligence. *Journal of Organizational Behavior, 26*(4), 411-424.

Mandell & Pherwani (2003). Relationship between emotional intelligence and transformational leadership style: A gender comparison. *Journal of Business and Psychology, 17*(3), 387-404.

McCarthy, A. M., & Garavan, T. N. (1999). Developing self-awareness in the managerial career development process: The value of 360-degree feedback and the MBTI. *Journal of European Industrial Training, 23*(9), 437-445.

McCauley, C.D., & Van Velsor, E. (2004). *The Center for Creative Leadership Handbook of Leadership Development.* San Francisco, CA: Jossey-Bass.

Moorhead, G., & Griffen, R. (2004). *Organizational Behavior* (7th Ed.). New York: Houghton- Mifflin.

Muijs, D., Harris, A., Lumby, J., Morrison, M., & Sood, K. (2006). Leadership and leadership development in highly effective further education providers. Is there a relationship? *Journal of Further and Higher Education, 30*(1), 87-106.

Mumford, M. D., Zaccaro, S. J., Harding, F. D., Jacobs, T. O., & Fleishman, E. A. (2000). Leadership skills for a changing world: Solving complex social problems. *Leadership Quarterly, 11*(1), 11-35.

National College for School Leadership (2003). *Leadership in organizations: Gary Yukl.* Retrieved November 5, 2010, from http://files.liderancaecoaching.webnode.com/ 200000015-31f5732fb3/media-F7B-97-randd-leaders-business-yukl.pdf.

Palmer, B., Walls, M., Burgess, Z., & Stough, C. (2001). Emotional intelligence and effective leadership. *Leadership and Organization Development Journal, 22*(1), 5-10.

Porter, L. W., Angle, H. L., & Allen, R. W. (2003). *Organizational influence processes.* Armonk, NY: M. E. Sharpe, Inc.

Rego, A., Sousa, F., Pina e Cunha, M., Correia, A., and Saur-Amaral, I. (2007). Leader self-reported emotional intelligence and perceived employee creativity: An exploratory study. *Creativity and Innovation Management, 16*(3), 250-264.

Salovey, P., & Mayer, J. D. (1989). Emotional intelligence. *Imagination, Cognition and Personality, 9*(3), 185-211.

Schoo, A. (2008). Leaders and their teams: Learning to improve performance with emotional intelligence and using choice theory. *International Journal of Reality Therapy, 27*(2), 40-45.

Schulte, M. J., Ree, M. J., & Carretta, T. R. (2004). Emotional intelligence: Not much more than g and personality. *Personality and Individual Differences, 37*(5), 1059-1068.

Schutte, N. S., Malouff, J. M., Hall, L. E., Haggerty, D. J., Cooper, J. T., Golden, C. J., & Dornheim, L. (1998). Development and validation of a measure of emotional intelligence. *Personality and Individual Differences, 25*(2), 167-177.

Shin, S. J., & Zhou, J. (2003). Transformational leadership, conservation, and creativity: Evidence from Korea. *Academy of Management Journal, 46*(6), 703-714.

Sosik, J., & Megerian, J. (1999). Understanding leader emotional intelligence and performance. *Group and Organization Management, 24*(3), 367-391.

Sunindijo, R. Y., Hadikusumo, B. H. W., & Ogunlana, S. (2007). Emotional intelligence and leadership styles in construction project management. *Journal of Management in Engineering, 23*(4), 166-170.

Wasylyshyn, K. M., Gronsky, B., & Haas, J. W. (2006). Tigers, stripes, and behavior change: Survey results of a commissioned coaching program. *Consulting Psychology Journal: Practice and Research, 58*(2), 65-81.

Welch, J. (2004, January 23). Four e's (a jolly good fellow): *Wall Street Journal,* A14.

Yukl, G. A. (1981). *Leadership in organizations.* Englewood Cliffs, NJ: Prentice-Hall, Inc.

Zeidner, M., Matthews, G., & Roberts, R. D. (2004). Emotional intelligence in the workplace: A critical review. *Applied Psychology, 53*(3), 371-399.

Increased Whistleblower Protection after the Dodd-Frank Wall Street Reform and Consumer Protection Act

JoEll Weiss Bjorke
Winona State University

Diane May
Winona State University

Whistleblowers have been protected under an assortment of legal theories. In light of the adverse consequences whistleblowers continue to suffer and their increasing role in the detection of fraud, efforts have been made to increase that protection. The article summarizes the application of key common law and statutory whistleblower protections before the Dodd-Frank Wall Street Reform and Consumer Protection Act and the substantial reforms in the Dodd-Frank Act. The actual results to date of the Dodd-Frank Act are detailed. The current results are inconclusive in that the enacted reforms are still in the early stages of implementation.

INTRODUCTION

Interest in protecting whistleblowers has increased over the years. This is due, in part, to the recent recognition of the role whistleblowers play in the detecting business misbehavior. Indeed, whistleblowers have been cited as the "single most effective way to detect fraud" (Rapp, 2012). In a 2012 study by the Association of Certified Fraud Examiners, tips far exceed all other sources of fraud reports including audits and internal controls (ACFE). A 2010 U.S. Senate report attributes more than half (54.1%) of the fraud detected in public companies to whistleblower tips (Senate Report 111-176).

Unfortunately, whistleblowers historically bode quite poorly in the aftermath of their reports. They suffer a mix of personal, professional, and economic consequences. First, they most often lose their jobs. Secondly, if the whistleblower retains his/her job, they may suffer some form of retaliation and/or social ostracism by colleagues and supervisors. A recent study indicates that 82% of whistleblowers are fired, quit under duress, or had responsibilities altered (Dyck, Morse, Zingales 2010). This leads to income loss which may be long-lasting in that they are likely to be blacklisted and unable to secure subsequent employment (Rapp, 2012). Third, their situation is exasperated by financial and personal consequences of legal actions flowing from their whistleblower report. The legal action may be one they initiated alleging retaliation or wrongful termination or for up to 27% of the whistleblowers, a lawsuit brought by their employer (Rapp, 2012). Financial expenses and income losses have led to bankruptcy and sometimes, loss of homes (Goodson, 2012). Finally, whistleblowers go through an assortment of personal crises: marriage difficulties or dissolution, substance abuse, attempted suicides, and health or psychiatric issues (Goodson, 2012).

In light of the importance of whistleblower reports in regulating business conduct and the negative impact on whistleblowers of making those reports, legal protections were created to recompense whistleblowers for the consequences of prior reports and encourage and support continued reports. The legal remedies fall into two general categories: compensation for retaliation and/or eligibility for financial incentives based on recoveries flowing from the whistleblower's information. This article will focus on the latter inasmuch as that drew considerable attention among the Dodd-Frank whistleblower provisions.

WHISTLEBLOWER PROTECTION BEFORE DODD-FRANK

State protection for whistleblowers derives from common law actions and statutes. One basis for a common law action is a wrongful termination suit based on a public policy exception to the at-will doctrine. As in all common law actions, the requirements in these cases vary from state to state. Differences related typically to what actions qualify for protection. The varying interpretations of the rule have led to "considerable skepticism among legal scholars regarding the efficacy of the public policy exception in actual practice" (Goodson, 2012). Perhaps due to the uneven success of common law cases, states started enacting statutory whistleblower protection. All 50 states reportedly have some sort of statutory provisions (Goodson, 2012). Unfortunately, like common law cases, each state's requirements vary. Differences include whether or not the report must be made to a governmental entity, whether an actual violation of the law must have occurred, what the subject of the violation of law was, and whether the employee was public or private (Goodson, 2012; Rapp, 2012). All include anti-retaliation provisions (Goodson, 2012). Most apply only to public employees. Most do not provide for a financial incentive although those with that feature have been more successful (Goodson, 2012). The protection offered whistleblowers by state statutes has been characterized as sporadic and haphazard (Rapp, 2012).

Federal statutory protection has proven somewhat more predictable. Interestingly, the oldest applicable statute, the False Claims Act (FCA), is acknowledged as the most effective source of whistleblower protection (Miralem, 2011). It provides for a bounty of 15 – 30% of the recovery for false claims made against the government. Since 1986, there have been six thousand lawsuits filed and $25 billion recovered for the government (Goodson, 2012). The Department of Justice reports that the last two years have been record setting, with a record 650 actions filed last year ("DOJ: Nearly $5 Billion Recovered," 2012). Recoveries from judgments and settlements totaled $3.2 billion the year before last and $5 billion last year ("DOJ: Nearly $5 Billion Recovered," 2012). The FCA is used in a variety of types of cases, most recently, often in the health industry ("DOJ: Nearly $5 Billion Recovered," 2012). Interestingly, one of headline stories just last month involved a whistleblower's action under the False Claims Act for government sponsorships funds paid to Lance Armstrong (Albergotti & O'Connell, 2013).

Other notable federal whistleblower statutes are directed at the securities industry. The Insider Trading and Securities Fraud Enforcement Act of 1988 provided for payment to someone reporting insider trading information of up to 10% of any monetary sanction recovered. Payments were discretionary with the SEC. The provisions were used infrequently. Only seven payments totaling $159,537 were made under the program up to 2010 (Vega, 2012). However, an award of $1 million was made in 2010 (Quigley, 2012). The Sarbanes Oxley Act (SOX) attempted to reinforce whistleblower protection for employees of publicly traded companies. It required an internal whistleblowing reporting process, prohibited retaliation, and included criminal sanctions. Procedural provisions, however, are cited as shortcomings (Rapp, 2012). The statute of limitations was viewed as too short (Rapp, 2012). The processing of retaliation claims through OSHA was not proven effective (Goodson, 2012; Rapp, 2012). In combination, the anti-retaliation provisions did not do much to strengthen whistleblower protection (Rapp, 2012). Moreover, there were no financial incentive provisions. The limitations of these federal statutes created "nearly universal support among legal scholars for a new bounty program" (Vega, 2012).

DODD- FRANK WHISTLEBLOWER PROTECTION

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank) included provisions designed to increase whistleblower protection in several ways. One, it applies to violations of any securities laws, not just insider trading. Additionally, it extended the types of information from which a bounty would flow to original information leading to a sanction of at least $1 million. Two, it raises the maximum potential payment to 30%. Given that the average SEC settlement in 2010 was reported at $18.3 million, the anticipated payment would be significant: $2 million to $5 million (Vega, 2012). Financial incentives were further improved by mandating payment. Decisions that no payments were due are reviewable in the federal courts. Finally, anti-retaliation provisions are expanded. The statute of limitations was increased, the requirement to file first with OSHA was eliminated, a right to a jury trial was ensured, and the amount of the recovery for back pay was doubled.

The expected impact of the law leading to and shortly after its enactment was multifaceted. Most notable was concern that the bounty program would be too generous and would lead to a rush in reporting, some of which would be questionable, in order to recover a financial windfall (Lee, 2012). Conversely, the possibility was raised that there could be a risk that a whistleblower could have a lesser chance of a financial recovery if governmental authorities sought no recovery or the recovery didn't meet the statutory threshold (Rapp, 2012). The unavailability of "qui tam" provisions allowing for direct action by whistleblowers in the event the government didn't pursue recovery has been viewed as its "biggest failure" (Rapp, 2012). Another oft repeated concern was that the reporting directly out approach that was adopted would negatively impact the SOX mandated internal control processes in which public companies had made substantial investment (Jones, 2011; Miralem, 2011; Quigley, 2012; Vega, 2012). Even though the data consistently demonstrates that most whistleblowers do report internally first (Miralem, 2011) and despite provisions incentivizing internal reporting, arguments were advanced that policy would be better served if whistleblowers were required to report internally first thus ensuring companies were given the first opportunity to act on a report. On a related note, it was predicted that there could be more self-reporting as companies attempt to ward off whistleblower reports motivated by the pursuit of the bounty (Miralem, 2012).

The SEC's second annual report on the Dodd-Frank whistleblower program (U.S Securities and Exchange, 2012), dated November 2012, gives the best picture so far of the program's impact to date. The first report was issued only a few months into the program's existence. The second report states that there were 3001 tips received in 2012 (U.S Securities and Exchange, 2012). The tips came from every state as well as 49 countries outside the United States (U.S Securities and Exchange, 2012). Appendices B & C from the report (as found in Tables 1 & 2 below) delineate the origin of these tips. The highest percentage of tips (17.4%) came out of California (U.S Securities and Exchange, 2012). The subjects of the greatest number of tips concerned corporate disclosures and financials (18.2%), offering fraud (15.5%), and manipulation (15.2%) (U.S Securities and Exchange, 2012). Appendix A from the report specifying tips by the nature of the allegation is found in Table 3 below. There were 143 cases that reached the statutory threshold but only one payment made which happened in August 2012 in the amount of $50,000 (although additional payments may be made as collection continues) (U.S Securities and Exchange, 2012). Total whistleblower recoveries could potentially reach $180 million (Ruger, 2012).

Proponents of the program point to the increased number of tips as evidence of the program's success (Atkins, 2013). Another view is to withhold evaluation until time reveals whether those tips lead only to lengthier investigations without increased discovery of law violations (Atkins, 2013). The substantial intake experienced and the ensuing investigatory workload raises an overriding concern in the ability of the SEC's Office of the Whistleblower to manage the volume of work generated by these tips (Foti, 2012). Its annual report identifies a staff consisting of a chief, a deputy chief, eight attorneys (plus one to whom an offer had been made), three paralegals, and one program support specialist (Foti, 2012). These limited resources may, in turn, limit the success of the program.
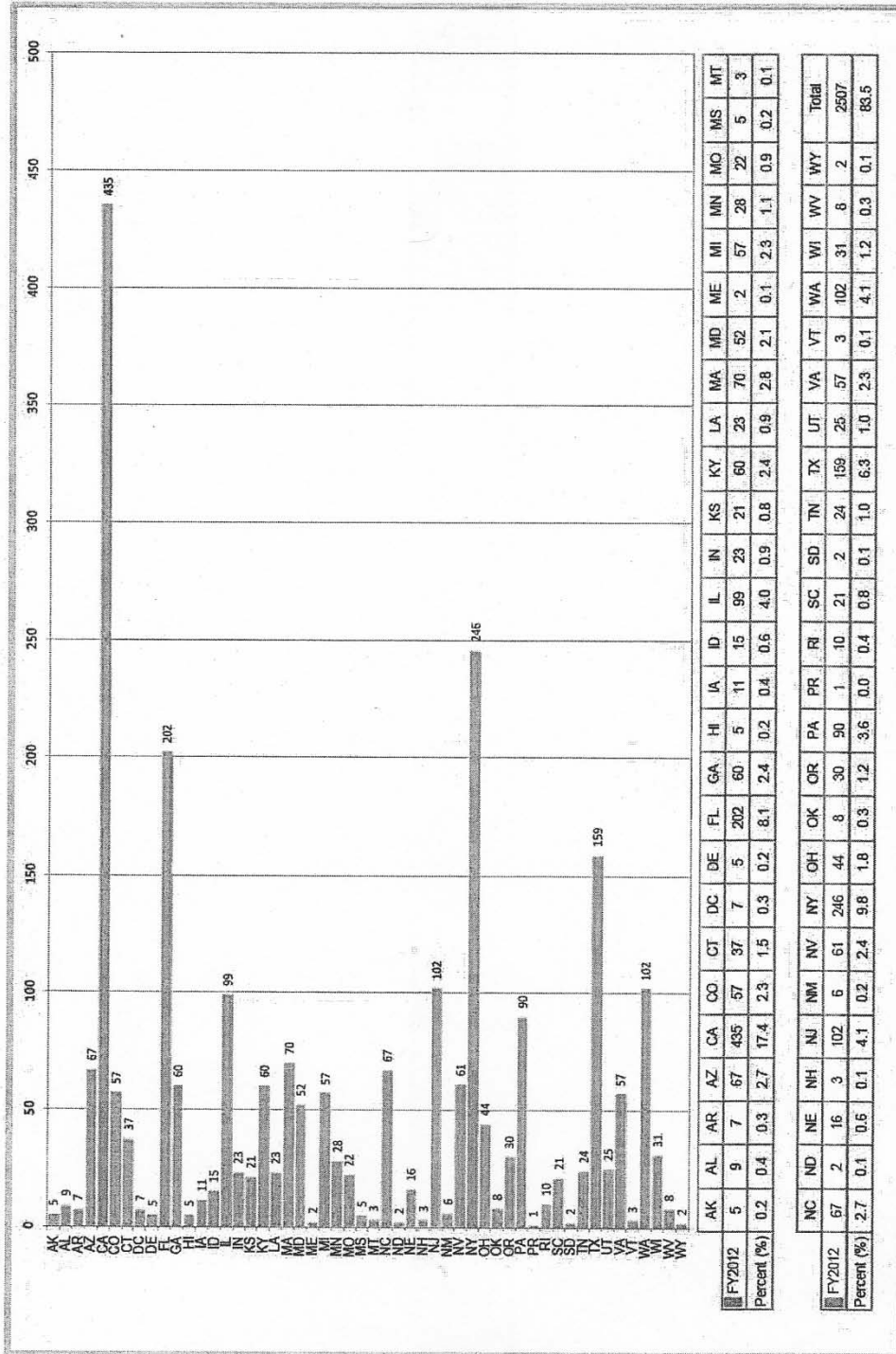
CONCLUSION

It is clear the Dodd-Frank whistleblower program added to the arsenal of tools available to encourage and support whistleblowers. The exact contribution is as yet undetermined because it appears from the number of tips received in the last fiscal year that the SEC's Whistleblower's Office has only begun its work.

REFERENCES

ACFE - Association of Certified Fraud Examiners. 2012 Report to the Nations. Retrieved at http://www.acfe.com/ACFE_website/content/rttn/2012-reprt-to-nations.pdf.

Albergotti, R., O'Connell, V. (January 15, 2013). Justice Department Poised to Join Armstrong Whistleblower Suit. *Wall Street Journal*. Retrieved at http://online.wsj.com/article/SB10001424127887323596204578242250517426858.html

Atkins, K. (January7, 2013) Whistleblower Data Draws Mixed Reaction. *Minnesota Lawyer*, p.7.

The Blog of Legal Times. (2012, December 4). DOJ: Nearly $5 Billion Recovered Under False Claims Act in 2012 [Blog Post]. Retrieved from http://legaltimes.typepad.com/blt/2012/12/doj-nearly-5-billion-recovered-under-false-claims-act-in-2012-.html

Dyck, A., Morse, A., & Zingales, L. (2010) Who Blows the Whistle on Corporate Fraud? *J. Fin*. 65: 2213-2253.

Foti, C. (November 16, 2012). First Year Anniversary of the Dodd-Frank Whistleblower Program: Not Much More than Paper." *Forbes*. Retrieved at http://www.forbes.com/sites/insider/2012/11/16/first-year-anniversary-of-the-dodd-frank-whistleblower-program-not-much-more-than-paper/.

Goodson, R. (2012). The Adequacy of Whistleblower Protection: Is the Cost to the Individual Whistleblower too High? *Hous. Bus. &Tax L.J.* 12:161-192.

Jones, H. (2011). The Dodd-Frank Whistleblower Program: An Analysis of the Proposed and Final Rules. *Am. U. Labor & Emp. L.R.* 2: 131-159.

Lee, J. (2012). Corporate Corruption and the New Gold Mine. How the Dodd Frank Act Overincentivizes Whistleblowing. *Brooklyn L. Rev*. 77:303-339.

Miralem, I. (2011) Comment: The SEC's Whistleblower Program and Its Effect on Internal Compliance Programs, *Case W. Res*. 62: 329-346.

Quigley, S. K. (2012). Comment: Whistleblower Tug-of-War: Corporate Attempts to Secure Internal Reporting Procedures in the Face of External Monetary Incentives Provided by the Dodd-Frank Act. *Santa Clara L. Rev*. 52: 255-295.

Rapp, G. C. (2012). Mutiny by the Bounties? The Attempt to Reform Wall Street by the New Whistleblower Provisions of the Dodd Frank Act. *B.Y.U. L. Rev*. 73: 73-152.

Ruger, T. (November 15, 2012) In First Year of Dodd-Frank Whistleblower Program, SEC Receives More than 3,000 Tips. *The National Law Journal.* Retrieved at http://www.law.com/jsp/nlj/PubArticleNLJ.jsp?id=1202578479085.

Senate Report 111-176. (201?). at p. 110. Retrieved from http://www.banking.senate.gov/public/_files/Comittee_Report_S_Rept_111_176.pdf.

U.S. Securities and Exchange Commission. (November, 2012). Annual Report on the Dodd-Frank Whistleblower Program, Fiscal Year 2012. Retrieved from http://www.sec.gov/about/offices/owb/annual-report-2012.pdf.

Vega, M. (2012). Beyond Incentives: Making Corporate Whistleblowing Moral in the New Era of Dodd-Frank Act "Bounty Hunting. *Connecticut Law Review*, 45, 483-546.

TABLE 1

Appendix B: Whistleblower Tips Received by Geographic Location – United States and its Territories – Fiscal Year 2012*

	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA	ID	IL	IN	KS	KY	LA	MA	MD	ME	MI	MN	MO	MS	MT
FY2012	5	9	7	67	435	57	37	7	5	202	60	5	11	15	99	23	21	60	23	70	52	2	57	28	22	5	3
Percent (%)	0.2	0.4	0.3	2.7	17.4	2.3	1.5	0.3	0.2	8.1	2.4	0.2	0.4	0.6	4.0	0.9	0.8	2.4	0.9	2.8	2.1	0.1	2.3	1.1	0.9	0.2	0.1

	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK	OR	PA	PR	RI	SC	SD	TN	TX	UT	VA	VT	WA	WV	WI	WY	Total
FY2012	67	2	16	3	102	6	61	246	44	8	30	90	1	10	21	2	24	159	25	57	3	102	8	31	2	2507
Percent (%)	2.7	0.1	0.6	0.1	4.1	0.2	2.4	9.8	1.8	0.3	1.2	3.6	0.0	0.4	0.8	0.1	1.0	6.3	1.0	2.3	0.1	4.1	0.3	1.2	0.1	83.5

* The total number of WB TCRs originating within the United States and its territories for Fiscal Year 2012 was 2507, which constitutes 83.5% of total WB TCRs received for this period. Additionally, 170 WB TCRs constituting 5.7% of total WB TCRs received for Fiscal Year 2012 were submitted without any foreign or domestic geographical categorization.

TABLE 2

Appendix C: Whistleblower Tips Received by Geographic Location – International – Fiscal Year 2012*

Country	Value
VENEZUELA	6
UNITED KINGDOM	74
UKRAINE	1 1
THAILAND	1 1
TAIWAN	2
SWITZERLAND	4
SWEDEN	3
SPAIN	3
SOUTH AFRICA	10
SLOVENIA	1
SLOVAK REPUBLIC	4
SINGAPORE	5
RWANDA	1
RUSSIA	2
ROMANIA	3
PORTUGAL	2
PAKISTAN	1
NORWAY	3
NEW ZEALAND	2
NETHERLANDS, THE	4
MEXICO	4
LUXEMBOURG, GRAND DUCHY OF	1
KOREA	2
KAZAKHSTAN, REPUBLIC OF	1
JAPAN	2
ITALY	1
ISRAEL	10
IRELAND	9
INDIA	33
HUNGARY	1
HONG KONG	2
GREECE	1
GERMANY	8
FRANCE	4
FINLAND	2
EGYPT	1
DOMINICAN REPUBLIC	3
CZECH REPUBLIC	1
CYPRUS	1
CURACAO	1
CHINA, PEOPLE'S REPUBLIC OF	27
CANADA	46
BULGARIA	1
BRAZIL	3
BOLIVIA	1
BELGIUM	2
AUSTRIA	1
AUSTRALIA	21
ARGENTINA	2

* The total number of WB TCRs originating from abroad for Fiscal Year 2012 was 324, which constitutes 10.8% of total WB TCRs received for this period.

TABLE 3

Appendix A: Whistleblower Tips by Allegation Type – Fiscal Year 2012

WB TCR Allegation Type by Month	Corporate Disclosure and Financials	Offering Fraud	Manipulation	Insider Trading	Trading and Pricing	FCPA	Unregistered Offerings	Market Event	Municipal Securities and Public Pension	Other*	Blank	Total
11-Oct	41	38	30	13	13	12	8	9	3	45	4	216
11-Nov	42	21	23	13	5	7	2	2	5	43	3	166
11-Dec	34	28	26	12	17	5	4	5	7	59	12	209
12-Jan	31	30	39	8	12	4	8	8	12	49	19	220
12-Feb	47	33	42	16	13	12	10	7	2	52	19	253
12-Mar	51	35	34	15	7	17	7	9	6	81	13	275
12-Apr	66	42	42	11	8	13	10	2	3	72	9	278
12-May	62	44	60	27	16	7	14	6	16	51	10	313
12-Jun	42	28	52	14	15	11	8	7	3	67	10	257
12-Jul	52	40	36	23	11	6	5	16	2	46	8	245
12-Aug	43	81	29	21	13	10	18	4	4	60	16	299
12-Sep	36	45	44	17	14	11	6	10	1	78	8	270
FY 2012 Total	547	465	457	190	144	115	100	85	64	703	131	3001
Percent	18.20%	15.50%	15.20%	6.30%	4.80%	3.80%	3.30%	2.80%	2.10%	23.40%	4.40%	100.00%

* "Other" indicates that the submitter has identified their WB TCR as not fitting into any allegation category that is listed on the online questionnaire.

Upon this Rock: The Effect of an Honor Code, Religious Affiliation, and Ethics Education on the Perceived Acceptability of Cheating

Kevin P. Pauli
Mississippi College

Tammy Y. Arthur
Mississippi College

Retha A. Price
Mississippi College

This paper tests a three variable model of contextual influencers on undergraduate student perceptions of the acceptability of cheating. Building on previous work examining the perceived acceptability of cheating (Bloodgood, Turnley, & Mudrack, 2010)*, we tested the hypotheses that institutional honor codes, religious affiliation, and religiosity will all directly influence the students' perceptions of the acceptability of cheating. Data collected from business students at two separate institutions, one religiously affiliated and one public, were used to test our model. Regression showed honor codes, religious affiliation, and religiosity were significant determinants of student perceptions of the acceptability of cheating, supporting our hypotheses.*

INTRODUCTION

Cheating has been found to be widespread (Smyth & Davis, 2004) and is now reaching the doors of even the most hallowed academic halls (College announces investigation, 2012). In a recent study 86% of business students studied reported engaging in cheating behaviors (Burton, Talpade, & Haynes, 2011). Cheating in college has been a rich area of research stretching back into the early part of the 20th century (see: Crown & Spiller, 1998 for a full literature review). Findings show a strong correlation between cheating and other undesirable ethical behaviors like lying and shoplifting (Beck & Ajzen, 1991), cheating as a strong predictor of workplace cheating (Lawson, 2004), and more relaxed attitudes towards cheating by business students (Klein, Levengurg, McKendall, & Mothersell, 2007). Cheating challenges the learning process and makes equal assessment more difficult. Cheating can even be tangled up with ideas of ownership (Pauli & Arthur, 2012). While some have focused on the honesty and fairness norms of cheating (West, Ravenscroft, & Shrader, 2004) and others have debated whether cheating is even a wrong (Bouville, 2010), we are more concerned about the factors that reduce the student's perceived acceptability of cheating. This paper proposes and tests a four variable model of influencers on undergraduate student perceptions of the acceptability of cheating. Previous research has shown that

contextual factors can have a significant effect on ethical decision making (Singhapakdi, Vitell, & Franke, 1999) and specifically cheating behavior (McCabe & Trevino, 1993; 1997; McCabe, Trevino, & Butterfield, 2002). So, building on previous work examining the perceived acceptability of cheating (Bloodgood, Turnley, & Mudrack, 2010), we hypothesize that three contextual factors (institutional honor codes, religious affiliation, and religiosity) will directly influence the students' perceptions of the acceptability of cheating.

THEORY

Acceptability of Cheating

We build on the work of Bloodgood, et al. (2010) and focus on perceptions of the acceptability of cheating. The authors measured acceptability as a combination of both academic and passive cheating. Academic cheating occurs within an academic or university setting and includes activities such as cheating on exams and assignments, the reporting of other's cheating activity, and/or the provision of unauthorized help or materials. This form of cheating can sometimes be considered by students as simply "playing the game so they can graduate" (Bloodgood, Turnley, & Mudrack, 2010, p. 25). To help broaden this limited academic world the authors also proposed a passive cheating measure. Passive cheating can occur anywhere, on or off campus, "when an individual knowingly benefits from others' mistakes" (Bloodgood, Turnley, & Mudrack, 2010, p. 25). Passive cheating is separate from the academic game for students and encompasses the broader range of human activities that students are involved in. Additionally, passive cheating is expected to be more sensitive to educational and social influences (e.g., honor codes, religion), as it is easy to convince oneself that any such gains are victimless crime or harmless. This ability to reconstrue the conduct to avoid self-sanctions (Bandura, 1999; Pauli & Arthur, 2006) becomes harder to maintain when provided contradictory standards or other ethical enlightenment.

Honor Code

The first influencer expected to have an impact on students' perceived acceptability of cheating is the presence of an academic honor code. An academic honor code is defined as a public statement that contains a set of general expectations about shared moral commitments used to uphold the academic integrity of an institution (Bok, 1990; Pauli, Arthur, & Price, 2012). These organizationally defined codes of behavior are similar to organizational ethical codes. Through the development, communication, and enforcement of these codes, the organization's moral principles and standards of behavior can be clarified and codified (Pater & Van Gils, 2003). This formalization of ethical standards cannot cover every ethical dilemma or problem that a student may face. Instead, these guidelines nudge individual ethical perceptions towards the organization's moral values and standards of behavior (Pater & Van Gils, 2003).

In their comprehensive review of literature on collegiate cheating Crown and Spiller (1998) note several parallels between the literature on corporate codes of conduct and research assessing the efficacy of academic honor codes. Thus, a review of studies assessing the effectiveness of corporate codes may provide helpful insights.

Numerous empirical studies have examined the role of corporate codes of conduct on ethical behavior (see: Ford & Richardson, 1994 for a review). Six of the nine studies reviewed by Ford and Richardson found that the existence of a code of conduct or corporate policy statement on ethical behavior was significantly related to ethical behavior (Chonko & Hunt, 1985; Ferrell & Skinner, 1988; Hegarty & Sims, 1979; Laczniak & Inderrieden, 1987; Singhapakdi & Vitell, 1990; Weeks & Natel, 1992). However, three of these studies suggested that corporate codes were only predictive of behavior when accompanied by other factors. For example, Laczniak and Inderrieden (1987) found that codes alone had no effect on behavior, but increased in effectiveness when coupled with sanctions. Similarly, Weeks and Nantal (1992) found that corporate codes of ethics were only effective when they were well communicated. Ford and Richardson (1994) conclude that corporate codes indicate top management's commitment to ethical behavior. However, the efficacy of codes in an organization is dependent upon top management's willingness to effectively communicate and enforce such codes.

Similarly, research has examined the role of academic honor codes in reducing incidences of cheating in colleges and universities. Research has shown that the presence of academic honor codes is generally associated with lower levels of student academic dishonesty (Bowers & Bowers, 1964; Hall & Kuh, 1998; McCabe & Trevino, 1993; McCabe, Trevino, & Butterfield, 1999; 2002; May & Loyd, 1993).

As far back as the 1930's researchers have been interested in the effectiveness of honor codes in reducing cheating. For example, in a seminal work Campbell (1935) compared the behavior of students under an honor system to those under a proctor system. He found that in instances where honor pledges were used students were less likely to cheat than when students were placed in traditional proctor conditions.

More recently, in an extensive survey of more than 6000 students at 31 academic institutions McCabe and Trevino (1993) found that students attending universities with honor codes reported significantly lower levels of cheating than students at universities without honor codes. Furthermore, the acceptance of the policy, the likelihood of being reported, and the severity of the penalty if caught all influenced the likelihood that students would refrain from cheating. A later study by the same researchers (McCabe & Trevino, 1997) replicated the original study and further supported the original's findings. Similarly, May and Loyd (1993) found a significant reduction in cheating for students at universities with honor codes.

A quick perusal of the literature on academic honor codes might lead one to believe that the mere existence of an honor code within an academic institution reduced academic cheating. The mere existence of the codes, however, has been found to be insufficient in changing the ethical climate perceptions of the institution, as only through the enforcement of those standards are students forced to focus and adhere to the rules within the honor code. Unless an honor code is embraced by the college community, the existence of an honor code by itself will not reduce cheating. (O'Neill & Pfeiffer, 2012).

In a recent study Bing, et al. (2012) suggest that simply creating and endorsing an honor code at an academic institution may not be enough to generate substantial reductions in cheating. Using an experimental design, the researchers examined the effect of situational factors (explicit presentations of an honor code reminder and of a realistic course warning) on business student cheating. Results of the study demonstrated that explicit reminders of a school's honor code together with a realistic course warning served to significantly reduce subsequent academic cheating relative to the control condition. As McCabe, et al. (2002) have noted, honor codes are not very meaningful unless students are continually made aware of them. Honor codes should be more than "window dressing." They must be well implemented and strongly embedded in the student culture.

Just as the existence of an ethics code emphasizes the organization's ethical orientation (Fritz, Arnett, & Conkel, 1999), likewise, an honor code within academics provides a message that ethics are important and valued and that members should perceive them as such. The existence of an academic honor code clarifies the ethicality of a wide range of behaviors, codifying the ethical standards of the institution even among students with a wide range of personal values and perceptions. McCabe and Trevino (1993) explain that honor codes may lead to lower levels of academic dishonesty because they clarify expectations and definitions of cheating behavior. Therefore, it may be more difficult to rationalize cheating behaviors because there are fewer grey areas.

Furthermore, McCabe, et al. (1999) found that students at institutions with honor codes referred to the honor code as an integral part of a culture of integrity that permeated their institution. New students entering the institution were made keenly aware that they were now functioning within an academic code of honor. The peer culture that developed on honor code campuses made most forms of serious cheating socially unacceptable among the majority of students.

These studies suggest that student perceptions about the acceptability of cheating should weaken as honor codes are developed and enforced and student perceptions of organizational success and social conformity fall in line with compliance with the academic honor code. Therefore we hypothesize that the presence of a known and functional institutional honor code should be negatively related to student perceptions of the acceptability of cheating.

Hypothesis 1:The presence of a known and functional institutional honor code should be negatively related to student perceptions of the acceptability of cheating.

Religious Affiliation

The second influencer expected to impact student perceptions of the acceptability of cheating is the presence and perceived strength of an institution's religious affiliation. Affiliation with a religious institution should, in ways similar to an honor code, clarify the organization's ethical orientation (Fritz, Arnett, & Conkel, 1999) and the organizational importance of ethics (Adams, Tashchian, & Shore, 2001). The institution should provide a strong cultural foundation upon which the students and institution can evaluate the right or wrong of various activities and behaviors.

Established religious institutions are generally founded on universal moral tenets (Ali, Camp, & Gibbs, 2000), which guide interactions among people with rules from outside themselves or their immediate organization (Ali & Gibbs, 1998). This is a cosmopolitan locus of analysis where members are guided by extraorganizational principles regardless of individual preferences (Victor & Cullen, 1988). This is similar to, but different from the effects of religiosity. While religiosity may be independent of organizational structure, institutional religious affiliation is an organizationally stated support for these moral tenets and a consideration of ideals that are greater than one self. This was supported in a previous study of students at an evangelical university who were found to be far less willing to engage in unethical behavior than students at non-religious institutions (Kennedy & Lawton, 1998). Other research has found that students at a church affiliated college rated infractions as being more serious than students from a non-church affiliated institution (Etter, Cramer, & Finn, 2006). This leads us to our second hypothesis which states that the presence of an institutional religious affiliation should be negatively related to the belief that cheating is acceptable.

Hypothesis 2: The religious affiliation of an institution should be negatively related to student perceptions of the acceptability of cheating.

Religiosity

The third dimension expected to influence the acceptability of cheating is the student's relative religiosity. Religiosity has been defined as religious behavior (Conroy & Emerson, 2004) or motivations for religious behavior (Beck & Miller, 2000; Vitell, Paolillo, & Singh, Religiosity and Consumer Ethics. , 2005). McDaniel and Burnett (1990) defined religiosity as requiring both faith in God and a dedication to following God's principles. Previous studies suggest that religiosity is synonymous with religiousness and that they both refer to a person's faithfulness to the practice of religion (Kurpis, Beqiri, & Helgeson, 2008). For this study we use the definition of religiosity from Bloodgood, et al., as "understanding, committing to, and following a set of religious doctrines or principles" (The Influence of Ethics Instruction, Religiosity, and Intelligence on Cheating Behavior. , 2008, p. 559).

Research from Cornwall, et al. (1986) found that religiosity has three components: cognition, which refers to religious knowledge and beliefs; affect, which refers to religious feelings and attachment; and behavior, including church attendance and Bible reading. Bjarnason (2007) stated these dimensions as religious beliefs, religious affiliation, and religious activities. Religiosity is typically measured with behavioral indicators such as church attendance, religious affiliation, and frequency of prayer (Conroy & Emerson, 2004).

Previous research (e.g. Magill, 1992; Hunt & Vitell, The General Theory of Marketing Ethics: A Retrospective and Revision, 1993; Epstein, 2002; Conroy & Emerson, 2004; Kurpis, Beqiri, & Helgeson, 2008; Vitell S. , The Role of Religiosity in Business and Consumer Ethics: A Review of the Literature, 2009) shows that religion provides guidelines that influence ethical judgments and that enable its adherents to discern between right and wrong. Major organized religions contain broad assumptions and universal creeds (such as the Ten Commandments) that serve as a moral grounding. These tenets and expectations are internalized and influence both human behavior and attitudes, particularly for those where religion is vital (Weaver & Agle, 2002). In none of these creeds is cheating generally considered to

be appropriate. Those with a high degree of religiosity would especially be expected to view cheating as unacceptable, since they believe that God's laws are immutable and unerring and that violating those laws would be offensive (Conroy & Emerson, 2004; Bloodgood, Turnley, & Mudrack, The Influence of Ethics Instruction, Religiosity, and Intelligence on Cheating Behavior. , 2008; Lowery & Beadles, 2009).

The reading and acceptance of religious beliefs should appeal to the religious imagination through theology and enhance ethical behavior (Magill, 1992) and idealism. Researchers (e.g. Barnett, Bass, & Brown, 1996; Singhapakdi, Vitell, & Franke, 1999; Vitell & Paolillo, 2003; Bloodgood, Turnley, & Mudrack, The Influence of Ethics Instruction, Religiosity, and Intelligence on Cheating Behavior. , 2008) have found that religiosity tends to have a positive influence on ethical idealism and a negative influence on ethical relativism. Ethical idealists acknowledge universal moral principles as absolute, so "thou shall not steal" is incontrovertible. Ethical relativism, on the other hand, feels that situational context must be considered and therefore there is no absolute right or wrong (Forsyth, 1980).

Religiosity was also been found to be negatively correlated with the acceptability of unethical behavior (Clark & Dawson, 1996; Bloodgood, Turnley, & Mudrack, The Influence of Ethics Instruction, Religiosity, and Intelligence on Cheating Behavior. , 2008; Fogel, McSween, & Dutt, Religious Affiliation and Ethics: Patterns Regarding Beliefs for Workplace Behaviours. , 2010). Parboteeah, et al. (2008) assert and work by Kurpis et al. (2008) supports that religiosity is much too complex to rely on overly simplistic measures such as church attendance or affiliation. Walker, et al. (2012) investigated the effects of religiosity on ethical behavior and found that general religiosity, a simple three item self report measure asking about frequency of attendance at church, frequency of prayer, and how religious they felt, was positively associated with the acceptability of ethically questionable situations, but this effect on ethical judgment was less than either age or gender.

Religiosity, while only seldom examined in cheating, has been linked with more developed ethical attitudes (Conroy & Emerson, 2004) and perceptions of ethical behavior (Allmon, Page, & Roberts, 2000). Kennedy and Lawton (1998), Allmon et al. (2000), Conroy and Emerson (2004), and Longenecker, et al. (2004) investigated the effects of religious intensity on one's willingness to sanction unethical behavior. All four studies found that respondents who are more religious are less likely to endorse unethical behavior than those who are less religious. Likewise, Vitell and Paolillo (2003) found that people with high degrees of religiosity are more likely to find ethically questionable consumer behavior inappropriate. Additionally, a more recent study showed students who reported higher religiosity and who participated more in religious activities were less likely to engage in unethical test taking practices (Burton, Talpade, & Haynes, 2011).

Findings indicate that people with a high degree of religiosity are inclined to believe traditional, conservative views of morality and are more likely to be ethical idealists. They therefore should be less inclined to cheat themselves or to find cheating behavior acceptable (Barnett, Bass, & Brown, 1996; Bloodgood, Turnley, & Mudrack, The Influence of Ethics Instruction, Religiosity, and Intelligence on Cheating Behavior. , 2008). This leads us to our third hypothesis which states that the religiosity of the student should have a negative influence on the individual's belief that cheating is acceptable.

Hypothesis 3: The religiosity of a student should be negatively related to the individual student's perception of the acceptability of cheating.

METHODOLOGY

Research Design and Participants

The research methodology utilized surveys presented to upper division undergraduate business students in two separate institutions of higher learning, one religiously affiliated and the other a public university. Participants completed questionnaires which assessed their perceptions of the acceptability of cheating, perceived honor code awareness and enforcement, religiosity, and various control variables. The total number of individuals completing the survey was 205, of these our final useable sample was 177

(n=177), due to listwise deletion of missing variables. The mean age of the participants was 24 (ranging from 20 to 54) and 48% of the respondents were female.

Procedure

Students were informed that participation in the study was voluntary and that all results would be kept confidential and would not be associated with any of the classes. The participants were told that the study was examining academic perceptions and sought their perceptions about their specific institution. A series of questionnaire items measuring the variables in the study were then presented.

Measures

Cheating

Individuals were asked to indicate their level of agreement to questions about their perception of the acceptability of cheating. The 15 items (α= .89) were based on the scale developed by Bloodgood, et al. (2010) that captured dimensions of both passive and academic cheating. Following the original instructions, participants responded using a 5 point Likert-type scale that had the following verbal anchors: (1)Strongly Believe it is Not Wrong, (2) Believe it is Not Wrong, (3) No Opinion, (4) Believe it is Wrong, (5) Strongly Believe it is Wrong. These items were reverse coded after collection, as was done in the original study, so that higher scores reflected greater acceptance of cheating. The academic cheating items were asked if it is wrong to: (1) review previous portions of exams from a "test file" not approved by the instructor? (2) copy another classmate's paper during an exam? (3) use unauthorized notes (a ''cheat sheet'') during an exam? (4) allow another student to copy your homework or class assignment? (5) borrow parts of a case analysis that someone else had done or that you found on the web? (6) turn in another student's work as if it were your own? (7) provide material to an unapproved "test file"? (8) provide unauthorized assistance to a classmate? (9) copy a fellow student's homework or class assignment? (10) get unauthorized assistance from someone on a take-home test? (11) allow another student to copy from your paper on an exam? The passive cheating items were asked as it is wrong to: (1) not say anything if you receive a good or service that you have not paid for? (2) not say anything if you receive too large a credit on your utility/cable/phone bill? (3) not say anything when you are given too much change? (4) not say anything when the bill is miscalculated in your favor? The scales were combined and randomly shuffled on the instrument.

Honor Code

The awareness and enforcement of an institution's honor code was measured using participants reported perceptions on a five item scale measuring awareness and enforcement of their institutions honor code (α= .85). Participants reported their level of agreement using 5 point Likert scale (1= Strongly Disagree; 5= Strongly Agree). Awareness of an institution's honor code was measured using a two item scale: (1) Everyone is aware of the specifics of [specific institution]'s Student Honor Code; (2) I am fully aware of what [specific institution]'s Student Honor Code requires. Enforcement of an institution's honor code was measured using a three item scale: (1) Violations of the Student Honor Code are severely punished; (2) [specific institution]'s Student Honor Code is strongly enforced; (3) Any violation of the Student Honor Code is going to be caught.

Religiosity

While religiosity has been operationalized in many ways (see: Lowery & Beadles, 2009 for a fuller list) there is no universally accepted measure. For our study we measured religiosity using the three dimensions of belief, behavior, and affiliation or attachment suggested by (Cornwall, Albrecht, Cunningham, & Pitcher, 1986; Conroy & Emerson, 2004; Bjarnason, 2007) recoded into a binary scale. We believe that this captures the rich spectrum of the religiosity construct and not the simplistic conceptualizations criticized by Parboteeah, et al. (2008). In addition, we structured the items to be inclusive of most major religions and not a single denomination. The first subscale was a belief in a supernatural world or place and was measured using a (0) No or (1) Yes scale for the questions: Do you

believe in life after death?; Do you believe in Hell? The second behavior subscale (α= .87) was measured on a 1-6 frequency scale (1=Never, 2=Occasionally, 3=Monthly, 4=weekly, 5= Daily, 6=More than daily) using the items: How often do you attend religious services? How often do you pray? How often do you read the Bible/Koran/Torah/etc.? The final affiliation subscale (α= .94) was measured using a 5 point Likert scale (1=Not True, 3=Somewhat True, 5=Very True) using the items: I consider myself religious; Religion is important to me; My religious affiliation is strong. The measures were combined into a single measure (α= .89) by dummy coding the subscales as (0) for No and (1) for Yes. Specifically, subscale 2 was recoded so 1 and 2, non-specific time frames were coded as (0) and 3,4,5,6 time specific frames were coded as (1). Subscale 3 was recoded so that responses of 1 or 2 were recoded as (0) and responses of 3,4, or 5 were recoded as (1).

Religious Affiliation

Religious affiliation was measured using a dummy variable. The non-religiously affiliated institution was coded as (0, n=107) and the religiously affiliated institution was coded as (1, n=70).

Control Variables

Control variables included consisted of gender (1=Male, 2=Female) and GPA (0-4). Both measures were self report measures. Gender differences have been found in some studies of ethical attitudes and in levels of religiosity (Bloodgood, Turnley, & Mudrack, 2008). GPA has also been suggested to influence ethics and cheating (McCabe & Trevino, 1993).

RESULTS

Relations Among the Variables

Study results were generally positive for our hypothesized model. Support was found for the negative influence of an honor code, religiosity, and institutional religious affiliation on students' belief in the acceptability of cheating. Complete methodology, results, implications, and details are discussed below.

TABLE 1
MEANS, STANDARD DEVIATIONS, AND INTERCORRELATIONS AMONG VARIABLES

Variable	M	SD	1	2	3	4	5
1)Gender	1.47	.50	--				
2) GPA	3.18	.42	.10	--			
3)Honor Code	3.37	.84	.26***	-.14	--		
4)Religiosity	.69	.31	-.14	.09	.14	--	
5)Religious Affil.	.40	.49	-.25***	.11	.17*	.41***	--
6)Cheating	2.06	.61	.16*	-.21**	-.15*	-.17*	-.19*

NOTE: n=177, * p< .05, ** p< .01, ***p< .001

The means, standard deviations, and correlations among the variables in the study are shown in Table 1. As depicted in the table, individuals reported generally positive levels of awareness and enforcement of honor codes in the two institutions. Additionally, the significant correlation between the honor code and religious affiliation is shown to emerge through a t-test analysis, which indicated that there was a significantly higher level of awareness and enforcement of the honor code at the religious institution, coded as 1, (M=3.55, s=.77) than at the non-religious institution, coded as 0, (M=3.25, s=.87), t(175)=-

2.303, p=.022, α=.05. Another interesting correlation is the negative correlation between gender and religious affiliation. Additional analysis revealed that the number of woman was significantly different between the two institutions with the religious institution being more male, (M=1.32, s=.47) than the non-religious institution, coded as 0, (M=1.58, s=.50), t-test (equal variances not assumed) t(156)=3.405, p=.001, α=.05. As expected there was a high positive correlation between religious affiliation and religiousness. The significant negative correlation between the perceived acceptability of cheating and the presence and enforcement of an honor code is a hopeful sign that as students perceive the application of honor codes they also perceive that cheating is less acceptable.

The table indicates a negative correlation between awareness and enforcement of honor code and cheating. This negative correlation provides initial support for the relationship proposed in Hypothesis 1. The table also indicates that there was a significant negative correlation between religious affiliation and cheating, providing initial support for Hypotheses 2. The negative correlation between religiosity and cheating provides initial support for Hypothesis 3.

Honor Code and Cheating

To examine the relationship proposed between honor code awareness and enforcement and the perceived acceptability of cheating (Hypotheses 1), a regression was conducted which regressed the two control variables as a block, followed by the entry of honor code on cheating. As shown in Table 2, honor code did have a slightly significant effect on cheating (ΔR^2=.023, F=4.346, p=.039) after controlling for gender and GPA. Based on this finding, Hypothesis 1 was supported by the data. An examination of the standardized beta coefficients in Table 2 (Appendix) suggests that gender had no significant effect on cheating (β=-.096, p=.210).

TABLE 2
HIERARCHICAL REGRESSION RESULTS FOR HONOR CODE ON CHEATING

Variable	Acceptability of Cheating		
	β	R^2	ΔR^2
Step 1			
Gender	-.116		
GPA	-.321**	.063**	.063**
Step 2			
Honor Code	-.114*	.086**	.023*

Note. * p<.05 **p<.01, ***p<.001 n = 177 because of to listwise deletion of missing data.

Religious Affiliation and Cheating

To examine the relationship proposed between institutional religious affiliation and the perceived wrongness of cheating (Hypotheses 2), a regression was conducted which regressed the two control variables as a block, followed by the entry of the dummy coded religious affiliation on cheating. As shown in Table 3, religious affiliation did have a significant effect on cheating (ΔR^2=.045, F=8.647, p=.004) after controlling for gender and GPA. Based on this finding, Hypothesis 2 was supported by the data.

TABLE 3
HIERARCHICAL REGRESSION RESULTS FOR RELIGIOUS AFFILIATION ON CHEATING

Variable	Acceptability of Cheating		
	β	R^2	ΔR^2
Step 1			
Gender	-.238**		
GPA	-.239*	.063**	.063**
Step 2			
Religious Affiliation	-.272**	.108***	.045**

Note. * p<.05 **p<.01, ***p<.001 n = 177 because of to listwise deletion of missing data.

Religiosity and Cheating

To examine the relationship proposed between religiosity and the perceived wrongness of cheating (Hypotheses 3), a regression was conducted which regressed the two control variables as a block, followed by the entry of the measure of religiosity on cheating. As shown in Table 4, religiosity did have a significant effect on cheating (ΔR^2=.029, F=5.579, p=.019) after controlling for gender and GPA. Based on this finding, Hypothesis 3 was supported by the data.

TABLE 4
HIERARCHICAL REGRESSION RESULTS FOR RELIGIOSITY ON CHEATING

Variable	Acceptability of Cheating		
	β	R^2	ΔR^2
Step 1			
Gender	-.199*		
GPA	-.257*	.063**	.063**
Step 2			
Religiosity	-.341*	.093**	.029*

Note. * p<.05 **p<.01, ***p<.001 n = 177 because of to listwise deletion of missing data.

Overall Model and Cheating

To examine how the relationships proposed between honor code, religiosity, and religious affiliation interact with the perceived acceptability of cheating, an extra regression was conducted which regressed the two control variables as a block, followed by the entry of the three measures as a block on cheating. As shown in Table 5, the variables when entered together have a significant effect on cheating (ΔR^2=.061, F=4.00, p=.009), after controlling for gender and GPA. However the individual beta values of the non-control variables have dropped to non-significance. This indicates that there is an effect from the constructs, but it is comingled among them and not clearly identified in any one.

TABLE 5
HIERARCHICAL REGRESSION RESULTS FOR COMBINED VARIABLES ON CHEATING

Variable	Acceptability of Cheating		
	β	R^2	ΔR^2
Step 1			
Gender	-.204*		
GPA	-.260*	.063**	.063**
Step 2			
Honor Code	-.068		
Religiosity	-.190		
Religious Affil.	-.192	.125***	.061**

Note. * p<.05 **p<.01, ***p<.001 n = 177 because of to listwise deletion of missing data.

DISCUSSION

The results of this study indicate that various contextual factors can significantly influence students' perceptions of the acceptability of cheating. Those participants who reported higher awareness and perceived enforcement of an honor code, were at a religiously affiliated institution, and tended to report higher levels of religiosity tended to report lower acceptability of cheating levels.

Integration with Previous Literature

Some have suggested that the development, publication, and enforcement of honor codes helps to clarify and codify the organization's moral principles and standards of behavior (Pater & Van Gils, 2003). An ethics code has been found to emphasize an organization's ethical orientation (Fritz, Arnett, & Conkel, 1999) and the organizational importance of ethics (Adams, Tashchian, & Shore, 2001) Enforcement of an institutional honor code has also been found to be important (Wotruba, Chonko, & Loe, 2001; Malloy & Agarwal, 2003; Stevens, 1996; Kaye, 1992). Previous research has also found an honor code to significantly improve an institution's ethical work climate (Pauli, Arthur, & Price, 2012). The current research reinforces these contentions about the importance of the honor code on ethical perceptions and expands them to perceptions of the acceptability of cheating.

The current paper also supports the role that religion can play in reinforcing and supporting the perceptions of ethical behavior, specifically cheating. Students are constantly looking for shortcuts and quicker ways to complete tasks, so cheating is a natural result. Religiosity, by developing more fully understood ethical attitudes (Conroy & Emerson, 2004) and perceptions of ethical behavior (Allmon, Page, & Roberts, 2000), clarifies the wrongness of cheating for students. The current results help us to understand that students who report higher religiosity and participated more in religious activities are less likely to engage in unethical test taking practices (Burton, Talpade, & Haynes, 2011), because they simply understand that cheating is wrong and no amount of relativistic reasoning (Singhapakdi, Vitell, & Franke, 1999) will make it right. The role of the institution's religious affiliation would appear to serve to reinforce the basic beliefs of the individual and reinforce them with institutional structures and processes. An institution founded on religious traditions and theology (Magill, 1992) is then able to further enhance ethical behavior or in this case reduce the perceived acceptability of cheating.

Strengths and Limitations

We feel this study has several strengths, mainly due to its design. The study participants were business students located at two regionally and socially diverse institutions. While the measures for awareness and enforcement of the honor code were self-reported, the presence of an honor code was verified through a separate confirmation by the main authors using the institutions' websites and catalogs. The study used not just a single measure of the presence of an honor code, but rather the students' awareness of the code and its enforcement. Therefore, the study captures not simply the existence of an honor code, but rather the students' perceptions of that honor code as it impacts their institution and activities, like cheating. This supports the finding of the institutions honor code having an impact not just on some anonymous measure of cheating, but rather on the student's perception about the acceptability of specific cheating behavior.

The use of the Bloodgood, et al. (2010) cheating measure also provided us with a richer measure of cheating for our study. The measure is broader and richer than just a single item or comment. The combination of both active and passive cheating within the scale allowed us to consider cheating in a more holistic sense. Acceptability of cheating is not a single event construct nor a purely academic experience measure and therefore measures must be robust and attempt to capture this more amorphous construct. The inclusion of non-academic cheating, or passive cheating, within the construct provides a fuller understanding of the behaviors and perceptions that could be impacted by our constructs.

One limitation of this study was the use of students. It is suggested that students are the primary focus of the research and are thus an appropriate sample. Cheating, honor codes, and religious institutional influences are also strongly tied to the world of experiences and activities lived by students. Students therefore are a natural subject to study the practical application, effect, and awareness of an institution's honor code. Future research should examine the generalizability of the findings to a non-student sample.

CONCLUSION

Understanding the contextual dimensions and characteristics that affect why students perceive cheating as acceptable within institutions allows for the consideration of means and methods to help organizations develop more sophisticated and preferred types of ethic education and cheating prevention. Specifically this study provides a better understanding of the relationship between academic honor codes, religious affiliations, religiosity and students' perceptions about cheating, which helps clarify how policies, institutional cultures, and enforcement can shape and influence cheating within academic institutions.

REFERENCES

Adams, J., Tashchian, A., & Shore, T. (2001). Code of ethics as signals for ethical behaviour. *Journal of Business Ethics, 29*, 199-211.

Ali, A., & Gibbs, M. (1998). Foundation of business ethics in contemporary religious thought: The Ten Commandments perspective. *International Journal of Social Economics, 25 (9/10)*, 1552-1565.

Ali, A., Camp, R., & Gibbs, M. (2000). The ten commandments perspective on power and authority in organizations. *Journal of Business Ethics, 26 (4)*, 351-361. .

Allmon, D., Page, D., & Roberts, R. (2000). Determinants of perceptions of cheating: ethical orientation, personality and demographics. *Journal of Business Ethics, 23 (4)*, 411-422.

Appel, F. (2005). Ethics Across the Computer Science Curriculum: Privacy Modules in an Introductory Database Course. *Science and Engineering Ethics, 11(4)*, 635-644.

Bandura, A. (1999). Moral disengagement in the perpetration of inhumanities. *Personality and Social Psychology Review, 3(3)*, 193-209.

Barnett, T., Bass, K., & Brown, G. (1996). Religiosity, Ethical Ideology, and Intentions to Report a Peer's Wrongdoing. *Journal of Business Ethics, 15*, 1161-1174.

Beck, L., & Ajzen, I. (1991). Predicting Dishonest Actions Using the Theory of Planned Behavior, *Journal of Research in Personality, 25*, 285-301. .

Beck, R., & Miller, C. (2000). Religiosity and agency and communion: their relationship to religious judgmentalism. *Journal of Psychology, 134 (3)* , 315-325. .

Bing, M., Davison, H. K., Vitell, S. J., Ammeter, A. P., Garner, B. L., & Novicevic, M. M. (2012). An Experimental Investigation of an Interactive Model of Academic Cheating Among Business School Students. *Academy of Management Learning and Education, 11 (1)* , 28-48.

Bjarnason, D. (2007). Concepts Analysis of Religiosity. *Home Health Care Management and Practice, 19(5)*, 350-355.

Bloodgood, J., Turnley, W., & Mudrack, P. (2008). The Influence of Ethics Instruction, Religiosity, and Intelligence on Cheating Behavior. *Journal of Business Ethics, 95(1)* , 557-571.

Bloodgood, J., Turnley, W., & Mudrack, P. (2010). Ethics Instruction and the Perceived Acceptability of Cheating. *Journal of Business Ethics, 95 (1)* , 23-37.

Bok, D. (1990). *Universities and the Future of America.* Durham. NC: Duke University Press.

Bouville, M. (2010). Why is Cheating Wrong? . *Studies in Philosophy and Education, 29(2)* , 67-76.

Bowers, & Bowers, W. J. (1964). *Student Dishonesty and Its Control in College.* New York: Bureau of Applied Social Research, Columbia University.

Burton, J., Talpade, S., & Haynes, J. (2011). Religiosity and test-taking ethics among Business School students. *Journal of Academic and Business Ethics, 4*, 1-8. .

Campbell, W. G. (1935). *A Comparative Investigation of Students Under a Honor System and a Proctor System in the Same University.* Los Angeles, CA: University of Southern California Press.

Chonko, L., & Hunt, S. (1985). Ethics and Marketing Management: An Empirical Examination. . *Journal of Business Research, 13*, 339-359. .

Clark, J. W., & Dawson, E. L. (1996). Personal Religiousness and Ethical Judgements: An Empirical Analysis. *Journal of Business Ethics, 15*, 359-372.

College announces investigation. (2012, 08 30). (H. Gazette, Producer, & Harvard Gazette) Retrieved 09 2, 2012, from Harvard Gazette: http://news.harvard.edu/gazette/story/2012/08/college-announces-investigation/

Conroy, S., & Emerson, T. (2004). Business ethics and religion: religiosity as a predictor of ethical awareness among students. . *Journal of Business Ethics, 50 (4)* , 383-396. .

Cornwall, M., Albrecht, S., Cunningham, P., & Pitcher, B. (1986). The Dimensions of Religiosity: A Concpetual Model with an Empirical Test. *Review of Religious Research, 27(3)*, 226-243.

Crown, D. F., & Spiller, M. S. (1998). Learning from the Literature on Collegiate Cheating: A Review of Empirical Research. *Journal of Business Ethics, 17*, 683-700.

Cruz, J., & Frey, W. (2003). An Effective Strategy for Integrating Ethics Across the Curriculum in Engineering: An ABET 2000 Challenge. *Science and Engineering Ethics, 9 (4)* , 543-568.

Epstein, E. E. (2002). Religion and Business - The Critical Role of Religious Traditions in Management Education. *Journal of Business Ethics, 38*, 91-96.

Etter, S., Cramer, J., & Finn, S. (2006). Origins of Academic Dishonesty: Ethical Orientations and Personality Factors Associated with Attitudes about Cheating with Information Technology. *Journal of Research on Technology in Education, 39 (2)* , 133-155.

Ferrell, O., & Skinner, S. (1988). Ethical Behavior and Bureaucratic Structure in Marketing Research Organizations. *Journal of Marketing Research, 25*, 103-109. .

Fogel, J., McSween, N., & Dutt, O. (2010). Religious Affiliation and Ethics: Patterns Regarding Beliefs for Workplace Behaviours. *Journal of Business Systems, Governance & Ethics, 5(1)*, 25-41.

Fogel, J., McSween, N., & Dutt, O. (2010). Religious Affiliation and Ethics: Patterns Regarding Beliefs for Workplace Behaviours. *Journal of Business Systems, Governance and Ethics, , 5(1)* , 25-41.

Ford, R., & Richardson, W. (1994). Ethical Decision Making: A Review of the Empirical Literature. *Journal of Business Ethics, 13*, 205-221. .

Forsyth, D. R. (1980). A Taxonomy of Ethical Ideologies. *Journal of Personality and Social Psychology, 39*, 175-184.

Fritz, J., Arnett, R., & Conkel, M. (1999). Organizational Ethical Standards and Organization Commitment. *Journal of Business Ethics, 20 (4)* , 289-299.

Hall, T., & Kuh, G. (1998). Honor Among Students: Academic Integrity and Honor Codes at State-Assisted Universities. *NASPA Journal, 36*, 2-18.

Hegarty, W., & Sims, H. (1979). Organizational Philosophy, Policies and Objectives Related to Unethical Decision Behavior: A Laboratory Experiment. *Journal of Applied Psychology, 64(3)* , 331-338. .

Hunt, S., & Vitell, S. (1986). A General Theory of Marketing Ethics. *Journal of Macromarketing, 8*, 5-16.

Hunt, S., & Vitell, S. (1993). The General Theory of Marketing Ethics: A Retrospective and Revision. In N. C. Smith, & J. A. Quelch (Eds.), *Ethics in Marketing* (pp. 775-784). Homewood, IL: Irwin Inc.

Kaye, B. N. (1992). Codes of ethics in Australian business corporations. *Journal of Business Ethics, 11*, 857-862.

Kennedy, E., & Lawton, L. (1998). Religiousness and Business Ethics. . *Journal of Business Ethics, 17 (2)* , 163-175.

Klein, H., Levengurg, N., McKendall, M., & Mothersell, W. (2007). Cheating During the College Years: How Do Business School Students Compare? . *Journal of Business Ethics, 72*, 197-206.

Kurpis, L., Beqiri, M., & Helgeson, J. (2008). The Effects of Commitment to Moral Self-improvement and Religiosity on Ethics of Business Students. *Journal of Business Ethics, 80*, 447-463.

Laczniak, G., & Inderrieden, E. (1987). The Influence of Stated Organizational Concern Upon Ethical Decision Making. *Journal of Business Ethics, 6*, 297-307. .

Lawson, R. (2004). Is Classroom Cheating Related to Business Students' Propensity to Cheat in the Real World? . *Journal of The American Academy of Business, 8*, 142-146. .

Longenecker, J. G., McKinney, J., & Moore, C. (2004). Religious Intensity, Evangelical Christianity, and Business Ethics: An Empirical Study. *Journal of Business Ethics, 55*, 373-386.

Lowery, C., & Beadles, N. (2009). Differences between Work-related Ethics and Non-work Ethics and the Effects of Religiosity. *Journal of Managerial Issues, 21(3)*, 421-435.

Magill, G. (1992). Theology in business ethics: Appealing to the religious imagination . . *Journal of Business Ethics, 11(2)* , 129-135. .

Malloy, D., & Agarwal, J. (2003). Factors influencing ethical climate in a nonprofit organisation: An empirical investigation. *International Journal of Nonprofit & Voluntary Sector Marketing, 8(3)*, 224-251.

Matchett, N. (2008). Ethics across the curriculum. . *New Directions for Higher Education, 142*, 25-38.

May, K. M., & Loyd, B. H. (1993). Academic Dishonesty: The Honor System and Students' Attitudes. *Journal of College Student Development, 34*, 125-129.

McCabe, D. L., & Trevino, L. K. (1993). Academic dishonesty: Honor codes and other contextual influences. *Journal of Higher Education, 64(5)* , 522-538.

McCabe, D. L., Trevino, L. K., & Butterfield, K. D. (1999). Academic Integrity in Honor Code and Non-honor Code Environments: A Qualitative Investigation. *Journal of Higher Education, 70*, 211-234.

McCabe, D. L., Trevino, L. K., & Butterfield, K. D. (2002). Honor codes and other contextual influences on academic integrity. *Research in Higher Education, 43(3)* , 357-378.

McCabe, D., & Trevino, L. (1997). Individual and contextual influences on academic dishonesty: A multi-campus investigation. *Research in Higher Education, 38*, 379-396. .

McCabe, D., Trevino, L., & Butterfield, K. (2001). Cheating in Academic Institutions: A Decade of Research. . *Ethics and Behavior, 11(3)* , 219-232 .

McDaniel, S., & Burnett, J. (1990). Consumer Religiosity and Retail Store Evaluative Criteria. *Journal of the Academy of Marketing Science, 18(2)*, 101-112.

O'Neill, H., & Pfeiffer, C. (2012). The Impact of Honour Codes and Perceptions of Cheating on Academic Cheating Behaviours, Especially for MBA Bound Undergraduates . *Accounting Education. , 21 (3)* , 231-245.

Parboteeah, K. P., Hoegl, M., & Cullen, J. (2008). Ethics and Religion: An Empirical Test of a Multidimensional model. *Journal of Business Ethics, 80*, 387-398.

Pater, A., & Van Gils, A. (2003). Stimulating Ethical Decision-making in a Business Context: Effects of Ethical and Professional Codes. *European Management Journal, 21 (6)* , 762-773.

Pauli, K., & Arthur, T. (2006). In the Eye of the Beholder: Moral disengagement and ethical decision making among Information Systems professionals. *Review of Business Information Systems Journal, 10 n2*, 2006. .

Pauli, K., Arthur, T., & Price, R. (2012). Honor and Consequence: Effect of Honor Code Enforcement on Ethical Work Climate. *Journal of Academic and Business Ethics, 6*.

Simonson, L. (2005). Introducing Ethics across the Curriculum at South Dakota School of Mines and Technology. *Science and Engineering Ethics, 11(4)* , 655-658.

Singhapakdi, A., & Vitell, S. (1990). Marketing Ethics: Factors Influencing Perceptions of Ethical Problems and Alternatives. *Journal of Macromarketing, Spring*, 4-18.

Singhapakdi, A., Vitell, S., & Franke, G. (1999). Antecedents, Consequences, and Mediating Effects of Perceived Moral Intensity and Personal Moral Philosophies. . *Journal of the Academy of Marketing Science, 27 (1)* , 19-27.

Smyth, M., & Davis, J. (2004). Perceptions of Dishonesty Amoung Two-year College Students. . *Journal of Business Ethics, 51*, 62-73.

Stevens, B. (1996). Using the comparative values framework to assess corporate ethical codes. *Journal of Business Communication, 33(1)*, 71-84.

Victor, B., & Cullen, J. (1988). The organizational bases of ethical work climates. . *Administrative Science Quarterly, 33*, 101-125.

Vitell, S. (2009). The Role of Religiosity in Business and Consumer Ethics: A Review of the Literature. *Journal of Business Ethics, 90*, 155-167.

Vitell, S. J., & Paolillo, G. P. (2003). Consumer Ethics: The Role of Religiosity. *Journal of Business Ethics, 46*, 151-162.

Vitell, S., Paolillo, J., & Singh, J. (2005). Religiosity and Consumer Ethics. *Journal of Business Ethics, 57*, 175-181.

Walker, A., Smither, J., & DeBode, J. (2012). The Effects of Religiosity on Ethical Judgments. *Journal of Business Ethics, 106*, 437-452.

Weaver, G., & Agle, B. R. (2002). Religiosity and Ethical Behavior in Organizations. *Academy of Management Review, 27(1)*, 77-97.

Weeks, W., & Natel, J. (1992). Corporate Codes of Ethics and Sales Force Behavior: A Case Study. *Journal of Business Ethics, , 11*, 753-760. .

West, T., Ravenscroft, S., & Shrader, C. (2004). Cheating and Moral Judgment in the College Classroom: A Natural Experiment. *Journal of Business Ethics, 54(2)* , 173-183.

Wotruba, T., Chonko, L., & Loe, T. (2001). The impact of ethics code familiarity on manager behavior. *Journal of Business Ethics, 33*, 59-69.

Rules, Language and Identity: In Cross-National Companies by Evoking Authority May Not Work as Intended

Jan Ketil Arnulf
BI Norwegian Business School

Henning Kristoffersen
DNV

We argue that the concepts "rules" and "relationships" are heavily affected by mindsets related to language and culture. Western societies base laws and enforcement on the assumption on transparent, universal rules, whereas East Asian societies rely more on relationship-based governance. Interviews with 58 employees from a global construction company spanning Scandinavia, Germany, and China show how evoking authority under uncertainty may exacerbate rather than solve failing co-operation. Knowledge transfer and innovation are crucial to business operations and cross-cultural management must find workable solutions. "Cultural ambassadors" are working on both sides to co-ordinate communication and establish relationships.

INTRODUCTION AND RESEARCH QUESTION

Understanding the role of language in knowledge creation may be a key to the global integration of companies. As Western companies have been attracted by the prospects of huge markets in East Asia, these companies have met with mixed results trying to establish and grow there. A recent review and survey on decisions to localize business units (Porter & Rivkin, 2012) shows that 83% of all R&D sites opened by global multinationals from 2004 to 2007 were in China or India and a majority of companies are still preferring sites in emerging markets to domestic locations even though more than a third of CFOs reported the costs of entering rapid-growth emerging markets to be higher than expected.

The "higher than expected costs" highlight Moran & Ghoshal's claim (1996) that the focus of firms is shifting from value appropriation to value creation. Multinationals entering China must invest in competence development, teams and innovation, and also consider networking on many levels to enter the markets (J. W. Lee, Abosag, & Kwak, 2012; Wilkinson, Eberhardt, McLaren, & Millington, 2005). Even for Hong-Kong based companies, expansion in mainland China depends on successful knowledge creation (Sharif & Huang, 2012). What may easily be thought of as market penetration by existing business models and organization turns out to require knowledge creation on many levels (Nonaka & von Krogh, 2009) spanning production, customer focus, quality issues, logistics and market adaptation in a wider sense – in short, requiring a capacity to sense and re-combine information relevant to local business as outlined in e.g. capability theory (Eisenhardt & Martin, 2000; Teece, 2010).

One reason why costs turn out "higher than expected" is that new technologies and knowledge transfer often are unfulfilled hopes with costs exceeding benefits (Gaimon, Özkan, & Napoleon, 2012;

Nahapiet & Ghoshal, 1998). This fact has been given extensive attention in the distinction between "explicit" and "tacit" knowledge (Joia & Lemos, 2010; Nonaka & von Krogh, 2009; Polanyi, 1969). Nonaka & von Krogh show how explicit knowledge remains embedded in tacit structures, making knowledge sharing across cultures an unpredictable endeavour.

Our contribution in this study is to show that even the understanding of 'organizing' itself is affected by tacit knowledge, possibly stemming from linguistic differences. "Organizing" implies reducing uncertainties by the means of routines and authority hierarchies to tolerable levels, thereby securing productive business decisions (e.g., March, 1994; Turner & Rindova, 2012; Weick & Westley, 1996). Leadership, as different from management, is to make decisions meaningful to the participants (Podolny, Khurana, & Hill-Popper, 2005), contributing to reduced uncertainty. The very building blocks of organized activities – rules, relationships, authority, agency and verbal communication – may be constructed very differently in subjects dependent on their cultural background (Boroditsky, 2011; S. W. S. Lee, Oyserman, & Bond, 2010; Li, Park, & Li, 2004). In particular, we focus on the concepts of "rules", "identity" and "relationships" as vulnerable cross-sections of organizing and cultural issues in the handling of deviant situations.

The objective of this study is to illuminate how the concepts of identity, authority, rules and routines are differently understood across cultures to create unexpected friction and costs in cross-cultural management. Combining theories on knowledge creation, decision making and research on language we intend to show how central elements of organizing such as rules, communication and decisions may be affected by differences in mentality predicted by linguistic differences.

Our research question is therefore: May cultural differences in the construction of the concepts 'rules' and 'identities' explain obstacles to knowledge creation in within-company co-operation on a global level?

THEORY

Generally, management consists in matching the business model to the ongoing situation and deciding the right routines to apply in the situation (March, 1994). Setting up multiple business units within the same company builds to some extent on the assumption that the rules and routines pertaining to one unit will be applicable in other units also, as when a grocery chain establishes a network of outlets or franchised units. The business model in question may be assumed to be applicable for all the outlets or sub-divisions with minor adjustments for local realities.

In practice, however, reality is fraught with uncertainty and the application of routines to a situation is not necessarily straightforward (Turner & Rindova, 2012). On low or high levels, any situation may require an employee to decide how a current situation fits into the existing routines, or if some kind of adjustment has to be made. A simple low-level example would be negotiating prices to a customer or whether to return a defunct product. Higher level uncertainties may concern investments or major strategic decisions. To some extent, the system of authority within a company may be described in terms of the uncertainty that may be dealt with at any given position. A routine or rule may be enforced locally if the employee is certain about the rule, or the decision may be lifted to a higher level if uncertainty exceeds certain limits.

Our point here is not to enter into decision-making theory, but instead to outline a theoretical map for how members of an organization may differ in the ways that they attempt to replace uncertainty and doubt with the opposite, i.e., certainty and meaning. Some theories about cross-cultural management (e.g., Hofstede, 1980) claim that cultures differ in their tolerance of uncertainty, meaning that some people are more tolerant of uncertainty than others . Our idea here is that all cultures are uncertainty-adverse, but the preferred means of re-establishing certainty varies. In fact, we argue that the reason why culture emerges as a source of conflict is precisely because ambiguity, uncertainty and the search for viable actions will differ depending on the agents' culturally embedded modes of creating certainty.

According to March (1994), all rule-based decisions requires the actors to consider three kinds of questions: 1) Recognition: What kind of situation is this? 2) Identity: What kind of person (or

organization) am I? 3) Rules: What does a person such as I, or and organization such as this, do in a situation such as this?

According to March, appropriate choices by decision makers (even rationally calculated choices) require them first and foremost to understand their role in the organization and the rules that apply to this kind of situation (rationality is derivative). March claims (p. 59) that "*rules and identities are so obvious that they are more likely to be regarded as a context for behavior than as an interesting phenomenon in their own right…*"

This sentence is interesting since it presumes that rules and identities are, more often than not, taken for granted by the actors – and maybe also by researchers. It is therefore to be expected that if rules and identities in reality are open to different interpretations, conflict will arise between the members of the organizations and their means of solving these may be restricted because their awareness and language about rules and identities are limited – taken for granted, as March claims. This difference may run deeper than the traditional distinction between tacit and explicit knowledge (Nonaka & von Krogh, 2009; Polanyi, 1969).

Research in cross-cultural psychology and management over the recent decade suggest that the concepts of rules and identity may be at the very heart of the cultural differences, certainly between Asia and Europe, but therefore possibly between other regions as well (Li, et al., 2004). Differences stemming from rule-based versus relationship-based governance influence social practices all the way from the organization of business to cognitive constructions in language and individual minds. We believe that our case illuminate how recent knowledge about cross-cultural psychology may apply to the analysis of challenges in international business operations. The three most central concepts we want to address are "rules", "identity" and "relationships".

Rules

There is a pervasive difference in how order is enforced in the Western European and East Asian traditions (Li, et al., 2004). Western societies base their laws and enforcement practices on the assumption on transparent, universal rules, whereas East Asian societies are more inclined towards relationship-based governance. In rule-based governance, the rules and their enforcement can be trusted to exist independent of the actors. Contracts are written and adhered to under the threat of sanctions from a third-party law enforcement agency, such as courts and other governmental regulators. To the extent that Western societies are rule-based, actors such as employees or business partners do no need to pay much attention to each other as long as they heed their contractual obligations. One of the economic benefits to society from this form is e.g. low entry- or exit barriers for employees in companies or for partners in business.

Conversely, in countries with lower levels of rule-based governance, social order and predictability in business transactions may be founded and enforced through relationships. In relationship-based governance, entry and exit barriers are high, since the actors need to be involved in long-term trust building activities. Important features of relationship-based governance are displays of hard-to-fake commitments (Atran, 2002) on other levels than pure business, such as socializing and investment of time and energy, and inclusion of the actors in wider social networks where opportunistic behaviour from one part can have grave consequences in other parts of society. In relationship-based governance, contracts are less important than who you are in a network of relationships that spans wider than the contract partners themselves. For example, the managers of two companies doing business with each other need to consider the other party's relationship with government, financial institutions and suppliers. Opportunistic attempts at cheating may be prevented by and understanding of the opponent's possible influence on other resources such as regulations, credits, or customers. The benefit of a business transaction depends not only on the actual numbers in the contract, but also on wider consequences for the actors such as increased local status, benefits to the network or society or other consequences distant to the contract itself.

These differences are probably not restricted to legal practices, but may also be intertwined with language and mindsets in a way which makes them difficult to translate between those affected. The social construction of reality may reach further than we think (Berger & Luckman, 1966). Laboratory

research on cross-cultural psychology shows wide differences in how the world is construed based on the linguistic and cultural upbringing of the participants (Boroditsky, 2011; S. W. S. Lee, et al., 2010; Nisbett, 2003; Nisbett, Peng, Choi, & Norenzayan, 2001; Pinker, 2008). East Asian and Western European cultures diverge on a series was that reality is construed: *Part vs whole*: The western mind seems to believe firmly that reality is created by objects that can be categorized according to rules. Easterners' to the contrary, are more concern with wholes, that is, any fact or feature is only relevant as related to other features, and rules do not have the same salience in defining objects as their mutual relationships.

Individual Agency vs Collective Positions

Westerners grow up to believe in making choices for themselves and standing out from the crowd, whereas Asians will consider their acts within its context as more important than in itself. For this reason, Westerners tend to perceive themselves as more independent than Asians, and both groups are more likely to see their own behaviors as conforming to an ideal.

Challenge vs Compliance in Dialogue

Because of Westerners' belief in abstract rules and agentism, they tend to speak their minds, pose direct questions or give direct reply with less concern for their counterparts even when there are status differences involved. East Asians experience truths as less rule-oriented and more a matter of social construction. They may not voice direct disagreements or even utter themselves at all. Individuals of higher social rank may also not expect long verbal interactions from subordinates, since the followers are more expected to make the superiors' viewpoints come true than to discuss whether they are actually true.

Low vs High Context Languages

Cultures may be differentiated as low- vs high context cultures (Hall, 1977). The various complexities of different languages may make them more or less dependent on the context (Boroditsky & Gaby, 2010). While Chinese is a low-context language, German is low-context. The implication is that a German speaker will need to construct grammatically complicated sentences, applying unbending rules, in uttering a message that is very precise and difficult to misunderstand. Chinese, however, will utter themselves in a language that is characterized by poetical connotations, low grammatical complexity and minimalism that requires a high degree of context to fully understand the message. A brief example may clarify this: Assume that a worker applies for a job, but lacks formal qualifications and is told that there may be an oral exam to document the knowledge. If the applicant wonders what this exam will be about, a German may ask: "Im Falle einer mündlichen Prüfung, was denken Sie, worüber wir hätten reden können müssen?" The sentence contains 26 syllables, 3 cases, and 12 words with specific flexions. A Chinese might ask "考试的话，要说什么？", making 8 syllables, no cases, no flexions.

Whereas the German language follows systematic rules, the Chinese language is particularistic. Both written and spoken requires memorization of a myriad of particular elements and meanings. One good example is the measure words, single markers in front of objects that vary with almost no special rules between classes of objects.

It is interesting how ancient Greek and Chinese philosophers disagreed on the particular nature of language at about the 5th century BC: Dating back to Heraclitus Western philosophy sees the world as "logically" structured, i.e., it is principally possible to describe the world using language (Wittgenstein, 1922). Influential Chinese philosophers such as Lao-Zi would to the contrary claim that the complexity of the world is not explicable in words and that language imposes artificial distinctions on wholistic relations in the world (Lao-Tse, 1995). Westerners are inclined to believe in abstract theoretical principles in a Platonistic preference of ideas above particular instances. According to Nisbett and co-workers (Nisbett, et al., 2001), this difference will make Westerners outspoken since "truth" is in a logical system independent of the speakers, and curious, since the understanding of general rules may be applicable in other settings. To sum it up in one sentence: To speakers of Germanic languages, systems, rules and truths are relatively independent of the speakers.

Identity and Relationships

Even in the West, identity has traditionally been seen as on relationships to others (e.g., Mead, 1934). In a world where general rules are of little use, all entities receive their meanings and importance from their relationship to others in a wholistic pattern. For instance, Chinese particularism and focus on relationships combine to make up an overwhelmingly complex system of kinship titles. In order to address their relatives appropriately, Chinese native speakers will need to master more than 100 concepts that describe the precise relationship between the speaker and the relative – whether paternal or maternal side, older or younger than the speaker's own parents, and different whether related by blood lines or marriage. Westerners will come far with about 20 such labels and no-one is much offended if names are used instead. The Chinese speaker will spontaneously fine-tune the relationship status of any person relative to a great number of other people in ways inconceivable to westerners. Thus, in spoken interaction, the speech content will be in focus to the Westerner, but the speech act as part of a relationship is a major concern to a Chinese. "Truth" is not a strict rule but emerges out of what may be said within a relationship, as specifically stated by Confucius (2009) but also recognized by the elder Wittgenstein (Wittgenstein, 1953).

A relationship-oriented community of speakers will pay more attention to "who" than "what". Chinese speakers will pay more attention to the precise choice of wording given the context and the status of the participants in the conversation. The informational content will depend on what is appropriate to say, to whom, also considering the presence or absence of others, shaping the speech act even more than the content (Bateson, 1972; Watzlawick, Bavelas, & Jackson, 1967).

March claims (1994, p. 62) that "*In a socialization perspective, identity is adopted or imposed rather than discovered or created.*" But how is identity imposed, and what would it mean that it is "discovered"? We assume here that in identities are imposed on people and adopted according to the agents' cultural understanding. To "discover" an identity could imply a growing awareness that the surroundings hold other ideas about one's identity than originally thought. One may, for instance, slowly realize that one is relatively unimportant or powerless despite title and formal position.

Consequences of Rules and Relationships on Authority and Uncertainty

These differences may have notable impacts on organizational processes and decisions. Germans and North-Europeans in general will expect rules of all kinds to be part of work, and to shape professional standards and authority alike. When a situation implies a deviation from routines, the exercise of authority will tend to call people back to the rules, if necessary by force. East Asians will believe less in rules and engage less in the enforcement of these. They will instead be extremely attentive to identities within a bigger picture. One's own boss and the proximate network will have top priority, as will customers and other local powerful actors such as government or suppliers. Authority to a North European follows from the hierarchy of rules, i.e., a person in charge of a process has ultimately the right to instruct others. To an East Asian, authority follows from the position of relationships. A distant boss is less important than a close boss, and above all: Authority comes from a reciprocal responsibility for the relationship in a paternalistic way (Cheng, 2008; Confucius, 2009; Yu, Xiaoming, Liluo, & Wenquan, 2008). North European authoritarian leadership appears sterile to Chinese since it only entails instruction, but no confirmation of relationship. Instructions that run counter to cultural assumptions about meaning and authority will increase rather than reduce uncertainty. Our hypothesis is that both Europeans and East Asians will increase rather than reduce uncertainty in deviant situations by evoking their cultural stereotypes of authority when dealing with representatives of the other culture. Attempts that play along with the cultural assumptions will reduce uncertainty.

The Scandinavian languages are of course closer to German than to Chinese, but with less observance of grammatical rules. Even so, recent research on the effects of language suggest that within-culture variations in language may create detectable differences in cognitive constructions, such as agentism and causality (Boroditsky, 2011). Thus, the business impact of differences in rule-based versus relationship-based governance is paralleled by profound differences in the way that members of organizations perceive, construct or interpret the world, shaping natives behaviour effortlessly without self-reflection

(Gollwitzer, 1990; Parks-Stamm, Oettingen, & Gollwitzer, 2010) but to the bewilderment of those that do not share the system. This is not only posing a practical challenge in establishing and executing organizational routines, but also leaves an unanswered practical question: In the likely case of conflicting viewpoints, does there exist a common ground on which answers may be found to reduce the uncertainty of everyone included? Or do different contexts require different explanations of what is happening? A common ethnocentric fallacy is to try to convince one of the sides that their perception is a misunderstanding, for which the other view is a valid explanation. This approach risks not only to fail, but to be experienced as grave arrogance.

METHOD

Case Description

This is a case study using observations from a construction company operating in Europe and Asia. Most of the business units are in Norway, Sweden, Germany, China, and Korea. As a corporation, it has developed through mergers and acquisitions and spans several individual legal subjects. It has followed the general industrial development in the last decades, where technologies and design are still largely made in Europe, and production and assembly is done in Asia where the bulk of the market has developed. This is a business-to-business industry, and it may sometimes be a bit unclear who the final customer is. The study is undertaken after an invitation on behalf of this corporation to do so.

Sample

The inclusion criterion for the study was not function or level, but actual personal experience with this cross-cultural communication. This yielded a remarkable variation in positions from top management level to sales managers, service engineers, project engineers, production managers etc. All informants were appointed by their local managers based on their exposure to cross-cultural communication. The initiative was broadly supported throughout the organization and we have no reasons to believe that there were systematic biases in viewpoints or who were allowed to have a voice.

Data Collection

In this project we interviewed a total of 58 employees using in-depth or semi-structured interviews. Each interview followed a semi-structured interview guide with room to talk about what each employee felt was most important. We also followed up more on the questions that seemed most relevant in a given interview, "can you describe this in more in detail?", "can you give an example of this?", "anything else you want to add to this?" etc.

In almost all the interviews we were two people conducting the interview – one moderator asking questions and the other writing down the answers. Most interviews were done in English, but some of the interviews were done in Chinese, German, Swedish or Norwegian depending on the language levels of the informants. Most important for this form of interviewing is to create an atmosphere of trust, making it easy to talk. Each interview started with guaranteeing anonymity for all participants, underlining that we as a third party was only interested in their experience, viewpoints and advice. Each interview lasted 40-60 minutes.

TABLE 1
PLACES AND NUMBER OF INTERVIEWS

China	32
Germany	13
Scandinavia	13
Total	**58**

Strategy for Analysis

Using NVivio, we analyzed our empirical material along the following focus questions: Which are the deviant situations our informants bring up, and how do the constructions of these fit our theoretical assumptions about rules, relationships and uncertainty? Second, we look at attempts at solutions to see whether these have reduced or increased uncertainty dependent on their cultural impact. Third, we address the informants' call for solutions and the cultural assumptions inherent in these. Fourth, we analyze the company HQ's attempts at addressing solutions that actually integrate instead of increase distances.

FINDINGS

Part 1: Deviant Situations in Terms of Rules and Identities

A deviant situation is any situation that requires a stop and re-orienting of ongoing work. It does not need to be critical or emotionally provoking, but all deviant situations run the risk of escalating with dire consequences to profits, reputation, customer relations or similar. We have defined four main areas of routine execution that may be crucial to business: customer focus, transfer of technology and competence, efficient communication, and rigid management practices.

Customer Focus

To the Chinese interviewees, swift customer service and flexibility is more important than designs and contracts. The Chinese market has been expanding so rapidly that it has been necessary to stay afloat by seeing things form the customers' side and help finding solutions. This can involve certain flexibility around designs or contracts: *"Germans care about plan very carefully when it comes to original plan, but they never listen to customer change or needs. We communicate constantly with our customer and cannot only follow the original contract and not customer's real situation. In Germany contract is number one, but in our culture and maybe also Indian, we don't care as much about the original contract - more about realistic today situation."*

To the contrary, the Germans believe that fixed, unified standards and contracts builds brand, reputation and trust, and that this unflinching belief in the power of rules will ultimately prevail: *"Germans have on average a strong mind – we have our rules and regulations and stick to the rules, and no other way is right. But there are always little ways to the left or right, that are neither wrong nor right, but the Germans cannot accept to do it that way."*

The Chinese tend to demonstrate customer focus by sacrificing rules (contracts, standards, designs) for complying with the customers´ expressed desires. The relationship to the customer is more important than the rules. To the North Europeans in general and the Germans in particular, it seems the "real" customers seem to be an abstract entity, since a customer who would want the company to depart from rule-based design and business practices must be a dubious partner, making the game chaotic for all other rule-obeying customers. The Chinese organizational members see any real, particular customer as more real and demanding of attention than a hypothetical group of future customers.

The interviews revealed a whole series of instances where the Chinese observed lost business as a consequence of rigid European attitudes towards customers: *"Germans did not deliver when customer asked and lost customer because of not willing to meet customer's needs – stick to own principles. So they fall out of suppliers list."* *"Customer wants to change colour of the product and if they request before work has started Chinese will charge nothing, but Germans will charge because they have to adjust some documents."* *"Chinese people more flexible, German brain more fixed, so they can make good machines if they are not disturbed by the customer, but no orders in future."* *"Something I don't understand: Norwegians and Germans don't understand urgency and change towards customer – this will have a very bad influence in the Chinese market. For instance to prepare an offer that could be done in two hours – they take several days, if not a week."* *"Chinese and Norwegian units treat customers like friends, we do not raise prices just to our own benefit. Germans can raise prices when customer is in desperate need of something."*

The Germans claim about the Chinese that: "*they also have a more flexible attitude towards technical solutions than we have. Their ideas about quality are totally different. I think that the only chance of change here is that if the ship owner is strict, and gets support from the classification society, then it will change. If they need to improve to sell the product, they will do it. But if the customer does not ask, they will not be creating more quality.*" The Chinese interpret the Germans as "stubborn": "*German quality and stubbornness is a good thing and China has to follow at some point anyway, otherwise there will be no development*".

Confronted with Chinese flexibility, the Germans counter that Chinese customers may actually accept a lot of mistakes, since they "*… can handle a lot of mistakes in the same flexible way – the problem is that we don't like it that way (*in Germany*)*"

A core difference in these assumptions is that in China, manpower is generally cheaper than materials, whereas it is different in Europe. This shapes the way of thinking about rules and objects in production and business.

Several informants stress that there always will be disagreements regarding quality between the design part and the production part of a company. They indicate that the quality debate between Europe and China is not solely a matter of different and culturally related quality standards, but rather a discrepancy between an ideal and a pragmatic real life approach to components. But like the Germans showing some understanding for the Chinese ideas of quality above, the Chinese also wonder about how realistic the Germans are in the sense that immediate reality goes before abstract rules:

> "*There is a discrepancy between designing and reality; we are not able to fulfil the designs. The Germans overestimate our techniques and capacity, and some designs from Germany are too ideal – not realistic.*"

A European who believes in rules above reality often adopt arrogant attitudes towards this Chinese perspective, since breaking the rules will be exposed as a failure later on. But this may not happen as often as the rule-based perspective indicates. As a Norwegian interviewee observes:"*With the exception of some production errors*, [the Chinese] *have done well: few severe errors have been made and they've carried out a lot of projects*"

One German voice claims that the Chinese "customers" are not really the end customers, but only the next assembly link in a value chain: "*Customer focus – we are closer to the end customers than the Chinese. They are dealing with the [assembly facilities] – these want cheap products – and the end customers, the owners, want good products. It is difficult for us to assure our customers the right quality.*"

Knowledge Transfer

The development of the Chinese facilities is astounding, as observed from the Europeans: "*The Chinese made bigger progress in a year then I'd imagined beforehand*". But the development did not run as originally assumed by the participants.

The original way of implementing company standards and procedures in the newly established China branch was by sending them a manual containing all needed information on the subjects, the E-manual which was to be handed over to the China offices upon establishment. The E-manual was however not ready in due time and hence the Chinese offices did not have complete instructions on what was expected, what was to be done and how. Further, since Germany was a natural source of expertise and knowledge, German employees were sent over as trainers to the new offices. This training and knowledge sharing process was expressed by interviewees from several countries to have been difficult for both parties.

One reason for the obstacles in knowledge transfer was mutual distrust: "*Our fear that the Chinese will steal our technology and competence makes us refrain from sending our best men, or sending over part of knowledge. This fear hinders good cooperation.*" This was of course obvious to the Chinese also: "*They are afraid we will reach their level too fast; take over.*" There were, however, other issues also, that prevented knowledge transfer.

Apart from outright distrust, there were more technical and less emotional barriers towards knowledge transfer. One important bottleneck was the existing competence: "*The main problem in China, if you look at engineers, there is no practice behind them. They come directly from school, had never had a piece of steel in their hands. The basic problems for the operators also is that they come directly from a farm in the countryside, and start working by looking at others.*"

A single, important source of deviant situation were repeated occasions where the Germans assumed that technical drawings could be read and used for construction in China, but this simply was not possible: "*Normally the contact with the Chinese doesn't work at all, there are big problems because a lot of the German colleagues don't understand the communication issue. They think that the Chinese should be able to understand what they need from reading the drawings. This creates a lot of frustration on both sides.*" The frustration affects the dialogue, as Chinese employees explain: "*Before trust we ask wrong, or too simple and easy questions.*"

The attempts at bridging the knowledge gap were not fruitful since "*Our problem here in Germany is that all our employees have not been trained in communicating in an efficient way with the Chinese.*" This view is shared by some of the Chinese managers who comment that "*…colleagues often have problems. Sometimes because they have not know each other for long and has little experience with German culture.*"

The Chinese engineers' problem is not restricted to Germany: "*[Norway] office does not understand the situation here, only communicate during e-mail and phone – no real meetings. We do not understand Norway either.*"

This knowledge bridge is almost directly assessable in the time required to make clarifications: "*80-90% of the communication is about clarification, particularly in the beginning of the projects. In any kind of project, this clarification would be necessary, but within Germany maybe only about 20-30% of the communication would be clarification. So about 50% of the communication efforts are due to cultural differences.*"

But despite all efforts to improve quality on the site in China, the German designers see that there are differences in the aims of development: "*The problem is our different understanding of concepts such as quality and reliability. The products made here have been continuously improved, the staff has been very proud of it. When they see that their drawings are sent to China, they see that their designs are not carried out as intended, it hurts them.*"

The European informants made several remarks that broken or dirty parts should be changed, the objective being that the product can live for a long time without maintenance. To the Chinese, a high pressure washer was seen as an unnecessary piece of equipment since the soap cost money, and if the product fails due to dirt inside, it is easy to send people to fix it. To the Europeans, "knowledge transfer" seems to be more about the things in themselves, whereas to the Chinese, things are embedded in the hands of people using, maintaining and fixing them.

Lack of Mutual Communication

Two types of situations that Asians and Europeans alike complain about are slow or actually lacking responses. These situations are strangely alike, and the numbers of reported instances are totally identical in the sources. The Chinese side is typically attributing the lack of response to European holidays and restricted working hours: "*Lost 2 big projects (65 millions altogether) to England because the customers were not interested in waiting for Norway, idling and bad communication from there.*" "*Our feedback information back to Germany gets bad and slow response.*" "*…response time is too slow from Germany. Cause delays with customers. Always vacation.*" "*In Europe one can let the customer, the assembly site wait or not answer at all.*" "*Communication with German company sometimes very slow …if original person is on vacation, maybe nothing can be done.*" The unresponsiveness of business units is also found in individuals: "*German person in [China] never talks to them – give them information about his work routines and schedule, still he reports to headquarter that this daughter company is out of control and that people do what they want here, and do not communicate.*"

Some Chinese are attentive to the asymmetrical situation in headcounts and market volume: "*Why so slow response from Germany? Lack of hands and lack of people there. Many customers.*" "*Probably the guys in Norway have much to do, so we don't blame them, but have to wait – need approval.*" They also notice how answers are sometimes more important in some situations than in others: "…*some communication problems with Germany. Late answer to us, so we have to chase them, but they have high demands for us to answer fast.*"

Whereas the Chinese attribute European lack of response to holidays and leisure going before customers, the European complain of lack of response from Chinese due to incomprehensible cultural communication barriers: "*We ask questions, we don't get any answers. It is a big challenge to get information.*" "*If you need to know something, you don't get feedback, and it may be better to give them a call. If we send a list of issues, we get no feedback for months. So lists of feedback issues for projects will not be answered. There is no feedback from the other side, we don't know what they want.*" "*I tried to find explanations that we could use to bridge the contact with the customers. I sent very nice letters and asked them to confirm the dates. I received messages stating "no problems", but in the end nothing happened.*" When you do get a response, "the *people are very nice but it is difficult to get information out of the company.*"

Even when it may improve, the contact is still awkwardly one-sided: "*In the beginning I did not get any replies, I had to call again and again, but now they know me and give me replies, often from the assembly site direct, but it still takes a lot of time.*"

Some of the Europeans perceive that there may be a reason for a pattern in lack of answers: "*Chinese who get an urgent e-mail don't always feel it urgent to reply – they are more concerned with customer demand than the supplier urgency.*" "*The case for videoconferencing is not so good, the low levels people are afraid to communicate freely and the top level guys don't like to speak freely since their English is not very good.*"

Rigid Management Practices

As a final comment on deviant situations, many informants on both sides had observed a curious rigid management practice among the "others". Rigidity is almost a defining characteristic of the Germans, both in the eyes of Chinese co-workers and actually also among themselves. First a Norwegian: "*German accuracy against Chinese pragmatism – totally impossible. Chinese will solve anything within certain limits. Germans don't.*" The Chinese say: "*Germans give very little tolerance – for most products no tolerance, some minor products some tolerance.*" "*Local German could solve problem, but always need confirmation from headquarters.*" "*Jenny replaced a German who now moved back to Germany. This German sent 20 e-mails every day to check on Jenny – waste of time – should be reports on weekly or monthly basis, but not everyday control and treat Jenny like secretary. Now improving – only 4 e-mails per day.*" "*The Germans have no idea what the work in China is like, they are just waiting for mistakes to happen so that they can complain.*" Even in internal discussions, the Germans amaze the Chinese: "…*we think that we should follow some historical rules, but Germans don't. They are just very strict and start unpleasant internal negotiations.*"

Some Germans observers have noticed this also: "*We may have been too strict, we should have been a bit more open-minded to find a way and fix it.*" "*Germans have on average a strong mind – we have our rules and regulations and stick to the rules, and no other way is right. But there are always little ways to the left or right, that are not wrong nor right, but the Germans cannot accept to do it that way. This attitude makes it difficult to be flexible.*" "*The Germans are better in planning and avoiding problems, but when the problems appear, the Koreans are more flexible and the Germans get stiff.*"

The Europeans also find similar rigidity in Chinese, but this happens in other types of situations: "*The Chinese have problems findings decisions.*" "*It depends on the leadership – Chinese managers stick to their own rules and don't want any German persons to have any influence.*" "*The Chinese also need to discuss and discuss, endlessly, they don't like to make decisions alone. The rich and the powerful find their own ways, but the working people don't want to make any decisions, they need instructions.*"

Some of the Chinese managers also see these tendencies: "*As the Chinese, we have two kinds of people – the old people who have their own opinions and the young ones who are more open but who are not allowed to speak freely.*"

Summing up the section on deviant situations, it may be said that all informants recognize the deviant situations, but they are interpreted very differently depending on the cultural location. German engineering and quality assurance is tightly knit to their propensity to interpret the world according to rules and regulations, and they frequently find faulty designs, lack of understanding and general deviances from professional, legal or managerial standards. They pursue this in direct dialogues, demanding answers and documentation and are frequently frustrated by silence. Conversely, the Chinese find themselves in a continuous struggle to serve a booming market and will do everything to please the customers. The experience the Europeans as provokingly unpleasant in spoken exchange and the result is frequent fear of losing contracts and customer relationships. In the eyes of the Chinese, the Europeans are on all sorts of vacations and find all kinds of reasons to frustrate customers and harass co-workers.

Part 2A: Effects of Attempted Solutions on Perceived Uncertainty that Did Not Work

As problems were reported, on suggestion came to reduce communication problems by transferring technology to the production sites, but this attempt was unsuccessful, probably due to barriers in knowledge transfer: "*[It was] decide that technology should be transferred from Germany, but not executed.*"

The Germans were afraid of quality problems and interfered with the Chinese who were eager to please the customers: "*We are always talking about problems, we talk about time... They just want to deliver and finish, and we disturb them there, it is always hard to have a good communication when you always talk about bad things. Most of the time, the process ends in a fight.*"

The reason why fights appear are evident in this recall of an attempt at understanding customer focus: "*When they say: 'The customer first', we don't understand what they mean by that. They would want to cheat the customer and be secretive about everything, we want to be open about everything, this is a totally different kind of customer focus. But they don't call this 'lying'. I tried to be tough in the beginning as they were telling me strange things, but that did not work – they were trying to protect my face as well. It was positive for them, but I did not understand that.*" "*I asked my Chinese colleagues about the quality issue, they just said that they are pushing so many cranes, there will be problems sometimes... I was shocked by the way that they could lie to save face and everybody accepts it, lie in front of everybody but saving face is better.*"

The previous quotes illustrate how situations causing uncertainty are interpreted and attempted solved according to different beliefs in the role and power of language. Confronted with what they experience as "lies", the Germans first got angry. The Chinese, unable to cope with direct language, tried to re-establish social harmony and the groups drifted apart. In hindsight, the Germans now realize that confronting dialogues may not be the easiest ways to solve problems "*We expected too much from the Chinese in the beginning. They never said 'no' when we asked them to do something. In Germany 'yes' means 'yes'.*" The confronting reactions were tough to the Chinese who experienced it in this way: "*For Germany maybe they will answer my question with a new question. Norway answers me. Germans want process to be in their way.*" In sum, the whole talking business of the explicit Germans is not intuitively understandable to the context-dependent Chinese: "*German colleagues need a lot of explanation of why do we do like this and that.*"

The German response was fairly derogative: "*…you can forget about these guys, they are so difficult to deal with, they don't reply on time and they are unreliable, they say "yes yes" and don't do anything.*"

Occasionally, the German rigidity was met with attempts at explaining, but since they resulted in nothing, the Chinese concluded just as gloomily "*Improvements require motivation. Now maybe Germans are not willing to improve, and [Chinese business unit] tries to avoid Germany as much as possible.*" "*The only solution: less interaction!*"

No wonder, then, that the intended knowledge transfer or routine executions ran aground simply because of absence:"*The service technicians …send reports, but they stopped this after we asked too*

many questions – they showed a lot of problems that we would like to know about. They then stopped communicating with us because it became too much." Attempts at addressing technology and communication problems were sometimes barren: "*We can be really surprised about the lack of progress, it happened that no-one came at pre-arranged appointments.*"

The lack of interaction sometimes took costly business proportions, as when a European and a Chinese business unit signed contracts with sub-contractors for the same delivery after several weeks of communication. For unknown reasons communication stopped, and each party insisted on continuing on their own. When the Europeans found their suppliers, the Chinese had already executed the project with their own sub-suppliers. The Europeans ended up having to pay USD 100.000 to get out of their contract.

The Germans tried to assign their own inspectors to oversee quality and technology in local facilities, but this was no certain success: "*This depends on the German supervisor's behavior. If he is arrogant he can ruin a lot for us, we had some bad experience some years ago.*"

"*Normally I try to have a routine and discuss solutions by phone or explain by e-mail. I [never] get the reports from the Chinese. This may be a personal issue concerning the people involved, but I try to create routines.*"

The Chinese concluded that concerning customer needs, "*Germans are never in a hurry. So if we are not in a hurry, they are not in a hurry, so I have to find a way to stress them.*"

Sending Chinese to Europe was also tried out, but the lack of relationship orientation (=hospitality) there made this approach also difficult: "*When Chinese came to Germany, they were risking being treated without respect and this could actually make it worse.*" "*…we want to visit owners in Europe together with Germans because we know more about the opportunities and situation of Chinese assembly works. But we have visa problems and of course cost of traveling.*"

Still, specific crises are tough to solve when transparency and trust are at low levels: "*At the time of the financial crisis, we needed to build up at team to look at the possibilities, go to the assembly works and look at what is happening. But when it comes to opening the books, what is happening concerning profitability and costs in projects, forget it.*" This feeling of impenetrable obstacles is overwhelming: "*There isn't much [the company] could do to improve the communication that hasn't already been done.*"

The Chinese, on the other hand, also felt that their communicative attempts were unanswered: "*Difficult to improve from our side. Matter of culture and habits, and sometimes endless circle of e-mails because A is on vacation and B and C also not available.*" A Chinese response would then be to raise the issue to a higher level to activate a boss, but: "*Not have the upper hand in purchasing so pressure not always possible, but have tried to CC boss, but not work well.*" Raising an issue to a higher level only works if the "higher level" understands the situation as deviant. But as long as a German manager operates according to rules, a relationship-based call to intervene is not necessarily successful – and vice versa. A German trying to get pressure on his Chinese counterpart by cc'ing this person's boss has a low likelihood of breaking through the loyalty of relationship with a complaint about rules.

Once, these tensions grew to en extent where a European expatriate poured paint over a Chinese worker's head in a heated exchange over production quality. The European finally had to lock himself into a closet to get away from furious Chinese workers. After calling for help the European expatriate had to officially apologize to the Chinese, but could not continue to work in the factory and moved back to Europe. The situation is almost as paradoxical as it is cruel, since both Chinese and Germans recognize a similar feature of traditional management styles in the two countries: Bosses are allowed to issue orders that are non-negotiable with a high power distance. But the German fails to support his case by resting on paternalistic relationships, as shown by the uproar against him, and probably also made incomprehensible demands based on invisible principles, evoking authority on explanations and systematic argumentation.

Part 2B: Effects of Attempted Solutions on Perceived Uncertainty that Seemed to Works

Obvious as it may seem, starting with the basics is never wrong: "*The biggest issue we have is to make what we are saying understandable to them. So written information is easier to understand than oral communication.*"

But the best way of helping a message across is to make communication personal through relationships. To Chinese managers, established personal relationships are top priority: "*A technical manager in Sweden died, when sick I flew immediately to see him, Swedish people said no point: he is very sick. I do not accept this – everybody want visit. I go and see him. Swedish friends on vacation – after too late.*" The value of relating to persons instead of positions is sometimes adopted in Europe, too: "*I always make pictures of these guys, I enter them into my mobile phone, so that we see each other. It's too expensive to have people move, but face-to-face communication is really important.*" "*Communication always improves if you have closer contacts.*" "*The physical meetings are most important, they immediately lead to an improvement of the phone and email exchanges. It is important to Chinese to see and trust you, it pays off afterwards.*" The Chinese have seen that this holds for the Europeans too: "*Most important to keep focus on future and direct communication on daily business level, and not wait – inform fast.*" "*I went to the [Norwegian] manager seminar and learnt about the differences in culture, nothing scientific but from within the company. The groups lack this kind of basic information. So I thought maybe we need personal meetings, face to face.*"

Involving the decision makers from the other side on a personal level may even evoke change of rules: "*Control routines have been improved in China by new methods, but not approved from Germany, but implemented anyway, and German top guy inspected and liked/accepted and brought back to Germany – now do Chinese way. Process illustrates problem of Germans feeling superior, but in reality the Chinese now know more about production.*"

Both sides find that copying the style of the other may help, i.e., if they understand how the other side is thinking: "*When Norwegians are more flexible, we are more flexible, when Germans are more strict, we are more strict.*" "*Her own quick feedback resulted in quick feedback from Germans – reciprocal issue*" Even the seemingly relaxed style of the Europeans seems to be possible for the Chinese to adopt to a certain degree: "*Before when I lost an order I was unhappy for a week – now I can relax more. Everybody need a life – in this sense learn a lot from Sweden and Norway. Chinese kids must learn this.*"

The Chinese way of handling contracts may also be anticipated by the Europeans: "*I have also started to think Chinese, and think that for every contract negotiations will continue – calculate with a buffer.*" And to be pushy may work both ways: "*…some communication problems with Germany. Late answer to us, so we have to chase them, but they have high demands for us to answer fast. I have to call and push them.*" "*Know how to pull and push to get Germans to understand – then you win!*"

Some managers also understand that verbal exchange is different in different cultures and try not to meddle in the process, just attend to the outcome: "*I used to make them discuss for a while in Chinese, then explain to me, and I would give them a decision.*" Learning to accept the different ways then becomes possible: "*I have adapted and they have adapted. You get used to spend more time, speak softly, not get annoyed, and things will work out.*" Some Europeans read books on the issues and use knowledge actively: "*The biggest mistake Europeans do is to compare with our own history, we should just accept them. If you face them with an open mind and realize that their thinking is total different – they speak in metaphors and we are using grammatical structures.*" If these types of discussions can be arranged around technical challenges, it may actually work: "*The QA documentation system is a good example of how systems can bring people together in frequent communication and brain storming that creates some common understanding and platforms.*"

In a way, better communication may come from accepting and live with the differences: "*You have to be constructive, and don't talk so much internally. … We need to differ between the big and the small issues here. It was the same mindset we had as we started co-operation with Poland many years ago, we were looking only at the mistakes.*" The Chinese likewise sometimes see themselves as blocking the Germans: "*Germans respond if we give them pressure. They understand us, but maybe problem is on our side: we just have too many projects.*"

Still, building relations to understand a situation is a slow process and previous relations are no quick fix when moving to a different location: "*The communication with the Chinese runs smoothly when you get to know them, but if you come to a new place where you don't know anybody, you need to control everything. Some people are very good but some are completely hopeless and you never know. And to*

teach people the right ways sometimes runs against the way that they have been learning at school – they know every detail but cannot create the bigger picture."

The most prevalent method for obtaining success seems to be that of assigning "cultural ambassadors" – people with an interest in and talent for handling the culture on the "other" side, and who also establish relationships such that trust grows: "*We have employed one German here employed jointly by Germany and us to go to the factory and communicate to German office because German office don't believe in us.*" "*I think it is easy for the Chinese to send me e-mails if they have questions, at least for the managers. They designate people to contact me. I am only communicating with 3 or 4 people.*" "*My colleague ...can speak differently with the assembly site people, since he speaks Chinese they get on with each other. The assembly site workers talk back to him. I also feel that the co-operation with him is a real teamwork.* " "*We bypass it now by using the contract managers as a kind of filter. We have given up some people, and we use certain people as contact persons... The results from the last year look good so we cannot have been doing so badly.*" "*When we discuss, about 50% of what we do is clarification of processes. I don't see this as typical of China, this is the same way in every country, but the reason it works in China is that this person is very good at communicating with Europeans.*" "*Sometimes for Germany I have to use a mediator to help – another German that I have good cooperation with.*"

As this part shows, there are many approaches that have been successful. But as predicted by theory, they all have in common that they do not evoke formal authority as first option but instead establishes personal contacts through which trust and eventually technical solutions find a way. Another related point is that curiosity about the others seems unevenly distributed. Despite some arrogant comments from some Europeans, a sizeable number have tried to understand the "system" behind the Chinese mentality, as predicted by Nisbett (2003).

Part 3: The Organization Members' Call for Solutions and the Inherent Cultural Assumptions

The easiest way to improve future co-operation is to request others to stop being different. Some interviewed Chinese subjects call for the Germans to stop being "German" in the sense of systematic and controlling: "*Should cooperate and not control.*" "*Germans need to understand Chinese flexibility – problems can be solved.*" "*Germans are not willing to share technology with Chinese colleagues; need to change attitude.*" "*Germany should start checking their mail box.*" Some Germans hope that this may be acquired without making their own employees totally Chinese: "*We have to make our own employees understand how big these structures are, and how to communicate effectively with the organizational structures in Asia.*" "*But even more training in Chinese behaviors would be helpful.*"

Some Germans of course want the Chinese to become more German: "*The thing that could be improved would be if the Chinese contracts would be treated as contracts. This is a general problem in China, even with the customers and assembly sites.*" Some Chinese also see this as a possibility: "*German quality and stubbornness is a good thing and China has to follow at some point anyway, otherwise no development.*" "*Need to be more decisive and say yes or no to ourselves and to Germans, not strict enough for quality and process – we need to improve.*"

Other suggestions sound like wishing others to just go away: "*Technology should be transferred to China and start own R&D here. Adjustments should be done in design to meet Chinese local conditions, machines, equipment. Get more local suppliers to control quality assurance and processes. Communication via Germany towards European supplier not work well.*" A version of this is to hope for globalization to happen on a corporate level: "*We cannot any longer stick to very local organizational models. We need to communicate and global strategies, explain them, we cannot any longer have small companies with local cultures.*"

Similarly, some people want the top managers to solve issues between them: "*Advice: top management more communication within group and between country offices to mediate conflicts.*" Or, to the contrary, suggest that integration of the people on lower levels would be good: "*More conferences between daughter companies for sharing financial budgeting and settlements, share data, and reduce misunderstanding.*"

All of the above suggestions sound more like wishes than advice – wishing that the cultural differences weren't there, or wishing that somebody on the top could do things. Maybe the most useful wish was the latter suggestion that tighter, more frequent interactions could reduce misunderstandings. But without more specific attention to how interaction should take place, experience suggests that more frequent interactions could also increase tensions.

Therefore, the prevalent call is for communication to improve. Still much of a hope rather than a specific suggestion, many informants offer useful suggestions. One way is to leave the task of integration to specially appointed people such as the "cultural ambassadors": *"Better with one responsible person for one thing, not many people communicate same thing."* "Clarify communication channel between China and Germany, now sometimes 3-4 persons communicate same thing to Germany." "We need somebody there who is in charge of the projects run from Germany."*

It would also help to use a simpler and more specific language to explain rules: *"The best thing we can do to improve ourselves is to explain very clearly to our employees how we work and why – create a clear picture of how we work."* "Important to use simple language: bullet points and clear, Norwegians and Germans not English as first language – have to find common and simple way to use English language."*

But a seemingly small obstacle to improvement of communication comes from some observations on what it means to be "clearer" or have "clearer rules": *"for instance when check on contract follow up we do well, but we do not have institutionalized rules, so not waterproof. Routines and personal responsibility for checking is needed."* The Chinese rely on contextual understanding: *"No rules for communication here, but implicit rule that you have to answer to customer same day – at least tell customer that we will come back next day. No need for rule everybody know."* The Germans have observed that even when being very clear about rules, *"[the Chinese] don't obey rules and regulations, which can be very dangerous when dealing with parts and constructions with very low levels of tolerance."*

It is as if the whole project of communicating rules, so central to organizing, is affected by different embodiments and enactments of the nature of rules, and how to communicate and follow them. Some of the informants seem to understand that there is another way that could complement the communication of rules – the establishment of trust: *"The basis for all kinds of business is trust, and trust has to be created. Contracts are only worth anything if there is trust, and that requires relationships."*

To summarize, the suggestions of the interviewed subjects are themselves victims of the uncertainties. The situation for the company in the world market is dependent on a combination of technological innovation, high quality and penetration of the expanding Asian markets with Asian characteristics. These are core elements of the business model, requiring a knowledge transfer that cannot be omitted at present. But the interviewed subjects are obviously frustrated by the ongoing patterns of interaction and keep suggestion solutions that are either impossible (wanting cultural differences to go away or organizing units for minimal interaction) or empty (wishing that the top executives could sort this out between them, not knowing how).

A downright dangerous approach would be to create routines and rules based on the understanding of one of the sides. The viewpoints of the "others" as liars, lazy, incompetent, unconcerned with customers, jealous, arrogant or chaotic bear witness to the eruptive, aggressive and potentially provoking effects of cultural stereotypes in organizational routines. Even if the routines themselves may not be carrying these derogatory labels, the effects through actions on others could become clear quite quickly.

The most realistic hope lies in the cultural ambassadors. Clearly, there are individuals on both sides that manage to bridge this. But these individual are seen as special by the others, and probably are also expensive to develop. These are people speaking more languages, who have spent time building relationships, and who are trusted among their own so that they can request co-workers to accept uncertainty and risk on personal grounds.

Part 4: Integration Efforts in the Solutions Suggested by Company HQ

Informed by these interviews, the response from the Company HQ was clear concerning the aims. Less interaction between units is not a viable option: "*in the future we need to take out more synergies through closer cooperation between business units and cross geographical borders.*"

There was an understanding this requires more structured demands from above that people interact, but at the same time corporate HQ was afraid to create a "HQ disease", implying a company that gets too concerned with central issues at the cost of local adaptation. The question was of course whether the cultural ambassadors could be turned into a systematic practice including more people: "*Creating best practice cases is always a good way to drive change. A good start could be to identify and build cross-cultural projects with selected people who can drive new initiatives.*"

Instead of creating authoritative rules and regulations to enforce this, Corporate HQ decided to create a "value booklet" to guide the purpose of interactions. The following four main values were communicated throughout the organization: 1) We do not risk our brand value (for quick wins), 2) We know that the end user is our most important customer, 3) We transfer knowledge and technology with speed and trust, and 4) We strive for clear common understanding before starting a project/process.

The opinion from HQ is that although there is still a way to go, the cultural differences are signaling opportunities rather than limitations if they can only be exploited. A prime business focus is how to optimize quality, so that a balance between agility, market share and quality may be reached that does not hurt the brand. Against original fears in Europe, the increased volumes stemming from the Asian markets have reversed the trend towards downsizing and actually created new jobs in Europe. If the company can develop people who are able to be innovative within the existing organizational landscape, it may improve all sides. But this takes courage and risk, and one HQ director warns against the need of a "clear common understanding": "*Often we become slow because we discuss too much when what we really needed was that a decision was made, acted on and followed through.*"

DISCUSSION

The purpose of this study was to explore how language-related differences in concepts of rules, relationships and identities may affect business operations in a global organization. Using interviews from Norwegian, German, Swedish and Chinese employees in a global construction company, we analysed how deviant situations as well as the successful and non-successful attempts at solving the situation may be interpreted in terms of different conceptions of rules and relationships.

As the interviews indicate, the two core problems were related to quality issues and customer orientation. While these issues may be prevalent in any organization, the way the problems appeared and the unsuccessful attempts at solving them were obviously shaped and determined by cultural factors. The company has existed for some years, and a rich bank of experiences in successful as well as futile solution attempts were offered by the interviewed subjects. Different understandings of rules and relationships pervaded the subjects' explanations of business challenges, deviant situation and how attempts at solving situations were sometimes futile.

Theory on language and cognitive structures suggest that Europeans in general, and Germans in particular, should be inclined towards a rule-based view of the world. It is as if Europeans base their assumptions on a Platonic view of the world where rule-based abstractions are more real than any real instance of a case. The recurring example in our material was how "quality" and "contracts" in the German sense was almost impossibly abstract to the Chinese, who complained that the German designs were too perfect and unrealistic and unresponsive towards customers. The Chinese, on the other hand, would be theoretically expected to not even believe much in general rules and abstract categories. This becomes apparent in the handling of customers. To a Chinese engineer, any actual customer is a lot more "real" than abstract customers who may appear later as a result of quality reputation. The Chinese willingness to depart from rules and concepts to please a customer seems horrifying to a German partner, who identifies with an abstract reputation in a sometimes abstract group of customers – the "market" as

such. Because of this, German engineers may not prioritize a "real" customer if this customer makes demands that compromise the solutions.

A central assumption in most people is that a "problem" will be identifiable as a deviation from rules, and possible to address by naming it and objecting to wrong ways of handling it. In an organizational setting, one may instruct people to understand and use the rules, and in the end dictate the right way of doing things by evoking authority.

These central mechanisms of organizing work may in themselves be afflicted by the cultural differences, as shown by our interviews. If "rules" are seen as a basic component of reality by one part, and as a loose set of guidelines by the others, the participants may not even agree that a problem is occurring, as in the example of German and Chinese viewpoints on the high-pressure device to clean the insides of constructions before assembly. The washer was not used, as it later turned out that the rule to save costs by using less soap (issued by a manager within the workers' relationships) was taken as more important than a rule to clean the components (issued by the responsible engineers far away), and the ensuing situation was equally confusing to both parties.

The Germans, observing that Chinese workers are accustomed to receive direct orders from their managers, would then often resort to more authoritarian styles of managing. However, the German brand of authoritarian management lacks the central component of the Chinese version: That of established trusting relationships on the "outside" of language. When Chinese leadership works as directive and paternalistic, it will do so because of a pre-established trust in mutual obligations that stretch further than mere contracts. A particularly telling example was the Chinese manager who flew to Europe to visit a dying counterpart. In fact, this orientation towards relationship instead of rules, contracts and spoken clarifications pervades not only the Chinese management, but their whole way of handling customers, suppliers, co-workers and managers.

The exploration of instances where attempted solutions failed shows how contractual enforcements of any kind are very fragile. Europeans seem to be unaware of how their spoken and written exchanges are based on rules and contractual assumptions, and are amazed and annoyed when their requests are neglected, misunderstood or simply unanswered. These reactions may exacerbate the conflicts. The Chinese, on the other hand, perceive the European style as rude, negative and excessively harsh. To the Chinese, spoken and written language is first and foremost shaped by the existing relationships and conflicts, and the transport of factual information is secondary to this. When the Europeans push their argumentative form, the Chinese withdraw and resort to relational reciprocation. Often, this means to withdraw and to have as little as possible to do with the situation. On the other hand, when Germans are enlisted by Chinese to be more relationally oriented, flexible etc., the Europeans get stiff and even when they understand what is expected of them the reaction is resistance because "we don't like it this way here, yes is yes and no is no".

What works? The core in any solutions seems to be that of the cultural ambassador. Many informants on both sides ask for "more open minded people" but the company is technologically oriented and people cannot easily be replaced. Knowledge transfer and innovation in a global market are core elements of the business operations and cross-cultural management must find ways to exploit the possibilities instead of running away from them. "Cultural ambassadors" are working on both sides to co-ordinate communication and establish relationships. They have understood the core value of trust, frequent and if possible face-to-face interactions.

Is the "cultural ambassador" only gifted, fortunate individuals, or is it possible to cultivate them on organizational levels and as organizational practices? We believe the corporate HQ in this case did wisely to resist the calls for routines and management verdicts forbidding the "others" to be "others". Instead, using value statements about production, co-operation and customers served to raise the perspectives in the organization towards long term business goals and win-in solutions.

A common complaint from many successful expats is that corporate HQ seems unable to understand the necessary local adaptations that would expand business. We believe that it may be possible to take a more exploring (March, 1991) and enacting (Weick, 2000; Weick & Bougon, 1986) approach. While knowledge about language may seem like a trivial accessory to management practices, we think that the

time has come to understand the implications of culture and linguistically embedded structures on organizations and their markets. It is hardly coincidental that the "cultural ambassadors" described by our subjects had studied foreign languages (Chinese, German, English).

LIMITATIONS

This is a qualitative interview with a non-randomized sample from one single organization. The topics that were the focus of the interviews were influenced by challenges related to business, market, finance and politics that were themselves not part of the interviews. It is of course possible or even likely that non-cultural organizational aspects influenced viewpoints, and that claims about "culture" were sometimes mere attributions (Kelley, 1967). We also do not have assessments of the level of cultural understanding of our subjects and the extent to which our sample is skewed. However, the participants were representing all levels of the organization, and at least 6 national backgrounds. The interviewed subjects were granted anonymity and their stories fit together in a bigger picture, amounting to what Geertz called a "thick" description (Geertz, 1973). We believe this is a credible account of how mindsets accompanying linguistical differences may influence a business community (Redding, 2005).

REFERENCES

Atran, S. (2002). *In gods we trust : the evolutionary landscape of religion*. Oxford: Oxford University Press.

Bateson, G. (1972). *Steps to an ecology of mind : collected essays in anthropology, psychiatry, evolution, and epistemology*. London: Intertext Books.

Berger, P., & Luckman, T. (1966). *The Social Construction of Reality: A Treatise in the Sociology of Knowledge*. Garden City, NY.: Doubleday.

Boroditsky, L. (2011). How Language Shapes Thought:The languages we speak affect our perceptions of the world. *Scientific American*(February), 43-45.

Boroditsky, L., & Gaby, A. (2010). Remembrances of Times East: Absolute Spatial Representations of Time in an Australian Aboriginal Community. [Article]. *Psychological Science, 21*(11), 1635-1639.

Cheng, B. S. (2008). Paternalistic leadership in Chinese context: A full-cycle approach. [Meeting Abstract]. *International Journal of Psychology, 43*(3-4), 1-1.

Confucius (2009). *The analects* (Bilingual ed.). London: Penguin Books.

Eisenhardt, K. M., & Martin, J. A. (2000). Dynamic capabilities: What are they? *Strategic Management Journal, 21*(10/11), 1105.

Gaimon, C., Özkan, G. F., & Napoleon, K. (2012). Dynamic Resource Capabilities: Managing Workforce Knowledge with a Technology Upgrade. *Organization Science, 23*(1), 1560-1578.

Geertz, C. (1973). *The interpretation of cultures*. New York: Basic Books.

Gollwitzer, P. M. (1990). Action phases and mind-sets. In E. T. H. R. M. Sorrentino (Ed.), *The handbook of motivation and cognition: Foundations of social behavior* (Vol. 2, pp. 53-92). New York: Guilford Press.

Hall, E. (1977). *Beyond culture*. New York: Doubleday Anchor Books.

Hofstede, G. (1980). *Culture's consequences: International differences in work-related values*. Beverly Hills, CA: Sage.

Joia, L. A., & Lemos, B. (2010). Relevant factors for tacit knowledge transfer within organisations. [Article]. *Journal of Knowledge Management, 14*(3), 410-427.

Kelley, H. H. (1967). Attribution Theory in Social Psychology. In D. Levine (Ed.), *Nebraska Symposium on Motivation* (Vol. 15). Lincoln: University of Nebraska Press.

Lao-Tse (1995). The Tao Te Ching

Lee, J. W., Abosag, I., & Kwak, J. (2012). The role of networking and commitment in foreign market entry process: Multinational corporations in the Chinese automobile industry. [Article]. *International Business Review, 21*(1), 27-39.

Lee, S. W. S., Oyserman, D., & Bond, M. H. (2010). Am I doing better than you? That depends on whether you ask me in English or Chinese: Self-enhancement effects of language as a cultural mindset prime. *Journal of Experimental Social Psychology 46*, 785-791.

Li, S., Park, S. H., & Li, S. (2004). The Great Leap Forward: The Transition From Relation-Based Governance To Rule-Based Governance. *Organizational Dynamics, 33*(1), 63–78.

March, J. G. (1991). Exploration and exploitation in organizational learning. *Organization Science, 2*(1), 71-87.

March, J. G. (1994). *A primer on decision making: How decisions happen*. New York: The Free Press.

Mead, G. H. (1934). *Mind, Self, and Society: From the Standpoint of a Social Behaviorist*. Chicago: University of Chicago Press.

Moran, P., & Ghoshal, S. (1996). Value creation by firms. In J. B. Keys & L. N. Dosier (Eds.), *Academy of Management Best Paper Proceedings* (pp. 41-45): Academy of Management

Nahapiet, J., & Ghoshal, S. (1998). Social capital, intellectual capital, and the organizational advantage. *Academy of Management Review, 23*(2), 242-266.

Nisbett, R. E. (2003). *The geography of thought : how Asians and Westerners think differently ... and why*. New York: Free Press.

Nisbett, R. E., Peng, K. P., Choi, I., & Norenzayan, A. (2001). Culture and systems of thought: Holistic versus analytic cognition. *Psychological Review, 108*(2), 291-310.

Nonaka, I., & von Krogh, G. (2009). Tacit Knowledge and Knowledge Conversion: Controversy and Advancement in Organizational Knowledge Creation Theory. [Review]. *Organization Science, 20*(3), 635-652.

Parks-Stamm, E. J., Oettingen, G., & Gollwitzer, P. M. (2010). Making sense of one's actions in an explanatory vacuum: The interpretation of nonconscious goal striving. *Journal of Experimental Social Psychology, 46*, 531-542.

Pinker, S. (2008). *The stuff of though: language as a window into human nature*. London: Penguin Books.

Podolny, J. M., Khurana, R., & Hill-Popper, M. (2005). Revisiting the meaning of leadership. *Research in organizational behavior, 26*.

Polanyi, M. (1969). *Knowing and Being*. London: Routledge & Kegan Paul.

Porter, M. E., & Rivkin, J. W. (2012). Choosing the United States. [Article]. *Harvard Business Review, 90*(3), 80-+.

Redding, G. (2005). The thick description and comparison of societal systems of capitalism. *Journal of international business studies, 36*(2), 123-155.

Sharif, N., & Huang, C. (2012). Innovation strategy, firm survival and relocation: The case of Hong Kong-owned manufacturing in Guangdong Province, China. [Article]. *Research Policy, 41*(1), 69-78.

Teece, D. J. (2010). Alfred Chandler and "capabilities" theories of strategy and management. *Industrial & Corporate Change, 19*(2), 297-316.

Turner, S. F., & Rindova, V. (2012). A Balancing Act: How Organizations Pursue Consistency in Routine Functioning in the Face of Ongoing Change. *Organization Science, 23*(1), 24-46.

Watzlawick, P., Bavelas, J. B., & Jackson, D. D. (1967). *Pragmatics of human communication: A study of interactional patterns, pathologies, and paradoxes*. New York: W.W.Norton & Co.

Weick, K. E. (2000). Emergent change as universal in organizations. In M. Beer & N. Nohria (Eds.), *Breaking the code of change* (pp. 223-240). Boston, Mass.: Harvard Business School Press.

Weick, K. E., & Bougon, M. G. (1986). Organizations as cognitive maps. In H. P. j. Sims, D. A. Gioia & al. (Eds.), *The thinking organization*. San Francisco: Jossey-Bass Publisher.

Weick, K. E., & Westley, F. (1996). Organizational learning: affirming an oxymoron. In S. R. Clegg, C. Hardy & W. R. Nord (Eds.), *Handbook of organization studies* (pp. 440-458). London: Sage publications.

Wilkinson, B., Eberhardt, M., McLaren, J., & Millington, A. (2005). Human resource barriers to partnership sourcing in China. *International Journal of Human Resource Management, 16*(10), 1886-1900.

Wittgenstein, L. (1922). *Tractatus logico-philosophicus*. London: Kegan Paul.

Wittgenstein, L. (1953). *Philosophische Untersuchungen*. Oxford: Basil Blackwell

Yu, H., Xiaoming, Z., Liluo, F., & Wenquan, L. (2008). How to lead Chinese organizational learning: Relationship between paternalistic leadership and organizational learning. [Meeting Abstract]. *International Journal of Psychology, 43*(3-4), 526-526.