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Applying Taylor’s Principles to Teams: Renewing a Century-Old Theory

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In an effort to renew a century-old theory of management, Frederick Winslow Taylor’s Principles of Scientific Management were evaluated in the context of one of the newest forms of team structure, the integrated product team (IPT). A review of Taylor’s 1911 seminal work was compared against qualitative data collected at an organization that has recently adopted an IPT structure for several of its major projects. While the literature review and qualitative interview data regarding integrated product teams does not coincide with Taylor’s first principle, the remaining three principles hold some degree of applicability.

INTRODUCTION

When Frederick Winslow Taylor’s *The Principles of Scientific Management* was published in 1911, it was revolutionary and incited a great amount of public interest in the philosophy of scientific management (Davis & Blalack, 1975). In the last century, biographies (e.g., Copley, 1923), books (e.g., Wrege & Greenwood, 1991; Wren, 1998), and articles (e.g., Blake & Moseley, 2010; Butler, 1991; Cossette, 2002) addressing the significance of Taylor’s work have been published. Oftentimes, the Father of Scientific Management is praised for his work, but critics of “Taylorism” and the Taylor system have voiced their skepticism. In the prologue of his book, Kanigel (1997) describes how shortly after the publication of *The Principles of Scientific Management*, Taylor had to face intense scrutiny from his enemies, among them congressmen and influential labor leaders. In his 1912 Congressional testimony, Taylor was forced to defend his title as an efficiency expert and explain how his methods coincided with the best interests of the working man. More recently, Wrege and Hodgetts (2000) state that while “Frederick W. Taylor’s impact on management cannot be denied, whether his work always represented the use of science to solve management problems is questionable” (p. 1283) and found the conclusions of his pig iron experiments to be erroneous. Yet whether you commend Taylor for his contributions to the advancement of the science of management or condemn the revolutionary thinker for his unorthodox

methodology of getting men to work faster and more efficiently, we must step back and decide whether the work he did over 100 years ago, positive or negative, even holds any relevance in today's management world.

As the 100-year anniversary of the original publication of *The Principles of Scientific Management* was recently celebrated, researchers responded to the academic community's calls to reexamine Taylor's seminal work. In the past few years, several authors have published articles reflecting on the relevance and impact of his principles (e.g., Blake & Moseley, 2010; Taneja, Pryor, & Toombs, 2011). There are a variety of ways in which researchers can investigate whether the century-old theory is applicable to current management operations. For example, the quandary can be addressed and partially settled by examining some of the common practices and techniques utilized in present-day organizations. A current research and consulting endeavor has led our team of researchers to examine the implementation and functioning of one of the latest forms of team structure proliferating modern organizations, integrated product teams (IPTs). Our time spent reviewing the IPT literature and interviewing organizational members about IPTs, coupled with a recent read of *The Principles of Scientific Management*, led us to recognize that some of Taylor's principles and advice are relevant to this unique type of team structure.

Leonard and Freedman (2000) have offered their opinions on the relevance of scientific management to the functioning of organizational teams. With respect to production teams, the authors suggest that the team members themselves have the most knowledge concerning how their team should be organized, how the tasks should be accomplished, and which people should be included on the team, among other factors. Leonard and Freedman (2000) go on to explain that acknowledging that team members should be afforded the autonomy to make such decisions regarding the functioning of the team radically contradicts Taylor's philosophy that there is only one best way to perform a job, that time-and-motion study experts should identify and train employees to perform the job in this one best way, and that employee performance should be tightly monitored by management. Some of the literature that we have studied and the interviews that we have conducted regarding the implementation and functioning of integrated product teams in a real-world organization also stand in stark contradiction to some of the basic tenets of Taylor's management philosophy. As stated above however, we do believe that there are some elements of scientific management and a few words of wisdom from the Father of Scientific Management that can be used by modern day organizational leaders to assist in the more effective implementation and subsequent success of integrated product teams.

The Principles of Scientific Management

The culmination of decades of experimentation and research by Taylor and his colleagues led to four basic underlying principles: (1) the development of a science of the job with rigid rules and standardization for every motion of every man; (2) the careful and scientific selection and subsequent training of the workman to transform them into first-class men; (3) watchful management and paying each individual for working fast and doing exactly as they are told; (4) equal division of work and responsibility between the workman and management, with managers helping, encouraging, and smoothing the way for them (Taylor, 1911). Of the four principles, Taylor considered the first principle to be "the most interesting and spectacular" (p. 85). Ironically, we find this principle to be the one that is most contradictory to the implementation and functioning of integrated product teams. However, the interviews we conducted with senior management members revealed that the remaining three principles, if interpreted more broadly than perhaps Taylor intended, are applicable to the effective implementation and functioning of integrated product teams.

Integrated Product Teams

Definition and Purpose of Integrated Product Teams

The Department of Defense (DoD) defines integrated product teams (IPTs) as cross-functional teams that are assembled for the express purpose of delivering a product to a customer (US Department of Defense, 1996). The DoD guidelines also identify three success factors critical to IPT formation. To start, all functional disciplines that will be involved with any aspect of the product at any point during its

development life cycle need to be represented on the team. Second, all members must have a clear understanding of the team's goals and responsibilities and how authority is distributed should also be clearly understood. Finally, resource requirements, including staffing, funding, and facilities, must be determined (US Department of Defense, 1996). One scholarly publication documents the Boeing Company's definition of IPT, which explains that it is a cross-disciplined team that is collocated and whose members share responsibility through the design, manufacture, and service phases of the product (Poltrock & Engelbeck, 1999). Other nomenclature has been used to identify the basic structure that constitutes an integrated product team. Fleming and Koppelman (1996) note that the IPT concept has also been labeled multi-functional project teams and concurrent, parallel, or simultaneous engineering.

An Overview of the Research on Integrated Product Teams

The integrated product team (IPT) is a rather nascent organizational team structure and a relatively new focus of research efforts with the main body of literature on the topic being published in just the past decade. The body of literature on IPTs is rather limited. Those who have explored the topic and have conducted research have identified some crucial characteristics of effective IPT implementation and product development team building, including selection and training, compensation and rewards, and team leadership, which are addressed in more detail in the sections that follow (e.g., Dwivedi & Kumbakonam, 2002; Moore & Antill, 2001). These variables are addressed in separate sections due to the correspondence we believe they have with some of Taylor's principles.

There are a variety of other variables that regularly surface in the IPT literature and have been deemed critical to the effective functioning of an IPT. For example, Dwivedi and Kumbakonam (2002) discuss the importance of team cooperation to IPT success. A lack of cooperation is usually disruptive to the functioning of any team. In any type of cross-functional team structure, cooperation is an essential factor for positive team outcomes (e.g., McDonough, 2000).

Support from senior management is also an important factor in determining the success of an IPT (Dwivedi & Kumbakonam, 2002). The interest and backing of senior leaders in an organization should send the message that the work that IPT members do is valued by the company. Other researchers also stress the importance of management support to successful IPT functioning (e.g., Fleming & Koppelman, 1996).

Empowerment is an essential element to cross-functional (e.g., McDonough, 2000) and integrated project/product team success (e.g., Fleming & Koppelman, 1996; Moore & Antill, 2001; Valdez & Kleiner, 1996). IPT leaders should be empowered to select team members and have control over the budget and teams as a collective unit should have decision making authority (e.g., Fleming & Koppelman, 1996).

High degrees of collocation typically lead to higher levels of IPT performance. Research suggests that collocation is important for effective IPT performance (e.g., Moore & Antill, 2001; Poltrock & Engelbeck, 1999). Ideally, IPT members should work in close proximity to each other so that communication can flow much more readily.

As alluded to above, communication is extremely important to effective IPT functioning. Researchers suggest the need for effective communication in order to achieve successful team performance (e.g., Clark & Wheelwright, 1992; Griffin & Hauser, 1992; McDonough, 2000).

Commitment to the organization and the team are variables that will help maximize the benefits of integrated product/program teams (Winn, 2006). As researchers have stressed, commitment to the team is a vital element to team performance and success (e.g., Clark & Wheelwright, 1992; McDonough, 2000).

Finally, other researchers have focused on the advanced technology necessary to facilitate virtual collaboration (Bochenek & Ragusa, 2004) and virtual collocation (Poltrock & Engelbeck, 1999) when team members cannot meet in person. It is not uncommon for IPT members to serve on their teams from locations hundreds, even thousands, of miles away. This distance perpetuates a need to utilize advanced technologies to facilitate communication. Moore and Antill (2001) also concluded that information technology is necessary for IPTs to achieve their full potential.

IPT Research Applicable to Taylor's Principles

Principle 2: Careful Selection and Training for IPT Leaders and Members

Taylor's second principle states that workers, team leaders and members in the case of IPTs, should be selected carefully and scientifically and that subsequent training should be provided in order to transform them into first-class workers (i.e., team leaders and members). The IPT literature concurs that team leaders and members should not be selected haphazardly and training should be provided.

Selecting an effective IPT leader is extremely important to the ultimate success of the IPT. Product development team leaders are typically selected because of their personal leadership styles (e.g., Dwivedi & Kumbakonam, 2002) and the transformational leadership style appears to be a more effective style with respect to IPTs, as explained in the leadership style section below. Selecting the right members to serve on a team is also important. In IPT situations, team and functional leaders often negotiate with each other in order to select members for the team, focusing on the skills, training, and experience that will help potential members perform effectively on the team (e.g., Dwivedi & Kumbakonam, 2002). Motivation is also a crucial variable to consider when selecting team leaders and members. It is important to select team members who have the enthusiasm and willingness to participate in a team environment (Dwivedi & Kumbakonam, 2002). Rahman and Kumaraswamy (2005) conclude that team member attitudes and motivation are critical to successful collaboration on an integrated project team.

While selecting the most suitable leaders and members is a necessary precursor to team effectiveness, it is likely that some degree of training will be required in order to develop leaders and members to function to their fullest capacity. A variety of researchers have identified training for team leaders and members as a critical factor in effective team building and functioning (e.g., Dwivedi & Kumbakonam, 2002; Winn, 2006). In fact, Dwivedi and Kumbakonam (2002) state that team training is the most vital stage in effective team building and insufficient education and training of team members is a significant hurdle in the path to effective IPT performance (Valdez & Kleiner, 1996).

Principle 3: Paying for IPT Performance

The third of Taylor's principles calls for management to be watchful and for them to pay each individual for working fast and doing exactly as they are told. A narrow interpretation of this principle might suggest to the reader that employees should be micromanaged, that workers should be rewarded on an individual basis, that speed is the main criteria for reward, and that workers have no freedom to perform the job in a way that they see fit. A broader interpretation, and in the context of an IPT structure, the reader could view the principle differently.

Researchers suggest that senior managers should be involved with IPT implementation and provide necessary support (e.g., Fleming & Koppelman, 1996). This is not to suggest that these managers should micromanage the teams, but they should be watching carefully enough to recognize whether they are providing enough resources and support and to know when a team is performing at a level that deserves to be rewarded. With respect to rewards, the series of experiments that Taylor conducted observed jobs that were individual in nature (Taylor, 1911), so the rewards should have been strictly individually-based. In an IPT situation, team leaders and members are instructed to work as a cohesive team and told that they have the liberty to coordinate their efforts in the best way they see fit. Therefore, when the team carries out these orders and does exactly as they are told, the team should be rewarded accordingly. In order to develop any type of high-performance team, management must go beyond rewarding individual performance and utilize an evaluation and reward system that addresses team performance (e.g., Johnson, 1993; McClurg, 2001). The IPT literature concurs. The performance appraisal system and the pay raises that result from these appraisals need to be tied to components of team performance so that team members are encouraged to help each other rather than perform as individuals (e.g., Dwivedi & Kumbakonam, 2002). Offering only individual rewards, without recognizing team performance, is a significant barrier to the success of an IPT (Valdez & Kleiner, 1996). Finally with respect to rewarding for speed, one of the primary goals of an IPT is to increase efficiency and shorten product cycle time (e.g., Dwivedi & Kumbakonam, 2002; Fleming & Koppelman, 1996), so speed is an important element to IPT functioning.

Principle 4: Dividing Work and Responsibility--Effective IPT Leadership Style

The final scientific management principle suggests that management and the workman should equally share the workload and responsibility and that the managers should help, encourage, and smooth the way for the workers (Taylor, 1911). To interpret this principle in an IPT context, we can view the IPT leader as the “manager” who should share the work and pave the way for his or her respective team members.

Leadership is an extremely important factor to the successful implementation and functioning of nearly any type of team, including integrated product teams. Dwivedi and Kumbakonam (2002) suggest that the team leader is responsible for whether a project succeeds or fails. The authors further state that the leaders of such teams need to possess coaching, communication, and conflict resolution skills and be able to facilitate and influence members to achieve desired objectives, which coincides with Taylor’s advice for managers. Carman (2009) advises that IPT leaders should be skilled in interpersonal relations and possess the ability to listen, be patient, facilitate, coach, and communicate, which is also congruent with Taylor’s fourth principle. These types of skills and behaviors are consistent with many of the skills and behaviors of transformational leadership (Bass, 1990).

METHODOLOGY

Senior Management Interviews Regarding Integrated Product Teams

An organization with operations located in the state of Texas recently adopted an integrated product team (IPT) structure and hired our research team to conduct a study to evaluate the effectiveness of their IPT implementation effort and the functioning of the IPTs currently operating at the facility. A series of qualitative interviews were conducted with eleven members of senior management. Senior management members consisted of the president, chief financial officer, and vice presidents of all major divisions in the organization. All interviews were conducted onsite, in the private offices of each senior-level manager, and lasted approximately one hour each. A structured set of questions were used to facilitate the interviews. These questions were derived from our review of the IPT literature. The four members of the research team were present at all interviews and the team conferred after each interview in order to draw conclusions and arrive at a consensus regarding the responses to the interview questions. The series of interviews took place during the summer of 2010. The interviews with senior managers revealed some interesting perspectives that pertain to three of the four main principles of management identified by Taylor (1911). The research team also proposed recommendations that coincide with Taylor’s principles.

RESULTS

Based upon the literature review and interviews, the research team uncovered interesting results related to three of Taylor’s principles and drew the following conclusions with respect to the issues and inconsistencies limiting the effective creation and implementation of integrated product teams at the company. Several other conclusions were drawn and recommendations offered, but only the inferences and counsel related to Taylor’s principles of scientific management are included below.

Results Relating to Principle 2

Most members of the senior management team acknowledged that effective IPT leaders were a vital factor to successful IPT performance. However, most admitted that these leaders are not carefully selected based on their leadership qualities. Instead, they are typically chosen based on their technical expertise and past performance in their functional areas of expertise. Additionally, there is an insufficient effort in identifying and developing those at lower levels of the firm who have the skill sets needed for successful cross-functional leadership. If the organization desires to further the commitment to integrated product teams, more effort must be developed, directed, and coordinated toward carefully selecting and training IPT leaders.

Results Relating to Principle 3

There is inadequate support at the senior levels for integrated product teams. There is no champion for the change effort needed to successfully implement IPTs more broadly. Moreover, while management desires the efficiencies, quality, and cost controls that integrated product teams promise, and some customers demand, there are structural impediments that serve to undermine IPT leaders, primarily the fact that the organization is structured and operates in a very functional manner.

First, when IPT leaders are saddled with non-participating (or even unproductive) members that senior managers are unwilling to remove or discipline, IPT becomes nothing more than terminology. This is why most successful team leaders have at least some performance evaluation and financial authority.

Additionally, there are perceptions of the violation of distributive justice in this organization. Team members see uncooperative members rewarded functionally even if their participation with the IPT was less than stellar. This certainly impacts team morale. What also harms morale is the perception that unsuccessful team players and leaders are either promoted or simply moved elsewhere to another project so long as they are favored by the functional organization. The interviews revealed that this practice is allowed and even perpetuated by the most senior-level managers in the organization.

Results Relating to Principle 4

A lack of concern for organizational morale is inconsistent with a team-based approach and does not exemplify the helping and encouraging behavior that Taylor (1911) recommends. Generally, we think of morale as both an antecedent and an outcome of effective team processes. Yet, it appears that employee morale is an insignificant issue or, at best, the problem of the team leader who lacks the tools to address it. The organization has talent that wants to lead, but many feel like their hands are tied.

RECOMMENDATIONS

Recommendation Relating to Principle 1

The research team's first recommendation goes against Taylor's (1911) first principle. We encourage senior leaders to empower IPT leaders and grant them more control over the staffing, resources, evaluation, and budget of their respective IPTs. We spoke with a few IPT leaders that seemed to feel as if they did not have the power to lead their teams to the best of their abilities. One individual discussed the constraints put on his leadership due to the nature of a phased-funding budget. Another leader spoke of the lack of power to deal with problem team members that disrupt the team. The IPT leaders need to be more empowered in order to run their teams in the best way possible.

Recommendation Relating to Principle 2

The company should provide training for both IPT leaders and IPT members. The interviews that we conducted suggest that improvements could be made with respect to training both IPT leaders and members. Many of the individuals that lead and serve as members of these teams are very tactical in nature and highly effective in their functional areas of expertise. However, there are a variety of interpersonal components involved in effective team functioning so we believe leaders and members could benefit from training with respect to this team component and could then become more effective team leaders and members.

Recommendation Relating to Principle 3

Include a team-based component on IPT leader and member performance appraisals and provide team-based rewards for stellar IPT performance. Currently, the performance appraisal system that the company uses does not specifically evaluate IPT performance and the IPT leaders do not appear to have a great deal of say in the evaluations of their IPT members (at least this appears to be the perception among employees based on the interviews conducted). If team members do not believe that their team performance is important enough to be evaluated on their annual performance appraisal, they will be less likely to find it important to give their best effort in order to be an effective team member. When

performance is rewarded on an individual basis, teamwork often suffers. Collectively rewarding teams is a way to foster collaborative teamwork, increase cooperation, and improve the functioning of teams.

Additional Thoughts on Taylor's Potential Contributions to Organizations Utilizing IPTs

Taylor (1911) notes that behind the four principles of scientific management, and directing these principles, "there must be the optimistic, determined, and hard-working leader who can wait patiently as well as work" (p. 85). We find these to be extremely relevant words of wisdom for all organizations, regardless of the type of business or the structure of the organization. As applied to the information we have gathered regarding integrated product teams, we find this advice to be of the utmost importance. The IPT literature and the aggregate of our interview data identify skilled leaders as a vital key to the success of IPT implementation and functioning. Dwivedi and Kumbakonam (2002) suggest that team leaders should possess patience, confidence in themselves, effective communication and coaching skills, and the ability to resolve conflict.

CONCLUSION

Overall, it is evident that business leaders and strategists cannot apply, at least in a strict and narrow manner, all of Taylor's principles when trying to decipher the most effective way to implement and run integrated product teams. In the company that we investigated, thousands of employees perform a variety of extremely complex jobs in order to meet such customer demands as major airplane modifications and installations of high-tech surveillance systems. The level of complexity and the high degree of technology that the average employee at this organization is forced to contend with on a daily basis is a far cry from what the employees at Bethlehem Steel Company faced when they had to work at a specific and ideal pace while handling pig iron or decide what size shovel to use for ore versus rice coal. Not only are the jobs in the company we studied extremely complicated, but the team-based structure necessary to help the employees push a high quality product out the door in a more efficient manner is complex. Even when the Father of Scientific Management himself reflects upon the 30,000 to 50,000 carefully recorded experiments conducted at the Midvale Steel Company he admits that "It may seem preposterous to many people that it should have required a period of 26 years to investigate the effect of these twelve variables upon the cutting speed of metals" (Taylor, 1911, p. 109). Assuredly, organizations do not have the luxury of experimenting with IPTs for over a quarter of a decade in order to find the best way to implement them and make them work. We anticipate that in just a few short years a new and even more complex team structure will emerge and the concept of IPTs may be abandoned before we figure out how best to implement and utilize them. In the meantime however, we can broadly interpret the work of Frederick Winslow Taylor and use some of his advice to determine the best way to implement and sustain a high level of performance from IPTs. In the 100 years that have transpired since the publication of Taylor's seminal work, the primary goal of management, to reduce costs, has remained unchanged (Wrege & Hodgetts, 2000) and cost reduction is indeed one of the primary objectives of integrated product teams (e.g., Fleming & Koppelman, 1996; Moore & Antill, 2001).

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Character vs. Situational Imperatives as the Primary Driver of Unethical Conduct: Implications for the Study of Leadership

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The notion of ethics is central to the study of leadership (Ciulla, 2004). This paper investigates two great and infrequently intersecting streams of thought on the drivers of ethical conduct: the character project that emerges from classical philosophy, and the situational perspective provided by modern psychology. Both are insufficient on their own to inform those who study and practice leadership. Since leadership studies uses an interdisciplinary approach and maintains a strong drive to be relevant it presents an able forum to explore bridges between two seemingly disparate perspectives.

INTRODUCTION

There is a level of cognitive diversity among leadership scholars that suggests, depending on your perspective, either instability of ideas or an exciting and emerging field. Those who study leadership may not be able to agree on many things, but most will admit that the essence of the subject involves a relational influence process directed to shared goals or objectives. We do not agree on the extent to which the definition of leadership contains an ethical component.

Some suggest that we should insert an ethical qualifier to our definition of leadership that discriminates between leaders who influence us to good or bad ends (Burns, 2003; Heifetz 1994). In the classic case used to explore this question we ask whether Hitler was a leader (Gardner, 1990, pp. 69-70). Those of the normative school say no, Hitler was a tyrant who drove his society to abhorrent acts and eventual destruction. Others (Rost, 1993; Kellerman, 2004) eschew the centrality of the normative and proffer a more descriptive approach. Leadership, they would say is neutral; it can be for good or bad. Thus Hitler was a leader, albeit an exceedingly bad one. The argument serves to illustrate the centrality of the notion of ethics that sits at the heart of leadership studies. Ciulla (2004) asserts that our study of leadership is facilitated when we understand that leadership and ethics are inextricably intertwined (p. 325).

It probably wasn't long after the first group of humans got together to combine their labor toward some task, whether it was hunting large and dangerous prey, or tilling a field, that they were confronted with the problem of the unethical, the miscreant, and the villainous. Having established societal norms of human behavior the tension was set between the interests of the group and the interests of the individual. Most of the time the interests coincide, and yet humans are obviously prone to engage in actions that are shortsighted and destructive to themselves as well as the collective. In the United States the federal prison population doubled since 1995 with a count of 208,118 in addition to the 1,404,053 under state prison authorities (Pew Center on the States, 2010).

Those who attempt to lead large and complex organizations from authoritative positions are often confronted with the problem of the noncompliant. Managers seem to spend a significant amount of time dealing with misconduct. Every barrel seems to have some bad apples and it often falls to those in authority to militate against their impact. We often chalk up misconduct to weak character and poor moral development. Rarely do we examine systemic factors that lead to the deviant behavior, and it is even less common to consider the possibility that we are participating in a system of our own making that tends to drive good people to bad behavior (Reed, 2006).

There are two great and too infrequently intersecting streams of thought on this question of drivers of ethical conduct: character-based and situational perspectives. In the remainder of this essay I will explore these two approaches, and suggest that both are deficient on their own to sufficiently inform scholars and practitioners of leadership. Leadership studies, with its interdisciplinary nature and strong desire to be relevant might serve as an able forum to explore bridges between the two seemingly disparate thought streams.

THE VENERABLE CHARACTER PROJECT

It is through an exploration of the classics that we are introduced to what I will refer to as the “character project” that extends back to the ancient Greeks and most apparent in the works of Aristotle. Aristotle believed that we could inculcate good habits of character by diligent practice and emulation of the noble and just. The way to be of good character is to understand the good, and then practice it such that it becomes second nature; a habit of excellent conduct that becomes ingrained and dispositional when practiced consistently over time. Thus ethical conduct is a process that begins with the individual deriving an internal understanding and motivation. We can judge the quality of one’s character based upon how he or she consistently thinks and then acts, perhaps moderated by the situation, but not controlled by it. We can applaud the success of those who manifest good behavior while shaking our heads at the underdeveloped character or ignorance of those who do not see, or fail to act in accordance with, the good. Misdeeds are often viewed as the result of proverbial bad apples. Based on his writing in *Nicomachean Ethics* Aristotle clearly believed that “vice is voluntary” (Aristotle, 1995, p. 689).

We see the modern day equivalent of the character project in a number of examples. Perhaps most in keeping with Aristotle’s version of habituation is the current character education movement that seeks to develop specific values in K-12 students. The Character Development Center at my own institution, the University of San Diego, is a well-known purveyor of character education initiatives. In July 1992 a group of ethicists and educators met in Aspen Colorado at the invitation of the Josephson Institute and eventually published the Aspen Declaration (Education Week, 2004). This excerpt from that effort is on point: “People do not automatically develop good moral character; therefore, conscientious efforts must be made to instruct young people in the values and abilities necessary for moral decision making and conduct.”

We also see the emphasis on individual accountability that is characteristic of the character project in our disciplinary systems and processes. Sometimes people find themselves in situations not completely of their own making, and engage in activity that places them at odds with established rules and norms. When transgressors are discovered they are typically labeled as deviant and distanced from the mainstream. Relegated to the behavioral fringe, they are excoriated by their organizations and sanctions are applied. They are reviled for their weak character and lack of integrity. Once the punishment is meted out those in authoritative positions wipe their hands and applaud the high standards set and enforced by the organization as they point to the case as a message to other would-be violators. This is a worldview that consists of good apples and bad apples.

From a disciplinary perspective the character project is largely the turf of the humanities, especially that of the moral philosophers and the ethicists. Philosophers sometimes express disdain of the behavioral sciences. An ethicist friend once quipped to me in a personal communication that, “The only thing that the behavioral sciences can tell us about ethics is that most people are average.” There is certainly value to extending our thinking beyond the empirical to the outer reaches of the theoretical. Central questions of

ethics focus on terms like “ought” and “should” that sometimes have little relationship to what actually is. Let us not be too tough with our philosopher colleagues. It would be a mistake to suggest that they are uninterested in the realities of daily life. They just don’t feel particularly constrained by them. Carr (2007) points out that, “philosophers from Hume and Kant to modern non-cognivists have denied—on the basis of arguments that have still not been decidedly refuted—the relevance of so-called facts of human nature to ethical reflection” (pp. 398-399).

The character project has much to commend it. The locus of responsibility is clearly situated with the individual. Accountability is firmly established, and we have a roadmap for development. Rational people can learn about higher levels of good and practice acts of virtue until they are properly habituated. Society rightly provides either praise or blame, and in some cases sanction. Aristotle did recognize that people might be compelled to engage in a wrong action because of overwhelming circumstances, but also asserted that we should suffer the most terrible consequences and even accept death rather than perpetrate some acts.

ENTER THE SITUATIONISTS

In *Lack of Character* experimental social psychologist John Doris asserts that we should acknowledge that situations have a powerful impact on behavior (2002). The situational approach identifies human behavior as subject to external conditions with psychological and social cues, modified to some degree by internal dispositions of trait and personality. From this perspective the locus of control is largely external to the individual. Thus we can expect that otherwise good people will behave in bad ways given the requisite situational and contextual factors.

Where Aristotle was the quintessential progenitor of the character project, consider Stanford psychology professor Phillip Zimbardo as a champion of situationism. In his book *The Lucifer Effect* (2007) he not only recounts the now famous Stanford Prison Experiment that illustrated the power of roles in driving human behavior, but he further advances the notion that group dynamics influence us to do things we might not do on our own (p. 260). We might also consider the work of Stanly Milgram who demonstrated that it takes very little to induce people to administer ostensibly high doses of electric shocks to experiment volunteers.

Zimbardo served as a witness for the defense of Sergeant Ivan “Chip” Frederick, the non-commissioned officer in charge of a team of military police on the night shift of Tier 1A at Abu Ghraib Central Prison. Abu Ghraib goes down in history as the sight of shameful abuse of detainees at the hands of the American military. Zimbardo made his argument that situational social dynamics were key in explaining Frederick’s behavior, an argument that was apparently dismissed by the military judge who sentenced the young soldier to eight years confinement at hard labor. Frederick pled guilty, but the defense hoped in vain that Zimbardo’s testimony might result in greater leniency at sentencing (Zimbardo, 2007, pp. 372-373).

Experimental psychologists seem to be telling us that human behavior is a great deal more dependent upon psychological and social cues than we might be comfortable admitting. They raise the possibility that despite our focus on character and need to establish individual accountability, systemic forces play an important role in driving otherwise good people to bad behavior. In the words of Zimbardo,

Hopefully the examples and supporting information in this book will challenge the rigid Fundamental Attribution Error that locates the inner qualities of people as the main source of their actions. We have added the need to recognize both the power of situations and the behavioral scaffolding provided by the System that crafts and upholds the social context. (2007, p. 445).

Character might be a compelling concept, but there is precious little evidence that it predicts much in terms of actual behavior, nor do we seem to be very good at intentionally influencing character development one way or the other. Doris (2002) notes that philosophers have had little to say about the

efficacy of different approaches to moral education. Berkowitz and Bier (2004) observe that while “there has been an abundance of educational methods and curricula generated but comparatively little research on its effectiveness” (p. 72). Harman (1999) presses the case even more directly suggesting there is no evidence that people have character traits and since “there is no such thing as character, then there is no such thing as character building” (Harman, 1999).

Doris (2002) also points to the problem of a lack of consistency as a major weakness of the character project. If dispositional factors drive human behavior we would expect that virtuous people would act virtuously to a fairly consistent degree. The problem arises when we note that people are often remarkably inconsistent in their behavior. They will act honorably today, and with dishonor tomorrow or virtuously in some aspects of their lives yet villainously in others. As an example, consider the case of Randall “Duke” Cunningham. Cunningham was a naval aviator from the Vietnam conflict that was awarded the Navy Cross and two Silver Stars for heroism in combat. He served as a member Congress from 1993 to 2003 resigning after pleading guilty to federal charges of conspiracy to commit bribery, mail fraud, wire fraud and tax evasion. He was sentenced to eight years and four months in prison and ordered to pay \$1.8 million in restitution (U.S. v. Cunningham, 2005) He was a powerful and respected member of the House Defense Appropriations Subcommittee where he allegedly brokered defense contracts in exchange for bribes. So how are we to reconcile such inconsistent depictions of the same person?

Situationism places the locus of control largely outside the individual. It notes the power of organizational culture and climate. This approach, to paraphrase comedian Flip Wilson’s punch line, “The devil made me do it” puts the power to drive human behavior in the mysterious forces of the system. This is a worldview that consists of good and bad barrels.

Despite the compelling empirical evidence that social psychologists provide this perspective is not without flaw. We are left to ask, “What about free will?” Are we to relinquish altogether the notion that individuals are capable of being the captains of their own souls? There are, after all, exceptions to account for. In the case of Abu Ghraib only one tier of the prison sank to such a low level of morality. The same environmental factors were present elsewhere and while there was enough misconduct to suggest that there might have been an inclination to moral collapse not everyone took to the slippery slope. There are many instances of individuals who overrode extant psychological and social cues. We recall that the abuse at Abu Ghraib came to the attention of authorities only after Specialist Joseph Darby provided information that included the now famous photographs to an Army CID agent (Hersh, 2004). Even Zimbardo (2007) holds forth the possibility that moral agents can resist situational forces. He provides a prescription for resistance against undesirable influences: self-awareness, situational sensitivity, and street smarts (p. 452).

The external locus of control of situationism presents some real problems with accountability. Just how does one hold a “system” accountable? Some might argue that if everyone is responsible then no one is responsible. It might be a fiction that individuals can actually control the actions of their subordinates, but it might well be a useful fiction. It tends to drive a sense of responsibility that leads to some positive leadership behaviors. We tend to take a dim view of those in positions of responsibility who, in response to evidence of misconduct in their organizations, shrug their shoulders and say, “I didn’t know” or “I didn’t do it so it’s not my fault.”

Let us not make the mistake of placing excessive confidence in the findings of modern psychology. There is not much in the field of psychology, or the behavioral sciences for that matter, that is accepted without debate. Philosophers warn against the reductionist and technical discourse that is characteristic of the behavioral sciences (Carr, 2007). Carr asserts that, “it is a clear category mistake to conceive moral growth as any sort of natural process suited to empirical scientific description and explanation” (p. 400).

BRIDGING THE DIVIDE

Having asserted in the early paragraphs of this paper that the two streams of thought on the drivers of human behavior rarely intersect, where does that leave those of us who attempt to study and practice

leadership? If we remain within the disciplinary boundaries of philosophy and psychology perhaps we merely recognize that the two approaches are inconsistent and permit the philosophers to decry the sterility of the psychology lab while the psychologists point to the lack of empirical studies in philosophy. At first glance moral philosophy and experimental psychology appear irreconcilable (See Figure 1).

FIGURE 1
COMPARISON OF MAJOR FEATURES OF CHARACTER V. SITUATIONAL APPROACHES

Character Project- Person Centric	Situationist – System Centric
<ul style="list-style-type: none"> • Self-mastery and habituation to the higher good (Aristotle). • Unethical behavior from weakness, pathology, or lack of moral fiber. • Moral philosophy. • Character development programs (indoctrination, exhortation, values). • Prominent in leader development and legalistic approaches. • Locus of control: Individual • Good apples and bad apples. 	<ul style="list-style-type: none"> • Situations drive behavior. • Mid-twentieth century (Milgram, Zimbardo). • Unethical behavior is the product of psychological and social cues. • Social psychology. • Used as a defense or explanation. • Prominent in organizational climate and culture literature. • Locus of control: The system • Good barrels and bad barrels.

Psychologist George Mastroianni asserts that although situationist explanations are still dominant in the field of psychology, the distance from the character project is not as far as one might initially think:

In psychology broadly and in leadership theory more narrowly we have seen that person and situation are not treated less as mutually exclusive alternative explanations for human behavior, than as complimentary perspectives which each contribute to a more nuanced understanding of the behaviors of interest. (Mastroianni, 2011, p. 8)

While the emerging and discipline-bending fields of experimental philosophy and philosophical psychology might have something to do with bridging the gulf, it is also the inherently applied nature of leadership studies that drives a search for answers that extends beyond traditional disciplinary approaches. I once had an enlightening discussion with one of my professors at St. Louis University that illustrates this notion. After a disturbing conversation with a professor in the history department I sought the guidance of Dr. Scott Cummings, a senior professor in the Department of Public Policy. My concern stemmed from the historian's rather elegant and sophisticated explanation of why the founding fathers were not racist. I was experiencing cognitive dissonance because I had just read S. T. Joshi's book *Documents of American Prejudice* (1999). Professor Cummings suggested that the historian, who labored in a period of American history that was thoroughly studied, benefitted from developing new angles and

perhaps even fantastic interpretations. In his field colleagues might applaud his nuance and creativity. Then got rather stern with me and said, “You can’t do that George. People might actually attempt to put into practice what you write.” Such is the responsibility of scholars in the applied sciences. Neither the navel gazing, angels dancing on the head of a pin style of philosophizing, nor the sterile laboratory-based experimental psychology that isolates variables divorced from a real world of staggering complexity and dynamism will do.

Ethics, for those of us primarily concerned with the moral dimensions of leadership, is most useful when applied as what ethicists Cook and Syse (2010) describe as “professional ethics.” For them the practice and study of ethics is for the purpose of being of service to those who are entrusted with important tasks:

It is analogous to medical ethics or legal ethics in the sense that its core function is to assist those professions to think through the moral challenges and dilemmas inherent in their professional activity and, by helping members of the profession better understand the ethical demands upon them, to enable and motivate them to act appropriately in the discharge of their professional obligations. (p. 119)

Leadership is not a profession, but it is an activity that has implications for professional practice in a variety of contextual settings. The analogies from the field of law and medicine, however, are helpful and to extend their argument about professional ethics to the ethics of leadership, the field provides a means to assess the relative value of leadership behaviors. Cook and Syse (2010) are calling for ethics that are relevant and provide a means of thinking critically in a way that leads to a more comprehensive understanding. This drive for relevance and strong desire to be useful to those in the arena is characteristic of leadership studies at its best.

IMPLICATIONS FOR LEADERSHIP

Both the situationists and adherents to the character project have something to contribute to our understanding of the study and practice of leadership. We may not be building character with our character development efforts, but they might still be valuable and productive. It is good to have “should” and “ought” statements to aspire to. Such programs serve to profile and encourage pro-social behaviors. Evidence from studies of school-based character development initiatives link a number of positive outcomes to character development efforts including greater commitment to democratic values, reductions in drug use, and fewer delinquent behaviors (DeRoche, 2009). Those behavioral changes might not be consistent, but few would argue that such outcomes are not beneficial.

Our exploration of the importance of situational factors as drivers of good and bad behavior suggests that perhaps we should, in our organizational lives, put less attention on matters of character that we have little control over and more on things we can influence such as systemic factors that drive good people to do bad things. The world might be a better place if those with status, power, and prestige perceived it as a fundamental duty to identify when systems and processes are negatively influencing people in organizations. We might start by looking at patterns of misconduct and then extend our exploration to look for subtle incentives or psychosocial cues that are driving people to behave badly. As an example, excessive expectations and insufficient resources combined with unrealistic timelines is a potent recipe for driving unethical behavior. The statement from an authority figure, “I don’t care how you do it, just get it done” also portends a high probability of moral collapse.

In my classes and workshops I use a simple exercise (the helium stick), as taught to me by Bob Anderson of The Leadership Circle, to make a point about the power of systems. After dividing the room into two groups I have them line up in two columns facing each other. They are instructed to bend their hands at the elbow at a 90-degree angle and extend their index and middle fingers. I move them forward until their fingers interlace like a zipper. At this point their fingers are at about waist height. Now come the instructions: Their task is to lower a stick (actually connected segments of half inch PVC pipe) to the

ground as fast as possible. It's a simple task, but it is a timed exercise. I place the stick gently on top of their extended fingers and hold it at the middle while I provide a few more "rules." Rule one is that the stick cannot be dropped. It is to be lowered as if it were made of glass. Rule two: The stick must remain absolutely level the entire time. No sagging or leaning. Rule three, they are not to hook their fingers over the top of the stick and pull it down. I also tell them that it is rumored that there will be dire consequences if they break contact with the stick. After reviewing the rules one more time I release the stick and watch it rise as if by magic. The stick always rises, sometimes just a few inches, but usually the participants find themselves on tiptoes with arms fully extended.

The exercise participants usually manage to wrestle the stick to the ground after some shouting and often a few accusations. Leadership emerges and they eventually organize themselves to achieve success, but it takes much longer than they anticipated. There are many ways to debrief the exercise, but for our purposes I'll focus on just a few questions: Did anyone want the stick to go up instead of down? The answer is invariably no. Were they clear on the task at hand? Yes they were, it was after all a simple and straightforward task. So here we had a simple task and clear directions that everyone understood, yet the system performed contrary to both intent and expectation. Why? The answer is because the system performed as it had to given the rules in place. Because the stick was flexible and because they were told it must remain level, those on the ends had to exert slight pressure upward. When they did, those to their immediate left or right had to slightly raise their fingers to maintain contact. That slight pressure is enough to send the stick skyward. The message is clear. If you want to change behavior, you have to change the system. Preaching, extolling, yelling, establishing clear goals, and effective communication will not prevent systems from performing they way that they are designed to. That design is not always intentional. Sometimes it is inadvertent and the result of second or third order effects that are beyond our intention. We humans are part of the system but are also to some degree along for the ride. In the end people may triumph, but it takes a lot more effort than one might think.

Do we altogether abandon individual moral agency and accountability associated with notions of free will? Of course we do not. We may find ourselves in systems that are not of our design and exerting pressures that human beings are prone to, but we are not mindless cogs in a machine. Our helium stick participants do eventually overcome the system after all. At best the systemic forces provide some explanation, if not mitigation, for certain behaviors, especially those that we see repeated time and again. Once we recognize that such forces exist we are morally compelled to look for the unintentional incentives and drivers and address them. From this perspective it is not enough to simply investigate and punish the transgressors while ignoring the systemic factors in force. Enforcement and correction are necessary but insufficient. Thus the emphasis ought to be expanded beyond addressing noncompliance to include the potentially more productive effort of identifying the situational and contextual drivers of bad behavior.

A strongly socialized and sophisticated sense of professional ethics and a collective sense of ethos can be powerful systemic drivers that compete against negative situational forces. A clear sense of expected behavior and strong identification with a professional identity are useful in establishing or reinforcing an ethical climate. I've often defined a healthy ethical climate not as when a supervisor tells a subordinate to stop doing something unethical, but when a peer turns to a co-worker and says, "Hey, knock it off. We don't do that here." While ethics may be the purview of the philosopher, there are a number of instruments developed by behavioral scientists that are proffered as useful in measuring ethics and ethical climate. A simple yet insightful early example was provided by Cullen, Victor & Stephens in their 1989 article entitled "An Ethical Weather Report: Assessing the Organization's Ethical Climate." Lennick and Kiel (2007) provide another more contemporary example with "The Moral Competency Inventory." Such instruments may not currently be in widespread use as a management metric, but if ethical climate is a predictor of behavior then perhaps they should be given additional consideration.

If we agree that there is benefit to the use of ethical climate assessments then we have an example of how behavioral science methods just might be compatible with concepts derived from moral philosophy. Knobe & Nichols (2008) suggest that the discovery by experimental philosophers and psychologists that people think about ethical processes differently than philosophers assumed need not be "a specter

haunting contemporary philosophy” (p. 3). Their experimental philosophy manifesto is a call to a holistic view that is less concerned with keeping philosophy separated from other disciplines and more interested in the human condition. That is a viewpoint in concert with the central argument of this essay. Those interested in the study and practice of leadership are less interested in disciplinary boundaries and more interested in determining what works.

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Go, Stop, Yield: The Effect of Ethical Signals on Recruitment Outcomes

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The applicant decision making process is a complex one. During the recruitment process, signals from the organization provide information to the candidates and affect important recruitment outcomes. Ethics is one area the organization can utilize to communicate information regarding the organizational culture and environment. Drawing on signaling theory, the current research suggests that ethical signals during the recruitment process affect recruitment outcomes through the mediating effect of the perception of the organization as ethical. Using a longitudinal field study, this research tested various hypotheses regarding the relationship between ethical signals and applicant attraction to the organization at different stages in the recruitment process. Results showed that ethical signals (both organizational practices and recruitment practices) were positively related to organizational attraction; recruitment practices were partially mediated by the perception of the organization as ethical. Practical implications and areas for future research are discussed.

INTRODUCTION

Recruitment is a very complex process during which applicants can be affected by a variety of factors (Barber, 1998). Although the number of studies on recruitment has increased substantially over the last several years, we still do not fully understand why recruitment affects applicants in the manner it does (Breugh & Starke, 2000). Reviewers have been critical of research in this area claiming that it is, “poorly designed, narrow in focus, and not grounded in theory” (Breugh & Starke, 2000, p. 430). Other recruitment researchers have called for more research on what affects applicant decisions (Powell, 1984). One relatively under-studied variable that may be affecting applicant decisions is *ethics* of the organization.

Business practice is a major driving force behind research in ethics. Managers, employees, and stockholders have clearly demonstrated a concern for business ethics, but ethics research is lacking good theory and empirical evidence. Although many researchers have explored the antecedents of individual and organizational ethical and unethical behavior (i.e., Beu & Buckley, 2004; Victor & Cullen, 1988; Trevino, 1986), few have tackled the consequences. This lack of theory and empirical support for the consequences of ethical behavior may be due to the very sensitive nature of the topic. Nonetheless, ethical behavior in organizations is extremely important, especially if examined from a recruitment standpoint. Poor ethical decisions can cost organizations billions of dollars annually and destroy their reputation (Beu & Buckley, 2004).

In an attempt to address some of the above issues, the purpose of this study is to examine how ethical signals (i.e., organizational practices and recruitment practices) can affect applicant attraction to the organization through the mediating effect of perception of the organization as ethical. It is important for

researchers and practitioners alike to recognize that applicants consider the overall character of the organization (including ethics) when making job choice decisions. Ethical signals from an organization may cause the applicant to “go” (continue with the recruitment process), “stop” (end the recruitment process), or “yield” (slow down the recruitment process).

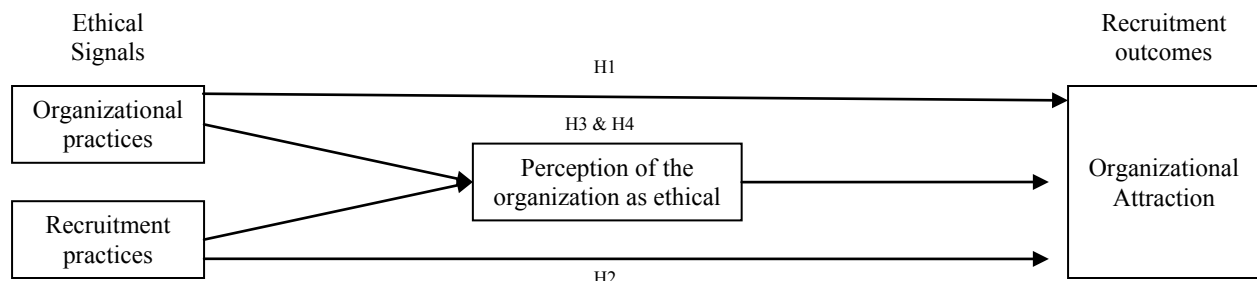
This study will contribute to the literature in several ways. First, it will fill a gap in the recruitment literature by helping researchers and practitioners understand more about the complex applicant decision making process. Second, it will answer a call for more research on applicant perceptions. Finally, it will respond to the need for more rigorous studies in ethics research (Trevino, Weaver, & Reynolds, 2006).

The basic research questions I intend to address are:

1. Do the ethical signals of organizations influence recruitment outcomes?
2. If so, why (i.e., is it through the mediating effect of the perception of the organization as ethical)?

Figure 1 delineates the model:

FIGURE 1



In the next sections, I will outline the literature findings in recruitment and ethics as well as describe how signaling theory can be utilized to better understand the relationship between ethical signals and recruitment outcomes. The purpose of this research is to better understand the consequences of ethical behavior of organizations in the recruitment context and to further develop and test a theory of ethical signals from organizations and their impact on applicants. Specifically, I will explore the influence of ethical signals on applicant attraction, as well as an important mediator of this relationship. In order to test my hypotheses, I will use a longitudinal field study of summer interns.

THEORY AND HYPOTHESES

Recruitment

The main purpose of recruitment is to identify and attract applicants (Barber, 1998). “Recruitment” can include a wide range of activities from distributing organizational material to behaviors of the interviewer (Taylor & Bergmann, 1987). Recruitment is used by organizations as a human resource technique to attract potential employees with the needed knowledge, skills, and abilities (Allen, Van Scotter, & Otondo, 2004). The process of choosing a job is a very complex one involving numerous decisions at different stages in the recruitment process (Gatewood, Gowan, & Lautenschlager, 1993). Examples include: which organization do I apply to? With which organization do I attend an interview? Should I go on an office visit? The organization faces the daunting task of keeping the applicant interested at each stage in the process.

Organizational attraction is a key variable in the literature on organizational choice (Bretz, Ash, & Dreher, 1989). Attraction is described as “people’s preferences for particular organizations...based upon an implicit estimate of the congruence of their own personal characteristics and the attributes of potential work organizations” (Schneider et al., 1995, p. 749). Attraction may change during the recruitment process and should be examined at different stages (application, selection, job choice) (Barber, 1998).

When making a job choice decision, the applicant will not have complete information and must choose based on that information which has been “signaled” by the organization. Signaling theory is rooted in economics and the work of Spence (1973, 1974). The theory posits that “in the absence of complete and accurate information, decision makers rely on observable factors or signals as substitutes” (Hannon & Milkovich, 1996, p. 417). Applicants are making a decision (to apply or accept a job) given imperfect information about the organization. As with the stock market, applicants have to make important decisions on where to “invest” time and/or money based on the limited information they are given from the organization during the recruitment period. Given the short amount of time spent with recruiters and other members of the organization (from several days at best to perhaps as little as a phone call), every piece of information counts, and it is vital that the organization relays positive information to the applicant if they want to remain attractive. The ethical or unethical behavior of an organization during the recruitment period can act as a signal to the applicant, affecting important recruitment outcomes such as attraction to the organization. Drawing on signaling theory, as the applicant learns more about the organization, perceptions change, and these changes affect subsequent recruitment outcomes. The following sections identify two clear ethical signals that are affecting the applicant: organizational practices and recruitment practices.

Ethical Signals

A review of the ethics literature finds it to be a very broad topic, spanning every discipline from medicine to business to religion. The aim of the following sections is to explore the literature pertaining to ethics in the workplace, which is the focus of the current study.

First, it is important to understand what is meant by “ethical” behavior. Remembering that ethical action is on a continuum (Nicotera & Cushman, 1992), a seminal piece in the ethics literature defined an ethical decision as “both legal and morally acceptable to the large community,” while an “unethical decision is either illegal or morally unacceptable to the larger community” (Jones, 1991, p. 367). A recent review of ethics in organizations defines behavioral ethics as: “individual behavior that is subject to or judged according to generally accepted moral norms of behavior” (Trevino et al., 2006, p. 952). Both definitions recognize that ethical decisions and behaviors are affected by the norms of society; business ethics cannot be completely understood outside the realm of the social environment or culture (Payne & Giacalone, 1990; Trevino, 1986).

The interactionist perspective highlights the importance of both selecting “ethical” individuals and promoting an “ethical” environment. In Trevino’s (1986) article, she argued that ethical decision making is in fact an interaction of person and situation. She developed a model combining individual variables with situational variables in order to better understand ethical and unethical behavior in organizations. Individual differences (i.e., locus of control, hostility, aggression, Machiavellianism, ego strength, and field dependence) in isolation are not enough to explain ethical or unethical behavior (Beu & Buckley, 2004; Trevino, 1986; Victor & Cullen, 1988). The organization also plays a role in encouraging ethical or unethical behavior from its employees. Organizations have certain ethical practices and behaviors that shape their characters (Cullen, Victor, & Stephens, 1989). Employees face ethical dilemmas daily, and they often look for external cues, or signals, as to how to react (Trevino, 1990). Employees who commit unethical acts are sometimes simply responding to the cultural pressures to behave unethically (Trevino, 1990).

The effectiveness of the recruitment efforts by organizations is impacted by their ethical behavior. The choices that the organization makes during the recruitment process can provide signals to the applicant and affect applicant attraction to the organization (Boswell, Roehling, LePine, & Moynihan, 2003). Most would rather be in an organization that encourages ethical behavior and provides

consequences for unethical behavior (Trevino, 1990), and it is in the best interest of the organization to behave ethically, so that the signal of ethicality is relayed. Two ethical signals that will be explored in this study and are developed in more detail in the next sections are organizational practices and recruitment practices.

Organizational Practices

Ethical or unethical organizational practices can act as a signal to applicants and affect their attraction to the organization. The job search process begins with an applicant's evaluation of information from sources such as media, advertisements, and friends (Gatewood et al., 1993). In fact, potential applicants tend to search recruitment materials and advertisements before deciding to apply (Barber, 1998). Organizations may choose to engage in activities that communicate information about themselves through mediums such as the media; this information can affect organizational perceptions and attractiveness to applicants (Barber, 1998). Using this information, the applicant makes an initial decision whether or not to apply and pursue employment opportunities with the organization (Gatewood et al., 1993). In their qualitative study, Rynes, Bretz, and Gerhart (1991) found that press coverage (including information regarding the organization's ethics) did influence some applicants' impressions. Applicants tend to be more attracted to organizations with more positive images (Barber, 1998). Some moral guidelines that have come to be expected from organizations include "protect[ing] the environment, adopt[ing] preventative measures to avoid environmental harm, and rehabilitat[ing] environments damaged by operations" (Frederick, 1991, p. 167). The following paragraphs outline some of the findings regarding organizational practices and recruitment outcomes.

An organization's concern for the environment can influence organizational attraction, intentions to apply, and job choice (Bauer & Aiman-Smith, 1996). Researchers have found that corporate social performance dimensions (measured by an external source) such as community relations, employee relations, and product quality are positively related to attractiveness as an employer (Turban & Greening, 1996). Applicants will pursue jobs with organizations that have a positive reputation (measured by 500 ratings), as they use the reputation to infer certain attributes of the job and pride from membership (Cable & Turban, 2003). Firms with positive reputations are able to attract more and higher quality applicants (Turban & Cable, 2003). Additionally, researchers have found work values to be related to job choice decisions (Judge & Bretz, 1992) and recruitment brochures containing statistical information supporting the organization's values to be positively related to potential applicants' attraction to the organization (Highhouse et al., 2002). Recognizing these relationships, organizations engage in practices to highlight their reputation, social responsibility, and values (Pirsch, Gupta, & Grau, 2007; Aiman-Smith, Bauer, & Cable, 2001). These studies have linked the public perceptions of certain activities of organizations with important recruitment outcomes.

The variables in these studies, however, have been quite broad and objectively measured. For example, Turban and Greening's (1996) definition of "corporate social performance" included a wide range of dimensions such as community relations, treatment of women and minorities, and quality of services and products that may or may not be related to ethical behavior of the organization. Additionally, Aiman-Smith et al. (2001) claim organizational image can include "good corporate citizenship, progressive labor practices, an emphasis on diversity, sponsorship of cultural activities, and pro-environmental practices" (p. 222). The Pirsch et al. (2007) study describes corporate social responsibility as having four components: economics, the law, ethics, and philanthropic activities. Finally, regarding the studies on values, the Judge and Bretz (1992) and the Highhouse et al. (2002) studies defined work values as achievement, concern for others, fairness, and honesty. Again, while some of these values would be considered to lie on the ethics continuum (i.e., honesty), others may not (i.e., valuing achievement). The previous research in this area has lacked precision. It has labeled values everything from justice to achievement. The current study has a much more explicit and concise definition and operationalization of the ethics construct.

Ethical organizational practices (as defined in the current study) are different than an objective reputation index or broad values measure. Organizations are actors (separate from the individuals in

them) who are capable of choosing ethical or unethical behaviors (Nicotera & Cushman, 1992). Ethical organizational practices send signals to applicants that positively affect applicant attraction to the organization.

Hypothesis 1: Organizational practices are positively related to organizational attraction.

Recruitment Practices

The second ethical signal that applicants may receive during the recruitment period is recruitment practices. Recruitment practices can signal broader characteristics of the organization to the applicant; a negative experience during the recruitment process may even result in an elimination of the organization from the applicant's consideration (Joo & McLean, 2006; Rynes et al., 1991). Similarly, a positive experience may give the organization an advantage in an environment that is highly competitive for well-qualified candidates.

Valuable information such as attributes of current employees and the culture of the organization can be communicated through the recruitment process (Highhouse et al., 2002). Specifically, interviewers have a very important role in applicant attraction to the organization because they provide early cues about the job, the organization, and the overall culture (Gilmore et al., 1999). Much of the research on recruitment practices centers around the recruiter and his or her behavior during the interview (Powell, 1984). Interactions with the recruiter are associated with employment intentions; as recruiters send signals to the applicants, applicants form impressions and become more or less attracted to the organization (Barber, 1998). Recruiters have a key part in recruitment because they communicate important information about the organization to the potential applicant (Carless & Wintle, 2007), and help maintain applicant attraction in the early recruitment process (Turban & Dougherty, 1992). Researchers have found that applicants often leave the recruitment process after the initial interview (Barber, 1998). This demonstrates the importance of the early stages of the recruitment process in forming applicant impressions and affecting applicant decisions. Taylor and Bergmann (1987) found recruitment practices during the campus interview did predict applicant reactions such as organizational attraction and probability of accepting an offer. In sum, ethical recruitment practices can have a substantial effect on important recruitment outcomes.

Hypothesis 2: Recruitment practices are positively related to organizational attraction.

Perceptions

In order to understand *why* ethical signals influence recruitment outcomes, the model proposes the mediating effect of perceptions of the organization as ethical. Ethical signals give applicants cues that mold their perception of the organization, which then affects their attitudes. In their review of applicant perceptions of selection procedures, Ryan & Ployhart (2000) delineate the perceptions that have been studied in the organizational literature from 1985-1999, including perceptions of the interviewer, perceptions of the interview format, perceptions of fairness, and perceptions of interpersonal treatment, among many others. The authors call for research on different perceptions that may have outcomes that are important to the recruitment literature.

One perception that has not been studied is the applicant perception of the organization as ethical, the mediating variable in Figure 1. Additionally, Ryan and Ployhart (2000) call for more research exploring what could be determining applicant perceptions. In this study's model, I propose that the ethical signals from the organizational and recruitment practices are in fact determining perceptions of the organization as ethical. These perceptions, in turn, affect attraction to the organization.

Hypothesis 3: The relationship between organizational practices and organizational attraction will be mediated by applicant perception of the organization as ethical.

Hypothesis 4: The relationship between recruitment practices and organizational attraction will be mediated by applicant perception of the organization as ethical.

METHODS

Sample

Participants were 99 graduate and undergraduate students at a large southwestern university who were on the job market for a summer internship. Seventy-seven percent were graduate students, while 23% were undergraduates. Forty-six percent were business majors, 25% were government, 10% were engineering, 9% were education and the remaining participants were veterinary medicine (4%), health (2%), communication (1%), economics (1%), sports management (1%), and architecture (1%) majors. The average age was 24 years, and the mean work experience was 5 years. About 53% of the sample was female. Seventy-seven percent of the sample was Caucasian, 13% was Asian, 7% was Hispanic, and 3% was African American. The participants applied for an average of 8.69 jobs, received 4.24 interviews, attended 3.82 interviews, attended 1.20 office visits, and received 1.75 offers for an internship. Eighty-eight percent of the participants completed time 2 of the study, and 84% completed time 3.

Some participants were recruited with a face-to-face presentation of the study by the primary investigator. Other participants were recruited via e-mail with the help of department advisors. In exchange for their participation, some participants were offered extra course credit (when available); all participants were entered in a drawing for over \$800 in gift cards (over the entire study period). A sample of interns is fitting in order to better understand the actual influence of ethical signals on applicant attraction because the internship is the perfect opportunity for the applicants to gather more ethical information about the organization (both positive and negative) and make a more informed decision about potential employment. Additionally, interns enter the organization for a pre-determined short period of time (approximately 3 months), experience the ethics of the organization first hand, and then leave the organization. Some interns may leave the organization on good terms with an offer for full-time employment in hand. In this case, interns may choose to accept the offer or continue the job search. Other interns may leave on negative terms without an offer. In this case, they must re-enter the applicant pool. Either way, this is a rich data set that can assist researchers in answering many questions regarding the effect of organizational ethics on applicant attraction. In an attempt to measure ethical activities, this study followed participants through the entire job search process: before they started their internship, during their internship, and following their internship.

Procedures

Data was collected over 3 periods of time. At time 1, participants completed a survey regarding their demographics, socially desirable responding (SDR), job search success, ethical signals during the recruitment period, perceptions of the organization, and attraction. Time 2 surveyed the participants during their internship and asked questions regarding ethical signals, their perceptions of the organization as ethical, and attraction to the organization. The final survey at time 3 was administered after the internship was completed. The participants were again asked about their perceptions and attraction to the organization. They were also asked to answer questions regarding their job choice behaviors (i.e., received job offer, acceptance, etc.).

Measures

Organizational Practices

In Time 1, organizational practices were measured with two items: "This organization mentioned their involvement in 'corporate social responsibility' activities such as being environmentally conscience" and "This organization used the internet to describe their ethical activities." Participants answered on a scale from 1 (strongly disagree) to 5 (strongly agree). The alpha for this scale was .58. Time 2 organizational practices were measured with four items. A sample item was: "Ethical behavior is

rewarded in this organization.” The alpha for this scale was .61, and the participants answered on the same Likert scale from 1 to 5.

Recruitment Practices

In Time 1, the recruitment practices scale consisted of two items. The items were: “During the interview, the recruiter asked me questions about my ethics” and “This organization used marketing materials such as brochures and handouts to describe their involvement in ethical activities.” The alpha for this scale was .44. In Time 2, recruitment practices were measured with four items (alpha = .86). A sample item was, “Given what I now know, I believe this organization’s recruitment process was ethical.” Both scales were answered using a Likert scale from 1 (strongly disagree) to 5 (strongly agree).

Applicant Attraction to the Organization

Applicant attraction to the organization was measured using Judge and Cable’s (1997) three-item scale which has been found to have an internal consistency of .85. A sample statement is: “rate your overall attraction to this organization.” Participants answered on a scale from 1 (not attracted) to 7 (very attracted). Alpha for the current study was found to be .90.

Perception of Organization as Ethical

In Time 1, perception of the organization as ethical was measured with one overall item: “This organization is concerned with ethical practice.” Participants answered on a 5-point scale from strongly disagree (1) to strongly agree (5). In Time 2, it was measured using two items, including “To what extent do you perceive this organization to be ethical?” Participants answered on a 5-point Likert scale from a small extent (1) to a large extent (5). The alpha for these two items was .86. In Time 3, perceptions were measured with four items (alpha = .87). A sample item is: “To what extent do you perceive the organization to be ethical?” Answers were on a Likert scale from 1 (to a small extent) to 5 (to a large extent).

Controls

I controlled for socially desirable responding (SDR) because participants who are high in SDR may be more likely to give more socially acceptable and “ethical” responses. Socially desirable responding was measured using Crowne and Marlowe’s scale (1960). Sample items include, “I am always careful about my manner of dress” and “I like to gossip at times.” I also controlled for job search success, measured by the number of internship offers received because if job search success is low (i.e., one only receives 1 internship offer), attraction will likely be high.

RESULTS

Analyses

Table 1 in Appendix A contains the correlation matrix and descriptive statistics for the study variables.

Hypothesis Tests

As shown in Table 2, organizational practices were positively related to attraction to the organization at both Time 1 ($t=3.00, p<.01$) and Time 2 ($t=2.67, p<.01$). This supports Hypothesis 1. Recruitment practices were also positively related to attraction to the organization in time 1, ($t=1.68, p<.10$) and time 2 ($t=3.95, p<.01$). This provides support for Hypothesis 2. The control variables, socially desirable responding and job search success, were not significantly related to the dependent variable, so they were not included in the model.

In order to test for mediation, I used the Baron and Kenny (1986) method. See Table 3 for results. First, I tested the relationship between the independent variables (organizational practices and recruitment practices) and the proposed mediator (perception of the organization as ethical). The relationship was

only significant for the recruitment practices-perception variables. Organizational practices were not significantly related to perception of the organization as ethical in Time 1 ($t=1.25$, n.s.) or Time 2 ($t=1.54$, n.s.). Further mediation analysis was not performed for organizational practices. Thus, Hypothesis 3 was not supported. Continuing with the recruitment practices mediation analysis, the next step was to determine if recruitment practices were related to attraction. This significant relationship can be found in step 1 of Table 3. Time 1 $t=2.74$, $p<.01$; time 2 $t=5.40$, $p<.01$. Finally, the last step in the mediation analysis was to determine if the effect of recruitment practices on attraction after controlling for perceptions. As is seen in step 2 of Table 3, the effect of recruitment practices is reduced after controlling for perceptions of the organization as ethical. Time 1 beta is reduced from .28 to .20, and time 2 beta is reduced from .51 to .20. Neither are significant at the $p<.01$ level, as was the case in step 1 of the analysis. Taken together, this provides support for Hypothesis 4.

Table 3 also shows that perceptions of the organization as ethical was related to attraction in Time 3 ($t=5.21$, $p<.01$). Additional qualitative analyses were performed in order to explore the role ethics played in the applicant's job choice. Results showed that ethics was either "very important" or "extremely important" when choosing a job to 94% of the participants. In addition, for those who had already made a job choice at Time 3, 66% agreed or strongly agreed that ethics of the organization played a part in their job choice and 73% agreed or strongly agreed that they considered ethics when choosing the organization. When asked to rank the importance of nine items in their job choice decision, ethics was ranked number 5 overall (behind people, salary, job duties, and location). Interestingly, ethics was ranked above benefits, corporate performance, industry, and size of the organization, many of which have been found to be important for job applicants. For example, firm performance, or profitability, has been found to be related to both reputation and attractiveness as an employer (Cable & Graham, 2000; Turban & Greening, 1997). If performance is high, applicants will be more attracted to the organization. If ethics is ranked above performance, it may play a more vital role than previously thought. See Appendix B for data.

Finally, some participants offered insights into how ethics affected their job choice:

"When deciding on whether or not to accept the offer, I spoke with my parents. One thing that my mother emphasized was how well I was treated during my internship and how honest and open they were with the process. I believe that I will work in an ethically sound environment with this company" (female graduate business major).

"There were promises made in the initial interviews that were not lived up to, and there is no chance of rectifying the situation" (male graduate sports management major).

DISCUSSION

Ethics research is both timely and important. In the wake of recent corporate scandals, today's organizations face employees, clients, and customers who are highly sensitive to organizational ethics (Clegg et al., 2007). Both researchers and practitioners have a vested interest in identifying the conditions under which applicants are attracted to and select particular organizations based on ethical standards presented during the recruitment process. The current research integrates the ethics and recruitment streams of research in order to bring more clarity to this process.

Ethics can be a very delicate and sensitive subject that is often a challenge to measure (Trevino, 1986). However, recent developments in ethical theory have made it more possible for researchers to explore important research questions in this subject area. This study attempts to further expand theoretical development as well as empirically test these ideas. Drawing on signaling theory, it fills some of the gaps in our understanding of the relationship between ethical signals and their effects on recruitment outcomes through the mediating effect of perception of the organization as ethical. Specifically, the current research provides a more precise understanding of ethics and its manifestation in organizational and recruitment practices.

Results showed that ethical signals are positively related to organizational attraction. Additionally, the relationship between recruitment practices and attraction can be explained by the partially mediating effect of the applicant's perception of the organization as ethical. Applicant perceptions play a vital role. Perceptions of the organization as ethical was related to organizational attraction at all three time intervals. How the applicant views the ethical character of the organization is a variable that should not be overlooked in today's research or practice. Ethical signals during recruitment provide important cues to the applicant that they can then generalize to form attributions of the organization as a whole.

The current research has many practical implications for managers in organizations. One practical implication is that managers need to "manage" the ethical information that applicants receive regarding the organizational and recruitment practices. Guided by its findings, managers can gain a better understanding of the decision making processes of applicants and the influence ethics can have on these processes. Contrary to what some may believe, organizations that behave ethically will be more productive and survive longer than those that are dishonest and behave unethically (Sims, 1991). Even within one industry, there can be great variability in the frequency and manner in which ethics is raised during the recruitment process (Brown & Trevino, 2006). Therefore, organizations who value ethics will benefit by signaling this information during the recruitment and selection process in order to gain a competitive advantage and attract ethical individuals.

Adequate recruitment and selection may abate future problems such as lack of fit and turnover, which can be very costly to the organization and the employee. As such, it is in the best interest of the organization and the employee to ensure that the applicant is aware of company culture and norms (especially as it relates to ethics) early in the employee-employer relationship. Organizations should be aware that applicants are attempting to gather and interpret a large amount of information in a short amount of time, and every piece of information communicated (including ethics) is an important indicator of life in the organization.

Future research should address the influence of individual differences such as self-importance of moral identity (SIMI), cognitive moral development (CMD), and personality on these relationships. Although the sample size in this study was too small to adequately test for such interactions (a limitation of the current study), a better understanding of these variables would certainly benefit the future research agenda. Applicant perceptions are likely influenced by the applicant's individual differences and preferences, which few studies have examined (Ryan & Ployhart, 2000). In an organizational setting, individuals will have a wide range ethical beliefs, or values. As a result, they will differentially process the ethical signals sent by the organization. More ethical individuals will seek and be selected by those organizations with a strong ethical culture (Brown & Trevino, 2006). Additionally, the more morally developed the individual, the more likely they are to detect and be influenced ethical signals from the organizational and recruitment practices. Therefore, it is important to examine certain individual difference moderators and their effect on the relationship between ethical signals and recruitment outcomes.

Applicants are looking for ethical companies today more than ever, and it starts very early in the recruitment process. There is some idealism involved with starting a new job, and applicants want to work for an organization they can be proud to claim as part of their identity. After the public downfall of organizations such as Enron and WorldCom, applicants are paying more attention to the ethical behavior of organizations and ethics is an important piece of the decision-making puzzle.

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APPENDIX A

**TABLE 1
CORRELATION MATRIX**

Variable	Mean	SD	1	2	3	4	5	6	7	8	9
1. OP-T1	3.69	.99	1.00								
2. RP-T1	3.10	1.09	.32**	1.00							
3. Perc-T1	4.43	.79	.20	.23*	1.00						
4. Att-T1	5.91	1.14	.37**	.28**	.37**	1.00					
5. OP-T2	3.97	.71	.38**	.22*	.15	.22	1.00				
6. RP-T2	4.40	.63	.07	.06	.19	.20	.42**	1.00			
7. Perc-T2	4.56	.64	.12	.15	.30**	.24*	.39	.67**	1.00		
8. Att-T2	5.94	1.26	.26*	.22	.20	.43**	.43**	.51**	.59**	1.00	
9. Att-T3	4.45	1.02	.29**	.32**	.16	.44**	.46**	.50**	.53**	.71**	1.00

**p<.01

*p<.05

Notes: OP is organizational practices; RP is recruitment practices; Perc is perceptions of the organization as ethical; Att is attraction to the organization

**TABLE 2
REGRESSION TABLE**

Attraction to the organization

Variables	Time 1			Time 2		
	Model R^2	B	t	Model R^2	B	t
	.16**			.31**		
Org Practices		.31	3.00**		.27	2.67**
Recruitment Practices		.17	1.68 [†]		.39	3.95**

**p<.01

*p<.05

[†]p<.10

**TABLE 3
MEDIATOR ANALYSIS**

Perception of the organization as ethical

	Time 1			Time 2		
	Model R^2	B	t	Model R^2	B	t
	.07**			.46**		
Org Practices		.14	1.25		.14	1.54
Recruitment Practices		.19	1.73 [†]		.61	6.93**

**p<.01

*p<.05

[†]p<.10

Attraction to the organization

	Time 1			Time 2			Time 3			
	Model R^2	B	t	Model R^2	B	t	Model R^2	B	t	
1			.08**			.26**				
RP			.28	2.74**		.51	5.40**			
2			.18**			.37**				
RP			.20	2.06*		.20	1.72 [†]			
Perc			.33	3.32**		.46	3.92**	.25**	.50	5.21**

**p<.01

*p<.05

[†]p<.10

Notes: RP is recruitment practices; Perc is perceptions of the organization as ethical

APPENDIX B

Time 1 Job Search Statistics

	Mean	SD
Number organizations applied	8.69	10.79
Number interviews received	4.24	5.49
Number interviews attended	3.82	3.34
Number office visits received	1.46	1.71
Number office visits attended	1.20	1.38
Number offers received	1.74	1.33

Time 3 Job Search Statistics

Received job offer?	51% yes	49% no
Number offers received	1.61 mean	
Offer received from the organization you interned with?	88% yes	12% no
Offer accepted from the organization you interned with?	63% yes	37% no

Rank the importance of each of the following in your job choice decisions (1=most important to 9=least important).

	Mean	SD
1. People	3.43	2.08
2. Salary	3.56	1.91
3. Job duties	3.67	2.24
4. Location	3.88	2.46
5. Ethics	4.48	2.34
6. Benefits	5.01	1.80
7. Corporate performance	6.30	1.91
8. Industry	6.95	2.45
9. Size	7.73	1.51

A Decision Model for Selecting Recipients of Corporate Community Involvement Programs

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A firm's investment in a Corporate Community Involvement Program can be justified if the investment benefits the community and does not result in a decrease in shareholder wealth. The identification and efficient allocation of the firm's scarce resources among competing non-profit organizations involve both subjective and objective information. The Analytical Hierarchy Process (AHP) is a multi-criteria decision model that can integrate both objective and subjective information. This study applies the AHP methodology to the identification of non-profit organizations to be recipients of services from a firm's Corporate Community Involvement Program.

INTRODUCTION AND BACKGROUND

Despite the gloomy economic conditions, contributions to non-profits and charitable organizations continue to flow from companies. A recent LBG Research Institute survey suggests that a majority of corporations anticipate no change or an increase in charitable giving for 2009. Charitable giving programs have long been popular with employees of the giving firms as well as the recipient organizations. Charitable giving is also used as a way for firms to develop their image and as a recruiting tool for potential new employees, in addition to the tax deduction benefit of giving.

Figures from the Conference Board show that total U.S. corporate giving amounted to \$8.6 billion in 2007. The credit crunch has made an impact on where those dollars are going, however. According to the LBG survey, firms are reporting that giving is more strategic now—basic needs and social service charities that are more in line with corporate goals may get more funding in 2009, whereas arts and culture organizations that are not related could see a decline in financial support. Other firms report that certain programs may be eliminated, such as matching gifts and volunteer programs.¹

It is therefore imperative for firms that continue or increase their charitable giving to identify the “best” non-profit organizations that will be the recipients of their services as well as the amount of resources that are devoted to each recipient. Since this decision involves both subjective and objective information, in this paper we utilize the Analytical Hierarchy Process (AHP); a multi-criteria decision model that can synthesize this information and identify the non-profit organizations to be recipients of

services from a firm's corporate charitable giving program. The result is a dynamic model that can be used by firms to efficiently allocate their scarce resources to provide optimal benefits to both the community and shareholders.

LITERATURE REVIEW

Corporate charitable giving can take many forms. McWilliams and Siegel (2001) summarize the action as those that "appear to further some social good, beyond the interests of the firm and that which is required by law." Examples of charitable giving include support of local and national non-profit organizations, developing recycling programs, and promoting causes like the arts and healthcare. Much research has focused on the benefits of corporate giving. Waddock and Graves (1997) highlight the increase in motivation and loyalty of employees, leading to greater productivity at firms contributing to charitable organizations and enacting other socially responsible programs. Turban and Greening (1997) find that these firms are perceived as being more attractive to employees. Albinger and Freeman (2000) show that charitable contributions to non-profits and other socially responsible activities are positively related to the attractiveness of the employer for job applicants with high levels of job choice.

Academic research has also examined the causal relation between charitable giving and financial performance to determine if "doing good" socially leads to "doing well" financially. Waddock and Graves (1997) and Hillman and Keim (2001) find that increased corporate giving and other acts of corporate social responsibility lead to enhanced financial performance. They also find that this relationship goes the other way: financial success is a determinant of increased corporate charitable giving. McGuire, Sundgren and Schneeweis (1988) also find that the prior year's stock returns and accounting-based performance measures are related to current measures of corporate giving, but that a past record of good social performance does not affect the current financial performance of a firm. Nelling and Webb (2009) use a time series fixed effects approach with over 2,800 firm-year observations and find weak evidence that strong stock market performance leads to greater levels of corporate giving, and little evidence that corporate giving impacts shareholder value. However, they do find that strategic giving is an important consideration for firms: specifically, firms with strong financial performance focus non-profit contributions to those organizations which are important to stakeholders.

This view is consistent with the findings of Hillman and Keim (2001), who show that corporate giving can be divided into two groups: stakeholder management and social issue participation. Giving to non-profits that are related to stakeholder groups such as the community or employees of the firm is shown to be directly related to shareholder value creation. However, social issue participation, which refers to the use of corporate resources for non-profits involved in social issues outside the firm's strategy is negatively related to changes in shareholder wealth. Fisman, Heal, and Nair (2005) focus specifically on giving that is targeted towards the community. They suggest that activities directed towards the community can be used as a means of differentiation by firms in competitive industries and is positively related to profitability in advertising-intensive industries.

Given the vast array of non-profit organizations vying for corporate dollars and the economic recession faced by firms today, it is important for a firm to choose beneficiaries that will not only help the non-profit organization succeed, but also enhance the financial performance of the company itself. To our knowledge there is no current research which has attempted to identify both the quantitative and qualitative issues associated with a company's non-profit recipient decision. In this paper we use the Analytical Hierarchy Process (AHP) to help companies make more informed decisions regarding the non-profits they select as recipients of services from their Corporate Community Involvement Programs.

THE ANALYTICAL HIERARCHY PROCESS (AHP)

AHP is a multi-criteria decision support system developed by Saaty (1980, 1990) that can integrate quantitative and qualitative information to improve decisions concerning the selection of recipients of services from the corporate community involvement program. By structuring a complex problem in the

form of a hierarchy, AHP can impose consistency and continuity to a judgmental process such as the selection of recipients of the firm's services.

The first level of the hierarchy specifies the goal. In the present problem, the goal is to efficiently allocate scarce resources to provide optimal benefits to both the community and shareholders in the selection of recipients of services from the firm's corporate community involvement program. The second level includes the criteria. Relevant criteria to evaluate potential recipients of services include an assessment of the project characteristics, organizational structure of the recipient, type of program being supported, and the financial viability of the recipient. Depending upon the problem, a third level of the hierarchy may be required. The third level specifies a set of sub-criteria related to the criteria of the second level. For example, a set of sub-criteria can be determined to evaluate the project characteristics submitted by potential recipients. Once the criteria and sub-criteria are identified, a ratings scale is specified for the second and third levels of the hierarchy. The final level of the hierarchy includes the alternatives to be evaluated. For the present problem, these represent the potential recipients of services from the firm's corporate community involvement program.

The AHP model has been recently applied to a multitude of different corporate and non-corporate problems to improve decision making (see for example, Hogan and Olson (2004), Ishizaka and Lusti (2004), Travana (2004), and Dey, Harihan, Kumar, and Moseley (2004), Kumar, Banu, and Nayagam (2008), and Hogan, Olson, and Sillup (2009) and Hogan, Lipton, and Olson (2009)). A major advantage of the model is its ability to accommodate complex qualitative and quantitative information into the decision making process. Other advantages include its simplicity to use and its ability to apply consistency to the decision making process.

Implementing AHP requires four general steps. First, the decision maker identifies the criteria and determines their relative importance in achieving the goal and identifies the sub-criteria and determines their relative importance in achieving the related criterion. Pairwise comparisons are used to determine the relative importance of the criteria and sub-criteria.

Although there are many scales that can be used to compare the criteria, Saaty (1980) recommends a scale from 1 to 9 where 1 refers to "equally important", 3 "moderately more important", 5 "strongly more important", 7 "very strongly more important", and 9 "extremely more important". If more discrimination is necessary, intermediate values, 2, 4, 6, and 8, can be used. For example, if the decision maker decides that project characteristics are "strongly more important" than the organizational structure of the recipient, a value of 5 is assigned to this comparison.

The results of the comparisons are represented in a pairwise comparison matrix similar to equation (1).

EQUATION 1

$$W = \begin{pmatrix} w_{11} & w_{12} & \dots & w_{1n} \\ w_{21} & \dots & \dots & w_{2n} \\ \dots & \dots & \dots & \dots \\ w_{n1} & w_{n2} & \dots & w_{nm} \end{pmatrix} = \begin{pmatrix} 1 & w_{12} & \dots & w_{1n} \\ 1/w_{12} & 1 & \dots & w_{2n} \\ \dots & \dots & 1 & \dots \\ 1/w_{2n} & 1/w_{2n} & \dots & 1 \end{pmatrix} \quad (1)$$

where,

w_{ij} = the relative importance of criteria i compared to criteria j ; $w_{ij} = 1 \forall i = j$; and $w_{ji} = 1 / w_{ij} \forall i \neq j$.

If $n = 4$, W will be a 4 x 4 matrix with 1s along the main diagonal depicting comparison of the criteria with itself. Below the main diagonal are the reciprocals of the corresponding comparisons above the diagonal. Thus, in this example a total of 6 comparisons must be made. In general, if there are n criteria to be compared, a total of $n(n-1)/2$ comparisons are required.

Once the pairwise comparisons have been made, priority vectors are computed that identify the relative importance of the criteria in achieving the goal and the relative importance of the sub-criteria in achieving the related criterion. The second step in implementing the AHP model involves using the priority vectors from step one for each of the criteria and sub-criteria to determine the relative importance of the sub-criteria in achieving the goal.

During the third step, alternatives are evaluated in the context of each of the criteria and sub-criteria's relative importance in achieving the goal. In the present problem, the potential recipients of services are evaluated based on the criteria and sub-criteria identified by the firm as relevant to the selection process. The fourth step requires synthesizing the results to compute the relative contribution of the alternatives in achieving the goal. In the present problem, the potential recipients of services are ranked on a relative basis and the firm can specify a distribution of services that will efficiently allocate its scarce resources to provide optimal benefits to both the community and shareholders.

An Application of AHP to the Selection of Recipients of Services from the Firm's Corporate Community Involvement Program

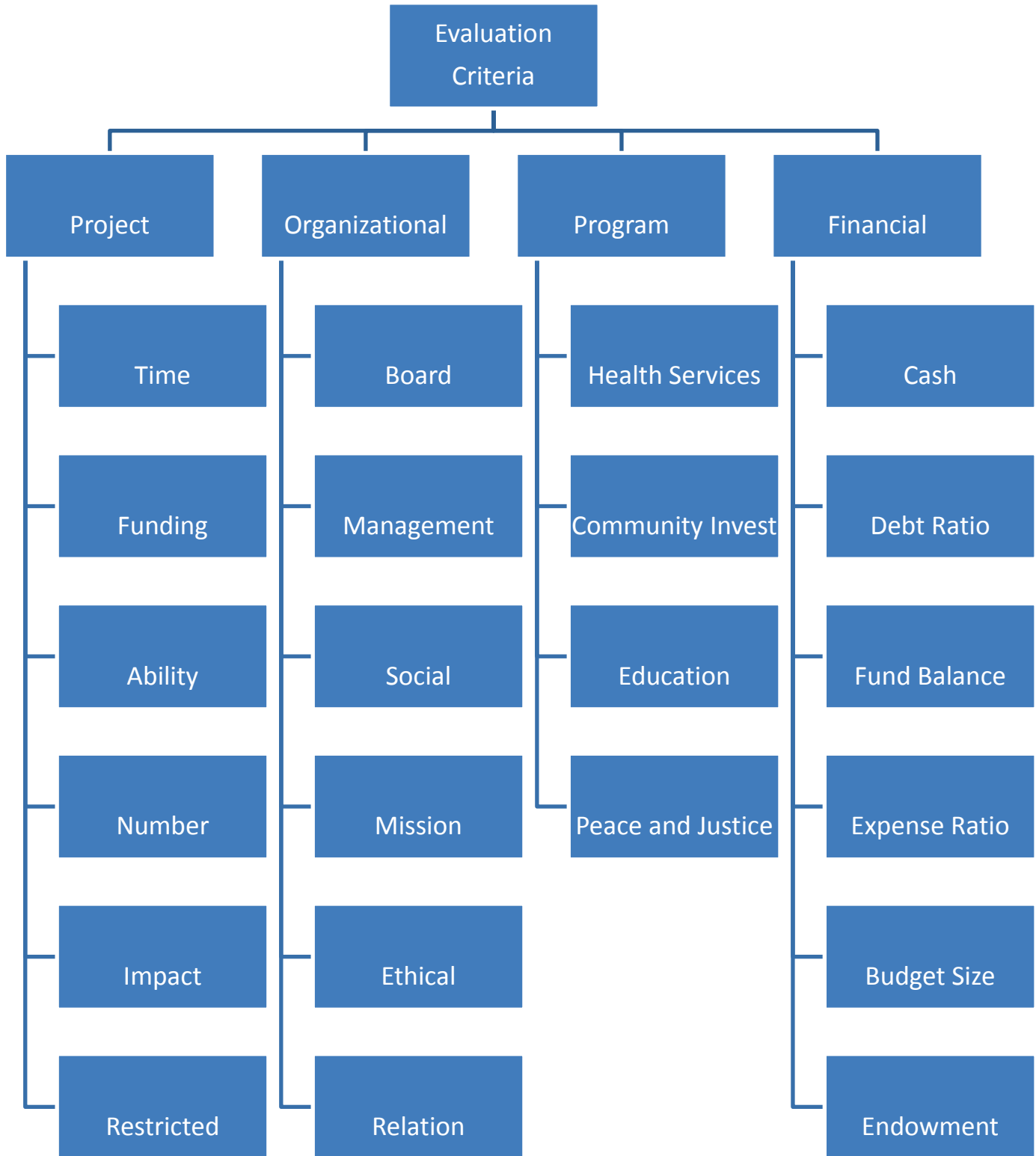
The goal of the selection process is to efficiently allocate scarce resources to provide optimal benefits to both the community and shareholders. Most firms, especially those with corporate community involvement programs, are faced with the daunting task of evaluating many proposals from different potential recipients requesting varied levels of services. Unfortunately, due to constrained resources, the firm cannot support all worthwhile funding requests and must make difficult choices when selecting recipients for its corporate community involvement program. As a result, the firm must specify a set of criteria and sub-criteria that are to be used to systematically evaluate potential recipients of services and the potential recipients must demonstrate the benefits to the community and shareholders from the resources they hope to receive.

Suppose representatives of the firm decide the relevant criteria to evaluate potential recipients of services include an assessment of the project characteristics, organizational structure of the recipient, type of program being supported, and the financial viability of the recipient. In soliciting proposals, representatives of the firm ask potential recipients to answer questions concerning the criteria and their respective sub-criteria. The criteria and their respective sub-criteria can be described as shown in TABLE 1 as follows.

Project. Characteristics of the project that can be used to discriminate across potential recipients of services. Representatives of the firm identify attributes of the project that are consistent with the goal of the process to provide optimal benefits to both the community and shareholders given the firm's constrained resources. Sub-criteria affecting the assessment of the potential project characteristics include,

- Time. The length of the firm's planned commitment to, or relationship with, the potential recipient. Time is objectively measured as one time, 2 to 5 years, or greater than 5 years.
- Funding. The size of the funding request of the potential recipient. In the present example, funding is objectively measured as less than or equal to \$1,000, \$1,001 up to \$10,000, \$10,001 up to \$100,000, or greater than \$100,000. It should be noted that depending upon the size of the firm the dollar amounts presented here can be increased or decreased.
- Ability. The ability of the potential recipient to achieve the objectives specified in the description of the project that is being evaluated. Ability is subjectively measured as excellent, very good, good, or poor based an assessment of whether the potential recipient can execute the plan to achieve the objectives of the project.

TABLE 1
AHP MODEL FOR SELECTION OF RECIPIENTS OF SERVICES
FROM FIRM'S CORPORATE COMMUNITY INVOLVEMENT PROGRAM



- Number. The number of people expected to benefit from the project. Number is objectively measured as less than or equal to 100, 101 up to 500, 501 up to 1000, or greater than 1000.
- Impact. The degree of benefit to the community. Impact is subjectively measured as significant, clear, or modest based on an assessment of how much the community is expected to benefit from the project.
- Restricted. An assessment of whether the firm's resources are restricted to being used specifically for the project being requested or can also be used for overhead expenses of the potential recipient. Restricted is objectively measured as yes or no.

Organizational. The organizational structure of potential recipients can be used to discriminate which ones are better managed and would make better partners for the firm to be associated with its stakeholders and the media. Representatives of the firm identify attributes of the organizational structure that are consistent with the goal of providing optimal benefits to both the community and shareholders given the firm's constrained resources. Sub-criteria affecting the assessment of the organization include,

- Board. The quality of the board of directors (or oversight group) of the potential recipient. Board quality is subjectively measured as excellent, very good, good, or poor.
- Management. The quality of the management team (or execution group) of the potential recipient. Management quality is subjectively measured as excellent, very good, good, or poor.
- Social. The demonstrated contribution to society of the potential recipient of services. Social is measured as significant, clear, or modest.
- Mission. The quality of the mission of the potential recipient. Mission is subjectively measured as excellent, very good, good, or poor.
- Ethical. The ethical treatment of stakeholders. Potential recipients are evaluated based upon whether they treat their stakeholders in an ethical manner. Ethical is subjectively measured as excellent, very good, good, or poor.
- Relation. The relation of the potential recipient to the firm's core business and customers. Relation is subjectively measured as significant, clear, modest, or none.

Program. The type of program that will be supported by the corporate community involvement program. Representatives of the firm categorize types of programs that potential recipients are targeting in their proposals. Sub-criteria affecting the assessment of the type of program include,

- Health Services. Programs in the health and human services areas. Health services is objectively measured as research (e.g. Susan B. Komen, March of Dimes, medical research, etc.), support (e.g. Make a Wish Foundation, Ronald McDonald House, Children's Fund, etc.) or not applicable (n/a).
- Community Invest. Programs that invest in projects to benefit the local community. Community Invest is objectively measured as projects directly supporting children activities in the community (children), the local arts (arts), local environmental programs (environ), or not applicable (n/a).
- Education. Programs that invest in education. Education is objectively measured as programs that support tutoring of elementary or secondary students (tutoring), programs that provide funds for students' tuition to college (scholarship), programs supporting the mentoring of needy students (mentoring), or not applicable (n/a).
- Peace and Justice. Programs that support peace and justice activities. Peace and Justice is objectively measured as projects that promote housing for the poor (habitat), provide food and/or clothing for the poor (poverty), donate medical and other supplies after a natural disaster (disaster), support global economic development (global), or not applicable (n/a).

Financial. A review of the financial stability of potential recipients can be used to discriminate which ones are more financially sound and fiscally conservative and can be expected to use firm resources more efficiently. Sub-criteria affecting the assessment of the financial stability of potential recipients include,

- Cash. The length of time the potential recipient's current cash would last with current operating expenses and no additional infusions of cash. Based upon the potential recipient's most recent financial statements, cash is subjectively estimated as less than or equal to 3 months, over 3 months and up to 6 months, over 6 months and up to 12 months, and greater than 12 months.

- Debt Ratio. The percentage debt of the potential recipient as measured by total debt divided by total assets. Based upon the potential recipient's most recent financial statements, debt ratio is objectively measured as less than or equal to 10%, more than 10% up to 25%, more than 25% and up to 50%, and greater than 50%.
- Fund Balance. The fund balance of the potential recipient as measured by total assets minus total debt. Based upon the potential recipient's most recent financial statements, fund balance is objectively measured as less than or equal to \$100,000, more than \$100,000 and up to \$500,000, and greater than \$500,000.
- Expense Ratio. The expense ratio of the potential recipient as measured by administrative expenses divided by net revenues. Based upon the potential recipient's most recent financial statements, expense ratio is objectively measured as less than or equal to 5%, more than 5% and up to 20%, more than 20% and up to 40%, and greater than 40%.
- Budget Size. The size of the potential recipient's annual operating budget. Based upon the potential recipient's most recent financial statements, budget size is objectively measured as less than or equal to \$100,000, more than \$100,000 and up to \$500,000, more than \$500,000 and up to \$1,000,000 and greater than \$1,000,000.
- Endowment. The size of the potential recipient's endowment fund. Based upon the potential recipient's most recent financial statements, endowment is objectively measured as less than or equal to \$100,000, more than \$100,000 and up to \$500,000, more than \$500,000 and up to \$1,000,000 and greater than \$1,000,000.

Once the criteria and sub-criteria have been identified, the next step in the process is to construct pairwise comparison matrixes to evaluate the relative importance of the criteria and sub-criteria in achieving the goal to efficiently allocate scarce resources to provide optimal benefits for the community and shareholders.

In Panel A of Table 2, a pairwise comparison matrix is presented for the criteria that are being used to evaluate potential recipients of services for the firm's corporate community involvement program. Along the main diagonal are 1s depicting comparison of the criteria with itself. Other values in the matrix are dependent upon comparisons made by representatives of the firm concerning the relative importance of the criteria in achieving the goal of efficiently allocating scarce resources.

TABLE 2
PAIRWISE COMPARISON MATRIX FOR EVALUATION CRITERIA AND COMPUTATION OF LOCAL PRIORITIES

PANEL A	ORIGINAL MATRIX - Evaluation Criteria			
	Project	Organizational	Program	Financial
Project	1.0000	5.0000	4.0000	3.0000
Organizational	0.2000	1.0000	0.3333	0.2000
Program	0.2500	3.0000	1.0000	0.2500
Financial	0.3333	5.0000	4.0000	1.0000
TOTAL	1.7833	14.0000	9.3333	4.4500

PANEL B ADJUSTED MATRIX - Evaluation Criteria

	Project	Organizational	Program	Financial	PRIORITY VECTOR
Project	0.5607	0.3571	0.4286	0.6742	0.5052
Organizational	0.1121	0.0714	0.0357	0.0449	0.0661
Program	0.1402	0.2143	0.1071	0.0562	0.1294
Financial	0.1869	0.3571	0.4286	0.2247	0.2993
				TOTAL	1.0000

If representatives of the firm believe that project characteristics are “strongly more important” than the organizational structure of the recipient, a value of 5 is placed in cell w_{12} and .2 is placed in cell w_{21} . If project characteristics are viewed as being between “moderately more important” and “strongly more important” than the type of program being supported, a value of 4 is placed in cell w_{13} and .25 is placed in cell w_{31} . If project characteristics are viewed as “moderately more important” than the financial viability of the potential recipient, a value of 3 is placed in cell w_{14} and .3333 is placed in cell w_{41} .

If the representatives of the firm believe that the type of program being supported is “moderately more important” than the organizational structure of the recipient, a value of .3333 is placed in cell w_{23} and 3 is placed in cell w_{32} . If the financial viability of the potential recipient is viewed as being “strongly more important” than the organizational structure of the recipient, a value of .2 is placed in cell w_{24} and 5 is placed in cell w_{42} .

Finally, if the financial viability of the potential recipient is viewed as being between “moderately more important” and “strongly more important” than the type of program being supported, a value of .25 is placed in cell w_{34} and 4 is placed in cell w_{43} .

The pairwise comparison matrix in Panel A of Table 2 can be used to estimate the criteria weights. To determine the criteria weights, each column of the original matrix is summed and each cell is divided by its column total. The result is the adjusted matrix in Panel B of Table 2. The priority vector, which is calculated by computing the average of the entries in each row of the adjusted matrix, depicts the relative importance of each of the criteria in achieving the goal.

In the present example, the criteria weights are .5052 for project, .0661 for organizational, .1294 for program, and .2993 for financial, respectively. This can be interpreted as characteristics of the project being 7.647 times more important than the organizational structure of the potential recipient ($.5052/.0661$), 3.902 times more important than the type of program that will be supported ($.5052/.1294$), and 1.688 times more important than the financial stability of the potential recipient ($.5052/.2992$). The financial stability of the potential recipient is viewed as being 4.531 times more important than its organizational structure ($.2993/.0661$) and 2.312 times more important than the type of program being supported. The type of program being supported is viewed as being 1.960 times more important than the organizational structure of the potential recipient ($.1294/.0661$).²

Using the approach described above, local weights for each of the sub-criteria can also be computed. These weights measure the importance of each of the sub-criteria relative to its criterion. In the present example, the sub-criteria for the characteristics of the project are time, funding, ability, number, impact, and restricted. The sub-criteria for the organizational structure of the potential recipient are board, management, social, mission, ethical, and relation. The sub-criteria for the type of program being supported are health services, community invest, education, and peace and justice. The sub-criteria for the financial stability of the potential recipient are cash, debt ratio, fund balance, expense ratio, budget size, and endowment.

Table 3 depicts the sub-criteria local weights for each of the criteria and the sub-criteria local weights for each of the sub-criteria. The sub-criteria local weights for the characteristics of the project are .0615 for time, .1383 for funding, .2754 for ability, .0454 for number, .3756 for impact, and .1037 for restricted, respectively. The sub-criteria local weights for the organizational structure of the potential recipient are .0328 for board, .0613 for management, .3923 for social, .0904 for mission, .2186 for ethical, and .2046 for relation respectively. The sub-criteria local weights for the type of program being supported are .1391 for health services, .5524 for community invest, .2577 for education, and .0508 for peace and justice are, respectively. The sub-criteria local weights for the financial stability of the potential recipient are .2498 for cash, .0703 for debt ratio, .1340 for fund balance, .2018 for expense ratio, .2131 for budget size, and .1310 for endowment, respectively.

Also listed in Table 3 are the sub-criteria local weights for each of the sub-criteria. For example, the sub-criteria for time: one time, 2-5 years, and > 5years have local weights of .3500, .4500, and .2000 respectively. As with the local weights for each of the criteria and sub-criteria, the sub-criteria local weights for each of the sub-criteria are computed based on pairwise comparison matrices as described above.

Table 4 depicts the sub-criteria global weights for each of the criteria and the sub-criteria global weights for each of the sub-criteria. The global weight for item *i* refers to the proportion of total value placed on item *i* by the representatives of the firm. The global weight for one level is determined by multiplying the local weight from the current level by the corresponding local weight from each of the levels above. For example, in Table 3 the sub-criteria of the sub-criteria of the criterion characteristics of the project: one time, 2 to 5 years, and greater than 5 years, have local weights of .3500, .4500, and .2000, respectively. These local weights are multiplied by the local weight of the sub-criterion, time (.0615), and the local weight of the criterion, characteristics of the project (.5052), to obtain the global weights of .0109, .0140, and .0062 for one time, 2 to 5 years, and greater than 5 years, respectively, that are shown in Table 4.

Once the global weights have been determined, the representatives of the firm gathers information concerning potential recipients of services from the firm's corporate community involvement program. Table 5 presents hypothetical data for three potential recipients of services, cleverly called A, B, and C. Each of the potential recipients is rated based on the global weights for each of the sub-criteria of the sub-criteria depicted in Table 4. For example, potential recipient A has a one time commitment of resources from the firm, B has a greater than 5 year time commitment, and C has a 2 to 5 year time commitment. Thus, using the data from Table 4, potential recipient A has a score of .0109, B has a score of .0062, and C has a score of .0140 for the sub-criterion, time.

The scores for all of the sub-criteria are summed and an overall score is determined. For the potential recipients depicted in Table 5, A earns a total of score of .2912, B earns .2252, and C earns .3902.

Once the total scores have been computed, a decision can be made whether to select the potential recipient for services from the firm's corporate community involvement program. The representatives of the firm can choose the highest rated potential recipient or establish a minimum score for the selection of recipients of services. In the present example, if the representatives of the firm decide to select only one applicant, recipient C will be chosen since it has the highest score. If the representatives of the firm decide to establish a minimum score of .2500 in order to receive services, potential recipients C and A will be selected.

The overall scores can be used to determine the amount of resources that will be devoted to each acceptable recipient. In the present example, more resources would be made available to recipient C than recipient A and more resources devoted to A than to recipient B.

Table 3
Evaluation Criteria and Sub-Criteria Local Weights

Project 0.5052		Organization 0.0661		Program 0.1294		Financial 0.2993	
time 0.0615	one time 0.3500	board 0.0328	excellent 0.3500	health services 0.1391	research 0.4000	cash 0.2498	< 3 months 0.1000
	2-5 years 0.4500		very good 0.2500		support 0.6000		≤ 6 months 0.3500
	> 5 years 0.2000		good 0.2500		n/a 0.0000		≤ 12 months 0.4000
			poor 0.1500				> 12 months 0.1500
funding 0.1383	< \$1,000 0.3000	management 0.0613	excellent 0.4000	community invest 0.5524	children 0.6500	debt ratio 0.0703	< 10% 0.3500
	≤ \$10,000 0.4500		very good 0.3000		arts 0.1500		≤ 25% 0.3000
	≤ \$100,000 0.2000		good 0.2500		environ 0.2000		≤ 50% 0.2500
	> \$100,000 0.0500		poor 0.0500		n/a 0.0000		> 50% 0.1000
ability 0.2754	excellent 0.4000	social 0.3923	significant 0.4500	education 0.2577	tutoring 0.3000	fund balance 0.1340	< \$100,000 0.2000
	very good 0.3000		clear 0.3000		scholarship 0.4500		≤ \$500,000 0.5000
	good 0.2000		modest 0.2500		mentoring 0.2500		> \$500,000 0.3000
	poor 0.1000				n/a 0.0000		
number 0.0454	≤ 10 0.3000	mission 0.0904	excellent 0.3500	peace and justice 0.0508	habitat 0.2500	expense ratio 0.2018	< 5% 0.4500
	≤ 50 0.2500		very good 0.3000		poverty 0.3000		≤ 20% 0.4000
	≤ 100 0.2000		good 0.2500		disaster 0.3000		≤ 40% 0.1500
	> 100 0.2500		poor 0.1000		global 0.1500		> 40% 0.0000
impact 0.3756	significant 0.4500	ethical 0.2186	excellent 0.3500		n/a 0	budget size 0.2131	< \$100,000 0.1500
	clear 0.3500		very good 0.3500		≤ \$500,000 0.4000		
	modest 0.2000		good 0.2500		≤ \$1,000,000 0.3500		
restricted 0.1037	yes 0.7000	relation 0.2046	poor 0.0500			endowment 0.1310	> \$1,000,000 0.1000
	no 0.3000		significant 0.5000		< \$100,000 0.3500		
			clear 0.3000		≤ \$500,000 0.3000		
			modest 0.1200		≤ \$1,000,000 0.2500		
		none 0.0800	> \$1,000,000 0.1000				

Table 4
Evaluation Criteria and Sub-Criteria Global Weights

Project 0.5052		Organization 0.0661		Program 0.1294		Financial 0.2993	
time 0.0311	one time 0.0109	board 0.0022	excellent 0.0008	health services 0.0180	research 0.0072	cash 0.0748	< 3 months 0.0075
	2-5 years 0.0140		very good 0.0005		support 0.0108		≤ 6 months 0.0262
	> 5 years 0.0062		good 0.0005		n/a 0.0000		≤ 12 months 0.0299
	poor 0.0003				> 12 months 0.0112		
funding 0.0699	< \$1,000 0.0210	management 0.0040	excellent 0.0016	community invest 0.0715	children 0.0465	debt ratio 0.0210	< 10% 0.0074
	≤ \$10,000 0.0314		very good 0.0012		arts 0.0107		≤ 25% 0.0063
	≤ \$100,000 0.0140		good 0.0010		environ 0.0143		≤ 50% 0.0053
	> \$100,000 0.0035		poor 0.0002		n/a 0.0000		> 50% 0.0021
ability 0.1391	excellent 0.0557	social 0.0259	significant 0.0117	education 0.0334	tutoring 0.0100	fund balance 0.0401	< \$100,000 0.0080
	very good 0.0417		clear 0.0078		scholarship 0.0150		≤ \$500,000 0.0201
	good 0.0278		modest 0.0065		mentoring 0.0083		> \$500,000 0.0120
	poor 0.0139				n/a 0.0000		
number 0.0229	≤ 10 0.0069	mission 0.0060	excellent 0.0021	peace and justice 0.0066	habitat 0.0016	expense ratio 0.0604	< 5% 0.0272
	≤ 50 0.0057		very good 0.0018		poverty 0.0020		≤ 20% 0.0242
	≤ 100 0.0046		good 0.0015		disaster 0.0020		≤ 40% 0.0091
	> 100 0.0057		poor 0.0006		global 0.0010		> 40% 0.0000
impact 0.1897	significant 0.0854	ethical 0.0144	excellent 0.0051		n/a 0	budget size 0.0638	< \$100,000 0.0096
	clear 0.0664		very good 0.0051		≤ \$500,000 0.0255		
	modest 0.0379		good 0.0036		≤ \$1,000,000 0.0223		
	poor 0.0007		> \$1,000,000 0.0064				
restricted 0.0524	yes 0.0367	relation 0.0135	significant 0.0068			endowment 0.0392	< \$100,000 0.0137
	no 0.0157		clear 0.0041		≤ \$500,000 0.0118		
			modest 0.0016		≤ \$1,000,000 0.0098		
			none 0.0011		> \$1,000,000 0.0039		

Table 5
Evaluation of Proposals

PROJECT	A	Weight of A	B	Weight of B	C	Weight of C
time	one time	0.0109	> 5 years	0.0062	2-5 years	0.0140
funding	≤ \$10,000	0.0314	≤ \$100,000	0.0140	≤ \$10,000	0.0314
ability	good	0.0278	very good	0.0417	excellent	0.0557
number	≤ 10	0.0069	> 100	0.0057	≤ 50	0.0057
impact	clear	0.0664	modest	0.0379	significant	0.0854
restricted	yes	0.0367	no	0.0157	yes	0.0367
ORGANIZATION						
board	good	0.0005	very good	0.0005	very good	0.0005
management	very good	0.0012	excellent	0.0016	excellent	0.0016
social	modest	0.0065	clear	0.0078	clear	0.0078
mission	very good	0.0018	good	0.0015	excellent	0.0021
ethical	very good	0.0051	good	0.0036	very good	0.0051
relation	none	0.0011	clear	0.0041	significant	0.0068
PROGRAM						
health services	support	0.0108	n/a	0.0000	n/a	0.0000
community invest	n/a	0.0000	n/a	0.0000	children	0.0465
education	n/a	0.0000	scholarship	0.0150	n/a	0.0000
peace and justice	n/a	0.0000	n/a	0.0000	n/a	0.0000
FINANCIAL						
cash	< 3 months	0.0075	≤ 6 months	0.0262	≤ 6 months	0.0262
debt ratio	≤ 50%	0.0053	≤ 25%	0.0063	≤ 25%	0.0063
fund balance	< \$100,000	0.0080	> \$500,000	0.0120	< \$100,000	0.0080
expense ratio	≤ 20%	0.0242	≤ 40%	0.0091	< 5%	0.0272
budget size	≤ \$500,000	0.0255	> \$1,000,000	0.0064	< \$100,000	0.0096
endowment	< \$100,000	0.0137	≤ \$1,000,000	0.0098	< \$100,000	0.0137
SCORE		0.2912		0.2252		0.3902

MODEL VALIDATION

In the above example, the objectives and preferences of the representatives of the firm are used to conduct pairwise comparisons. Since the resulting scores of potential recipients are based on these comparisons, it is desirable to use the optimal set of criteria and sub-criteria and assessment of their relative importance in achieving the goal of efficiently allocating scarce resources to provide optimal benefits for both the community and shareholders. Unfortunately, management and finance theory has not yet identified the optimal set of criteria that can be used to evaluate potential recipients of services from the firm's corporate community involvement program.

AHP is a multi-criteria decision support system that can integrate quantitative and qualitative information. The value of the model is dependent upon the inputs of the expert. Until an optimal set of criteria can be identified in the management or finance literature, care should be taken in the selection of the relevant inputs in evaluating potential recipients of the firm's services.

The simplicity of implementing AHP permits the representatives of the firm to easily revise the sub-criteria and criteria and their relative importance in achieving the goal based upon the experience gathered by the corporate community involvement program. Not only will the output of the model be improved, but valuable insight can be gained that may eventually lead to the identification of an optimal set of criteria and sub-criteria that can be used to evaluate potential recipients of services from corporate community involvement programs.

SUMMARY AND CONCLUSIONS

A firm's investment in a corporate community involvement program can be justified if the investment benefits the community and does not result in a decrease in shareholder wealth. Firms with corporate community involvement programs must make difficult choices concerning the identification of non-profit organizations that will be the recipients of their services as well as the amount of resources that are devoted to each recipient. The identification and efficient allocation of the firm's scarce resources among competing non-profit organizations involve both subjective and objective information. The Analytical Hierarchy Process (AHP) is a multi-criteria decision model that can integrate both objective and subjective information to improve decisions concerning the allocation of the firm's scarce resources.

In this paper, we describe AHP and apply the model to the evaluation of potential recipients of services from the firm's corporate community involvement program. The result is a flexible and consistent scoring model that can be used to maximize the benefit to the community and shareholders of the firm's investment. AHP is a dynamic model in that the criteria and sub-criteria can be revised based upon the needs of the user. Also, the relative importance of the criteria and sub-criteria can be easily recomputed with the use of a spreadsheet or dedicated software. The result is a consistent measurement scale that can be used to effectively evaluate potential recipients of services from the firm's corporate community involvement program.

ENDNOTES

1. Banjo, Shelly. "Next benefit to face the ax: matching gifts," *Wall Street Journal*, January 14, 2009.
2. The procedure presented here is good approximation of the weights. Saaty (1980) determined the exact relative priorities for each of the n criteria by computing the normalized eigenvector of the maximum eigenvalue of the comparison matrix. The normalized eigenvector is computed by raising the comparison matrix to successive powers until convergence is achieved and then normalizing the results.

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On the Verge of Growth after 90 Years: The Hood Canal Company Case Study and Teaching Note

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The Hood Canal Company was incorporated in 1922 and has 42 Smithson family shareholders. Based on 4,000 acres in Washington State, the firm primarily harvests timber and oysters. After more than 90 years as a corporation, the firm is small with about 30 employees. The Smithson family business is in its fifth generation. With the timber rotation carefully managed and the oyster farming part of the business taking off, there is great potential. However, the board of directors is floundering, the top leadership duo is aging, there is no succession plan, and strategy is muddled.

INTRODUCTION

The Hood Canal Company was incorporated in 1922 and currently has 42 Smithson family shareholders with no one owning more than 10%. Based on over 4,000 acres including a scenic river delta in Washington State, they primarily harvest timber and oysters and also farm. After more than 90 years as a corporation, the firm is a small business with about 30 employees including three family managers. The Smithson family business is in its fifth generation and run by both the fourth and fifth generations. With the timber rotation carefully managed and the oyster farming part of the business taking off, there is great potential. However, the board of directors is floundering, the top leadership duo is aging, there is no succession plan, and strategy is muddled.

HISTORY OF THE HOOD CANAL COMPANY 1890s TO 1950s

During the late 1890s Summit Avenue in St. Paul, Minnesota, was home to timber pioneers like Frederick D. Weyerhaeuser and J. J. Hill. David Smithson also lived on Summit Avenue and was an employee of J. J. Hill. As others around him speculated on timber lands, Smithson also took the plunge and sight unseen bought numerous properties including 5000 acres near what became named Hood Canal in Washington. When David Smithson passed away unexpectedly in 1905, his son Brian Smithson found himself charged with managing the family's assets and caring for his mother and five sisters. It was more than most 23 year olds have to deal with. Brian Smithson visited properties all over the West and sold off most of them.

Brian also starting researching the timber industry and in 1907 came to Washington to look over the family land on Hood Canal. He set up a timber company with its own railroad and bought more land ending up with more than 10,000 acres total. In the fresh virgin forest, the firm frequently harvested over 50 million board feet per year employing up to 300 people for a time. The family firm formally incorporated in 1922. Like so many other timber lands in the Pacific Northwest, by 1932 the acres were

denuded of trees. As the United States entered the Great Depression the price of timber plummeted. The land was logged and the number of employees dropped to just a couple of farm employees.

Brian Smithson hung on to the now treeless land and bought out his five sisters. He and his family still primarily lived in St. Paul but started spending summers on the Hood Canal. Taxes became a burden at \$1 an acre when the value of the logged land was about \$1 an acre. In a planned move, $\frac{3}{4}$ of the land was repossessed by the local county. These are now “trust” lands managed by the Washington State Department of Resources and surround Hood Canal Company land.

With pulling salmon from the river and farming the bottom lands near the river delta, Brian was able to eke resources from the land. By the mid-1930s, Brian, his wife Francine, and their five children had moved from St. Paul to Seattle. For the most part, Brian just hung on to the land and waited for the trees to grow back.

Brian’s oldest son Samuel planned on operating the farm but never came home from World War II. By the 1950s the land had again become a tax burden to Brian. He asked his youngest son Stephen to make a choice: Did he want to farm the land on the Hood Canal? Brian offered to pay a salary for six months and if Stephen could not make a go of it the land would be sold. Stephen had fond memories of the farm and the delta where the river spilled into Hood Canal on its way to the ocean. He loved the steelhead fishing and the scenic beauty of the area. Stephen took the plunge and committed to trying to make things work.

STEPHEN SMITHSON 1950s TO 1980s

After quitting his job at a plywood company, Stephen moved with his family to the farm on the river delta. He was endlessly creative in seeking to make ends meet to support the family and pay property taxes. He raised Christmas trees, and sold scrap metal, shake bolts, and shrimp. Half the year he would catch shrimp in the Hood Canal and make a Seattle delivery each day. The Christmas trees yielded 98 cents per bale of 24 lineal feet. In 1957 he noticed the oysters on the tide flats of the river delta and added these to his shrimp delivery. This launched his new venture of harvesting and selling oysters. His Pacific oysters slowly gained a reputation as he carefully marketed to top chefs in Seattle. He built a shucking facility to accommodate the then preference for oysters without the shell. Stephen worked tirelessly for decades to market oysters in the shell.

The Hood Canal Company slowly grew in both wholesale and retail of shucked and shell oysters. In the 1970s Stephen built a small retail store to appeal to the tourist market. In the 1980s, Stephen’s son Kevin took over after working with his Dad for more than a decade. Thus, the Hood Canal Company entered its third generation of leadership and the fourth generation since David Smithson bought land in the late 1800s.

KEVIN SMITHSON 1980s TO THE 21ST CENTURY

With each generational transfer, ownership continued to diffuse among family members. The Smithson extended family included Woodhouse and Norton cousins. A few worked in the business but most did not. In the mid-1980s the timber was ready for another harvest. Kevin created a plan for sustainable harvesting over generations. He bought more land and brought the acreage up to about 4000 of primarily Douglas Fir. The Hood Canal Company currently clear cuts about 40 acres of timber each year resulting in about 25 million board feet per year. The Christmas tree farm does a modest business.

Four of Kevin’s nephews are currently in their 30s and have been actively involved in the timber side of the Hood Canal Company. Seth Norton is in his 30s and now runs the oyster business. His sister Sharon manages the retail store. John Woodhouse just received his master’s degree in forestry and Mike Webber is a forester for a multi-national forest products firm. John and Mike are on the board of directors. The sixth generation is involved here and there planting trees, thinning timber, digging seed clams and working on the farm. Although unplanned, this activity builds a sense of heritage in this emerging generation.

The oyster business is on a growth trajectory. Seth continues to modestly expand the business. There is a new larger onsite retail store; the farm and tide flats are becoming a tourist destination to explore nature and buy oysters. Most of the Hood Canal Company's 30 employees are pickers and shuckers for the oyster business.

In 2011 the Hood Canal Company launched a new branded oyster that grows in bags amidst the tidal flow of the river as compared to the more traditional Pacific oysters that grow on the beach. The Hood Canal Company calls their oysters spectacular with "a distinctively clean, crisp flavor and firm meat." The new river oysters have "velvety brininess, crunchy texture and smooth vegetable finish" perfect for raw oyster eating.

The Hood Canal Company delivers and ships overnight to world class restaurants, gourmet stores, farmers markets, and retail clients. The firm's Oyster Rama is a charitable festival each year to raise money for education.

THE LAND TODAY

There are rolling hills of timber as the land trails down to the salt water marshes of Hood Canal. There are numerous flood channels and intertidal areas with cottonwoods and Sitka spruce. It is a unique and lovely place. Geoducks, moon snails, and sea cucumber are found along with eel grass. Low tide brings a mile of tide flats. The estuary holds the oyster and clam beds. Further inland there are hayfields and a designated bird and animal sanctuary. There are 18 acres of bottomland set aside as Grandfather's Park to honor Brian Smithson. The river goes through a canyon with remaining old growth timber and huge boulders. Steelhead fish work upstream through 300 feet of elevation in a mile.

The land is more than the location of a family business. It is a shared family heritage. Shareholders, and only shareholders, are entitled to build and own a home on the property. Some family members feel excluded from the family and gatherings because their parents or grandparents sold shares.

In many ways, the specialness of the land appears to be more important to the family owners than the financial health of the business. This leads us back to governance, the lack of succession planning and uncertain strategy.

OWNERSHIP AND GOVERNANCE

The Hood Canal Company is owned by 42 family members with no one having more than 10% of the shares. The board of directors consists of nine family members. The board is seeking an outside member to join the board. Several people have said no to preliminary overtures to consider joining the board. Kevin Smithson is 70 years old and president with his 73 year old cousin Smithson Shaw serving as chair of the board of directors. The shareholders and extended family meet every summer on the land for a board meeting and family meeting.

In 2010 there was a strong personality disagreement and one of Kevin's female cousins was forced off the board. The board now includes four from Kevin's generation and five from the next generation. They can work together for the most part but there are lingering underlying disputes. There is an emerging sense of urgency that Kevin needs to have a lighter load and be replaced.

The younger generation on the board, including John Woodhouse and Mike Webber, feel it is time for a new chair and that the board is not acting progressively in planning for the future. The strategic plan over the past 25 years has been in Kevin's head. Now it is time for something more formal in the way of leadership development and transition, and strategic planning. The family and the board wrestle with preserving legacy while building the business. Most of the family shareholders are detached from the day to day running of the business. A few of them want out and are agitating to break up Hood Canal Company, sell off the assets, and disperse the wealth. The firm carries no debt. They also have very limited financial reserves due to their current dividend practice. There is no liability insurance for members of the board of directors.

You are being considered to join the board of directors as an outside member. You do not know much about the Hood Canal Company or the Smithson family other than you like their oysters. However, you do know about working on rural lands and about family business. You run a successful fourth generation family dairy business with 500 employees in three states. You have systematically engaged in best practices over the past two generations to engage in strategic planning, expand the skills of emerging leaders, and set policies for board and managerial participation by family members. The board holds its annual meeting in four weeks and you are being actively courted to join. You have been assured the board wants an active voice and external counsel. Assuming you say yes to joining the board, what counsel would you give to the Hood Canal Company to move forward?

KEY QUESTIONS

1. How can you help the board consider the looming leadership crisis and engage in succession planning?
2. What should the board be doing to develop leaders and educate current and prospective shareholders?
3. How should the Hood Canal Company address the concerns of shareholders who want to cash out? What if they already have a home on the property?
4. How can you help the board engage in strategic planning for the future? How can you help the board to understand legacy and heritage affects on strategic planning for the company?
5. How can you help the board pay attention to the great potential of the oyster business?
6. What else do you think they need to hear and put on the agenda for the next year? Are there matters that are especially urgent?

ON THE VERGE OF GROWTH AFTER 90 YEARS THE HOOD CANAL COMPANY TEACHING NOTE

INTRODUCTION

The case is suitable for small and family business classroom discussions. It is also suitable for governance and strategy discussions.

The Hood Canal Company was incorporated in 1922 and currently has 42 Smithson family shareholders with no one owning more than 10%. Based on over 4,000 acres including a scenic river delta in Washington State, their products include timber, farming, and oysters. After more than 90 years as a corporation, the firm is a small business with about 30 employees including three family managers. The Smithson family business is in its fifth generation and run by both the fourth and fifth generations. With the timber rotation carefully managed and the oyster farming part of the business taking off, there is great potential. However, attention needs to be paid to governance and especially with the board of directors. The top leadership duo is aging, there is no succession plan, and strategy is muddled.

KEY QUESTIONS

1. How can you help the board consider the looming leadership crisis and engage in succession planning?
2. What should the board be doing to develop leaders and educate current and prospective shareholders?
3. How should the Hood Canal Company address the concerns of shareholders who want to cash out? What if they already have a home on the property?
4. How can you help the board engage in strategic planning for the future? How can you help the board to understand legacy and heritage affects on strategic planning for the company?
5. How can you help the board pay attention to the great potential of the oyster business?

6. What else do you think they need to hear and put on the agenda for the next year? Are there matters that are especially urgent?

DISCUSSION

The Hood Canal Company is well past the stage when they should have addressed leadership transition and succession planning. The board needs to bring these issues out into the open even if senior family members may be unwilling. They need to systematically review the current situation, consider a transition, and identify future leadership. Although rich in natural resources, this is essentially a small firm with modest gross revenues. It is unlikely that an outside leader would be chosen but that is a possibility. How can members of this inner-focused family learn more about leading and building the business? Perhaps external mentors can be matched up with potential leaders. Are policies needed regarding education requirements and external work experience? Should the dividends be lowered for a period in order to invest in the future? This paid off successfully for the new retail store. It is unlikely that there would be enough in saved dividends to buy back shares from family members who want out. Does the firm go into debt that is shared among shareholders for increased ownership? Perhaps sell land? Harvest more timber? Is it worthwhile for one person to seek a larger ownership stake? How will they plan for perhaps more dispersed ownership in the next generation? How can they learn what they need to successfully engage in strategic planning?

There needs to be a planned discussion on the legacy and heritage versus business growth issue. These are not mutually exclusive. Where are the Smithsons in the continuum of business owning family to family owned business?

DISCUSSION LEADERSHIP PEDAGOGY

The instructor leading a classroom discussion may choose to divide the class into groups by question and then report out to the whole. The goal of the case is to help students explore counsel to a small family business to help them move forward. There are opportunities for discussion on steps in strategic planning. It is messy and there are no right answers. In multi-generation family firms, it is very common for the concepts of legacy and heritage to greatly influence business decisions. Helping students to see the pros and cons of this can move a discussion beyond pure business decisions to the complexity of family dynamics intersecting with the business.

Evaluating the “Few Alternatives” Dimension of Continuance Commitment: A Comment on Johnson, Chang, and Yang (2010)

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Researchers such as Klein et al. (2009) have recently argued that the organizational commitment literature is characterized by construct proliferation that has resulted in “confusion and ambiguity” about its nature and consequences. This research note addresses one such case—that of the “few alternatives” dimension of continuance commitment as described recently by Johnson, Chang, and Yang (2010). It is argued that this construct is not a form of organizational commitment and should not be treated as such by scholars seeking to understand the causes of continuance commitment and its impact on ethical, leadership, and citizenship outcomes of importance to work organizations.

INTRODUCTION

Organizational commitment is regarded by many researchers in the field of organizational behavior as a key to understanding employee behavior in areas such as leadership (e.g., Avolio, Zho, Koh, and Bhatia, 2004) and ethics (Ponnu & Tennakoon, 2009) and indeed it is regarded as such in other business areas such as marketing as well (cf. Hunt, Wood, & Chonko, 1989). Research studies have provided strong evidence that highly committed employees are more amenable to transformational leadership efforts on the part of management, and are more willing to put forth effort to help an organization successfully change its strategic course (Jaros, 2010). Furthermore, highly committed employees tend to behave more ethically (as defined by compliance with corporate codes of ethics, Valentine & Barnett, 2003) as well and are more willing to participate in ethical practices and/or corporate social responsibility efforts (cf. Collier & Esteban, 2007; Oz, 2001). Thus, understanding how employees become committed to their organization, and the nature of that commitment, are important issues for scholars interested in understanding leadership and ethics processes in organizations.

Of particular concern is an employee’s level of *continuance* commitment to the organization, since this form of commitment is based on social and economic costs that would have to be incurred should the commitment be broken (Allen & Meyer, 1990), which raises issues related to how organizations can “tie” employees to the organization by raising the costs of breaking their commitment, and the leadership and ethical implications of doing so (cf. Ahmadi, 2011; Tsai & Huang, 2008; Jaros, 2010). Addressing these issues requires that the field of organizational behavior have a correct understanding of how continuance commitment develops and what it is, but this has not yet been fully achieved. Thus, the purpose of this paper is to clarify the nature of continuance commitment so as to assist scholars who are interested in understanding commitment and giving advice to practicing leaders interested in implementing change initiatives and fostering ethical conduct among employees.

CONTROVERSY OVER THE NATURE OF CONTINUANCE COMMITMENT

Recently, Johnson, Chang, and Yang (2010) highlighted the controversy over the nature of continuance commitment and attempted to address it. In their generally insightful article explaining how different motivational bases underlie commitment to organizational foci, Johnson, Chang, and Yang (2010) note that the dimensionality of the continuance form of organizational commitment has been debated in the literature (cf. McGee & Ford, 1987; Meyer, Allen & Gellatly, 1990; Jaros, 1997; Ko, Price, & Mueller, 1997; Powell & Meyer, 2004), and one of their stated purposes is to resolve this debate. Based on their evaluation of empirical research, and theoretical analysis of core motivations, regulatory focus and self-identity, they conclude that a two-dimensional formulation of continuance commitment (CC) is justified: “We subscribe to the view that CC is multidimensional, and the model we present supports this stance.” (p.229). They posit that one CC dimension reflects commitment that develops on the basis of investments that would have to be sacrificed, the other on a perceived lack of alternatives to maintaining the commitment to the organization (or supervisor, workgroup, or other target). Johnson et al. call this latter construct the “few alternatives” dimension of continuance commitment. The assertion that this few-alternatives construct is in fact reflective of continuance commitment and should be regarded as a dimension of it stands in contrast to researchers such as Jaros (2009), who argues that the few-alternatives construct does not actually reflect any commitment content, and thus should not be considered a form or dimension of commitment, continuance or otherwise.

This research note proposes that Johnson et al.’s (2010) perspective is incorrect, that what they call the few-alternatives form of CC is not actually a manifestation of commitment to the organization. Instead, it likely reflects an employee’s perceptions of the external labor market, their beliefs about their employability with other firms should they choose to quit their current job. Thus, it is recommended that the “few alternatives” construct be deleted from the Allen and Meyer (1990) three-component model of organizational commitment in future research. Allen and Meyer (1990) propose a three-dimensional model of organizational commitment comprised of affective commitment (commitment characterized by an emotional bond with the organization), normative commitment (commitment based on thoughts or feelings of obligation to the organization) and continuance commitment (commitment based on the costs that would have to be incurred in order to leave the organization). This model has evolved into the dominant paradigm in the organizational commitment literature (cf. Jaros, 2009).

Furthermore, it is recommended that practicing managers and leaders do not heed Johnson et al.’s recommendation, which implies that since a lack of perceived employment alternatives is a key component of continuance commitment (i.e., an employee who sees their labor market value decline experiences higher continuance commitment to their current organization), organizations should seek to enact policies that reduce the employee’s sense of their value in the labor market. In contrast, we argue that such an approach is conceptually incorrect because a lack of perceived employment alternatives is not actually an aspect of an employee’s continuance commitment, and furthermore that fostering such a belief in the mind of the employee will actually lead to other negative attitudes on the part of the employee that will make leadership, such as enacting organizational change initiatives, more difficult, and will also increase the chances that employees will behave unethically. The balance of the paper explains the rationale for this conclusion, and concludes with implications for future research based on the Allen and Meyer paradigm and for organizational practice.

EVIDENCE AGAINST “FEW ALTERNATIVES” AS A DIMENSION OF CC

One reason to object to Johnson et al.’s (2010) conclusion is that evidence against it, both theoretical and empirical, has been overwhelming, so much so that the original adherents of the belief that “few alternatives” is an aspect of continuance commitment have changed their minds about this. Controversy over the dimensionality of continuance commitment first emerged with a study conducted by McGee and Ford (1987), who factor-analyzed the continuance commitment scale (CCS) developed by Meyer and Allen (1984), and found that the CCS consisted of two factors, corresponding to sacrificed investments

and lack of perceived employment alternatives. McGee and Ford suggested that while the sacrificed investments component was consistent with the “side-bet” theory of continuance commitment as formulated by Becker (1960), the theoretical foundation for continuance commitment, the perceived alternatives component was not and thus measured something other than continuance commitment. Meyer, Allen, and Gellatly (1990) empirically confirmed the bi-dimensional structure of the CCS, but argued that the perceived alternatives component was in fact consistent with Becker’s (1960) theory, and thus continuance commitment should be regarded as a bi-dimensional construct. Meyer et al. argued that there is a difference between an employee’s perceptions of available employment alternatives (which is not a form of organizational commitment), and commitment which develops as a result (which they argued is what the “few alternatives” dimension of continuance commitment actually reflects). During the 1990s, a genuine debate played out, as the Meyer et al. view was supported (e.g., Dunham, Grube, & Castaneda, 1994) and challenged by those who supported the McGee and Ford position (e.g., Brown, 1996; Jaros, 1997; Ko et al., 1997).

However, in the past decade, this debate has largely ended, primarily because Meyer and colleagues, developers of the CCS and primary defenders of the notion that “few alternatives” is a dimension of continuance commitment, have come around to the view that only sacrificed-investments dimension of the CCS properly reflects the theoretical nature of continuance commitment while the perceived alternatives dimension does not. Allen and Meyer (2000) suggested that perhaps the critics were correct in that the high-sacrifices dimension might better reflect the theoretical notion of continuance commitment than the perceived alternatives dimension. Then, Meyer et al. (2002) reported meta-analytic findings that the sacrificed-investments subscale was a significant and negative predictor of turnover-related variables ($p = -.21$) but the perceived-alternatives subscale was not ($p = -.01$). Since the concept of continuance commitment implies a significant tendency to remain a member of the organization, Meyer et al. concluded that “In light of these findings, it appears that the CC:HiSac subscale is a better operational definition of Becker’s (1960) “side bet” view of commitment than is the CC:LoAlt subscale.” (p.41), and called on researchers to revise the CCS so as to include more sacrifices-related items and delete few-alternatives items. This call was heeded by Powell and Meyer (2004), who developed a revised CCS reflecting only sacrifice-related items, jettisoning the perceived alternatives items from the scale. Reflecting on Meyer et al.’s (2002) findings, and their own findings, Powell and Meyer concluded that:

“In light of this evidence, and Meyer and Allen’s reflections on the CCS subscales, we recommend that the six-item measure of high-sacrifice continuance commitment be used in subsequent research concerning the three-component model...” (Powell & Meyer, 2004: 171).

Thus, since on the basis of compelling theoretical reflection and empirical evidence, the original developers of the modern concept of “continuance commitment” and the CCS scale, and the champions of the notion that the perceived alternatives subscale of the CCS reflects continuance commitment have essentially conceded the argument that they waged during the 1990s, the debate has, in recent years, essentially ended (Jaros, 2009), and thus is not a live controversy requiring closure, one of the stated purposes of Johnson et al.’s paper.

HAS THE ARGUMENT BEEN MISTAKENLY CONCEDED?

Of course it might be the case that Meyer and colleagues mistakenly conceded the argument, that the perceived-alternatives construct really does reflect Becker’s (1960) “side bet” concept of commitment, and that Johnson et al. (2010) are correcting their mistake. But, even a generous reading of Becker’s theory offers much less conceptual space for a perceived alternatives dimension than Johnson et al. credit it with, at least not to the extent of allowing it to constitute one of two “sub-dimensions” of continuance commitment. Becker (1960) discusses four major categories of economic and social investments that may lead to the development of commitment: generalized cultural expectations (e.g., norms such as the

“Protestant work ethic”), bureaucratic arrangements (e.g., pension fund accrual), face-to-face interaction (e.g., avoidance of inconsistent behavior so as to maintain a desired image among peers), and individual adjustment to social position (e.g., an employee develops firm-specific skills). Of these, only the last one could plausibly encompass perceived employment alternatives as a basis for commitment, and this is in fact the theoretical claim made by Meyer, Allen, and Gellatly (1990: 717) in justifying its inclusion within the side-bet view:

‘As employees adjust to their roles in an organization, they may gradually change their perceptions of what is an acceptable alternative. In some cases, this redefinition could result in a much smaller set of alternatives. As the number of alternatives judged acceptable decreases, the potential for loss increases. This, then, justifies the inclusion of items assessing perceived alternatives in a measure of continuance (side-bet) commitment.’

This reasoning is somewhat sound in the sense that it comports with Becker’s explanation of the “individual adjustments” category of side-bets. The error is a proportional one: First, as Meyer et al. (1990) acknowledge, an employee’s adjustment to their work situation may just as readily enhance their value to other firms (by demonstrating their ability to handle a wide variety of job duties over an extended period of time), as cause them to be less valuable to other firms (and thus perceive fewer external employment alternatives). Second, while Becker considered this category to be just one of four, and possibly more categories of side-bets (he noted that these four categories may not be exhaustive), and one that wasn’t conceptually or practically any more important than the others, in developing their concept of continuance commitment and the CCS, Meyer and Allen (1984) elevated, without justification, the “lack of perceived alternatives” aspect to account for fully half of the conceptual “space” captured by the CCS. Meyer and Allen (1984: 375) describe the CCS thusly:

“This 8-item measure, also developed by the authors, assesses the extent to which employees feel committed to their organizations by virtue of the costs that they feel are associated with leaving (e.g., investments and/or lack of attractive alternatives). As such, the CCS is considered a measure of organizational commitment of the sort Becker describes.”

Thus, as empirically determined by Meyer, Allen, and Gellatly (1990), Meyer and Allen (1984) ended up writing 4 items to capture “lack of alternatives” and 4 items to capture all the other possible categories of investments, the three other major categories specifically identified by Becker (1960) plus any other as-yet unknown categories. This measurement strategy clearly places far too much emphasis on what Becker (1960) considered to be, at best, one of four possible categories of investments and side-bets, and as noted above, the concept of “lack of employment alternatives” is just one possible manifestation of this particular side-bet category. It was this measurement-development error that was revealed by McGee and Ford’s (1987) factor-analytic study. Had Meyer and Allen (1984) chosen to over-emphasize the “generalized cultural expectations” side-bet category, and wrote four of eight items to reflect it instead of “perceived alternatives”, *McGee and Ford (1987) would have probably found a “generalized cultural expectations” factor* and a debate would have begun over whether continuance commitment was bi-dimensional, with one of the dimensions reflecting this factor and not “perceived alternatives”. Thus, rather than being a true theoretically-derived “dimension” of continuance commitment, the perceived-alternatives subscale is a statistical artifact of faulty scale construction.

CONCEPT EVOLUTION?

One possible objection to this critique is that it treats Becker’s (1960) work as a kind of ‘holy writ’, not subject to later modification as additional evidence arose. Leaving aside the fact that Meyer and Allen

(1984) explicitly stated that they constructed the CCS to reflect Becker's original theory, perhaps in the 24 years between Becker (1960) and Meyer and Allen (1984), researchers testing Becker's theory determined that the "few alternatives" category merited more emphasis than Becker originally believed as a basis for continuance commitment, and Meyer and Allen (1984)'s approach fairly reflected that theoretical evolution. But if so, it's not readily apparent in the published literature. Tracing the evolution of cost/investments based commitment from Becker forward to Meyer and Allen (1984), through research by Kanter (1968), Hrebiniak and Alutto (1972), and Farrell and Rusbult's work (Farrell & Rusbult, 1981; Rusbult & Farrell, 1983) one searches in vain for any such change of emphasis. Kanter and Hrebiniak/Alutto do not mention perceived alternatives, whereas Rusbult and Farrell's work treats perceived alternatives as one of four categories of binding factors, with costs, rewards, and investments.

Importantly, Rusbult and Farrell consider these factors to be *causes* of commitment, antecedents, not dimensions or aspects of it such that they should be included in the item-wording of a cost-based commitment scale. Thus, there is no apparent theoretical rationale, either in Becker or in later developments of his theory, for the emphasis Meyer and Allen (1984) placed on perceived alternatives in constructing the CCS, and as noted earlier, later on these same pioneering authors (Allen & Meyer, 2000) came around to this point of view and no longer regard perceived alternatives as a separate dimension of continuance commitment.

CONTINUANCE COMMITMENT AND CONCEPT REDUNDANCY

Lastly, any attempt to argue for a perceived-alternatives based dimension of continuance commitment raises an issue of construct redundancy in organizational research. In this case, there already is a well-established "perceived alternatives" construct, one that is not defined as a form or dimension of commitment, in the organizational behavior literature (cf. Bar-Haim, 2007; and see Griffeth, Hom & Gaettner, 2000 for meta-analytic findings of perceived alternatives in models of employee turnover). This construct has a long pedigree, stretching back to March and Simon (1958), and is defined as the employee's perceptions of available employment alternatives. It's not clear how the alleged "few alternatives" continuance commitment subdimension construct tapped by the Meyer and Allen (1984) CCS differs from the construct tapped by other measures of "perceived alternatives" characterized as being a separate construct from commitment. As Brown (1996) compellingly argues, "First and foremost, this (few alternatives CCS factor) should be interpreted for what the questions ask: an assessment of the availability of alternative jobs. A perception of a lack of alternative work may bind someone to a job—a situation with which they may or may not be happy—but this is different from commitment and may be perceived to exist the very day a person joins an organization" (p.244). Since the wording of the 4 "few alternatives" CCS items seemingly captures an employee's perceptions of the labor market absent any commitment content, it's difficult to see how Meyer et al.'s (1990) distinction between perceived employment alternatives and perceived alternatives as a dimension of commitment can be sustained. Furthermore, empirical research has determined that this established non-commitment perceived employment alternatives is not a dimension of continuance commitment (cf. Powell & Meyer, 2004), again suggesting that the redundant "few alternatives" dimension of the CCS is not an aspect of continuance commitment.

In justifying their advocacy of a multi-dimensional approach to continuance commitment, Johnson et al. (2010) cite empirical support for the model, noting that when subjected to empirical tests, the CCS usually reveals two subdimensions with item wording that reflects perceived sacrifices and perceived alternatives, and that these subdimensions have different relations with other constructs, such as affective commitment and withdrawal cognitions. For example, Vandenberghe, Panaccio, and Ben Ayed (2010) recently found that the "few alternatives" sub-dimension of continuance commitment has a positive impact on turnover behavior for employees who are high in negative affectivity, whereas the "high sacrifices" sub-dimension has a negative impact on turnover behavior for employees high in negative affectivity. They also argue that they have different motivational bases, at least with respect to regulatory foci. However, the empirical findings only indicate that the perceived sacrifices and perceived alternatives

subscales measure somewhat different constructs, they do not necessarily mean that the perceived alternatives subscale measures a form or dimension of employee commitment, continuance or otherwise.

For example, if four job satisfaction items were included in a scale with four side-bet commitment items, no doubt a factor analysis would reveal two different subscales, and because side-bet commitment and job satisfaction are different constructs, they would relate differently to some antecedents and outcomes. And they would likely have different motivational bases as well. But that wouldn't mean that job satisfaction is a "dimension" of organizational commitment, which would be determined based on conceptual congruence between the scale items and the definition of "job satisfaction" as opposed to "organizational commitment". In this regard, Vandenberghe et al.'s (2010) recent findings are instructive, since all existing definitions of "commitment" propose that highly committed employees will be less, not more, likely to leave their organization. Thus, the finding of a positive relationship between the "few alternatives" sub-dimension and turnover behavior is actually evidence that this few-alternatives construct is not tapping a form of work commitment.

CONCLUSION

By identifying the differing motivational bases of several forms of commitment, Johnson, Chang, and Yang (2010) provide a valuable contribution to researchers in this area. However, based on the forgoing discussion, it seems advisable that their work as it pertains to the dimensionality of continuance commitment be revised in favor of a three-component model of commitment that treats perceived alternatives as one of many possible causes/bases of continuance commitment and not as a distinct dimension. As indicated above, the evidence against the Johnson et al. position seems compelling: Including "few alternatives" as a dimension of CC is counter to the theoretical underpinnings of the concept and the existing meta-analytic and other empirical evidence strongly suggests that it is not a form of continuance commitment. Doing so will also help address the problem of construct proliferation identified by Klein et al. (2009), who have argued that the organizational commitment literature is characterized by construct proliferation of a kind which has resulted in "confusion and ambiguity" surrounding the terminology, nature, and function of commitment. As a result, progress in identifying the causes and consequences of commitment has been hampered. Thus, they argue that one of the foci of commitment research should be to reduce or eliminate construct proliferation, by being careful about the introduction of new commitment constructs, and by analyzing the validity of existing commitment constructs and eliminating those that do not pass empirical or conceptual scrutiny as dimensions of commitment (as has been argued here), or are otherwise redundant with other established non-commitment constructs, thus paving the way for advances in understanding the nature, causes, and consequences of employee commitment to the organization.

And from an applied perspective, this clarification will help practicing leaders who want to foster high levels of continuance commitment among employees have clearer guidance as to how to do so. Rather than taking steps to limit the employment alternatives that employees have, leader focus should be on developing the categories of side bets actually posited by Becker (1960), including positive financial and social conditions at work (such as adequate pay and benefits, the opportunity to work in teams as opposed to as isolated individuals) so that the ties that bind the employee to the organization are viewed as positive by the employee. Work motivation theory (cf. Deci & Ryan, 1985; Higgins, 1998; Meyer, Becker, & Vandenberghe, 2004) suggests that autonomy is a fundamental human value. We are more motivated to put forth effort to achieve goals and objectives, such as ethical behavior or organizational change initiatives, when the source of our motivation is intrinsic and/or positive to us, represent our hopes and aspirations, as opposed to when we feel trapped or compelled by circumstances to do so, as is likely the case when we perceive a lack of employment alternatives to our present position. Thus, employees who feel "bound" to their organization because of positive factors such as fair pension plans and other benefits, satisfying relationships with supervisors, customers, and coworkers, and training opportunities should be willing to engage in ethical conduct, accept leadership initiatives, and engage in citizenship behaviors. In contrast, a perceived lack of employment alternatives tends to foster a negative sense of

being “trapped” in the organization, which has been shown to have a negative effect on employee willingness to implement organizational change initiatives (Jaros, 2010) and could make it more likely that employees will engage in ethical violations and other forms of misconduct on the job as well.

Since this paper has shown that having few employment alternatives is not a prerequisite for experiencing high levels of continuance commitment, leaders have little need to take actions that diminish their employees sense that of their value on the job market in order to foster a high degree of continuance commitment to the organization, which is fortunate for both the leader and the organization.

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Integrated Model of Group Development through Research and Practice

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The purpose of the paper is to understand the group dynamics of a group, interpret the experience using relevant literature on group dynamics and formulate a model based on the observations. Group development has been studied using various interventions and in variety of contexts. The current paper utilizes a storytelling format to describe the observations of an unstructured group in a classroom setting. The paper then proposes a new model of group development that is a combination of the various traditional models but provides a unique perspective on some aspects of group dynamics. The paper also provides limitations of the study and gives directions for future research.

INTRODUCTION

Group dynamics involves the interaction among various components of a group like members, leader, processes, boundaries, structure, norms, values etc. In order to understand group dynamics it is important to understand these individual components within a group. Group dynamics has been studied in various settings like laboratory, therapy, and training. Research has also developed group development models like linear, spiral, polarity, punctuated equilibrium model, etc. based on the analysis of these group dynamics. Similarly, the current paper will investigate the developmental processes in a small unstructured group. The paper will borrow Goffman's perspective of theatrical performance to describe the group dynamics of the group observed. The paper will then try to understand the observations using group dynamics literature. Based on the analysis, the paper will also derive a model of group development.

The Story

It was the day of the big event. Everyone was ready for the event to begin. The stage was set. Everyone took their respective positions, the curtain was drawn, and the play began. This was the first experience for all of them to be on the stage, unprepared.

The scene was that, a group of fifteen people were sitting face-to-face self-reflecting and observing group behavior in an unstructured environment. They were confined to the place for three hours until the interval after which they had to play their parts again for three more hours. Everyone was worried about their performance but still they wanted to give their best. They knew that the performance could be a catastrophe and yet they hoped for a magical wand to turn the performance into a perfect performance.

Anxiety was at the peak when everyone gathered and took their respective position. Everyone exchanged brief pleasantries and greetings and the performance began. The leader of the group (an authority figure) led the group to start their conversations. Taking the cue from the leader the members began their conversations. It was a smooth transmission and reception of information among group

members at the beginning. Everyone put up a front of being smart, well read and belonging to the group. A front is that part of individual's performance which regularly functions in a general and fixed fashion to define the situation for those who observe the performance (Goffman, 1959). Though there were slips, and occasional mistakes initially; they were well covered up and put aside. The overall performance was good. Members did have a challenge of presenting their true self and presenting a self that they wanted the audience to see, however this transition also went smoothly.

After the initial fear and anxiety members became more comfortable with the situation. They thought they could easily put up this front for three hours and even gain some mastery in the task. However, this comfort was short lived as some members gained confidence and even over confidence. Some bold members in the group initiated the conversation and challenged the performance of other group members. They prompted them with questions that were difficult to answer and sometimes even difficult to understand. The immediate reaction to this was to look at the authority figure who had not spoken a word after the initial conversation. The quiet demeanor of the figure did not change and he remained silent in his position.

There was a pause and a silence for five seconds. It was a disturbing moment for the group members. They had so much relied on the authority figure to be the savior and help them from these bold members in the group but they were helpless. The silence made them even more uncomfortable. Finally, a member changed the topic and brought up a new conversation starter. Oh! What a relief! You could almost hear the members heaving a sigh of relief. Members enthusiastically started participating in the conversations but they still had a feeling of dejection and disappointment for the leader for not answering the question. Some even tried to show the leader that they did not want his authority and that they were not dependent on him for anything. They had already gained mastery in the performance and even started enjoying each other's company. They really did not need the leader. The leader was thus ignored. The three hours passed and the interval was used by members to get out of the performance, reflect on what they said and what they should say thereafter.

After the interval the group members again resumed with the discussion. They were well prepared now and knew what to expect. The leader again initiated the discussion but this time members were not dependent on his instructions. Members had built trust in each other. Again the front was well displayed. Previously members were more cautious on broaching a subject but now they were comfortable with each other. They even revealed their true self at times. The performance continued. Members brought up topics after topics, shared their experience, provided advice. Everything was going smoothly until, she asked that question.

The question was a dramatic turn in the performance. The façade that the group members were portraying for such a long time was shattered. Members were bewildered and confused. Why did she ask this question? The fear of uncertainty again enveloped the members. A group member had asked a question that was related to a very sensitive topic, almost a taboo to be discussed in a social setting. There was a brief pause after the question. But this time members responded quickly to the situation. They knew from the past experience it was not worth depending on the leader and it was better to reason out sooner in order to get the members out of the discomfort posed by the question. Members did their best to provide answer to the question. The group member who had posed the question also felt guilty and apologized for bringing it up but felt it was necessary for her to do so. The members comforted her and interestingly the leader who was quiet for all this time also provided an answer to the question. Due to this reaction from the leader he was more accepted by the group members and was considered as one of them. The group members continued with their discussions. Now the members started developing a bond among them. They were more comfortable with each other. The compulsion that they had before of answering the question was no longer felt. They also readily accepted the pauses rather than thinking of them as intrusions and instead took their time to introspect and self-reflect during these pauses. Gradually the conversations became scarcer and scarcer. Members felt the exhaustion of a long working day. They were satisfied with their performance and the day concluded.

This story describes three concepts of group dynamics:

1. Self identity in a group
2. Behavior towards a leader
3. Salient behavior in the group

The emphasis will be on understanding these concepts in the light of the literature of group dynamics.

LITERATURE REVIEW

As defined by Schein (1988), a group consists of two or more interacting persons who are psychologically aware, share a common fate and are face to face. Group is also defined as consisting of “two or more interacting persons who share common goals, have a stable relationship are somehow interdependent and perceive that they are in fact part of a group” (Paulus, 1989, p.143.). These definitions of group state that, to form a group, members have to feel that they are a part of the group and this feeling needs to be mutual. Even if one member feels he is a part of the group and if there is no reciprocal reaction, then individual members will be only physically present together face- to-face, but working psychologically independently. One way of building this mutual trust is being aware of how one feels about the group and how others react to one’s self. However to understand other’s reactions one needs to be aware of one’s self.

At the beginning of any group development, members are in an ambivalent state (Bion, 1961; Tuckman, 1965; Fisher, 1970; Wheelan, 1990) Members have conflicting thoughts like do I belong to the group? Will the group accept me? Will my experience in the group be fruitful? Will I like the members of the group? The more a person tries to resolve this conflict the more he becomes anxious and stressed. The immediate reaction to any stress or anxious situation is fight or flight (Berkowitz, 1987). Thus we noticed in the unstructured group that, the anxious feeling of being in the group resulted in members either being actively involved in a situation or a withdrawal from social interaction. The withdrawal reaction results in more self evaluation and understanding of how the conflict can be resolved. However sometimes members like to test the waters before they get involved in the group. If the reaction that they receive from the group confirms to their identity then they feel wanted and a sense of belonging to the group is developed. On the contrary, if they receive a negative response then they will hide back in their cocoons. (Shutz, 1958; Bion, 1961; Schutz & Allen, 1966)

Moreover as observed in the group, members who are aggressive at the beginning of the group and readily participate. They do so because they want to hide their anxiety and preserve their identity. This can be supported by Smith & Berg’s (1997) paradox of courage that only when an individual is uncertain can one’s actions be courageous. Members are courageous because our society accepts, encourages and rewards people who are courageous. Therefore this is also an attempt to belong to the group in an acceptable way. They also feel that showing anxiety is in a way is showing their weakness which could threaten their individuality and in turn their belongingness to the group.

Although researchers have stated that preserving individuality vs. being accepted in the group is a paradox, in reality these two concepts are in a causal relationship. Only when a person starts respecting oneself or preserving self identity, the group members readily accept him in the group. However is this acceptance of the true self of the individual or the self which the member wants to portray is debatable. Goffman (1959) proposes that a member portrays himself only in ways which is accepted by others or from which he will get a desired response. Similarly, developmental psychology theories argue that initially a child has no sense of self. The child observes others’ reaction to his own behavior and develops clues about himself as a person. Questions like; who do others perceive me to be and who I must become to gain membership in this group are attempted to resolve. And this results in ‘As I have become what he perceives me to be so must he become who I perceive him to be (Srivastva, S., Obert, S.L. & Neilsen, E.H, 1977). Or as Goffman (1959) states that society is organized on principle that individual who possesses certain social characteristics has a moral right to expect that others will value & treat him in an

appropriate way. Thus there is a wide interplay of questions and answers that individuals go through while making an attempt to belong to the group.

The initial state of anxiety between self identity and group involvement is also characterized by the next concept which is behavior towards a leader. In the present group, the leader was an authority figure. As we saw at the beginning, the group frequently depended on the leaders supports. A leader provides protection to group members' insecurities and group members use the leader as a scapegoat to project their fears, discomforts, negatives (Gemmill, 1986). However if members continue to project these anxieties on the leader and if the leader is unable to provide a desired response then it again results in fight or flight response which results in the vicious cycle of self identification and group membership. In order for the group to develop; members need to face their ambivalence toward authority that appears in the form of dependence and counter dependence and abandon the need to define the self in relation to authority to achieve a more realistic view of the leaders (Srivastva & Barrett, 1988). As we noticed in the unstructured group; members were dejected in the beginning when the leader did not answer their questions but they overcame their frustration over the leader. They had evaluated their relation to the group and the leader's role in the group. If they had not resolved this conflict then members would have been isolated and the group would not have developed.

Traditionally, leadership is defined as the ability to influence a group toward the achievement of goals (Robbins, 2004). The situational leadership as defined by Hersey & Blanchard is based on the followers' readiness to accept or reject the leader. Without a leader it is assumed that a group cannot achieve what it needs to achieve.

There are certain myths about leaders like (Gemmill, 1986)

1. he is the only one who can give direction, vision, protect member
2. he can have the vision to determine the correct direction
3. he can protect from truth and avoid reality
4. he is omniscient and omnipotent (God-like figure)

This concept of leadership is deeply rooted in everyone. In all organizations, in our daily experiences in groups, we find that there is always a leader and members are expected to follow the leader. Thus if a leader does not behave like a leader the natural reaction is to make him behave like a leader, to expect him to take control and charge. There is a constant fear if the leader does not take charge then the members will fail. Also, as Bennis & Shepherd (1956) have said that if the leader does not help then members do not feel that he is incompetent in fact they secretly feel that the leader is purposely leading them in the direction they should be going by not saying anything. There is also a secret wish that the leader should stop this and take his proper role.

For example, as a child is learning to walk there is a need for someone to hold the child's hand. If the hand is not removed the child will never be able to walk. At the same time the child has a feeling that if the parent does not hold her hand, she will fall. Therefore, even if the parents try to remove their hand the child will continue holding the hand. Likewise, if a leader does not lead and guide the group, the group members become insecure and make the leader lead. Nevertheless, a child gains confidence and realizes that she can walk by herself and so does the group. The group also realizes that they can perform without the leader. This realization makes them more comfortable about the leader's role.

The initial disappointment of the leader results in a revolt against the leader. As we saw that members either rejected the leader completely, or members mocked or ridiculed the leader. Furthermore some members in the group purposely asked questions to the leader to get an answer from him. As Bennis & Shepherd (1956) have said that those with a counter dependent orientation strive to detect in the trainers action elements that would offer group for rebellion and may even paradoxically demand rules and leadership from him because he is failing to provide them (Bennis & Shepherd, 1956).

In Slater's view (Slater, 1966 as cited in Srivastva & Barrett, 1988) the group revolt against authority is an essential phase in the development of the group. The group moves from preoccupation of the leader to preoccupation of personal relations (Bennis & Shepherd, 1956). This transition is due to the fact that the realization that authority is not going to help them so they should look at someone inside the group.

Confrontations with the leader serve to establish inter-member solidarity and openness (Lundgren, 1971; Mills 1964, Slater, 1966 as cited in Wheelan & Mckeage, 1993). Members start looking for similar others. As Srivastva et al. (1977) states, members start to become responsive to others who fall into similar categories of age, gender, occupation, social status or reasons for participating in the group.

According to Bion the basic assumptions again resurface. We can see that members start looking for similar people (pairing). After members get satisfactory responses from each other they no longer feel helpless or isolated and the authority figure is neglected. By this time the group has discovered their identity. The authority figure is treated largely as just another member (Srivastva, et al., 1977) i.e., he should neither take more nor less responsibility for whatever happens in the group than any other member. His task expertise is recognized and his input is valued and accepted when it is appropriate (Srivastva, et al., 1977). It was observed that when there were discussions about issues that were external to the group, not only members but also the leader supported the group norm. As stated by Srivastva et al. (1977), if there are difficulties in relation to organization environment, the group engages in power struggle with other groups to secure the identity. The authority figure acts on behalf of the group in these confrontations for the issue involves status and prestige of his group in the organization. Thus we see a gradual change of dependency on leader to a sense of belongingness to the group. The third factor that is important in understanding group behavior is the turning point that occurred in the group discussion.

A turning point came when a member of the group asked the question which was not socially acceptable. This was the most salient behavior in group. Why did the member ask the question? What instigated her to ask the question? Was it her true self? What would have happened if she had asked the question in another phase of the group development?

As Goffman (1959) has stated unmeant gestures, or intrusion are sources of embarrassment which are typically unintended by the person who is responsible for making them and which would be avoided were the individual to know in advance the consequences of his activity. These are called as scenes. The previous and expected interplay between the teams is suddenly forced aside and a new drama forcibly takes its place.

First, this behavior by a group member could be because she wanted to be included more in the group. Therefore a member could revolt against the group norm by asking questions to attract attention (Gibbard, G., Hartman J., Mann, R. 1974).

Second, another explanation for the group member's behavior is that she had realized that everyone had the question in mind but were afraid to bring it up and so she thought that in order to resolve this underlying conflict she had to bring it up and get it over with. This can also be supported by Goffman's statement that the individual offers his performance and puts his show for the benefit of other people (Goffman, 1959).

Third, the individual must have wanted to convey some unapparent or obscure feelings that had been bothering her and that she wanted to get solved in the group. Therefore, the individual relies on making it dramatic to grab everyone's attention. Goffman (1959) states that for if the individual's activity is to become significant to others, he must mobilize his activity, so that it will express during the interaction what he wishes to convey. And this is an important point that the performer may be required to do so during a split second in the interaction.

Finally, the member could have experienced the second reality crisis as described by Brower (1989). The member was probably experimenting with her power in the group. The second reality crisis occurs when the leadership or power structure does not meet members' expectation. The strategies that members use to cope with the crisis are dependency, quitting, powerlessness, emotional withdrawal or experimenting with their own power in the group. This crisis usually occurs after the group has been meeting a fair amount of time though within the first half of the total time the members have together. This is the most functional way of dealing with crisis as suggested by Brower. It is important to note that the crisis brings the members of the group closer. Members also become more intimate and disclose personal issues. And this was also apparent in the unstructured group as the belongingness to the group grew stronger among members after the question.

The next part of the paper will look at some of the traditional models of group development and propose a theory based on these models.

Model of Group Development

Research shows that there are four basic types of models: the linear model, the spiral model, the polarity model and the punctuated equilibrium model. The linear model is an orderly succession of phase or stages that follow a predefined sequence (Bouwen & Fry, 1996). For example, Bennis & Shephard have defined three phases of group development. Phase I – dependence and sub phases Dependence – flight, counter dependence – flight, resolution- catharsis, Phase II – interdependence, sub phase enchantment- flight, disenchantment-fight, consensual validation. Similarly, Brower defined group development as three stages: turning to the leader, turning to the self, developing shared schema. The unitary sequence model consisting of forming, storming, norming and performing as proposed by Tuckman is also a linear model. Finally, Schutz defined three phases of group development which are inclusion, control and affection. The group working for a short period of time will go through a) an orientation phase b) an evaluation phase based on the available information and then c) a control phase where the emergence of the decision is central (Bouwen & Fry, 1996).

The second model which is the spiral model is the one proposed by Bion. He regards the basic assumption activities of dependency, fight/flight, pairing as recurring alternatives of work. On similar grounds is the Slater's model which talks about role of revolt in establishment of group cohesion and recurring quality of individual and boundary concerns through the life of the group with the group constantly dealing with efforts to maintain equilibrium (Gibbard et al., 1974).

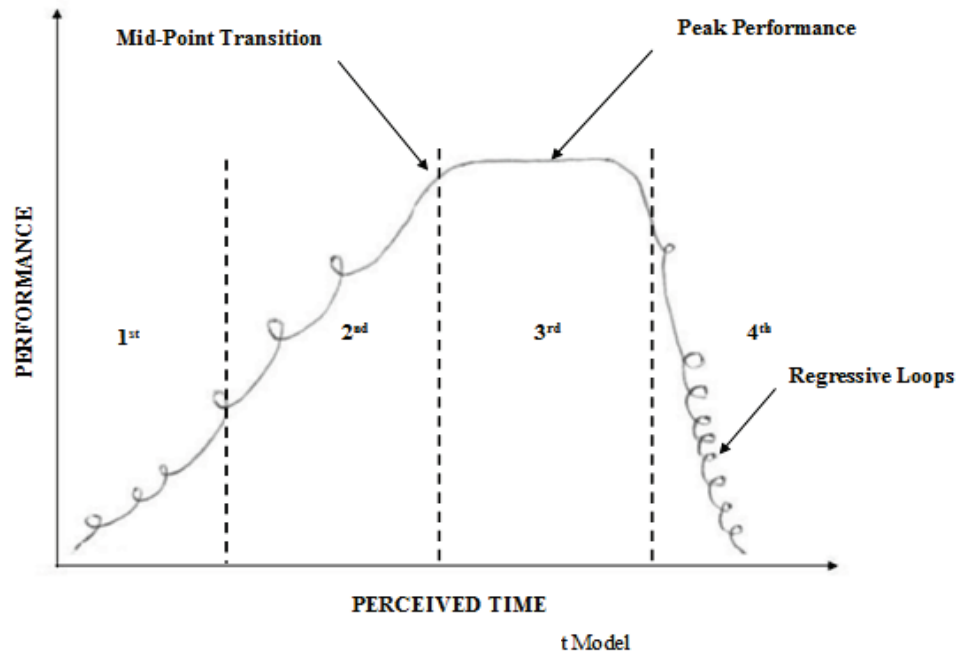
The third type of model which is the polarity model is the one stated by Smith & Berg (1997) about equilibrium forces: individuality vs. sociability or dependency vs. independency etc. or Srivastva et al. (1977) proposed five observable stages of group development: safety v anxiety, similarity v dissimilarity, supports v panic, concern v isolation, interdependence v withdrawal can also be considered as polarity model.

Finally, Gersick (1988) stressed the importance of awareness of time and deadlines that triggers group process and that teams progress in a pattern of punctuated equilibrium.

Although, these models are labeled into four distinct categories many of these models are overlapping. For example, the Schutz model can be considered as linear as well as spiral model. Similarly, based on our group experience it was observed that groups move in a progression at the same time there are recurring phases in the group development. Also there were conflicts like belongingness vs. self identity, as well as spurts of high performance due to awareness of deadline. Thus the current model suggests a combination of all four models in the group development process.

Initially, the group started with high anxiety. Members were constantly struggling with the conflict of individuality vs. group membership. The performance was gradually increasing as groups were trying to resolve the conflict. However, even though the performance was increasing, the group frequently resorted back to the basic assumptions of dependency, pairing, and fight/flight. In the current model this pattern of going back to basic assumption will be called as the regressive loop (see Figure 1). The regressive loops are when group members go back – forth from task performance to basic assumptions, due to which the perceived time as experienced by members to perform a given task decreases i.e. members perceive that they have gone back in time even though in reality the actual time does not go back. Due to this going back in time, performance decreases and the members have to resume their performance from that point where they had left it before going through the regressive loop (1st stage). This regression is due to what Bion has said that the groups provide a temptation to avoid work and individuals in groups are easily swayed into precisely such regressive behavior (Gibbard, et al., 1974).

**FIGURE 1
INTEGRATED GROUP DEVELOPMENT MODEL**



A deeper analysis of why members experience the regressive loops can be done by using Kurt Lewin's force field analysis. Based on Kurt Lewin's force field analysis, behavior is a function of person and environment (Weisbord, 2004). The driving forces like inclusion and intimacy towards the group and the restraining factors like status, racial differences, prejudices, and personality factors of the members reach equilibrium or a status quo line. Lewin proposed that the only way to reduce conflict is reducing the restraining forces. Thus many team theories propose that the initial selection of its members is a critical factor in the development of a high-performance team.

Teams must have complementary skills to do their job. Skills like problems solving, technical and interpersonal are said to be important while choosing members in the group (Katzenbach & Smith, 2003). Also Brower (1989) points out that the importance of selecting appropriate mix of members for the group's purposes becomes very crucial from a shared schema perspective. A schema is a cognitive representation that helps to encode, store and retrieve information of the world (Baron, et. al. 2001). When members perceive an event in the same way they are able to work in unison however if they do not see it as same then there are conflicts. The more the members experience conflict the more they regress and performance decreases.

The regressive loops were experienced along the way in group development. However it was observed that as soon as the group came back from the regressive stage there was a sudden increase in performance. This was probably to make up for the time lost due to being in a regressive state. The regressive loops became fewer and fewer as the group approached the maximum performance (2nd stage). The performance was the highest at the point which is half way or the midpoint transition as stated by Gersick (1988). Since the present group had a limited time frame; the midpoint transition was distinctly observed in the group. The midpoint transition is awareness of the end or the deadline which results in high performance. Moreover the peak performance was not really a peak but a plateau. The performance was stable for a period of time wherein members did not regress to basic assumptions (3rd stage). At the same time, there was a high sense of belonging to the group. A strong feeling of inclusion and acceptance of self and group was observed during this stage. All anxieties regarding the leader were resolved during this stage and the leader was more accepted by the group and was considered as a group member.

After this heightened performance there was a sudden drop in performance which could be a result of exhaustion, lack of resources, and completion of the goal (4th stage). Members again went back to loops to check and recheck their performance and to reconfirm their acceptance in the group. Some of the conflicts resurfaced and members even showed aggression towards other members, a lack of interest or departure from group participation. The leader was also sometimes ridiculed.

This reappearance of regressive loops was an interesting phenomenon that was observed in the unstructured group. It should be noted that the purpose of this regressive state was different from that of the regressive state that occurred at the beginning. In the beginning, the regression was more due to not knowing the group members or of not being included in the group. The conflict between self identity and belongingness was the cause of the regressive loop. The second regression was more due to over inclusion or intimacy with the group. As members knew each other they were more comfortable with conflicts. These conflicts were constructive for the group development as members understood the underlying reasons behind group member's behaviors.

We often find theories stating that conflict is healthy to group development. From this observation, we can conclude that conflict is constructive only when the group has overcome the basic assumptions and the group members regard themselves as a group. At this point it was observed that, even though performance was low as members had mostly accomplished their goal the group inclusion was not a concern. The regressive loops were frequent in this final stage of group development, but the conflicts were resolved effectively.

Thus, for a healthy group development it is important to understand the nature and timing of conflicts in the groups. A leader can play a pivotal role in the managing the conflicts in the group. At the beginning stages of group development, the leader should provide minimal opportunities for conflicts among group members. The leaders should instead focus on enhancing the understanding among group members and increasing the feelings of inclusion and belongingness in the group. As the group progresses and defines the roles, norms and tasks, the leader can permit conflicts among the group. The understanding that the group has developed in the initial stages results in better conflict resolution at later stages and a healthy dialogue among the group members. If the leader allows conflicts at the initial stages; the group might never progress in the performance. On the contrary, if the leader does not allow conflicts to resurface the group development can be stifled and the group may never achieve the optimal performance.

CONCLUSION

Even though it was found that most of the time group development process confirms to the basic linear, spiral, polarity models, there were some distinct characteristics like perceived time loss, reoccurrence of regressive loops and constructive conflict that was observed in the current group development process. However, the observation was based only on an isolated group which was not operating in a real organizational context and therefore the current findings need to be generalized by caution.

Another limitation of the theory is that the observation was from a single person's perspective which could be biased. Hence, research needs to be done on groups occurring in different context with multi-observers. Since group dynamics does not occur in vacuum, environmental factors that mediate or moderate group dynamics must be studied. Finally, another area of research could be selecting members on certain personality and environmental factors and then observing regressive loops and performance in the group.

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Stakeholders, Strategic Planning and Critical Success Factors in Professional Accounting Organizations

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In this study, we explore the role of formalized strategic planning in the accounting profession in Canada. We ask the question is there a process of examining the most important strategic objectives facing a professional accounting organization. Specifically, we examine what factors impact the strategic planning process of the accounting profession. Using a comprehensive case study, developed in conjunction with one of the provincial accounting organizations in Canada over a ten month period, we examine those factors that are critical to the strategic performance of the accounting profession using a participatory approach.

INTRODUCTION

The competitive environment for accounting is rapidly changing as evidenced by the proliferation of designations, as well as technological and demographic challenges facing the profession. As the status quo shifts, professional accounting organizations are being challenged. Their strategies, goals and objectives are being questioned (Greenwood, et.al., 2002, Suddaby, et.al., 2009). How to address challenges in identifying, analyzing and managing goals and objectives as part of strategic planning becomes an important question for research on professional accounting organizations and those involved in the profession.

In this study, we explore the role of formalized strategic planning in the accounting profession in Canada. We ask the question is there a process of examining the most important strategic objectives facing a professional accounting organization. Specifically, we examine what factors impact the strategic planning process of the accounting profession. Borrowing from the Information Technology literature, we explore the use of Critical Success Factors as a process of determining and prioritizing strategic objectives in the planning process (Finney and Corbett, 2007). Using a comprehensive case study, developed in conjunction with one of the provincial accounting organizations in Canada over a ten month period, we examine those factors that are critical to the strategic performance of the accounting profession using a participatory approach.

Change is significant in the accounting profession. From an external institutional pressure perspective, the move to international standards has set the stage for harmonization of the accounting profession globally, which translates into a reduction of national borders. Recognizing that their competitive landscape has fundamentally changed, many international accounting professional

associations have chosen to act rather than risk being acted upon. Bodies with international aspirations including the Institute of Chartered Accountants in England and Wales (ICAEW) as well as the Association of Chartered Certified Accountants (ACCA) in the United Kingdom (U.K.); CPA Australia and CA Australia; and AICPA, which is extending its reach with a new global alliance with CIMA and the launch of CPA exams in a number of countries around the world (CICA, 2011). Change is ubiquitous, creating significant institutional pressures that need strategic solutions in order to ensure ongoing success and professional standards. Moreover, professional accounting bodies have to ensure they have the appropriate strategy in place to minimize threats and maximize opportunities.

Professional accounting organizations also have to compete in a growing marketplace as accounting bodies try to position themselves for access to designations and markets. Implications in the form of legal and legislative challenges for the use of existing designations are occurring. For example, in Canada both Chartered Accountants (CA) and Certified Professional Accountants (CPAs) are being seen. Other entrants include ACCA, the fastest growing global accounting designation, which is actively contesting legislated, exclusive use of the words Chartered Accountant at both the federal and provincial levels in Canada. Worldwide accounting bodies are also taking steps to ensure they are positioned to benefit from emerging global designations. The ICAEW and ACCA have each filed trademark applications for the use of the Chartered Professional Accountant designation in Europe and, as a result, these two organizations are now in a legal battle in the U.K. for control of Chartered Professional Accountant (CICA, 2011). The landscape for professional accounting associations is now extremely challenging both from an institutional and practice perspective. The subsequent importance of strategic planning is vital in order to ensure success and protect the mission, values and brand of the profession.

The study is organized as follows. First, we provide a background discussion of associations and their role in the development of a profession. Next we discuss the accounting profession in Canada and describe the professional accounting organization researched as part of this study. Third, we outline our research methodology and examine the process that was used in strategic planning. Finally, we summarize our findings and discuss the results in the context of the extant literature specifically institutional perspectives, the role of critical success factors and stakeholder engagement in strategic planning. We conclude that for professional accounting organizations to overcome obstacles and achieve strategic success, they need to focus on the *process* of strategic planning. A planning process that promotes dialogue, encourages trust and exemplifies transparency may lead to more success than being solely focused on business outcomes.

Our contribution is to place strategic planning in the accounting profession within an applied environment. At the same time, we also try to explain our findings using institutional theory. We outline and describe an approach to strategic planning for professional accounting organizations that encourages trust, transparency and stakeholder engagement. The promotion of the importance of stakeholder engagement and transparency in the development of strategic goals and objectives for professional accounting organizations advances the extant literature by showing how dialogue with outside groups in a strategic planning process may be promoted through a critical success factor methodology.

BACKGROUND

A significant emphasis has been on the role of accountants themselves in producing rules and determining practices particularly within their profession (Suddaby, et.al., 2009). Research on accountants and their professional associations addresses how and why accounting and accountants have become a powerful social and economic force in society. Ultimately understanding the process of strategic planning for accounting organizations is important since “research on the accounting profession and its regulatory practices is important for understanding modern society” (Cooper and Robson, 2006, p.415).

The role of professional associations are typically portrayed as important regulatory mechanisms (DiMaggio and Powell, 1983; Ruef and Scott, 1998; Greenwood, et.al., 2002) but have been relatively neglected empirically (Greenwood, et.al., 2002; Suddaby, 2009). In this study we suggest that professional associations, especially those in the accounting field, are important regulatory agents from an

institutional perspective which should be reflected in their strategic planning. Along with the essentially conservative role of reinforcing existing prescriptions for appropriate conduct, there is also the function of strategy-setting and long-term planning. Professional associations can create strategies by ensuring a process of discourse among members where strategy is debated and endorsed. This is done through two essential ways: by negotiating and managing debate within the profession and secondly by ensuring that there is a focus on specific goals and objectives to ensure success. The creation of institutional strategies helps reframe professional identities as they are presented to outside stakeholders and enables professional norms to be reconstituted (Greenwood, et.al., 2002). The question then emerges concerning the process of ensuring that these identities and norms, as demonstrated in a shared understanding of goals, objectives and values, emerge in any strategic planning exercise.

The Role of Strategic Planning

The literature shows that successful organizations will anticipate and address environmental uncertainty through strategic planning (Miller and Cardinal, 1994; Rogers, et.al., 1999; Rudd, et.al., 2002); strategic planning being understood as the process of identifying organizational objectives and goals over a medium to long term time horizon (Johnson, et al., 2006). Organizations demonstrate flexibility in strategically planning decision options about how and when they will adapt when the environment changes, in a preparatory or “ex-ante” state (Evans, 1991, p.77). Organizations are then better prepared to cope with environmental uncertainty, enhancing the influence of their strategic planning on performance.

For example, in 2010, the American Accounting Association (AAA) developed its own strategic plan for 2010-2012. In the introduction to their plan, the importance of involving stakeholders from across the community was noted to ensure that the plan reflected the "depth and breadth" of what the members of the Association were working towards accomplishing together (American Accounting Association, 2010). The AAA consists of accounting students, educational institutes, member of the accounting profession and society at large; consistent with Greenwood et. al.'s (2002) assertion, the AAA is considered an important body in the development of policy, regulation and standard setting in the United States.

Institutional theory provides a way of explaining why strategic planning is vital for organizations, such as the AAA, in dealing with environmental uncertainty. An institutional perspective interprets significant contextual changes in the nature of the accounting profession that may create erosion of norms and practices underpinning the idealistic logic of professionalism that must be addressed by the strategic planning process. One way of understanding institutional change is then to focus on the role of central and peripheral organizations such as stakeholders within an organizational field in the strategic planning process. Peripheral stakeholders, such as government, are usually thought to be more likely to initiate institutional change because they are less embedded within their field and are more able to resist coercive, normative and cognitive pressures (Suddaby, et.al., 2009, p.416)

The literature also indicates that a shared understanding of appropriate practices creates order and structure in a profession (Greenwood, et al., 2002). Over time, these shared understandings or collective beliefs become reinforced by regulatory processes involving state agencies and professional bodies which normatively and/or coercively create conformity upon stakeholders. Strategic plans are one method of attempting to create both a shared understanding among members of a profession and ensure comfort in regulatory authorities. From an institutional perspective, regulatory processes thus both disseminate and reproduce coded prescriptions such as a strategic plan creating legitimacy for the professional accounting profession. Deviations from such prescriptions cause discomfort and trigger attempts to justify (i.e. legitimize) departures from the social norm (Deephouse 1999; Elsbach 1994; Lamertz and Baum 1997; Miller and Chan, 1995; Greenwood, et.al., 2002). The importance of the process around planning for performance and creation of professional norms, especially in instances of organizational strategic planning, then becomes vital for the accounting profession.

Institutional perspectives also emphasize actors, such as stakeholders, in the organization's external environment placing pressures and constraints upon behaviour by supporting the enforcement of rules, laws, values and social norms (North, 1990; Scott, 1990; Brammer and Millington, 2003; Bansal, 2005).

These stimulate organizational responses that range from passive conformity or acquiescence to more active compromise, defiance, or strategic manipulation (Oliver, 1991). Ultimately, what the strategic planning process may create is a means by which professional accounting organizations understand their institutional pressures and develop organizational responses.

Oliver (1991) has suggested various ways in which organizations strategically respond to institutional pressures. Organizations do not always blindly mimic or acquiesce in the face of institutional pressure, but they can also seek compromise with multiple constituents such as stakeholders, engage in avoidance tactics, try to manipulate sources of pressure, or merely defy or ignore institutional demands (Lounsbury, 2008, p.352). Along with Oliver's (1991) approach to strategically respond to institutional pressures, Scott's (2001, 1995) normative pillar of an institutional approach to viewing organizations, establishes a moral base for determining organizational legitimacy, consistent with Greenwood et. al.'s (2002) reframing of professional identities, where this shared understanding is rooted in a normative basis such as 'keeping the badge shiny'. Failure to contribute or engage through a strategic planning process can therefore threaten the profession's legitimacy from a normative basis especially with a wide range of stakeholders.

Institutional theory also emphasizes the social context within which organizations operate. Although organizations have discretion to operate within institutional constraints, failure to conform to critical, institutionalized norms of acceptability can threaten the firm's legitimacy, resources and ultimately its survival (DiMaggio and Powell, 1993; Oliver, 1991; Bansal, 2005). In Canada, the professional is defined by a number of social constructs that must be understood as part of the strategic planning process.

ACCOUNTING PROFESSION IN CANADA

The Canadian Institute of Chartered Accountants (CICA) represents Canada's Chartered Accountant CA profession both nationally and internationally. The CICA is a founding member of the International Federation of Accountants (IFAC) and the Global Accounting Alliance (GAA). Each province in Canada has a provincial Institute. As a result, in each Canadian province, the CA profession is governed by two organizations: the Canadian Institute of Chartered Accountants (CICA) and a provincial institute; in our study, the Institute of Chartered Accountants of Newfoundland and Labrador [ICANL]. Membership in the provincial Institute is mandatory to practice as a CA. The CICA is responsible for development of uniform standards of practice and the strategic development of the profession. It represents the interests of the CA profession to external constituencies (Greenwood, et.al. 2002). The provincial institutes also hold a similar role but have provincial legislative and regulatory responsibility.

As of 2011, the Vision Statement of Canada's Chartered Accountants was as follows:

“We are Canada's most valued, internationally recognized profession of leaders in senior management, advisory, financial, tax and assurance roles.” While the Value Statement of Canada's Chartered Accountants was “CAs are valued for their integrity and expertise.”

In Canada, the CA profession is not homogeneous. In 2011, there are approximately 78,000 CAs practicing. About 40% of CAs are in Public Practice, while the other 60% are employed in industry, government or education (CICA 2011a). Their roles are as follows:

Public Practice

CAs who work in public practice provide accounting and business advice to clients in areas such as small business tax, audit, information technology, personal financial planning, business valuation, receivership, insolvency and forensic investigation.

Industry

CAs who work in industry develop financial and administrative policies, analyze information, and provide strategic leadership. CAs have various roles in organizations including CEO/President, Treasurer/V.P. Finance, Controller, or Systems Developer.

Government

All levels of government require accounting expertise to guide financial planning and to maintain fiscal control. Federal and provincial departments, Canadian Crown corporations and a variety of health-care and welfare organizations employ CAs as tax auditors, policy planners and financial analysts.

Education

Many CAs are educators who make a valuable contribution to society by teaching future business leaders about business, values and ethics.

Provincial institutes are responsible for licensing, certification, training, and discipline. The CICA and other provincial institutes collaborate in promoting the profession across Canada. Advertising and marketing campaigns, for example, are developed jointly.

INSTITUTE OF CHARTERED ACCOUNTANTS OF NEWFOUNDLAND AND LABRADOR

The main entity studied in this manuscript is the Institute of Chartered Accountants of Newfoundland and Labrador (ICANL) which is a self-governing body representing approximately 720 members and 55 students.

CAs in Newfoundland and Labrador work in public practice, businesses of every size, education, government and the not-for-profit sector, and serve every facet of society. It is one of the thirteen provincial institutes for Chartered Accountants that are found in Canada. As of 2011, in Newfoundland there are two other professional accounting associations: Certified Management Accountants (CMAs) and Certified General Accountants (CGAs). Both competing associations have been growing rapidly in the province of Newfoundland and Labrador and across Canada.

Newfoundland and Labrador is Canada's youngest province joining the country in 1949 after being an independent country and colony of the United Kingdom. Newfoundland and Labrador is also the farthest eastern province and has a population of approximately 560,000 people in 2011. Incorporated on March 31, 1949, under The Chartered Accountants Act, the ICANL has a mandate to serve and protect the public interest and to enhance the Chartered Accountancy profession. This is achieved through the high level of professional and ethical standards set for its members and maintained through its own activities and governing legislation. The profession of Chartered Accountancy in Newfoundland and Labrador is governed by the provincial Chartered Accountants Act, 2008. Standards of practice are enforced by the Institute's Rules of Professional Conduct and bylaws (ICANL, 2010).

The Institute has protected the public interest through the CA profession's high standards of qualification and the enforcement of its rules of professional conduct. The Institute works in partnership with the other provincial Institutes of Chartered Accountants and CICA to provide nationally consistent, internationally recognized standards and programs that protect the public. Currently the Institute has a staff compliment of three professional staff and one executive assistant.

The Institute's members in public practice are subject to mandatory practice inspection and professional liability insurance programs. These requirements ensure the maintenance and enforcement of high standards of qualification and conduct. Other Institute programs support all Newfoundland and Labrador's Chartered Accountants in fulfilling their professional responsibilities. Among them is the Institute's professional development program.

The Institute also facilitates CA contributions to the wider community. These include such diverse activities as free CA Tax Clinics for low-income people and providing government with technical advice on a wide range of provincial legislative matters.

The composition of the Newfoundland and Labrador Institute is as follows (ICANL, 2010a):

TABLE 1
COMPOSITION OF CHARTERED ACCOUNTANTS IN NEWFOUNDLAND AND LABRADOR

Area of Practice	Members
Public Practice	231
Industry	286
Government	59
Education	13
Other	49
Retired	81
Students	56
Total	775

The Institute is governed by a Board of nine elected members and three public representatives appointed by the Province. Board members serve two-year terms with a maximum limit of three consecutive terms. Terms are staggered such that approximately one-half of the Board is elected each year to provide greater continuity in any one year, while maintaining an annual election. The Board meets approximately six times a year to represent the interests of the members of the Institute and to represent the public interest in determining and demanding appropriate organizational performance.

The Mission Statement of Newfoundland and Labrador's Chartered Accountants is "...to uphold public confidence in the CA profession within Newfoundland and Labrador by acting in the public interest and helping our members excel."

APPROACH TO THE STUDY

The Institute of Chartered Accountants of Newfoundland and Labrador's (ICANL's) Strategic Planning Committee (the Committee) was established in the autumn of 2009 with a mandate to develop a new strategic plan for the Institute that identifies strategic goals and objectives from 2010 to 2015. The overriding philosophy was to create a living, breathing strategic plan that would be used on a regular basis to drive the activities of the organization. Members of the committee were very cognizant of the need to ensure the plan was concise with specific elements so that it could be regularly reviewed and updated as necessary.

The reason for the selection of the Newfoundland and Labrador Institute is a subjective one but is consistent with Greenwood et. al.'s (2002) study of the Institute of Chartered Accountants of Alberta (ICAA) that studied change in professional associations. Unlike Greenwood et. al.'s (2002) study, we as researchers were directly involved in the study taking a participatory approach to the research taking a participatory approach to the research. In the formation of the Committee, one of the researchers became involved directly sitting on the committee. The other researcher continued to sit as a member of the Board to which the Committee reported. Both researchers, in this study prior to its commencement, sat on the Board of the Institute. As a result, approval to use the information emanating from the study was gained by both the Chief Executive Officer and Chair of the Committee before the work began.

As researchers, we worked with Institute to ensure that the process of strategic planning was based in practice as well as theory. Moreover, we took a participatory research approach (cf. Reason and Rowan, 1981; Reason and Bradbury, 2001) where we attempted to recognize the context that the Institute was facing in respect to challenges and understanding key elements of success. We were as a result given access to all data collected as well as archival sources.

The reasons for putting this research within the participatory approach are numerous. First, we believed that our inquiries as to the importance of strategic planning in the accounting profession are consistent with the stated purposes of participatory research, namely "that the inquiry contributes directly

to the flourishing of human persons, their communities and the ecosystems which they are part” (Reason 2006, p.188). Consistent with Pettigrew (2001) who argues that management research must address the ‘double hurdles’ of relevance and scholarship, we have tried to be rigorous in our analysis while at the same time being relevant and practical to our research partner in the Institute.

Our research is an emergent process (Reason and Goodwin, 1999) and consistent with the process of participatory research there was an evolutionary, open-ended process that was highly pragmatic. It evolved with the data that was presented to us and the access that we had to stakeholders involved in the strategic planning process. Our engagement changed as the project emerged.

In some ways, this approach to participatory research may be seen as a case study approach to the research (Yin, 1984) as it allowed a search for processes and structures that were not immediately evident, but emerged during data collection (Easton, 2000). Overall, we saw it as a participatory research approach whereby the research was done with, rather than on people (Reason and Rowan, 1981; Reason, 2006).

As part of the strategic planning process, the Committee undertook a thorough assessment of the current state of the Institute including a review of the Institute’s the main business activities, its success to date and the use of existing resources. The former strategic plan, completed ten years prior, was consulted as were members of the Committee that developed it. Archival data, for example the minutes of the previous committee’s strategic planning process, were made available. As a Committee, the consensus was that while the previous strategic plan was a very comprehensive document it did not consider the elements that subsequently were important to the strategic success of the Institute or could be managed or reported to the Board and membership on a regular basis. This was also consistent with the consultations with previous Committee members.

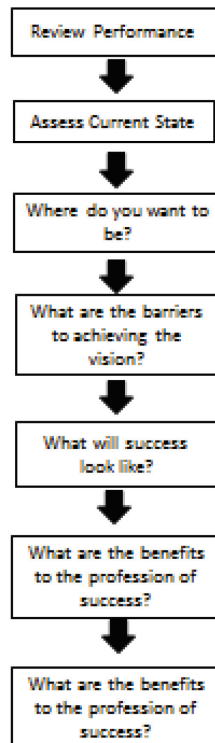
In order to address the issue of identifying elements of strategic success, it was suggested that using a methodology such as Critical Success Factors would be useful to the strategic planning process. Critical success factors support the attainment of organizational goals representing the end points that an organization hopes to reach. Critical success factors, however, are the areas in which good performance is necessary to ensure attainment of those goals. Critical success factors (CSFs) then differ from company to company and from manager to manager (Finney and Corbett, 2007).

CSFs may be seen as the few key areas of activity in which favorable results are absolutely necessary for a particular organization to reach its goals. Because these areas of activity are critical, the organization should have the appropriate information to determine whether events are proceeding sufficiently well in each area. Reviewing the Institute’s previous strategic plan, it was felt that appropriate information was not available to the board nor was there information as to whether identified success factors were proceeding sufficiently. In order to ensure that critical success factors were focused upon as part of the strategic planning exercise, a process was agreed upon by the committee:

Following the process as outlined in Diagram 1, the next step was to assess the current operating environment for the Institute. Various strategic planning tools were used to achieve this environmental assessment including a SWOT and a PESTEL analysis. The Committee then went on to conduct some “blue sky” thinking about where the Institute should be in 5 years and the role of the CA profession in the province given the environmental analysis and the available resources. From this analysis the committee felt it was able to reaffirm that the Institute was still in agreement with the Vision and Value statements for the CA profession which were developed nationally and adopted in 2008. The committee spent considerable time revising the ICANL’s mission statement to develop a concise and meaningful statement of purpose for the Institute. Ultimately through the strategic planning process the Committee came to recognize that the Mission, Vision and Value statements were critical to success of the Institute.

Having completed the initial planning work in early February 2010, the committee then commenced a consultation process. The Committee conducted focus groups with CA’s and students across the province and individual interviews with key stakeholders such as the Public Accountants Licensing Board which is the regulatory authority for the province of Newfoundland and Labrador accountants, the local University and the Government. In total, 60 individuals were consulted as part of the strategic planning process.

DIAGRAM 1 STRATEGIC PLANNING PROCESS



Role of Stakeholders

The importance of stakeholders was identified early on in developing the strategic plan. During the strategic planning process the Committee identified key stakeholders that are impacted by the operations of the Institute. This identification followed the definition of Nickols, who describes a stakeholder as “a person or group with an interest in seeing the endeavor succeed and without whose support the endeavor would fail” (2005, p.127). As a result, the Committee identified and mapped stakeholders according to the following two elements:

Influence – those stakeholders who can shape the outcome of the strategic plan.

Affect – those stakeholders who will benefit the most from the strategic plan being executed well.

Through the consultation process discussions were held with the various stakeholders identified to gain an insight into their needs and how the Institute must be positioned to meet these needs. Specifically the following stakeholders were identified as being essential to the Institute:

- Public
- Members
 - Industry
 - Public Practice – both national and small-medium practices
 - Government
 - Education
- Government
- Students
- Educators
- Employers
- Staff
- Volunteers

Consultations were held throughout the province of Newfoundland and Labrador from February 2010 to July 2010 with representatives of these stakeholder groups to gather feedback as to the Institute's performance to date and its future strategic direction.

Consultations occurred throughout the province, primarily in focus groups but also individually, and were not limited to the main metropolitan areas. As the province of Newfoundland and Labrador has a widely dispersed population, special emphasis was placed on doing consultations in the smaller towns and cities with a total of six of these sessions occurring during the strategic planning process. Detailed notes were taken as to stakeholder's feedback on the development of the Institute's strategy and this was used by the Committee in drafting the strategic plan. The draft strategic plan was then approved by the Board and finally the membership in an annual general meeting. In total, the whole process took close to eight months to complete consultations and another two months of initial planning.

FINDINGS

Feedback from consultations with the stakeholder groups highlighted many issues but much of the focus was around the need for opportunities to obtain professional development and the importance of the Institute's self regulatory activities. As well, there was a definite opinion expressed from members outside the main metropolitan areas of the province regarding the need for more face-to-face communication. Institute members also indicated concerns regarding the magnitude of standards change and the number of approved training offices - they wanted to ensure the accounting profession continues to attract the best and brightest.

Based on the consultations, critical success factors were identified by the committee for all stakeholders. It was felt that the future success of the Institute will be predicated on its ability to develop effective and efficient programs and processes to successfully meet the needs of its stakeholders. Critical success factors included:

- **Public and Government**
 - Development and administration of self-regulatory processes that ensure the professional and ethical competence of all Chartered Accountants
 - Transparency and accountability in all regulatory processes
 - Timely delivery of all self-regulatory activities
- **Members**
 - Undertake self-regulatory processes in a timely and effective manner to maintain and enhance the reputation of the CA Profession (all members)
 - To provide or identify opportunities for continuing professional development for all members (all members)
 - To provide practice advice (small-medium public practitioners)
 - To ensure national consistency of all self-regulatory activities (national public practice firms)
 - To ensure that the profession continues to attract the best and brightest students (all members and in particular CA training offices)
- **Students**
 - Adequate training opportunities
- **Educators (both members and non-members)**
 - Adequate training opportunities for students
 - Professional and knowledge development to enhance teaching and research
 - Support for recruitment of accounting faculty
- **Employers**
 - Access to the best and brightest accounting students
 - Development of clear training guidelines and practical experience requirements

➤ **Staff and volunteers**

- Available of resources – both financial and non-financial
- Clear direction to execute responsibilities

Based upon the environmental analysis and member consultations the Committee then identified specific goals and objectives in the form of critical success factors for the Institute and developed processes on how to achieve these goals within the current level of resources available. The critical success factors were then built into the strategic plan.

The strategic priorities for the Institute, as a result of the planning process, as approved by the Board, were to:

- Continue to develop strategic relationships with stakeholders in government and the business community to ensure the marketplace values the pre-eminence of the CA profession.
- Ensure that CAs in Newfoundland and Labrador continue to excel by providing opportunities for superior professional development.
- Ensure public trust and confidence in the CA profession through establishing, influencing, monitoring and enforcing high quality accounting, auditing, assurance and ethical standards and practices. An integral part of this will be the role of practice inspection and discipline.
- Ensure organizational effectiveness within the Institute in particular by capitalizing on the expertise of our membership by encouraging members, particularly those new to the profession, to volunteer with the Institute.
- To encourage growth in the profession by working with local industry employers to increase the number of approved training offices in the province.

The importance of national strategies also came to the forefront as part of the strategic planning process. A national strategic goal to maintain the pre-eminence of the CA profession so that the significant majority of all senior financial positions and advisory roles are filled by CAs was identified. In keeping with this goal, the following key objectives as the priority commitments for the CA profession were identified:

- Attract exceptional people to be CAs and develop and support them throughout their careers.
- Enhance, promote and protect the CA profession.
- Ensure organizational effectiveness.
- Pursue standards and knowledge development initiatives.

The initiatives that are planned by management of the Institute, and the budget to carry them out, were aligned to the achievement of these strategic goals and critical success factors. This was to ensure, unlike the previous plan, the outcomes of the strategic planning process were built into the organizational operations of the Institute.

DISCUSSION

Critical Success Factors

The Critical Success Factor approach that emerges from the management information literature assumes that the designers of a system or a process should focus on those key areas where things must go right for an organization to achieve its goals and objectives.

Critical success factors thus are, for any organization, the limited number of areas in which results, if they are satisfactory, will ensure successful competitive performance. Intuitively there are the few key areas where "things must go right" for the organization to flourish (Finney and Corbett 2007). If results in these areas are not adequate, the organization's efforts for the period will be less than desired. As a result, critical success factors are areas of activity that should receive constant and careful attention from management. For example, the current status of performance in each area should be continually measured

and that information should be made available. Using the CSF approach helped focused discussion and ensured that the outcomes of the strategic planning process were useful and understood by the Board and other stakeholders.

Finney and Corbett (2007) contend there has been some criticism of the CSF approach because it has been felt that it relied on the opinions of internal managers only and was therefore biased (Davis, 1980). Munro and Wheeler (1980) responded to this suggested weakness of the CSF approach by identifying a method that would incorporate the ideas of senior middle managers in determining information requirements. Similarly, Boynton and Zmud (1984) suggested that a cross-section of management be interviewed so that all levels of management would be incorporated.

There has been substantial research focusing on the implementation process around CSFs (Xu, et. al., 2002; Soh et. al., 2000; Ribbers and Schoo, 2002; Bingsi et. al., 1999; Al-Mashari, et. al., 2003; Hong and Kim, 2002; Umble et. al., 2003). As outlined by Finney and Corbett (2007), it appears that much of the literature has focused on success factors with very limited or no regard to stakeholder perspectives. This need to ensure that there is a stakeholder perspective (Freeman, 1984; Sexty, 2007) then becomes essential in any strategic planning process. Moreover, with the multitude of stakeholders involved in the accounting profession, consulting with stakeholders becomes an essential part of the process.

Yet questions emerged throughout the consultation process as to what the Institute would consider success and how it could be managed. Success in terms of goals within an organization may be defined in a number of ways, such as financial gains, efficiency or effectiveness. However, success is normally relative and may be perceived in different ways by various stakeholders (Caplow, 1953; Pfeffer and Veiga, 1999; Kauppinen et. al., 2004). It was noted within the consultations that success may not be fully defined by the Institute. Was it increasing membership, protecting reputation, operational efficiency? Success was perceived differently by various stakeholders and it was unclear as to how this could be managed by the Institute. This would be consistent with Oliver's (1991) approach to how organizations strategically respond to institutional pressures; the need to define success and to respond to stakeholder's concerns became a strategic priority for the Committee and the Institute.

From a practice standpoint, in order to manage success and stakeholders' concern it is important to have the appropriate data. Traditional financial accounting systems rarely provide the type of data necessary to monitor critical success factors. Financial accounting systems are aimed at providing historical information to outsiders (e.g., stockholders and others). Only very occasionally is there much overlap between financial accounting data and the type of data needed to track CSFs for strategic planning purposes. For ICANL, there was no financial accounting data that would form the major source of information for a CSF in respect to strategic planning. However, the need for improved cost accounting data to report on CSFs was often evident.

The literature indicates that many critical success factors require information external to the organization (Finney and Corbett, 2007). Yet, the data to support these CSFs are not only unavailable from the financial accounting system but, in the majority of cases, are also unavailable as a by-product of ICANL's usual day-to-day transactions. From a strategic planning approach, the information system must therefore be designed and the external information consciously collected from the proper sources. It will not flow naturally to management and the Board, this creates further institutional pressures on the organizations.

A small but significant part of the information concerning the status of CSFs requires subjective assessment on the part of others in the organisation, rather than being quantifiable. As a result, CSFs can be categorised as either the *monitoring* or the *building* type. From an external perspective, the more competitive pressure for current performance that management and the Board feels, the more CSFs tend toward monitoring current results. As we saw in our participatory approach, significant pressure was being exerted from rival designations and the focus was very much on monitoring rather than necessarily taking on major change initiatives.

Further, as outlined by Finney and Corbett (2007), if CSFs are the factors that an organization must "get right" in order to achieve success it is necessary to ask all those affected what is "right." Furthermore, as outlined in the literature, different facets of a strategic plan affect some stakeholder

groups more than others. Specific groups are thus more qualified to comment on certain aspects than others. Through widespread stakeholder consultation, the CSF approach can be strengthened. Strategic objectives can be expected to affect more than just senior managers or internal stakeholders. It is therefore, necessary to consider the opinions of those affected stakeholder groups, regardless of their place within the organization or community. Ultimately, the reason for including a broad range of stakeholders is that their interest in an organization's success extends beyond the implementation stage (Chung, et. al., 1993; Chung, 2001). We found that the CSF process was a useful mechanism for dialogue and focusing on the process of strategic planning. It also made the Committee ensure that stakeholders' consultations were thorough and necessary to ask all those affected what are the 'right' goals, objectives and values for the Institute.

Stakeholder Consultation

Freeman (1984, p. 6) originally defined stakeholders as "any group or individual who can affect or is affected by the achievement of the organization's objectives", but many view this definition as too broad to be workable (Laplume, et. al. 2008) especially when viewed from a strategic planning perspective. Using Nickol's (2005) definition resulted in much more understanding by the stakeholders consulted and engaged by the Committee.

As outlined by Maon et. al. (2010), stakeholder theory has emerged as crucial for understanding and describing the structures and dimensions of business and societal relationships. At its core, stakeholder theory helps to specify the groups or persons to whom organizations are ultimately responsible and provides a basis for legitimizing stakeholder influences on organizations decisions. The literature also shows that managers need to accommodate the interests of strategic stakeholders because of their ability to provide or withhold resources needed by the organization (Goodpaster, 1991). Stakeholder theory suggests that taking into account and accommodating stakeholder interests will lead to superior achievement of firm performance objectives with several studies having examined the validity of this claim (Donaldson and Preston, 1995).

The need for superior performance around objectives is especially true in engaging and managing the tensions emerging in the multitude of stakeholder interests in professional accounting organizations. Stakeholders are most likely to support the organization when they believe they have been fairly considered, fairly treated and fairly rewarded (Hosmer and Kiewitz, 2005). The same holds in a strategic planning context. Building trust-based cooperative ties with stakeholders also enhances organizational legitimacy, producing stakeholder support and creating environmental stability, benefiting organizations over the long term (Heugens, et. al. 2002). The same should hold for ensuring that the members of a professional accounting organization are engaged and tensions are managed when a multitude of stakeholders are involved.

It is critical to put the importance of stakeholder consultation within the institutional context of the practice of accounting. While questions of how 'public interest' and professional vision are defined and understood by accountants are indeed important, at a firm level, recognition of the profit motive in firms usually means a strategic planning process that is not pre-occupied with issues of professional legitimacy and self-understandings (Cooper and Robson, 2006).

Beginning in the 1980s, the professions have been subject to profound changes in the nature of their work, largely because professional work has become increasingly embedded in large and oftentimes heterogeneous organizations. This is particularly the case in accounting where critics have suggested that organizations have overtaken traditional professional institutions, such as professional societies and associations, as the core sites of professionalization and regulation (Cooper and Robson, 2006). The result is a growing awareness that institutional change is facilitated by dramatic shifts in core values (Greenwood and Hinings, 1996). Large scale movements in core values, in turn, reflect deeper changes in the central organizing principles of society, or what Friedland and Alford (1991) term "institutional logics". Logics, reciprocally, are based upon rationalized myths (Meyer and Rowan, 1977) or semi-autonomous value structures that are taken for granted as manifestations of powerful assumptions of appropriateness. Professionalism is one such logic that is based on long standing mythologies of

independence and autonomy which, over time, has become a central focus for debate in the field (Suddaby, et. al. 2009 p.410). We found the same in our study where self-regulation was an important consideration and a critical success factor for ICANL; ‘Keeping the badge Shiny’, an analogy for professionalism and integrity emerged as a critical success factor. Both critical success factors created ‘logics’ for ICANL, demonstrating the importance of strategic planning for creating core values as a response to institutional pressures.

The trend in the stakeholder literature is also to include power relationships and the participatory nature of the relationships in order to determine which groups may be important in determining what is ‘right’. As outlined by Jahansoozi (2006), academic interest in organization-stakeholder relationships stresses the need for organizations to understand, listen, and develop a dialogue with their important stakeholders. Ultimately a “conflict-reduction” approach away from a “revenue-generation” paradigm is based on the premise that important stakeholder groups, such as regulators, educators or students, preferred to be connected to organizations that invested in developing and maintaining relationships (Heath, 2003). Jahansoozi (2006) further contends that focusing on relationships and a participatory approach moves the perspective away from the institution being viewed as the focal point in a stakeholder map. The actual interest instead lies with the relationships fostered by engagement considered essential for maintaining the organization's social license to operate; an institutional logic that develops.

In our experience, the development of these relationships (especially long-term) is crucial for any success in strategic planning and overcoming the obstacles facing the accounting profession. Finally the process of a wide-spread stakeholder consultation process gave us themes and trends in the issues facing the Institute. Following Greenwood, et al. (2002), the consultations with stakeholders promoted a process of discourse among members where strategy was debated and endorsed. Further, it created an institutional logic which ICANL could use for future planning and operations, including a recent proposed merger between the organization and the provincial CMAs, CGAs.

CONCLUSION

It is important to note that in a self-regulated industry, such as the accounting profession in Canada, ensuring the development of a strategic plan that is transparent and considers the importance, shared understanding and contribution of all stakeholders is essential to its success. If this is not achieved, the profession runs the risk of becoming regulated by governments that may not fully understand its goals, objectives or strategies. Different institutional logics develop that may have a profound impact on the future of the organization. Ensuring that any strategic planning process is transparent and focused on engaging with stakeholders is essential for professional accounting organizations to overcome obstacles, ensure buy-in and to seek clarity around goals and objectives. The process of strategic planning then becomes a critical success factor in and of itself.

Trust, commitment, satisfaction, control mutuality and dialogue can all be considered to be essential to the strategic planning process because without these elements the relationships and values would decline or no longer make strategic sense. For long-term relationships with extensive time horizons such as those necessary in a strategic plan, trust becomes even more important. It is only when trust has declined due to a crisis or been eroded over time owing to perceived organizational practices such as failure to address an issue such as external communications in smaller communities that obstacles and control mutuality becomes to become questioned. At that point, a new logic becomes evident; only bigger communities matter to the profession.

Transparency is linked to openness and is described as being both a characteristic as well as an environmental condition for organizational processes. Transparency provides a number of outcomes that are beneficial for stakeholder engagement. As well as rebuilding trust, transparency can be viewed as promoting accountability, collaboration, cooperation and commitment. When an organization's decision-making and operational processes around stakeholder engagement are transparent accountability is possible. Internal and external stakeholders are able to see where (and how) the responsibility lies (Jahansoozi 2006). Strategic planning processes with transparency, focused through a method such as

critical success factors, and grounded in engagement with stakeholders may allow for the emergence of crucial strategic objectives facing a professional accounting organization. Ultimately the process of strategic planning then becomes an essential part of addressing the challenges of identifying, analyzing and managing strategic goals and objectives. Developing a transparent and bespoke process around strategic planning is ultimately a critical success factor in the development of the accounting profession. From an institutional perspective, it allows for values and shared understandings to emerge and, following from Oliver (1991), it strategically addresses institutional pressures and concerns.

When there is a lack of trust or a state of distrust exists in the organization-stakeholder relationship, transparency is a required condition for rebuilding trust and commitment in the relationship Jahansoozi (2006). The strategic planning process that the Institute went through was focused on transparency and engagement with a broad range of stakeholders through using the CSF approach. Through focusing the strategic planning process on critical success factors, there was a better dialogue and understanding of the obstacles, challenges and goals facing the Institute as well as the broader profession. Following Greenwood et al. (2002), the creation of a strategic plan helped reframe professional identities as they are presented to outside stakeholders and enabled professional norms to be reconstituted. A strategic planning process focused on developing trust and engaging stakeholders became an essential critical success factor for the success of the professional accounting organization and its members both from an applied as well as an institutional perspective.

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Transformative Ambition in Peace and War: The Case of Pericles of Athens

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This paper revisits the realist interpretation of the Peloponnesian War that was fought by Athens against Sparta. This paper explores how the transformative ambition of ancient Athens's most prominent leader, Pericles, was directly involved in the precipitation and conduct of the war against Sparta. Specifically, Pericles' vision of Athens deeply influenced its politics and foreign policy. His diplomatic decisions were instrumental in precipitating the war against Sparta and his military strategy revolutionized the conduct of ancient Greek warfare.

INTRODUCTION

In this paper, I examine Pericles of Athens as a leader who demonstrated what I call transformative political ambition. On their own initiative, leaders with transformative ambition try to make bold and sweeping changes to domestic and international politics. Transformative ambition varies in its content and direction, depending on a leader's perceptive understanding of the prevailing order of political life. Such leaders aspire to reshape fundamental features of domestic society. For example, they may seek to reorder domestic institutions, to propose new policies and establish new doctrines, and to rethink the ideals that animate their countries. Far-reaching ambition, like that of Pericles, aims for a redefinition of the national character that not only influences citizens' beliefs but also shapes their habits and practices. As leaders successfully implement domestic and foreign policy, they may also make profound changes to international relations.

Through the example of Pericles, I demonstrate how the interaction of personal characteristics and regime politics indelibly shapes some leader attributes. Yet, regimes can also foster environments where the better qualities of individuals can flourish, which enable leaders to stand above the morass of politics. These statesmen can also provide guidance to improve the lives of their fellow citizens. For example, Athens produced leaders who were very competitive, cunning, and bold. They were molded by the empire's ascendance, and they behaved in ways that added to its glory and strength. However, as a leader, Pericles was superior to his contemporaries in many ways. He was a natural imperialist like other leaders, but he acted as an independent force in policy and was able to shape and curb his followers' political aims. Thus, he could define the Athenian imperial project in a way he believed was both sustainable and did justice to the Athenian character.

Although realists consider the outbreak of the Peloponnesian War between Athens and Sparta as an incontrovertible case of the effects of dramatic shifts to the balance of power, I demonstrate how Pericles' leadership and ambition gave shape to Athens's imperial project. Pericles had the difficult task of managing an expanding empire's power in prudent ways. He did his best to turn the desire for expansion

and wealth toward Athens's more noble activities, such as political participation, public works, and philosophical and aesthetic achievement.

TRANSFORMATIVE AMBITION AND TRANSFORMATIVE LEADERSHIP

Political ambition, I argue, is partly a product of a leader's unique development and personal experience, but it also depends on the regime type that conditions a leader and that a leader may condition in turn. In this regard, my understanding of political ambition complements and combines rational-choice and personality approaches, which tend to reduce it either to strategic institutional maneuvering for the sake of staying in power or to static personality traits and psychological needs.

Political ambition and the leadership that accompanies it is partly the product of internal drives and unalterable idiosyncrasies that compel individuals to seek power but is also nurtured by and sometimes bound to the regime. Political culture and the process that brings leaders to power have a way of shaping ambition, and successful leaders learn the proper way to channel their ambition in their respective regimes. In this respect, as rational-choice theorists argue, political ambition is constrained by the institutions and subset of the population that select leaders.

Politically ambitious leaders can respect the laws of their country, subvert and manipulate them, and even seek to alter the principles and institutions on which a regime is based. Contemporary scholars have examined the independent role of leaders to explain institutional change (see March & Olsen, 1984); leaders are viewed as educators and moral guides who are capable of transforming the preferences of followers (Burns, 1978); leaders can also practice the art of political manipulation and change their environments through the use of "heresthetics" in order to win (Riker, 1986).

James MacGregor Burns (1978) popularized the idea of transformational leadership, which connotes leadership at its "highest," when leaders and followers engage with each other in such a way as to provoke a change in morality. He contrasts transformational leadership with transactional leadership, which is based on the cost-benefit transactions between leaders and followers. I share Burns's interest in examining leadership that makes a difference in politics and also at the level of ideas (pp. 454–55). However, Burns understands transformational leadership as a purely psychological process. I understand transformative ambition and leadership to be more than a psychological process; it can only be carried out from concrete transformation of political structures and citizens' opinions. As a result, I argue, Burns does not spell out the full implications of transformational leadership. While the most profound changes are moral and psychological, they will not endure without redirecting citizens' habits, mores, and opinions through a concrete change in political institutions and patterns of behavior at the international level.

This paper pays special attention to Pericles' statesmanship during the Peloponnesian War, which is the subject of much debate in international relations studies. He devised a rational defensive strategy that broke and radically reshaped the Hellenistic rules of war. Moreover, it was antithetical to the Athenian national character, and through the force of his character, he executed and made the Athenians stick to it. Ultimately, his plan failed. A plague decimated Athens's population and morale; it also killed him two years into the conflict. While the turn of fortune contributed to Pericles' failure to win the war, it also exhibited the major failures of the Periclean regime and his statecraft. Focusing on the precarious balance of the common good in an especially individualistic and wealthy democracy, his cautious and rationalist strategy strained the institutional power that made the empire successful, expansion. His death proved that in the absence of a great and prudent leader like Pericles, the imperial democracy produced selfish and dangerous politicians who took Athens down a disastrous path and were eventually defeated by Sparta.

REALIST THEORY AND THE PELOPONNESIAN WAR

The Peloponnesian War, fought between Athens and Sparta, began in 431 BC; this total war engulfed the entire Greek world and lasted 27 years. When the conflict broke out, each polis was at the height of its power. In Thucydides' estimation, it was "the greatest movement yet known in history" (1.1.2, trans. 1847). On account of its intensity, duration, and the radical differences in political, military, and

economic organization between Athens and Sparta, the war transformed the Greek world. The balance of power shifted to Sparta, Athens never regained the international vitality it had under its maritime empire, and civil strife, which unhinged the Greek poleis during the war, became commonplace in Greece.

Why did Athens and Sparta go to war? Thucydides provides an answer:

To the question why they broke the treaty, I answer by placing first an account of their grounds of complaint and points of difference, that no one may ever have to ask the immediate cause which plunged the Hellenes into war of such magnitude. The real cause, however, I consider to be the one which was formally most kept out of sight. The growth of the power of Athens, and the alarm which this inspired in Sparta, made the war inevitable. (1.23)

International-relations scholars, who have duly noted Thucydides' distinction between the immediate cause and the real cause for the war, understand his *History* as an early expression of power politics and structural realism (Wight, 1978; Waltz, 1979; Keohane, 1986; Gilpin, 1988; Doyle, 1997). For these realists, Thucydides' statement about the war's inevitability implies a neorealist explanation. These scholars think that Thucydides vindicates the realist perspective for two reasons. His search for an underlying cause for the war ends in the discovery of power politics. In addition, Thucydides thinks of power in transhistorical terms. As a result, the role of events, leaders, and regime politics give way to the analysis of power operating at the system level. Two great powers struggled in an unstable balance of power; the uneven growth of one contributed to the fear of the other; mutual suspicion and distrust led the states' leaders into a series of decisions that culminated in the great war.

Robert Gilpin (1988) has argued that Thucydides' explanation of the war in 1.23 offers an early attempt to provide a structural account of international politics, and, specifically, Thucydides proposes a theory of hegemonic war (p. 592). As such, Thucydides understood classical Greece as a system composed of two powers, in which the distribution of power defined the system and the hierarchy of power ordered and stabilized it (1988, p. 592).

Thucydides' theory of hegemonic war attributes the outbreak to the uneven growth of power in Athens over Sparta, which is explained by three factors: demographic and economic necessity, the mastery of naval power and the expansion of commerce, and the rise of the Athenian Empire after the Persian Wars (1988, pp. 597–98). Athens's commercial democracy and rule of the sea encircled and threatened Sparta, which was more conservative and austere. Up until the Persian Wars, Sparta was Greece's hegemon, thanks to its masterful command of land warfare. Its strength lay in its regimented warrior society, conservative constitution, and suppression of the Helots—a subjugated Greek people who lived as serfs to the state.

Despite Thucydides' explicitness about the war's true cause, Michael Doyle (1997), in a careful reading of the narrative, urges us to pay closer attention to the Greek thinker's complex realism. Doyle argues that Thucydides' work "is a testament to the fact that he held that a state's ends, its means, and (therefore) its choices could not be adequately determined through an analysis of international structure" (1997, p. 73). For Doyle, the explanation for the conflict is more complex as Spartan fear, vulnerability, and pride contributed to its declaration of war. Thucydides rejected shallow interpretations of power (1997, p. 74).

Each city's political, economic, and cultural systems animated, and constrained, their foreign policies. From a neorealist perspective, Sparta should have balanced against the increase in Athens's power by investing in a fleet, a larger expeditionary force, and its own empire, but Sparta's social structure, "which was equivalent to a massive penal colony designed to control and exploit the oppressed Messenian helots, resisted innovation" (1997, p. 74). Conversely, Athens's wealth and power was supplied by a strong navy that could project the city's power throughout the Aegean Sea.

In addition, Doyle argues that Sparta's and Athens's interactions were not just based on rational assessments of each other's power. Their dealings were also laced with enmity, mistrust, and Spartan envy. Doyle agrees that Thucydides offers a structural explanation for the war in 1.23, but he emphasizes

each city's appeals to security, honor, and self-interest as sources of its behavior. For example, Spartan fear and honor equally contributed to its declaration of war against Athens.

Ned Lebow (2001) is critical of the realist interpretation of Thucydides, which interprets him as a proto-social scientist who was primarily interested in discerning causes and outcomes. As a result, they lose sight of important ethical lessons that are embedded in what is a more complex story. Lebow takes a literary approach to the *History*; specifically, he explains the war of Athens against Sparta from a constructivist perspective.

Lebow identifies four layers in the text: "the nature and relationships among power, interest, and justice; Athens as a tragedy; the relationship between *nomos* (convention, custom and law) and *physis* (nature); and the relationship between *erga* and *logoi* and its implications for civilization" (2001, p. 549). He also acknowledges Thucydides' distinction between the real cause and other grounds of complaint. Yet, Lebow proceeds beyond 1.23, the subsequent narrative, and paired speeches of Book 1, and discovers that the true cause runs deeper than Thucydides first admits. Sparta's fear of its rival's power was magnified by the threat that dynamic Athens posed to the traditional Spartan way of life. Moreover, its trepidation was stoked by third parties with their own interests; and, lastly, leaders' miscalculations at critical junctures during the crisis helped bring upon the war (2001, p. 549).

Lebow argues that Thucydides understood that the social conventions, which provided Greek life its significance, also regulated domestic and international behavior. Yet, as long-standing social meanings changed quickly, the Greek social world was disrupted, precipitating the conflict. Sparta had a greater apprehension of losing its identity than of Athens's actual military might. Sparta's declaration of war was proof that its citizens did not necessarily fear the Athenians but, rather, underestimated their power and resolve.

The former international relations scholars make room for leaders' perceptions, but they mostly interpret them as a series of miscalculations that brought the cities to war. I argue the opposite. The war was consistent with Pericles' ambition to supplant Sparta's influence. I agree with Lebow's view that interests and moral meaning are thoroughly tied together and influence behavior. Yet, the root of many changes in Athenian society and Greek warfare were not just constructivist in nature. Although many social conventions are accidental, major shifts in Athenian politics were attributable to Pericles' domestic policies, far-sighted foreign policies, and high-minded view of Athens. These new conditions were not accidental. His statesmanship was marked by various episodes in which he convinced his fellow Athenians to follow his policies and accept his beliefs.

Next, I present evidence that demonstrates how Athens's domestic politics, which relied heavily on Pericles' personal leadership, were the driving force behind the war. Athens was an imperial democracy; domestic and foreign policy were tightly bound. Moreover, the Athenians' worldview was fueled by their daring spirit (a phenomenon recognized by the Athenians as well as outsiders) and the combined efforts of its greatest leaders. Pericles' influence on international relations explains the many steps that the Greek world took toward the imbalance of power that Thucydides' observed and the realists concentrate on. If the realists want to understand the true cause of war (Athens's power), then they must understand Pericles' part in the historical drama.

PERICLES' LEADERSHIP AND ATHENIAN POLITICS

The unique attributes and political ambition that made Pericles the paragon of Athenian leadership were themselves shaped by the character of the Athenian regime—its laws, the constitution, the mores, and way of life—which fostered certain character traits to the exclusion of others (Newell 2009, p. 227).

Pericles came of age at the beginning of one of Western civilization's most remarkable periods. Cutting edge pre-Socratic philosophers and sophists were challenging traditional forms of instruction and turning religious ideas on their heads. During Socrates' lifetime, the sophists came to be known as a particular class of professional educators who gave instruction to young men and public displays of eloquence (Guthrie 1971, p. 35). The importance of oratory was undeniable in the law courts and the assembly, "the word rhetor, indeed, comes almost to mean 'politician'" (Rhodes 1986 p. 141). Plutarch

tells us that the pre-Socratic philosophers influenced Pericles' education; he was a hearer of Zeno and kept close company with Anaxagoras who came up with the concept of the immaterial nous (mind). Pericles' philosophical education refined his thought and helped him perfect his speech. Pericles' understanding of the world was "superior to that superstition with which the ignorant wonder at appearances" (Plutarch 2001, p. 205).

Pericles' style of speaking, rhetorical ability, and preference for rational explanations, became well settled in him on account of his great natural genius. His preference for rationality over custom, omens and divinations made its way into his policy proposals. His aristocratic lineage combined with his education resulted in an elevation of purpose and dignity of language, "raised far above the base and dishonest buffooneries of mob eloquence" (2001, p. 204). The perfect comportment with which he carried all these talents and virtues showed him superior to all others, "upon which account, they say, he had his nickname given him, though some are of the opinion he was named the Olympian from the public buildings he adorned the city; and others again, from his great power in public affairs" (2001, p. 207).

Plutarch's description of Pericles' Olympian loftiness, composure, calmness, and even the composure that characterized his tone of voice, present the embodiment of a political leader who derived his authority through his self-command and persuasive speech. As the leading citizen of his time, Pericles greatly affected the life of the average citizen in democratic Athens (Plutarch 2001, p. 204). Pericles' character, public manner, intelligence, and rhetorical ability were all important to his political success.

In Athens, an individual's political success was dependent upon them requiring renown. Renown was attained through family lineage, by creating a strong network of close companions, and by distinguishing oneself in Athens's hyper competitive society. In Athens, there were no parties to speak of; political groups formed around popular leaders who created group followings from their relatives and friends. The skills of political leadership included the ability to win fame and honor, and also being able to persuade the people in the assembly.

Leading politicians surrounded themselves with associates who worked on their behalf, "holding offices, appearing in the courts and proposing measures in the assembly" (Rhodes 1986 p. 138). As one of these leaders, Pericles consciously crafted his public persona. He was wary of commonness and presented himself only on intervals by limiting his appearances only at great public and political occasions (Plutarch 2001, p. 206). To devote himself solely to public affairs he maintained limited friendships and left the responsibility of his estate to others.

Pericles earned a reputation for probity among his fellow citizens but he also learned to contend with the turbulent character of the Athenian democracy. In democratic Athens, religious questions, public festivals, financial matters, inheritance law, ostracism, political office, and all matters pertaining to foreign policy were decided by a popular assembly. At this open assembly there was no restriction on speech. Athenian citizens met to discuss and vote on public decrees that affected the public and private individuals. A simple majority decided an issue and voting was mostly conducted by show of hands.

Assembly meetings drew around 6,000 (the minimum amount for a quorum) of 30,000 eligible citizens. Due to democratic reforms, which Ephialtes and Pericles were responsible for, citizens were paid to attend. The assembly met 40 times a year, and once a meeting was called to order, "a lotteried president for the day announced (through a herald) the first item on the agenda; after reading it the president asked, 'Who of the Athenians has advice to give?'" (Ober 1993 p. 483).

The chief and most prominent elected officials in Athens were the *strategoí*. They were ten generals serving one-year terms with no limit on re-election. As a *strategos*, Pericles could only issue orders on a military campaign since the office did not carry formal political power. Thus, Pericles political power arose in the assembly and when he initiated policy he did so as a citizen. Yet, as a general, Pericles had to be skilled in both military and diplomatic affairs, since the generals were subject to a yearly review, prosecution, impeachment, fines, exile, and even death.

PERICLES' DOMESTIC POLICIES

Pericles was elected 16 times as general, more than any other Athenian in history. Due to his unparalleled prestige, Thucydides, in his *History*, introduces Pericles as “the first man of his time at Athens, ablest alike in counsel and in action” (1.139). In ancient Athens it was common for a prominent leader to put through a consistent program over many years. Before Pericles, some notable Athenians made great political strides. Themistocles laid the empire’s foundation by persuading the Athenians to shift their military power to the navy. Ephialtes initiated the radical democratic reforms that Pericles fulfilled. Cimon won major battles against Persia; he diminished the Persian threat and heralded an era of magnificent civic benefaction. Yet as a visionary leader, Pericles surpassed them all (Hale, 2009, p. 126).

Pericles’ lengthy tenure and influence was unmatched. As such a rare and gifted politician, he could channel his political ambition beyond the desire to sustain himself in office. Despite what some rational choice theorists assume (Mesquita et al. 1995), Pericles’ ambition transcended the desire to simply hold on to political power. His goals were visionary and he wanted to bring to Athens a level of glory that was unsurpassable and sublime. To that end, Pericles’ amplified the arena where Athenian citizens could attain glory, which was not through individual accomplishments but through service to the city. Pericles’ project depended upon a transformation of Athenian domestic politics through its imperial power. Pericles used the imperial treasury to subsidize the public payment of juries, the assembly, the citizen rowers, and it paid for his ambitious building project.

Pericles’ rise to power, in the decade of 450-460, was coeval with the implementation of *misthos*, state payment for public service. Payment gave the poorer citizens in Athens a say in the city’s affairs; their responsibility for Athens’s naval power

was now being represented in their share of the city’s power. Pericles’ most radical measure instituted jury payment, “Pericles first made service in the jury-courts a paid office, as a popular counter-measure against Cimon’s wealth” (Ath. Pol. 27.2). Jury payment marks the turning point that brought city affairs into a radical new balance.

Pericles’ legislation had a widespread and profound effect on the lives of Athenian citizens. The domestic policies that were implemented under his leadership were based upon a deliberate decision to rely on the permanent availability of imperial revenue. Aristotle’s description of how Athens’s public funds were divvied up at the height of the empire reveals the extent to which political life in Athens became dependent on *misthos*.

They also established a plentiful food supply for the multitude, as Aristeides had proposed; for the combined proceeds of the tributes and the taxes of the allies served to feed more than twenty thousand men. For there were six thousand jurymen, one thousand six hundred archers and also one thousand two hundred cavalry, five hundred members of the Council, five hundred guardians of the docks, and also fifty watchmen in the city, as many as seven hundred officials at home and as many as seven hundred abroad; and in addition to these, when later they settled into the war, two thousand five hundred hoplites, twenty guard-ships and other ships conveying the guards to the number of two hundred elected by lot; and furthermore the prytaneum, orphans, and warders of prisoners—for all of these had their maintenance from public funds. (*Athenian Constitution* 24.3)

In Plato’s *Gorgias*, the character of Socrates articulates the conservative opinion about the moral consequences of Pericles’ policies. He says, “If the Athenians are said to have become better because of Pericles, or, quite the opposite, to have been corrupted by him. For I at any rate hear these things, that Pericles made the Athenians lazy, cowardly, babbling, and money lovers, when he first brought them into the state of mercenaries” (515e).

The new and expanding empire brought unprecedented wealth to Athens. In 431, the year that the war started, Athens’s annual income was 1,000 talents, of which 400 came from internal revenue and 600

from tribute; it had 6,000 talents of coined silver in the treasury (Kagan, 1991 p. 232). According to some sources, at one point there may once have been as much as 9,700 talents in the treasury (see Rhodes, 2006 p. 91). We can think of the value of Athenian currency in terms of keeping the naval fleet operational. One talent was the amount of silver needed to pay the crew of a trireme for one month, tours of duty lasted 8 months, and Athens had a fleet of over 200 triremes.

A massive building program accompanied Athens's largesse. Under Pericles direction, the Long Walls that connected Athens to the port of Piraeus were completed. The Long Walls were proposed much earlier by Themistocles and began being built after the Persian wars, so the fortification of city is not attributable to Pericles entirely. However, Pericles' strategic decisions during the war were dependent upon the completion and fortification of the Long Walls. They made Athens invulnerable to attack since Sparta would not risk a siege of Athens and could not build a counter wall. In addition, the most famous architectural works were built on the acropolis: the Parthenon, the Erechtheion, the Propylaea, and the temple of Athena Nike. Pericles was very involved in the conception and construction of many of these architectural works, specifically the Parthenon.

On a political level, the building program functioned as a public works program. Laborers, architects, craftsman, traders and merchants could be of service and as result, "it put the whole city, in a manner, into state pay, while at the same time she is both beautiful and maintained by herself" (Plutarch 2001, 212). Public compensation was distributed through legislation and the building program. Pericles' policies were tangible and symbolic. They enriched Athenian citizens; it lifted the demos into political prominence, and conveyed to the citizens the stake they had in the city's resources and continued success. Through his policies Pericles was inducing a remarkable change in domestic ideology, a change that was necessary for the maintenance of Athens's empire.

PERICLES' FOREIGN POLICY

Pericles presided over the transition from league leader to imperial ruler, which conflicted with the identity of the free-ruling polis. By the Peloponnesian War, the Greek world saw Athens as an arrogant and aggressive city. The Peloponnesians stated aim was to liberate Greece, restoring freedom to subjugated cities, and only a destruction of the Athenian Empire could accomplish this goal. Pericles embarked on a new imperial policy when in 454 he changed the Delian League's organization, moving the treasury from Delos to the Acropolis in Athens. The conservative faction, now led by Thucydides, mounted a challenge. Pericles' new direction violated traditional religion and morality. The charge against Pericles took aim at his decision to transfer the treasury and the building campaign:

Greece cannot but resent it as an insufferable affront, and consider herself to be tyrannized over openly, when she sees the treasure, which was contributed by her upon a necessity for war, wantonly lavished out by us upon our city, to gild her all over, and to adorn and set her forth, as it were some vain woman. (Plutarch, 2001, p. 211)

Pericles rebuffed the charges of moral impropriety and the abuse of imperial funds as he reminded people of the benefits they derived from the empire. His policies prevailed. In 443, when he finally could secure adequate political backing, he called for Thucydides' ostracism. He succeeded, and secure in his policies without a considerable political figure to oppose him, he turned to consolidating the empire.

In 445, after Pericles successfully warded off a major military showdown with the Peloponnesians, Athens and Sparta agreed to a truce, which led to the negotiation of the Thirty Years' Peace. The treaty ended the first Peloponnesian War, and the peace lasted 14 years. The treaty stipulated that Athens give up any claims to territory in the Peloponnese while the Spartans tacitly recognized its rival's empire. To prevent future wars, they agreed to observe certain protocols: allies from one league could not defect to another side (the cause of the conflict in 445), neutral cities were free to become allies of either side, and each side would submit any future disagreement to arbitration. The arbitration clause was unconventional in Greek relations; Pericles was likely behind this diplomatic innovation.

Next, I discuss the series of events starting in 433 that precipitated the Peloponnesian War, in which I argue that Pericles played an independent role in fashioning events including the beginning of the conflict in 431. At critical junctures, he made decisive diplomatic moves that brought the Athenians closer to war. Thucydides describes his exacting policies toward Sparta: “for being the most powerful man of his time, and the leading Athenian statesman, he opposed the Spartans in everything, and would have no concessions, but ever urged the Athenians to war” (1.127).

The war originated in a dispute between two smaller powers, Corinth and Corcyra, over control the Epidamnus, which was a small city in a faraway corner of the Greek world. Prior to the disagreement, Corinth and Corcyra were on bad terms. Corcyra was originally a Corinthian colony, but as Corcyra’s strength grew, so did its independence and pride. It failed to pay the customary reverence to its mother country, and the two cities became bitter rivals. The conflict over Epidamnus escalated, and the two cities went to war.

In 433, Corcyra appealed to Athens for help in what was becoming a dangerous conflict for it to undertake alone. Corinth was building a large fleet to counter Corcyra’s, and while Corinth was Sparta’s ally, Corcyra was neutral. Both cities sent ambassadors to Athens to plead their cases. The majority in the assembly preferred to stay out of the dispute because Corcyra was not an ally and remote Epidamnus lay outside Athens’s strategic interests.

Thucydides tells us that the debate lasted two days, and on the first day, public opinion was disposed to reject Corcyra’s plea. However, the debate was not resolved, and the vote was postponed for the next day (a delay on a vote was extremely rare). On the second day, public opinion had shifted to intervention (1.44). Pericles and his associates had made a case for the strategic worth in coming to Corcyra’s aid in what they were building up to be an inevitable war with Sparta.

Among the diplomatic hurdles to this measure, Corinth was in the Peloponnesian League and Corcyra was a neutral state. The Corinthian ambassadors had argued that Athenian intervention on Corcyra’s behalf, with the conflict underway, violated the Thirty Years’ Peace. Although Athens risked war with Sparta, it did not want to see Corcyra’s fleet lost to Corinth. A Corinthian victory at sea would embolden that city and threaten Athens’s command of the waters. Thucydides tells us that Athens accepted the danger since its attitude about the possibilities for a long peace with Sparta had dimmed, while its expansionist ambitions had not:

For it began to be felt that the coming of the Peloponnesian War was only a question of time, and no one was willing to see a naval power of such magnitude as Corcyra sacrificed to Corinth; though if they could let them weaken each other by mutual conflict, it would be no bad preparation for the struggle which Athens might one day have to wage with Corinth and the other naval powers. At the same time the island seemed to lie conveniently on the coasting passage to Italy and Sicily. (1.44)

To avoid open war, however, Athens did not make a traditional alliance, a fully offensive and defensive one, with Corcyra. Making such an alliance would have been tantamount to declaring war on one of Sparta’s allies. Instead, the Athenians crafted an innovative defensive alliance with Corcyra (one with no historical precedent). Pericles played a hand in shifting public opinion to his view and designing the less provocative alliance. It is very likely that without Pericles the Athenians would have rejected the Corcyrean appeal for assistance, a fateful decision that put Athens and Sparta on the path to war.

The cautious Athenians only sent Corcyra ten ships (and three *strategoí*) to reinforce its fleet of 110. Yet, this small support still showed that Athens was serious about the alliance. Moreover, the mere sight of Athenian ships could act as a deterrent. Athens’s generals were under strict instructions; “if they sailed to Corcyra and threatened a landing on her coast, or in any of her possessions, they were to do their utmost to prevent it” (1.45). The policy sought to hinder Corinth without fighting its military at sea because that would constitute the use of offensive force.

In the battle of Sybota in 433, Corcyra and Corinth used primitive methods of trireme warfare and lacked discipline and tactical sense. As the battle wore on, the Athenians were drawn into the fight and

began ramming Corinthian ships. However, they had waited too long and had to flee with the remaining Corcyrean vessels. Corinth then rowed out again, in attempt to strike a fatal blow to Corcyra's navy. Yet, in dramatic fashion Corinth retreated when a second fleet of Athenian ships approached over the horizon. It is likely that at the last minute, the assembly regretted its decision to send such few ships.

In the battle's aftermath, other cities were now embroiled with Athens. Megara had fought alongside Corinth, and Athens decided to punish the city with a peacetime embargo, which was another novel policy. Again, this was most certainly one of Pericles' innovations since he fiercely defended it in the assembly. The Megarian Decree, as it is known, was also Pericles' most "striking, and in some ways most puzzling, measure" (Kagan, 2003, p. 207). Through the only peacetime embargo ever documented in the ancient world, Pericles showed Athenian resolve and the ability to punish cities in the Peloponnesian League.

Through the Megarian Decree, Pericles found another inventive way to skirt the application of offensive military force with another Spartan ally. Cut off from Athenian harbors, the embargo strangled the city's economy and offended the Megarians who now joined Corinth and a chorus of other aggrieved Greeks in an effort to make Sparta declare war against Athens.

What explains Pericles' alliance with Corcyra and his unpopular decision to bar Megara from Athenian harbors? The Megarian Decree further stoked anti-Athenian sentiment. Pericles did not rescind the decree even as Spartan ambassadors promised that war would be avoided if Athens did so (1.139). In fact, he had a great deal of latitude and could determine Athens's strategic behavior. Unlike any other leader in Athens and Sparta—the Spartans had ignored King Archidamus' advice—Pericles shows that he could steer opinion to his position despite considerable opposition.

Pericles, however, had a plan to fight Sparta, which was arguably designed free from situational pressures. Pericles took the long view. He scrupulously observed the Thirty Years' Peace but then decisively shifted to a hawkish posture toward the Spartans. This behavior points to his coolly rational, strategic understanding of international relations. He could prescribe restraint or aggression when necessary.

However, Pericles' transformative ambitions figured into his strategic decisions. The continued success of his domestic and imperial policies was undergirded by the requisite shift in the Greek balance of power to Athens. Pericles' realism was in service of his ambition. His transformative ambition, which is transmitted with rhetorical flourish in the Funeral Oration, fostered his city's daring character and brought it to its peak. However, for other states, the consequence of this national greatness is that they must contend with a restless, innovative, aggressive, and revolutionary regime.

After the declaration of war, cooler tempers prevailed in Sparta. Over the course of a year, it seemed to try and avoid war by sending envoys to Athens with various requests. When the Athenians refused to entertain the Spartan's demands, they made a final proposal that Athens give independence back to the subject cities, and "they proclaimed publicly and in the clearest language that there would be no war if the Athenians withdrew the Megarian Decree" (1.139).

The Athenians held a decisive assembly regarding Sparta's demands. They were divided into two camps, those who urged for war and others who believed that the Megarian decree was pure folly (1.139.4). Pericles came forward and gave the definitive speech. He refused concessions to the Spartans on principle because Sparta had failed to abide by the legalistic clause of the Thirty Years' Peace, which stipulated that cities submit disputes to arbitration. Thus, any concession to Sparta amounted to direct interference in Athens's political affairs. Pericles warned the Athenians that this was a slippery basis for negotiations because if they accommodated Sparta on the "trifle" that was the Megarian Decree, they "will instantly have to meet some greater demand, as having been frightened into obedience in the first instance; while a firm refusal will make them clearly understand that they must treat [the Athenians] as equals" (1.140.5).

Pericles was willing to incur the costs of war in 431 but not in 445. Both times he knew that the Peloponnesians would likely prevail in a traditional land war. What changed in Athens's favor was that he could now persuade the citizens to fight an unconventional war and also hold them to it long-term. He planned a long war at sea that relied on Athens's projection of power and wealth and exploited the

enemies' weakness, which was a lack of naval experience and unfamiliarity with a protracted engagement.

Conventional Greek warfare was short and brutal and ended decisively. The Greeks understood war as a human activity that exercised a citizen's virtue and fulfilled his duty. As an invading army made its way into enemy territory, it began to lay waste to the countryside. Courage, honor, and sheer necessity demanded that the defending city's army go out to secure its territory. The decisive battle was fought on chosen ground that would make it easier for each hoplite army to form phalanxes. The soldier ranks held closely together and created a mass wall of shields that made frontal assaults difficult. Opposing phalanxes would collide against each other with the aim of maintaining the cohesion of one's front line while breaking the enemy's formation. The courage of the men in the front ranks made all the difference. To hold the line and control the field were enough to claim victory over one's adversary. The more disciplined and well-trained army usually succeeded, and the Spartan polis was fully dedicated to fielding the best army.

In order to win the war, the Athenians could not engage the Peloponnesian army on land. Pericles told the Athenians that they had no chance in a conventional battle: "in a single battle the Peloponnesians and their allies may be able to defy all Hellas" (1.141.6). However, there was no other proven way to win a war against a land force. Thus, Pericles sought to exploit the military and resource differences between Sparta and Athens (1.141).

Pericles devised a fully defensive strategy against Sparta. The Athenians would never go out to meet the invading Peloponnesians. He would test the enemy's will, hoping to convince it that conventional tactics were futile. Sparta might march into Attica every summer and devastate Athens's countryside, but as long as Athens controlled the sea, it was invincible. In his speech Pericles advises the Athenians that if they "would remain quiet, take care of their fleet, refrain from trying to extend their empire in wartime and thus putting their city in danger, they would prevail" (2.65.7).

Pericles' defensive strategy would dampen Spartan morale by making them tire of invading Attica without inflicting any real harm. Athens's best shot at winning was through the empire. It could afford to import all the food it needed while maintaining the fleet for several years. Kagan (1991) has estimated how long Pericles planned to hold out. Considering the costs to the naval fleet, money in the treasury, and yearly revenue and tribute, he believes that Pericles planned the war to last no more than three years. Pericles was likely expecting that Sparta would recall the campaigns.

This strategy used Athens's fortifications, military capabilities, and vast resources. Its naval fleet was the largest and best trained in the Greek world. Long walls encircled the city and connected it to the port of Piraeus, which made it invulnerable to attack. Pericles had built a financial reserve that could sustain the fleet and the city's inhabitants. Although these resources were unique to Athens, there is no reason that they naturally led to Pericles' war strategy. Consistent with his transformative ambition, Pericles abandoned traditional attachments. His leadership aimed at redefining the polity's conception of itself in such a way that citizens would value empire more than their territory and realize that perpetuating the empire was above any private loss (1.143.5).

Although Athens was a cosmopolitan city, the majority of people lived in the countryside and were not happy to abandon their homes. The idea of laying waste to their private possessions was unthinkable. Thucydides says, "[D]eep was their trouble and discontent at abandoning their houses and the hereditary temples of the ancient state, and at having to change their habits of life and to bid farewell to what each regarded as his native city" (2.16). Pericles' speech demonstrates that he was not attached to any traditional mores, and the city-dwelling masses and naval rowers certainly must have favored his strategy. I think that we are left to infer that, owing to Pericles' reputation, persuasion, a bit of cajoling, and the preponderance of resources he poured into the walled city, his policy passed and citizens evacuated the countryside.

Kagan (1991) and Josiah Ober (1996) have argued that Pericles' strategy was not only original but also completely rational. Abandoning homes and a defensive strategy were unorthodox methods so contrary to the ordinary passions and attachments of Athens's citizens that, for Pericles to discharge them, Kagan has said, "his greatness lay not only in conceiving the plan and implementing it decisively by

yielding all of Attica instead of taking half measures, but, most of all, in being able to put the plan through a democratic assembly by the force of his personality and to see that it was carried out” (1991, p. 230).

Pericles’ plan not only changed the Hellenistic rules of war (Ober, 1996, pp. 51–71), it also was the beginning of a long-term strategic analysis of war planning and waging. He substituted tactics for grand strategy, brute force with financial resources, and the predominance of manly honor in agonal warfare with a psychological war of endurance. If it would not exact heavy losses on Sparta, Athens would project its power with the fleet around the Peloponnesus.

Was this a sound strategy to win? Pericles used some of the Athenians’ strategic advantages by sending expeditions and launching assaults from sea. Yet, he did not lay siege to other poleis, which is because his grand strategy rested on a psychological dimension that Spartan futility would wither away its commitment to the war.

Athens launched a series of hit-and-run operations against Peloponnesian coastal cities. With 100 ships, Pericles invaded Megara, which was in the Peloponnesian League. It was the largest Athenian force ever assembled, and it shows that in Pericles’ mind it was a key component of his strategy (2.31.2). They ravaged the territory and then retired; subsequently, they invaded Megara annually, up until 424 (4.66). The goal of these invasions was to force the city to negotiate a separate peace or join the Athenian alliance: “their territory spanned the Isthmus, and even their neutrality would presumably have denied invading Peloponnesian armies passage to Attica” (Lazenby, 2004, p. 38).

However, without trying to seize and hold ground, Pericles relied mostly on the expectations that Sparta’s ineffectual invasions would require it to switch tactics or give up. As a result, Pericles put Sparta in the driver’s seat. The defensive policy was rational, but he left victory to chance. Maybe Sparta would suffer reverses, its domestic system might strain, the Helots could revolt, and her allies might defect. Athens could have accelerated these problems by establishing a base in Spartan territory, which it finally did six years into the war and to much success. Pericles did not match defense with a proper offensive strategy to make the war costly for Sparta. His rationalism took for granted that citizens would bear the costs of an empire at rest. The windfall of revenues, constant political activity, and daring that defined his and a younger generation of Athenians came to a complete halt.

However, the greatest reverse to his strategy was dealt by an event that Pericles could not have predicted. A plague decimated Athens’s population and severely dampened morale. Allies defected from the league, and Pericles died from it two years into the war. The plague demolished Periclean ambition and cool rationalism. A third of the population also suffered excruciating deaths. People turned to selfishness and vice and disregarded each other, eroding the bonds of the community. It was so corrosive to Athens’s social fabric that the people despaired; they turned on Pericles and sought peace with Sparta, which refused the ambassadors’ entreaties.

CONCLUSION

Pericles was an imperialist, but a prudent one who calibrated imperial expansion and war strategy to Athens’s resources, which he gauged accurately (2.65.5). He knew that his people were too enthusiastic, too whimsical, and obsessed with gain. However, he directed these impulses and engineered a moderate and conservative policy that brought the empire’s greatness to its height (2.65.5).

Pericles’ war strategy was not bold, but it did not hazard the city’s security. After his death, his prudent course was lost amid the cacophony of policies that allowed “private ambitions and private interests, in matters apparently quite foreign to the war, to lead them into projects unjust both to themselves and to their allies” (2.65).

Lesser leaders such as Cleon, Nicias, and Alcibiades possessed strong attributes but lacked the Periclean blend that enabled him to exercise an independent control over the multitude, “to lead them instead of being led by them” (2.65.8). Cleon was patriotic but immoderate. Nicias was esteemed for his prudence. His conservative nature assuaged the public’s uncertainty and fears, but his cautiousness was paralyzing. Alcibiades was bold and intelligent; his desire for personal glory knew no bounds. He

embodied both the daring spirit and also the grander egoistic ambition of the Athenians; his statecraft stoked the imperial impulses that Pericles had so diligently tried to restrain during the war. Alcibiades' irrepressible ambitions and Nicias' trepidations led to the catastrophic Sicilian expedition.

This disaster exposed how the post-Periclean state failed to match resources and strategy to foreign-policy aims. Athens lost thousands of men, almost the entire fleet of ships, and the allies broke out in rebellion. This failure produced civil discord in the city, from which they finally fell victims too. Conversely, Sparta proved capable of waging a long-term war and adapted to naval warfare, scoring some surprising victories against Athens. In 404, 27 years after the war started, Athens surrendered to Sparta: the fleet and alliance were dismantled, the city's wall turned down, and its foreign policy was commanded by Sparta, which then imposed the Thirty, the infamous oligarchic regime.

The missing element in Pericles' transformative ambition was that he relied so greatly on his statesmanship. He proved that he had a unique ability to guide Athens's imperial might and resolve the tension between its democracy and empire.

The problem that leaders with transformative ambition like Pericles present to their polities and the world is that they can set forces in motion, which, if not entirely beyond the control of their less capable successors, can certainly overwhelm them. He drew out the strengths and abated the weaknesses of democratic energy and freedom, and in his lifetime achieved great things that brought the Athenian empire and democracy to their peaks. Yet, he learned how fragile the summits of human greatness are when an unpredictable calamity undermined his polity's character, nerve, and social bonds. While Pericles is proof that a statesman's intervening influence can fundamentally change the course of international and domestic politics, he also shows that in the long run transformative ambition may not produce its intended effects.

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Community and Leadership: The Role of Humility, Rhythm, and Experiential Learning

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This qualitative ethnographic study explored student learning in relation to community and leadership through experiential learning at a Benedictine Monastery. As part of an elective Leadership and Community course, graduate students engaged in an intensive onsite experience of learning and participating in the monastic tradition. Student reflection papers and interviews with the course instructor contributed to themes and categories that represented gained competencies and student learning. Findings showed that humility, organizational rhythm, and experiential learning greatly enhanced individual learning, which together contributed to the development and sustainability of community. Findings also indicated that non-individualistic leadership may contribute to community and continued individual growth. Set firmly within the context of community, this paper presents emerging constructs and discusses implications for both practitioners and scholars.

INTRODUCTION

A central tenet of leadership is that leading does not occur in isolation but rather by being in relationship with those being led. This collective bond is commonly referred to as *community* (Kouzes & Posner, 2007). The concept of leadership began to emerge with the works of Lewin, Lippitt, and White (1939), and, shortly thereafter, Stogdill (1948). Their works comprised the early genesis of leadership studies. However, the term *leadership* was not coined or used until the mid-20th century, and it was not until late in the 20th century that leadership theory started to use the ‘non-individualized’ concepts of collaborative, collective, and shared leadership—the very terminology of community.

Similar to leadership literature, education literature expanded late in the 20th century with a greater acceptance of the social sciences. Specifically, it was Palmer (1997/2007) who first coined the phrase *authentic community* and our understanding of community has been greatly influenced by an area within education literature known as *experiential learning*. Although Kolb (1984) credits most of his work to concepts from the writings of Dewey (1938), Kolb is considered the founding father of *experiential learning theory* (ELT). While there are critics of ELT (Freedman & Stumpf, 1980; Mietinen, 1998; and

Piaget, 1973), most authors suggest modifications to the model as opposed to developing an entirely new paradigm. Kolb's theory rests on key assumptions that suggest—for the student—learning is a dialectic process that occurs within a group or community in which his/her past and current experiences, new knowledge, and understanding, when fittingly combined, result in personal transcendence.

Over time, these two relatively new areas of social research—leadership and education—have merged and have caused the demarcation between education literature and leadership literature to become less distinct. The common element between them—community—has begun to weave these two areas of social research together. Yet, within both leadership and education literature, there is little dialogue on what defines community or the elements needed for the contemporary organization to attain and maintain community. Consequently, any research that improves our understanding and appreciation of community is worthy of review.

The Monks of Saint Benedict have practiced community for over 1,500 years under the guidance of *The Rule of Saint Benedict*, or more commonly known as *The Rule*. The Rule has played an important role in guiding these monks to live in community and their experience provides us with a rich history of leadership and teaching within the context of community. As a result, a graduate leadership program in the US Northwest offers an elective, experiential course entitled “Leadership and Community”, held on-site at St. Andrew's Abbey, a Benedictine Monastery in California. This course enables students to study, participate, and experience leadership/followership and community, as practiced by the Monks of Saint Benedict. The curriculum of the course focuses on The Rule in its historical, theoretical, and experiential contexts. Students learn, not only about The Rule and basic monastic virtues, but also experience the prescribed times for common prayer, meditative reading, manual labour, and other legislative and operational functions that create intrinsic desires that honor common living—that is, create and sustain monastic community.

As a result, this ethnographic case study was designed and conducted to examine and explore student learning of community, as experienced in this graduate leadership and community course. The overarching purpose of this study was to explore the impact of living with the monks in community, and to observe the potential implications for the contemporary organization on how to achieve and maintain community. Through the analysis of student reflection papers and interviews with the course deliverer, new constructs and new relationships between constructs have been identified—thus, enhancing our collective understanding of the possible contextual elements that aid in the development and maintenance of community.

THEORETICAL BACKGROUND

This study requires an examination of three theoretical constructs: leadership, experiential learning, and community. The first construct to be discussed is leadership.

Defining Leadership

Countless definitions of leadership exist and each characterization provides a unique emphasis. There are probably as many definitions of leadership as there are authors (Bass, 1990; Bryman, 1996; Nirenberg, 2001) and it is not reasonable to resolve the intellectual challenge of conceptualizing leadership within the boundaries of one solitary comprehensive model. However, it is imperative to provide parameters concerning the notion of leadership. Recognizing the intricacies of leadership practices, Northouse (2010) determined that leadership conceptualizations emphasize traits, abilities, skills, behaviors, or relationships in an attempt to describe a complex “influence process that assists groups and individuals...to achieve a common goal” (p. 12). Rost (1991) described leadership as “an influence relationship among leaders and followers who intend real changes that reflect their mutual purposes” (p. 102). Yukl (2006) presented the following explanation of leadership:

Leadership is the process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives. (p.3)

Yukl did not limit leadership to roles, processes, or outcomes but rather recognized that leadership is both a specialized feature *and* a social process of interaction whose nature is contextually dependent.

While Yukl appreciated the collective nature of leadership, Ladkin (2010) placed an even stronger emphasis on the communal aspects and mutual interactions within leadership processes:

Leadership is...a collective process, encompassing both those who would be known as 'leaders' and those who would be known as 'followers'...these are not static labels...leadership can readily pass between them so that leaders can act as followers and followers can act as leaders in certain circumstances...leadership...[emerges] from particular social and historical contexts. (p. 11)

This depiction acknowledges that leadership is a shared, dynamic endeavour that does not reside in one person but is, instead, readily and continually exchanged within a given social context. Expanding the concept of leadership even further to embrace the cultural landscape, Ciulla (2008) wrote,

Leadership is a human phenomenon embedded in culture, which includes art, literature, religion, philosophy, language and generally all those things that constitute what it means to live as a human being. (p. 393)

Thus, leadership can be viewed from a variety of perspectives: an individualized phenomenon, a collective venture, and even a representation of society and culture. Leadership is, however, not confined to societal roles or entities (Clegg, Hardy, Lawrence & Nord, 2006; and Parry & Bryman, 2006). Rather, it “transcends these limiting definitions to...[and is] a state of mind resulting from *inner truths and principles*. [Thus, each] person can and does participate as a leader in various aspects of life” (Abjibolosoo, 2005, p. 13). This suggests that the processes of leadership are more accurately understood by examining broader contexts of power and influence (Ciulla, 2010; Hardy, 1996; Jermier & Kerr, 1997; Moss Kanter, 1979; Kerr, 1978; Kerr & Jermier, 1978; McClelland, 1974, 1975; Nadler, 1988; Northouse, 2010; and Washbush & Clements, 1999). It also transports leadership beyond characterizations of leaders and simple group level dynamics, and intimately connects leadership to individual and group processes and interactions. The nature of these relationships covers a wide range of human exchanges. Given the seemingly vast domain of leadership, it is no wonder, then, that the task of defining leadership has been an immense, and oftentimes even a murky, mystifying challenge. Leadership is a stretched concept—and stretched concepts are difficult to pinpoint—but the point from the literature is very clear: leadership only occurs in community and, as such, is ‘non-individualized’.

Leadership as a Non-Individualized Conceptualization: Leader-Follower Dynamics

The dynamic influential powers between leader-followers are comprised of multidimensional interconnecting pathways that permit information sharing, processes of influence, and the development of organizational identity and capabilities (Wheatley, 2005). Lewin's (1951) *force field analysis* model identified two opposing forces of equilibrium. *Driving forces* provide an impetus for change while *restraining forces* seek to maintain the status quo. Although this model has been critiqued for overlooking the politics of change within processes of influence, the criticism is countered with the response that clear alignment of human interaction and relational factors as either organizational constraints or positive inducements is both awkward and problematic. Interpersonal patterns within leader-follower dynamics can impede or enhance the leadership process and thereby modify processes of influence and organizational capabilities. Thus, the practice of leadership is complexified by interactive factors that can act as simultaneous driving and restraining social forces. The paradoxical nature of this realization

provides a valuable perspective that helps both practitioners and scholars appreciate the intertwined, independent, interdependent, and collective actions of individuals and groups within the leadership process. As a result, the notions of individualized leadership (style, trait, states, and the like) are limited, at best, and the need to view leadership as non-individualized is essential.

Leadership as a Joint Venture

The historical reliance on leader-centric models means that scholars have sometimes missed opportunities to explore leadership as a collective practice. Although individual functionality is important and heroic feats do occur, these actions take place “amidst what is perhaps a much more complex intersection of contextual and personal factors” (Ladkin, 2010, p. 11). Yukl (2006) also drew attention to this concern and raised “the issue of whether leadership should be viewed as a specialized role or as a shared influence process” (p. 3). As the normative lens of leadership progresses, there is a growing recognition that organizations benefit when leadership processes are spread across entire organizational systems to encompass many people in multiple roles at all levels (Ogawa & Bossert, 1995). Distribution of leadership and flatter organizational structures are promoted more and more often as solutions to modern-day management challenges (Manz & Sims, 2001). Social sciences are now beginning to explore leadership regardless of where the activities originate or are manifest in collectivities. There is a strong, growing recognition that the notion of leadership can no longer be relegated to the sphere of a recognizable or entitled leader. As Bass and Avolio (1993) asserted, leadership often reinvents itself.

Collectivities that share management tasks have been said to display a “leadership role constellation” (Denis, Lamothe, & Langley, 2001; and Hodgson, Levinson, & Zaleznik, 1965). Hodgson and his colleagues hypothesized that effective constellations depend on the degree of *complementarity* among their members. Complementarity refers to both the adequate coverage of all domains of leadership activities as well as the existence of mechanisms that allow different actors to engage in their respective roles in a concerted manner. Denis et al. (2001) also suggested that achieving “a perfectly harmonious and complementary constellation may be difficult when authority relationships are diffuse and when individuals have different sources of expertise” (p. 811). This idea stands in sharp contrast to strengths-based leadership and its premise that all leaders benefit from working with associates who possess complementary abilities to offset the shortfalls of one another’s proclivities (Rath, 2007; and Rath & Conchie, 2008). Despite the divergence, both leadership role constellations and strengths-based leadership accept the benefits of multiple actors within more dispersed leadership roles (Stewart, 1991) and point the way towards leadership as a joint venture and a collective practice.

The shift to leadership as a collective or team practice first appeared in academic literature in the mid-20th century when Bales (1950) introduced the *interpersonal process model* for team-building. At that time, however, bureaucracy and scientific management prevailed. Establishments did not sense a need for Bales’s ideas—the world was simply not ready for notions of shared leadership processes. More recently, however, calls for follower-centric and decentralized approaches to leadership are emerging (Baker & Salas, 1992, 1997; Bottery, 2004; Hayes, 2002; Katzenbach & Smith, 1993; Kotter, 1996; Landrum, Howell, & Paris, 2000; Robbins & Coulter, 2004; Senior & Swailes, 2007; and Yukl, 2006), and leadership has now been placed in the framework of participative, shared processes and collective decision-making. This, in turn, stimulates and leads to more effective organizational change.

The changing emphasis of leadership to encompass follower participation, human capital (Hitt & Duane, 2002; and Hitt, Keats, & DeMarie, 1998), and “collaborative production” processes (Heath, 2000) taps into unique aspects of collective undertakings that enhance functional relations between people and groups (Rothhart, 2003; and Sherif, Harvey, White, Hood, & Sherif, 1961/1988). Shared roles and concerted efforts incorporate many features of transformational leadership (Burns, 1978, 2003; Grundstein-Amado, 1999; Pearce & Conger, 2003a) and are linked to nearly all favourable organizational outcomes (Avolio, Jung, Murry, & Sivasubramaniam, 1996; Avolio, 2005; Cox, Pearce, & Perry, 2003; Csikszentmihayli & Csikszentmihayli, 1988; Ensley, Hmieleski, & Pearce, 2006; Hooker & Csikszentmihayli, 2003; Pearce & Sims, 2002; Pearce & Conger, 2003a; Pearce, Waldman, &

Csikszentmihalyi, 2006; and Shamir & Lapidot, 2003). Thus, the awareness that leadership extends beyond an individualized phenomenon is vital to organizational sustainability.

Distributed Leadership

Although aspects of *decentralized leadership* (DL) were identified sporadically throughout the 1900s, the concept of DL *per se* was first introduced by Peter Gronn (2002). Other prominent academics also supported the notion (Currie & Lockett, 2011; and Spillane, 2006) and the term is often used interchangeably with coordinated leadership, delegated leadership, democratic leadership, dispersed leadership, team leadership, teams, self-managing teams, high-performance teams, and top management teams (Bennett, Wise, Woods, & Harvey, 2003; Eisenhardt, 1989; Hambrick & Mason, 1984; Harris 2004; Pearce & Conger, 2003a; Ray, Clegg, & Gordon, 2004; Spillane, 2005, 2006; and Starratt, 2001). Notions of leadership as a group endeavor also include distributed leadership, collaborative leadership, collective leadership, and shared leadership processes. Each designation emphasizes various aspects of disseminated leadership responsibilities but some of the distinctions are not clear or consistent and, at times, overlap. There is, however, an underlying consensus that in collaborative organizational cultures formal positions no longer impose strict boundaries on formerly typified leadership tasks. Instead, roles such as vision-setting, decision-making, planning, organizing, and evaluating are shared amongst organizational members in more concerted, collegial processes (Bennett et al., 2003; Hiller, Day, & Vance, 2003; Janicik & Bartel, 2003; Marks, Mathieu, & Zaccaro, 2001; Mathieu & Schulze, 2006; and Pearce, 2004). Thus, the broad, diverse literature on DL warrants further investigation (Bennett et al., 2003).

The notion of DL is accepted by both practitioners and researchers (e.g., Ancona, Malone, Orlikowski, & Senge, 2007; Burton & Brundrett, 2005; Hammersley-Fletcher & Brundrett, 2005; and Storey, 2004), yet disagreement over definitions and descriptions persists (Bennett et al., 2003; Harris, 2004; and Spillane & Diamond, 2007) and the idea of DL demonstrates considerable “conceptual elasticity” (Hartley, 2007, p. 202). There is, however, general agreement amongst scholars that directive capacities, when exercised by more than one individual in a hierarchy, take on forms that are more prone to be decentralized, collaborative, participatory, devolved, shared, or distributed (Harris, 2003; and Hammersley-Fletcher & Brundrett, 2005). Despite the fact that DL encompasses a variety of features, the concept is marked by three distinct elements (Bennett et al.):

- 1) emergence of leadership as a property of individual interactions within a group;
- 2) openness of boundaries and widening of the conventional leadership net within a given community; and
- 3) various distributions of expertise across many (not limited) organizational members.

In DL scenarios, the emergence of leadership (Kozlowski & Klein, 2000), leadership boundaries, and the distribution of expertise are altered from traditional patterns.

Despite commonalities, various forms of DL can also differ significantly. Distinctions include: 1) underlying motivating goals and values (Keyes, Hanley-Maxwell, & Capper, 1999) such as non-negotiable aims (Graetz, 2000) or accountability to outsiders; 2) social and cultural contextual factors that affect the initiation (Bryant, 2003; Kets De Vries, 1999; and Knight & Trowler, 2001), manner, extent (Mahony & Moos, 1998), and nature of the distribution of leadership roles; 3) the internal culture of the organization and its history (Brytting & Trollestad, 2000; and Coad, 2000); 4) the source of the impetus for change (Bickmore, 2001; Blase & Blase, 1999; Gold, 2003; and Garvin, Edmondson, & Gino, 2008); and 5) the organization’s structure (Bennett et al., 2003; Goodman, Baron, & Meyers, 2001; Harris 2004; Silva, Gimbert, & Nolan, 2000; and Spillane, Halverson, & Diamond, 2001). Additionally, some firms institutionalize formal structures that encourage trust and mutual support and the sharing of expertise. In these firms, distinctions between leaders and followers are blurred (Bennett et al., 2003; and Garvin et al., 2008). Some of these organizations also demonstrate a peculiar co-existence of both hierarchical and distributed forms of leadership.

Leadership as a collective, distributed effort has also been related to the activities of groups and teams. Literature about teamwork often overlaps with discussions of DL. Both concepts emphasize “collaboration, multiple and complementary strengths and expertise, and the need for all members to share a common view of both the purposes of the team and its means of working” (Bennett et al., 2003; see also Katzenbach & Smith, 1993). Team-level cognizance has also been explicitly linked to shared leadership (Burke, Fiore, & Salas, 2003; Conger & Pearce, 2003; and Vera & Crossan, 2004) and enhanced decision-making (Dayan & Elbanna, 2011). The duplicity between teams and concepts of DL is also apparent in Gronn’s (2002) argument for concertive action as an aspect of distributed leadership. Effective team processes require trust, mutual respect, commitment, active listening, constructive communication, open sharing, a problem-solving approach, and the ability to build consensus, flexibility, and active participation of team members (Are You a Team Player?, 2011; Ramos-Garza, Villalba-Morena, & Ramos-Garza, 2011). Organizations benefit when aspects of DL are integrated into team practices.

Collaborative Leadership

One form of dispersed or distributed leadership that blurs the lines between leaders and followers is called *collaborative leadership*. In the early 1990s, Rost (1991) critiqued scholars and practitioners of the past century for their contracted focus on the societal norms and ideals of a regimented industrial paradigm. Rost redefined leadership as a collaborative process between leaders and followers and, a short time later, various descriptions of collaborative leadership emerged (Archer & Cameron, 2009; Chrislip, 2002; Moss Kanter, 2005; and Rubin, 2009). A “collaborative advantage” (Rost, 1994; and Moss Kanter, 1994, 2003) hinges on the awareness that critical corporate relations cannot be designated by formal organization systems but instead rely on solid, dense webs of advantageous interpersonal interactions. Accordingly, collaborative leadership emphasizes abilities and attributes required by leaders to traverse organizational boundaries. These leaders actively pursue cooperative alliances by instilling avenues for the strategic integration of respectful, tactical, productive relationships that are advantageous to the firm. Rudimentary managerial tasks involve creating, nurturing, monitoring, and replenishing relational assets (Moss Kanter, 2005). This approach emphasizes leader-centric actions and acknowledges the inherent value of people but only as a transactional benefit. Thus, transcendence is not part of the collaborative process.

Collaborative processes were also explored in *Platforms for Collaboration*, a paper issued in 2009 by Satish Nambisan at the Stanford Graduate School of Business. The paper rested on the premise that “social change [grows] in the spaces between organizations and sectors” (Nambisan, 2009, p. 44), and presented three platforms for collaboration: *exploration*, *experimentation*, and *execution*. Exploration is the process of defining problems and seeking to connect with problem-solvers to build diverse coalitions of stakeholders. Experimentation integrates ideas from stakeholders and develops and tests solution prototypes. Execution provides resources to expedite collaborative solution templates and ensure rapid acceptance of the social innovation with the customer base. Collaborative behaviours include decentralized decision-making, effective information exchange, and increased accuracy in information in team environments (Boone & Hendriks, 2009; and Friedrich, Vessey, Schuelke, Ruark, & Mumford, 2009). Like the earlier model of collaborative leadership, this process operates on the premise that collaboration serves a transactional purpose.

More recently, Roberts and Coghlan (2011a; 2011b) offered a new leadership model called “concentric collaboration” (p.1). This practice “[strengthens] the skills of the individual leader and fosters collective leadership...to create connections with others, ultimately increasing the social capital necessary to effect organizational change” (Roberts & Coghlan, 2011a, p.1). Concentric collaboration is a leader-centric model that nudges the concept of leadership beyond respectful advantageous relationships towards an early awareness of the intrinsic value of human beings and associated relational processes.

Raelin (2003, 2006) offered yet another form of collaborative leadership which rests on a fundamental humanistic principle that “when people who have a stake in a venture are given every chance to participate in the adventure, including its implementation, their commitment to the venture will be

assumed” (p. 155). In this sense, collaborative leadership takes on an image akin to participative management, organizational learning, and “leaderful” (Raelin, 2003, 2004) practice. It challenges leaders to be collective (i.e. mutually inclusive) and compassionate (Mendenhall & Marsh, 2010). Similarly, “functional leadership” (Zaccaro, Rittman, & Marks, 2001) also appreciates group dynamics—the reciprocal influences in leadership and team interactions—and the significance of member commitment to collective undertakings.

In the last two decades, descriptions of collaborative leadership have conveyed a more transactional and leader-centric focus, yet the original concept of collaborative leadership, as rendered by Follett (1924), had quite a different focus. Follett wrote that “in the behavior-process, subject and object are equally important” (p. 54-55) in the endless “circular response” (p. 63) of social (i.e. relational) processes. Openness—breaking up wholes to see both sides—integration, and continual re-evaluation are important aspects of Follett’s collaborative leadership and work together to develop a “richer understanding of the collective desires and perspectives of the group” (Mendenhall & Marsh, 2010, p. 290; see also Follett, 1925). Follett (1918/1998) believed that “[t]he individual is created by the social process and is daily nourished by that process” (p. 62). She placed individuality solidly within social context and stressed relationship. Although later models strayed from these principles and emphasized leader-centric activities that built relationships for transactional benefits, for Follett, the purpose of collaborative leadership was individual transcendence, wholeness, and the greater good.

Collective Leadership

Another significant form of distributed leadership is called *collective leadership*. In the 1900s, with the rise, expansion and modernization of military-industrial powers in the United Soviet Socialist Republic (U.S.S.R) and in other countries, communism was presented by its leaders and supporters as a form of collective leadership. The goal of this form of collective leadership was to hinder the creation of a one-man domination such as that experienced under Stalin. Leadership was distributed between various governing bodies but, despite these ideals, the USSR struggled under abuses of the concept. Collective leadership was esteemed in value but violated in practice.

Collective leadership was also discussed by Friedrich et al. (2009). These researchers defined collective leadership as “a dynamic leadership process in which a defined leader, or set of leaders, selectively utilize skills and expertise within a network, effectively distributing elements of the leadership role as the situation or problem” (p. 933) warrants. A collective orientation towards leadership was also described by Driskell and Salas (1992) as “the tendency to coordinate, evaluate, and use task inputs from other group members in an interdependent manner in performing a group task” (p. 278). These definitions identify interdependent coordinated skills and actions as key features of collective leadership.

In 2001, the concept of collective leadership surfaced again as the cornerstone of the Kellogg Leadership for Community Change program (The Collective Leadership Framework, 2007). The Kellogg Foundation presented leadership as a process that emerges from relationships built around a shared dream that brings together a diverse community of people to create change (Perry, 2007b). Cultivated in stages, collective leadership 1) generates trust; 2) helps people experience fellowship and co-create a vision and strategy; 3) engages in joint action to bring about sustainable, relevant change in their neighborhoods and community; and 4) creates deep sustained shared leadership that becomes a way of life (Perry, 2007a). It is an emergent, contextually-relevant, cyclical, relational, and transformational form of leadership committed to social advocacy and community. In the past, “scholars have sometimes missed the role collective identity plays in processes” (Polletta & Jasper, 2001, p. 285) but collective leadership addresses this issue by distinguishing leadership as a shared process that helps individuals learn and grow together. It nurtures a shared identity that honors communal living (Lessons in Collective Leadership, 2005).

Collective leadership was also addressed by Baghai and Quigley (2011), two prominent Australian businesspersons, who responded to the multiple styles of leadership in the marketplace with the release of a book, *As One: Individual Action, Collective Power*. The writers analyzed sixty organizations and identified three factors that were common to the organizations that flourished. Successful collectivities exhibited:

- a high shared identity,
- a high directional intensity, and
- a high common interpretation.

A shared identity enables individuals to see themselves not as individual members of a group but as one group—a unified body with a distinctive nature. Directional intensity is a solid commitment to common purposes and goals and a common interpretation provides analogous understandings of how to work together (Deloitte Touche Tohmatsu, 2011; and Quigley & Langton, 2011). Constructive collective behaviors are evident in individuals and groups who view their organization as a unique holistic entity, share similar values and ideologies, and operate in a manner consistent with the prevailing collective values.

Shared Leadership

Yet another model that distributes leadership behaviors within collective ventures is the notion of *shared leadership*. This style of leadership holds that leadership is a social process—that is, one that occurs between people. It is not so much what leaders do, as something that arises out of social relationships and, as such, does not depend on one person but on how people act together to interpret the context they are experiencing. As a result, leadership is less about one individual’s vision and more about creating a shared vision with others. Shared leadership exhibits inclusiveness and transcendence (Heifetz, 1994) of both self and others which are essential to aid in the creation of a positive emotional setting (Fredrickson, 2009; and Gastil, 1997). This, in turn, facilitates communal self-determination, equal and constructive participation, distribution of responsibility, empowerment of others, ownership of the decision-making process, learning, and respectful sharing and deliberation (Doyle & Smith, 2001; and Garvin et al., 2008). Pearce and Sims (2002) described shared leadership as “leadership that emanates from members of teams and not simply from the appointed team leader” (p. 172). Pearce and Conger (2003b) defined shared leadership as “a dynamic, interactive influence process among individuals in groups for which the objective is to lead one another to the achievement of group or organizational goals or both. This process often involves peer, or lateral, influence and at other times involves upward or downward hierarchical influence” (p. 1).

The concept of shared leadership questions more traditional leadership models (Pearce & Conger, 2003a; Pearce & Sims, 2000; and Yukl, 2006) and parallels the use of empowered teams while simultaneously levelling organizational structure (Stace & Dunphy, 2002; and Mohrman, Cohen, & Mohrman, 1995). It “calls for true collaboration so that partners work together to coordinate and agree upon various planning, implementation, evaluations, advocacy, and decision-making responsibilities” (Session 4: Shared Leadership, 2009, para. 1). Shared leadership recognizes the unique perspectives, knowledge, and capabilities offered to a team by all its members and operates under the premise that leadership is “not determined by positions of authority but rather by an individual’s capacity to influence peers and by the needs of the team in any given moment” (Pearce & Conger, 2003a, p. xi). Key features are high quality interactions regardless of formal organizational positions, open communication, a common value focused on honesty, shared ethics, and democratic processes, and a humanistic approach that seeks the common good (Crosby & Bryson, 2005; and Nemerowicz & Rosi, 1997).

This notion of leadership demonstrates consistent links with positive organizational outcomes (Avolio et al., 1996; Hooker & Csikszentmihalyi, 2003; Pearce & Conger, 2003a, 2003b; Pearce & Sims, 2002; Shamir & Lapidot, 2003; and Pearce & Manz, 2011). It also depends on the existence of self-leadership (Manz & Sims, 1991) or self-determination skills (Kouzes & Posner, 2007) such as self-motivation, self-direction (Manz & Sims, 1990) and self-efficacy. High levels of self-leadership equip team members to share leadership responsibilities (Bligh, Pearce, & Kohles, 2006; and Prussia, Anderson, & Manz, 1998) and create power distributions with natural checks and balances (Houghton, Neck, & Manz, 2003; and Pearce & Manz, 2011). Skilled self-leadership creates a foundation for effective shared leadership in which leaders are motivated by more socialized forms of power (House & Howell, 1992). This moderates

the emergence of anti-citizenship behaviour including avoidance of work, complaining, and defiance (Pearce, 1997). If left unattended, anti-citizenship behaviour can propagate deviance and become a stepping stone to more egregious behaviour, prompting a cycle where more and more serious forms of antisocial behaviour are tolerated and continue (Anand, Ashford, & Joshi, 2004; Ashforth & Anand, 2003; Badaracco & Ellsworth, 1989; and Gladwell, 2000). Therefore, shared leadership appears to be a buffer against nefarious influences within teams and tends to naturally spill over into the greater organizational setting (Pearce & Manz, 2011; and Pearce, Manz, & Sims, 2008).

If neither self- nor shared leadership are well developed, centralized leadership predominates. Furthermore, high levels of individual autonomy (Langfred, 2005) and role ambiguity (Fisher & Gitelson, 1983) have been linked to reduced levels of team performance and dysfunction in teams. Additionally, these two forms of leadership function synergistically and protect against socially irresponsible organizational actions. A well-developed, appropriate balance of self- and shared leadership mitigates corporate negligence. Shared leadership, together with self-leadership, is essential to the development and survival of a sense of community amongst a group of people.

In summary, the debate about whether leadership is an individual or collective construct has run its course. The literature clearly establishes leadership as a non-individualized endeavour and thus—regardless of whether one perceives it as a joint, distributed, collaborative, collective, or even shared venture—it can only take place within the context of community.

Experiential Learning: How it Shapes Epistemology and Ontological Understanding

The second component to the theoretical framework of this study is that of *experiential learning*. Although a number of variations on experiential learning exist, Kolb's (1984) *experiential learning theory* (ELT) continues to be considered an influential model and provides the foundation for a broad range of management processes (Carlsson, Keane, & Martin, 1976; Dixon, 1994; Hunt, 1987; Lengnick-Hall & Sanders, 1997; and Sims, 1983). The epistemology of learning has been widely explored and concretely defined. Essentially, concrete experience, reflective observation, abstract conceptualization, and active experimentation (Beckman & Barry, 2007; Kolb, 1984; and Kolb & Kolb, 2005) represent four interdependent tenets, each of which is required within holistic and integrated learning processes (Beckman & Barry, 2007; Heron, 1992; Kayes, 2002; Kegan, 1994; Kolb, 1984; Vince, 1998; and Wenger, 1998). Ethridge and Branscomb (2009), who were the first to conduct a parallel study that examined children and adults and the implications of ELT, adamantly asserted that “for a transformation in learning to truly occur, direct experience must be paired with reflection to facilitate and reinforce learning” (p. 406). This is consistent with the assertion of Piaget (1973) who stated, “A parroted truth is only a half truth” (p. 106). More recently, Moore, Boyd and Dooley (2010) reaffirmed that *reflection* provides the method by which students connect theory and practice. Reflection also allows students to connect and integrate principles learned in the classroom with the context of daily life.

Thus, the real power of experiential learning is the integration of erudite scholarship with experience. This is congruent with the work of Boyer (2003) who asserted that *social learning theory* emphasized the importance of the contextual environment and the exchanges that occur between the individual, his or her surrounds, and other people. Boyer claimed that learning was not only tied to the context in which it was embedded but also to the relationship one has with others. Boyer also purported that this reality was so important that the act of knowing became mediated by the competencies that were displayed within the community where the individual resided—an assertion also supported by Wenger (2000). Furthermore, these claims are reinforced by *social cognitive theory*, which, as Bandura (2001) outlined, supports the concept that the collective agency exercised through socially coordinated and interdependent effort is of the utmost importance in the development of the individual.

Community and The Rule of Saint Benedict

The third theoretical component represented in this research is that of *community*. The notion of community first arose within leadership literature just prior to the 21st century. Building on the 18th century term *philosophes*, Palmer (1997/2007) was first to use the phrase *authentic community*. Since

Palmer's introduction, the notion of community, although still relatively uncommon, is emerging with a slowly growing frequency in the realms of leadership, education, and organizational literature. For example, Rochon (1998) used the term "critical communities" (p. 2) to describe groups of people that challenge conceptual movements and offer alternatives that create social change. Burns (2003) employed the phrase "community leadership" (p. 235) and thus, provided a clear linkage between community and the concept of leadership. This premise rests on the power of intellectual leadership and recognizes the crucial role of dynamic leadership within collective action. Burns also warned "efficacious leadership, whether individual or collective, can still be fragile and ephemeral in the face of brutal realities" (p. 225). Nirenberg (2001) identified himself as a consultant for the "workplace community" (p. 1) and Edwards (2011) linked the concept of community to distributed leadership. However, the most common reference within literature to community seems to be the phrase "communities of practice" (Brown & Duguid, 1998; Eckert & Wenger, 2005; Lave & Wenger, 1991; Wenger, 1998, 2000; and Wheatley, 2005).

Communities of Practice

The expression *communities of practice* was introduced by Lave and Wenger (1991), Wenger (1998; 2000), and Brown and Duguid (1998). Eckert and Wenger (2005) defined the term as "an ongoing collective negotiation of a regime of competence, which is neither static nor fully explicit" (p. 583). And, Eckert and McConnell-Ginet (1998) described it as:

...an aggregate of people who come together around mutual engagement in some common endeavor. Ways of doing things, ways of talking, beliefs, values, power relations - in short practices - emerge in the course of their joint activity around that mutual endeavor. (p. 490)

Eckert and Wenger (2005) also asserted that communities of practice have "a way of doing things, as grounded in and shared by a community" (p. 583). Thus, practices are integral rhythmic features of community that cannot be separated from the context of the community. As stated by Davies (2005), "Membership [in a community is]...created and maintained through social practices (linguistic or otherwise) at a local level, rather than global categories being imposed on individuals" (p. 557). Practices link to an organization's capacity for learning, knowledge creation, innovation, and the construction of a cohesive vision (Brown & Duguid, 1991; and Wenger, 2000). Elaborating on the notion of community, Wenger described communities of practice as 'social containers' for system competencies, and thus, foundational building blocks of social learning. Fiol (1994) and others have argued that shared interpretive schemes facilitate collective problem solving and enhance organizational adaptive potential. Three essential elements of communities of practice are: enterprise (level of learning energy), mutuality (depth of social capital and deep sense of commitment generated over time), and repertoire (degree of self-awareness developed through reflection on concepts, language, tools, history, and perspective) (Wegner, 1986; and Wenger, 1998, 2000). In essence, a community of practice is a cohesive, competent, and creative collectivity.

Delving even more deeply into the concept of community, Wheatley (2005) wrote, "these communities are webs of connections woven by people to get their work done" (p. 34) and identified three conditions essential for community connectedness: identity, information, and relationships (p. 37). Identity is the basis of sense-making capacity within the community. Information is its medium, and relationships are the organizational pathways along which information is exchanged and through which sense-making occurs. Because of this context, self-awareness and reflection are essential leadership skills. Therefore, although Wheatley did not say it directly, communities do more than simply engage in practices—they incorporate a *repetition of practice* (i.e. a sense-making rhythm) into cycles of activities. Wheatley also emphasized:

Communities of practice demonstrate that it is natural for people to seek out those who have the knowledge and experience they need. As people find others and exchange ideas,

relationships develop and a community forms. This community becomes a rich marketplace where knowledge and experience are shared. It also becomes an incubator where new knowledge, skills, and competencies develop. (p. 172)

In essence, communities of practice are a form of shared leadership that offers opportunities for experiential learning in an environment of repetitive, genuine, trust-based relational practices.

Community and the Monks of Saint Benedict

Within education literature, community is seen as necessary for learning; however, there is scant literature describing exactly what community is and how one goes about achieving it. Even within the organizational setting, Lenzner and Johnson (1997) stressed that institutional viability is tied to its capacity to develop and maintain community and its ability to operate in a mutually influential relationship, and that it is critical to developing the leadership that can cultivate such a mindset around communities. The importance of community is of great interest to the religious order known as the Monks of Saint Benedict. In the case of the Saint Benedict Abbeys, their mission as an organization is to enable each individual to develop a *pure heart*, which, as presented by Merton, means that the individual “has an immediate apprehension of the way things really are” (as cited in Carey & Horsman, 2008, p. 10), thus enabling the individual to transcend and become Christ-like. The values for the Monks of Saint Benedict are expressed through their vows of *stability*, *obedience*, and *conversion of life*, where: stability means to commit to stay in relationship with their community regardless of how difficult it gets, obedience means to hear the truth of the circumstances and to be open to hearing God through their community, and conversion of life means a commitment to poverty and chastity and requires the monks to be in genuine dialogue, which goes beyond collaboration, as characterized by Hall (1994). These vows are the underlying premise for the community context for all Saint Benedict Abbeys and are reinforced by the common symbols, rituals, and heroes that are consistent across all of their monasteries.

For over 1,500 years, *The Rule of Saint Benedict* (The Rule) has played an important role in shaping the monks’ understanding of community. Although referred to as a ‘rule’, it is, in essence, a text in the form of a book and, as such, the rhetoric of ‘rule’ is used as it provides direction for how to live this chosen way of living. For the Monks of Saint Benedict, The Rule outlines the suggested pattern of behavior and attitudes needed to create the desired community within a monastery. The proposed/expected actions and thoughts are in perfect alignment with the overriding values and vows of monastic life. The daily habits within The Rule are often referred to as the *Rhythm of the Monastery*, and are designed to enhance the values and mission of the Monks of Saint Benedict. The monks make a commitment to live in community and to hold one primary objective—to transcend personally and communally—which, interestingly, mirrors the objective of non-individualized leadership and education. The Monks of Saint Benedict have been living in community for over fifteen centuries in numerous diverse locations involving many different contexts and cultures. Thus, their communal lifestyle provides the world with an example of a challenging context through which to practice and serve within community. Their practices might hold countless lessons and implications that stretch beyond the confines of monasteries and apply to contemporary organizations.

Summary of the Literature

The leadership literature has evolved to embrace concepts and theories of leadership that are non-individualistic, and thus, have the potential to help build communities. Communities have cultures of collaboration where leadership collectives value people to varying degrees (Jeffrey & Woods, 2003) either for their intrinsic worth, or for their contributions as part of a team (Campbell & Southworth, 1992) or a community. Community, when practiced in its purest sense, is a collectivity that creates secure, rhythmic, and psychologically safe environments (Jeffrey & Woods, 2003). Community goes to the essence of leadership, thus confirming the essential notion that leadership is truly non-individualized. The concept of experiential learning—a critical aspect of connecting theory to practice—is also important, and thus, learning and transcending are intricately connected. As a result, the purpose of this study was to

explore the impact of experiencing life in community at a Benedictine Monastery and its potential implications for: 1) how to achieve and maintain community; and 2) non-individualized leadership practice and theory.

METHOD

This research applied an ethnographic approach to study the role of community and leadership. The lead author of this study was an active participant and observer in the course offered at the Benedictine Monastery. The active participant role of looking at the culture from the inside, with an emic perspective, allowed the lead author to construct knowledge contributing to cultural understanding and meaning making (Eriksson & Kovalainen, 2008). Additionally, ethnographic research contributes to rich description and interpretation of cultural and social groups (Cresswell, 2007).

SAMPLE

A purposive sample (Cresswell, 2007), consisting of six student papers and a semi-structured interview with the instructor who delivered the course on several occasions, formed the data set for this qualitative research. Purposive sampling increases the range of data exposed and maximizes the researcher's ability to identify emerging themes that take adequate account of contextual conditions and cultural norms (Erlandson, Harris, Skipper, & Allen, 1993, p. 82). The purposive sample had a criterion dimension that required student papers representative of students who had completed graduate level courses in leadership and ethics, servant-leadership, and organizational leadership. This additional criterion was used in order to have a baseline understanding of student performance in other courses that develop similar constructs of community, stewardship, and ethics. Six student papers represented a viable and rich source of data. Small yet rich sample sizes are often the norm in ethnographic research and have been deemed acceptable in qualitative research given the depth and intricacies found in the description (Denzin & Lincoln, 2008). This data was then condensed and open-ended survey questions were developed for the purposes of discussion with the course instructor. This process allowed for an opportunity to verify the reoccurring patterns within the students' observations.

Since this research is an ethnography case study, it is attempting to explore and develop new constructs and relationships within constructs and, as such, potential concerns around reliability are difficult to eliminate. Despite the limitations surrounding validity and reliability, Yin (2003) suggested that ethnography case studies were advantageous since they allowed the researcher to examine many variables in a given situation as one and rely on multiple sources of evidence and, as a result, the potential benefits far outweigh the stated limitations of this study. Ultimately, the question of validity rests on the extent to which there was saturation within the data set and, for the purposes of this study, the authors believe that this was achieved.

ANALYSIS

The analysis used two sources of data. One source employed six student reflection papers, while the second source represented an interview with the course instructor. Both the course instructor interview and the six student reflection papers were coded and analyzed for common themes and patterns. The six papers were read several times before interpretive analysis was applied for coding. The coding process progressed through open coding, axial coding, and selective coding in surfacing overarching themes and categories (Corbin & Strauss, 2008).

Emerging themes from the student papers informed the semi-structured interview with the course instructor, *an expert*, and thus, provided a secondary source of triangulated data (Cresswell, 2007). This interview explored how the recurring patterns (themes and variables) found in the student papers reflected the instructor's interpretations and experiences of the students' reflection papers. The interview served as

a reflective process that contributed to the conformability and dependability of the findings derived from student papers.

FINDINGS AND IMPLICATIONS

Three overarching and recurring themes emerge from the student papers and course instructor interview. The first predominant theme is the concept of *humility* as an essential component for building community. The second is the importance of *rhythm* to the order of things within the community. A third overarching theme—experiential learning—traversed both humility and rhythm (see Table 1).

TABLE 1
VARIABLES OF HUMILITY AND RHYTHM WITH EXPERIENTIAL LEARNING
AS AN OVERARCHING THEME

Theme # 1: Humility	Theme #2: Rhythm
Variables of Humility	Variables of Rhythm
1) Listening	1) A rhythm to the day: prayer/meditation/reflection
2) Silence (i.e. Reflection)	2) Comfort in the structure
3) Intentionality of communication (i.e. Dialogue)	

<-----Theme #3 Experiential Learning----->

Humility of Community Members (Both Leaders and Followers)

The students' reflection papers showcase the importance of humility in developing and maintaining healthy communities, not only for leaders, but also for followers.

Some participants wrote:

Participant: I would add that I must learn to use my heart to learn humility.

Participant: The implications of humility are profound for me.

Participant: If I have a deeper understanding of humility, I will be able to set my own personal agenda aside.

Participant: I left compelled to examine my own strengths, to understand myself as unique. Completing this task required an inward reflection not only of my beliefs, but also on the perceptions of others towards me.

The practice of humility within community is supported by the writings of Nirenberg (1994/1995) who stated that community does not assume that everyone is equal. This means that some members, depending on the context, would not always get a vote on every outcome, and explains why, within Nirenberg's work, he referred to consensus as beyond democracy and founded on the idea that multiple perspectives and dealing with dissent are needed within communities. Dysinger (1996) stated that humility allows the individual to appreciate the way things really are, or as Greenleaf (1979) claimed, it produces awareness—the first essential step in individual transcendence. Block's (1996) Stewardship Model of Leadership also identified humility as an essential feature of empowerment and accountability amongst leaders. Furthermore, in the context of leadership theory, many researchers (e.g., Kouzes & Posner, 2003; Senge, 2006; and Yukl, 2006) highlighted the necessity of a contextual assessment and the

importance of its evaluatory accuracy. However, few researchers have drawn linkages to essential skills that aid in ensuring an accurate assessment.

This study shows that individual and collective humility allows the individual and the community to park or challenge perspectives—a capacity that encourages an accurate assessment of the context and the development of possible next steps. Additionally, this study indicates that if or when it is necessary, humility will not allow the community to breed dissention (Nirenberg, 1994/1995). Therefore, an organization that assists individuals within the community to build their own humility will greatly aid in the development of community and the benefits it brings.

This study also identifies three variables that greatly aid the development and maintenance of humility: listening, intentional silence (i.e. reflective practices), and intentionality of communication.

Some participants wrote:

Participant: Listening is a skill I must continue to master.

Participant: I definitely understand that I could be a better listener.

Participant: Silence is what strengthens a leader's ability to listen to others and their own heart.

Participant: Step nine requires a monk to control his tongue and remain silent; this is a radical restraint of speech over today's common practice.

Participant: One must monitor the inflection in the voice and this remains an area of difficulty for me.

Participant: Communication becomes a precious commodity that should not be wasted and so all start to choose words more precisely if they are needed at all.

Together, these variables—listening, intentional silence and reflection, and intentionality of communication—significantly improve the ability of the individual and the community to accurately assess their context. This ability is an essential requirement of any form of non-individualized leadership. Furthermore, this study highlights the importance of humility and its various possible constructs for the development of community.

The first implication for the contemporary organization is to create an organizational climate that fosters the ability to truly listen, that is to listen beyond the plain words to the 'intention or emotion' behind the words in order to understand the true meaning of what is said. Periods of intentional silence could be incorporated to allow reflection and meditation on the purpose of the organization (i.e. community) and the roles and responsibilities of the individuals within it. The deliberate attempt to reduce the amount of 'noise' within an organizational community ensures that members are not bombarded with excessive communication. Excessive communication is a source of distraction and desensitizes individuals to important information. The end result of incorporating these variables is less—but significantly more effective—communication.

Given the lack of discussion and research within leadership literature to date regarding the concept of humility, the implications for non-individualized leadership are significant. As a result, the contemporary organization would be well advised to ensure that there is intentionality about individual and collective humility, and that there is deliberate development of a climate that encourages a focus on attentive listening, intentional periods of silence, and significantly less, but more intentionality about effective, communication.

Community Rhythm

The other common theme within the participants' reflections papers is the notion that communities have a rhythm, intentionally managed or otherwise.

Some participants wrote:

Participant: I am committed to daily prayer and Lectio Divina.

Participant: Meditation and contemplation is a worthwhile practice of servant leaders.

Participant: Lectio provides enrichment of the message while breaking down barriers and limitation. This is where the individual breaks down his or her biases.

Participant: Lectio allows for the reflective understanding of the text and material. Without this, there cannot be an inward reflection towards spiritual life.

Participant: Practising Lectio Divina allows an individual to cultivate the ability to listen – but listen deeply, contemplatively and whole heartedly. I have incorporated Lectio Divina into my daily personal life by daily readings, with the goal of cultivating the skill of listening in my personal life and organizational life. Allowing Lectio Divina to be part of one's life helped them to discover a spiritual rhythm.

The Monks of Saint Benedict practice a particular order to their day, and generally within their lives, in order for *Lectio Divina* (meditation/reflection) to occur. This rhythm is deliberately managed with the intent of supporting particular purposeful objectives. The Rule greatly aids in establishing an organizational climate that is not rushed but, nevertheless, functions with a sense of urgency, thus supporting this rhythm and promoting *Lectio Divina*. As a result, there is purpose—but not at the expense of the individual—and there is an ebb and flow between the spiritual and the natural world. In order to better manage any community, its members are well-advised to manage the ebb and flow of their daily events—their rhythm. This is also similar to Nirenberg's (1994/1995) assertion that community is a form of organization, one in which there needs to be predictability to the order of things even when expected events arise. People perform and respond better under conditions of predictability, particularly when circumstances become unstable. As a result, it would appear from this study that community is enhanced when there is a structure or rhythm for the day's events and activities.

In essence, The Rule provides guidelines and humanist elements for the purpose of intentionally managing the rhythm of the monastery. This study identifies four aspects that enhance the development and maintenance of rhythm within the community—prayer, worship, meditation, and reflection—all of which are derived from *Lectio Divina* and greatly aid in the comfort of the daily structure. Within the study, many participants observe that the organizations in which they work give little thought to the community's rhythm. As a result, there is little or no 'downtime' or 'meditation', and very little priority is given to time for reflection. This reduces the ability of the individuals within the community to be mindful or to even have awareness for mindfulness. This study identifies the benefits of a structure that integrates purposeful living, meditation on the purpose of the community, worship, gratitude for what the community provides, and reflection on the daily events (both good and bad) within the community. Rhythm or structure to the day is achieved, not for the sake of rigidity, but to establish harmony. It is within the rhythm, harmony, and daily structure that the individual can focus on the tasks and objectives of the community.

Experiential Learning Aids in Frame Shifting

Kolb (1984), Kayes (2002), Ethridge and Branscomb (2009), and Moore, Boyd, and Dooley (2010) considered experiential learning as a tool to integrate the elements necessary for developing one's epistemology. The four tenets of experiential learning—concrete experience, reflective observation, abstract conceptualization, and active experimentation—represent four separate stages that need to occur in order to best facilitate the transformation of an individual's epistemology and ontology.

Some participants wrote:

Participant: Instead of defining community, I was experiencing community.

Participant: The development of community transcends the individual.

Participant: Because of the experience at the monastery, I now ensure I have opportunity to reflect and look for areas for development.

Participant: I must take opportunities to self-reflect and self-assess within community.

Participant: The community becomes your mirror of yourself when done authentically.

This study highlights the importance of reflection within experiential learning when teaching about community, particularly regarding roles within the community such as leadership. It highlights that experiential learning can integrate all four of its tenets in order to maximize the learning experience. The

participants not only studied the conceptual, The Rule, leadership, and various other readings but shared the concrete experience of being with the monks themselves and participated in active experimentation—the process of developing community with the monks and their fellow classmates. The participants' common language (rhetoric) and common experiences such as cooking, working in the courtyard, sharing religious services, and other daily activities, aided them in developing their own community.

One of the implications of this study is the realization that experiential learning is a powerful way to teach leadership and community. This finding is further supported by Boyer's (2003) assertions around social learning theory and his idea that, not only was the context important, but the relationships between the individuals were equally important. This study also confirms the writings of Ethridge & Branscomb (2009) which concluded that direct experience and reflection were necessary for learning to occur.

Participant: The experience at the monastery was genuinely humbling.

Participant: This was a journey where we experienced growth by observing others.

Participant: My husband says that I am a different person as a result of this experience.

The benefits of experiential learning are apparent within educational literature; however, within leadership literature to date, there is little dialogue on the notion of experiential learning or the intentionality of its use in the development of an individual's epistemology and ontology. Kouzes & Posner (2007) spoke of *modeling the way* and of *creating a spirit of community*; however, they did not directly link these concepts to the development of the individual's epistemology, learning, or specifically, the role of experiential learning. Much of their discussion focused on identifying one's own values and then modeling those values for others. The critical implication of this research is that modeling is, at best, only one aspect of the four tenets in the development of one's epistemology. Therefore, an organization genuinely interested in community development and maintenance, and leadership training needs to seriously consider how an individual develops his or her epistemology. This study demonstrates that experiential learning provides valuable clues about how individuals learn, and thus, an organization needs to place significant value on learning and seek to create an organizational climate that is intentional about the use of experiential learning as a means to assist individual and communal transcendence. This assertion is consistent with the notion of non-individualized leadership since it is in the relationship between the individuals and their community that leadership is consistently experienced. This assertion also highlights the importance of experiential learning to leadership theory in as much as what is being experienced is significantly more important than what is being suggested or espoused.

This study also highlights the importance for the contemporary organization to be more intentional about the development and maintenance of community. A healthy community, like that of the Monks of Saint Benedict, provides an optimal environment to enable the individuals and the community to change their epistemology. Yukl (2006) asserted that the contemporary organization that wants to learn needs to understand that knowledge alone will not be the key to the individuals' or the organization's transcendence. This study shows that having an understanding of how an individual learns and an understanding of the role of community are critical to the transcendence process. Essentially, a community or organization that is able to process knowledge and integrate the four tenets of learning will likely have more success at transforming epistemologies (reframing). Crossan, Lane, and White (1999) might call the organization that is intentional about doing this a 'learning organization'.

In summary, it is essential for the contemporary organization to have a complete understanding of how an individual's epistemology and ontology develop. The role and value of experiential learning holds significant keys to assisting communities to intentionally implement and integrate the four tenets necessary for reframing the individual's worldview. Thus, this study brings to light the need for the contemporary organization to: 1) understand how an individual's epistemology develops; 2) develop specific, intentional ways that encompass all four tenets of experiential learning; and 3) intentionally create an environment that facilitates the implementation of items 1 and 2—both of which are ontological frame shifting experiences. All of this will lead to the development and maintenance of a better sense of community within the contemporary organization.

AREAS FOR FUTURE RESEARCH

This study highlights that there are gaps within existing leadership literature surrounding our collective understanding of the nature, role and importance of community. Currently, the literature speaks of the need and importance of community, yet, there little discussion on the constructs that are necessary to enable the contemporary organization to develop and maintain community. This study identifies that any area of inquiry, investigation, or research which improves our understanding of community, its constructs, and the relationships between constructs will be invaluable to our understanding of non-individualized leadership, and that there is considerable further work to be done.

This study also suggests that there is much to be learned about community and leadership from an enriched understanding of how individuals develop and maintain their epistemology (reframing) and the role of experiential learning in aiding in this process. Experiential learning integrates the four tenets of concrete experience, reflective observation, abstract conceptualization, and active experimentation—all of which are considered essential for reframing one’s epistemology. Therefore, any research that expands our understanding of experiential learning and its application to leadership is worthy of investigation.

This study also identifies the importance of humility to community and three important variables of humility— listening, silence, and intentionality of communication—as experienced by the participants. Perhaps there are other undiscovered variables and if one were to link all of the possible variables of humility directly to the twelve steps of The Rule, the model might look something like this Community Humility Index (see Table 2).

TABLE 2
COMMUNITY HUMILITY INDEX

Seriousness	Step 1
Doing God’s will	Steps 2 & 3
Patience	Step 4
Radical Self-Honesty	Step 5
Yielding to others	Steps 6, 7 and 8
Restraint of Speech	Steps 9, 10 and 11

Source: Adapted from Casey (2001) *A Guide to Living in the Truth: Saint Benedict’s Teaching on Humility*, Liguori/Trumph.

The twelfth step of The Rule is not included as it represents mastery of the other eleven steps. Therefore, any research that attempts to develop a Community Humility Index would be invaluable to further refining our understanding of community and transforming leadership.

Finally, an additional aspect of this study is the notion that every community has a rhythm to its daily activities, managed or not. Ideally, this rhythm would include structures and cycles that allow for prayer, worship (gratitude), meditation (mindfulness), and reflection. Any future study that investigates the notion of community rhythm can only improve our understanding of community and non-individualized leadership.

CONCLUSION

This study has shown that humility is an essential ingredient for the development and maintenance of community and that there are at least three essential variables—listening, reflective silence, and intentionality of communication—that greatly aid in developing humility. This research has also shown that rhythm of the community is another essential ingredient to developing community and that there is comfort and clarity of purpose and objectives within the rhythm which can further enhance the community itself, particularly when the rhythm emphasizes the practical notions of community to which Nirenberg (1994/1995) refers. Finally, the findings have demonstrated that experiential learning can greatly aid in the development of an individual’s epistemology and is specifically achieved by ensuring

all four elements of learning—concrete experience, abstract conceptualization, reflective observation, and active experimentation—are taking place. The end result will be an enlightened sense of engagement by the individual. Consequently, the connection between experiential learning and the development and maintenance of leaders is profound.

Community members that share a strong identity, a common purpose and interpretation of the purpose, and a high directional intensity also stimulate individual and organizational learning. This generates the unique combination of stability while, at the same time, enhances organizational capacity for adaptive change and long-term sustainability (Garvin et al., 2008; and Hammersley-Fletcher & Brundrett, 2005). The Monks of Saint Benedict have demonstrated for 1,500 years that, for community to stand the test of time, the elements of humility, a consistent daily rhythm, and the use of experiential learning, particularly reflection, are essential. These components help to build and maintain community, one where a non-individualized practice of leadership exists.

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