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This Issue

This paper presents an argument for establishing the purpose of leadership as peace. Leading for peace assumes the possibility of moral progress. Using a dialectic approach, power and resistance are considered not dualistic opposites, but rather complex, ambiguous and interrelated constructs. From this dialectic, a model of resistance leadership, grounded in moral imagination, is presented. The Occupy Wall Street Movement is discussed as an example of moral resistance leadership, operating in the service of moral progress. By casting leadership as a certain kind of resistance, we discover a possible framework for understanding social change within organizations and societies.

It is argued in this paper that the contemporary issue of modern slavery is one of meaningful relevance to today's business, particularly multinational corporations. Increasing attention to the role of multinational corporations in regard to human rights violations, the rise of corporate social power, and a new corporate social responsibility ideology all serve to make the case that this issue should resonate with, and draw response from, modern business. The argument is made by first exploring an evolving perception of corporate social responsibility that recognizes a social, or institutional, logic as rationale for business legitimacy with society. Several examples and suggestions are offered as to how business organisations and their leaders can effectively aid in combating the disturbing issue of modern slavery.

In this study, we investigate the relationship between affective commitment and unethical pro-organizational behaviors (UPBs), which are unethical behaviors conducted by employees meant to potentially benefit the organization (Umphress, Bingham, & Mitchell, 2010). We predicted that affective commitment would be positively related to UPBs and that moral identity would moderate and weaken this relationship. The results support our hypotheses, indicating that individuals with high levels of affective organizational commitment are more likely to engage in UPBs when they hold a lower level or moral identity. Theoretical and practical implications are discussed.

A model of team-based philosophy is applied to test the efficacy of a partnership between a university and a regional social enterprise development agency during the set-up and development of a work-integration social enterprise (WISE). The research had three data collection phases 'early', 'middle' and 'late'. Analysis of interview data collected during the 'early' phase of this research evaluation revealed five themes: 'Communication', 'Unity', 'Concept and Planning', 'Personalities' and 'Personal Perceptions'. These interim research findings are discussed in relation to the proposed model and its appropriateness for the evaluation task.

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West Palm Beach, Florida 33401
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Dialectics of Leadership for Peace: Toward a Moral Model of Resistance

Bernice Ledbetter
Pepperdine University

This paper presents an argument for establishing the purpose of leadership as peace. Leading for peace assumes the possibility of moral progress. Using a dialectic approach, power and resistance are considered not dualistic opposites, but rather complex, ambiguous and interrelated constructs. From this dialectic, a model of resistance leadership, grounded in moral imagination, is presented. The Occupy Wall Street Movement is discussed as an example of moral resistance leadership, operating in the service of moral progress. By casting leadership as a certain kind of resistance, we discover a possible framework for understanding social change within organizations and societies.

INTRODUCTION

Peace is not commonly associated with the study of leadership. In most leadership texts, one is not apt to find a chapter dedicated to advancing peace in the world. Much of the seminal research in the field of leadership studies deals with the structure of leadership in search of a single definition and a general theory (Goethals & Sorenson, 2006). Behavioral approaches to leading involving various styles of leadership also feature prominently. A more pressing question for leadership scholars and practitioners has surfaced, what is the purpose of leadership – leadership for what? While this question has simmered beneath the surface of leadership scholarship since its inception, it is steadily rising to the surface of leadership consciousness.

The topic of peace has historically been located in the scholarship of public policy, political science, and history. Threats to peace are headline news, for example, tension in the Middle East, the worldwide economic decline, and the stubborn high rate of unemployment. Social movements such as the Arab Spring and the Occupy Movement along with Muslim leaders' call for peace have all foregrounded social justice issues and invited serious consideration concerning the connection between leadership and peace. World events are forcing leadership scholars to consider the deeper purpose of leadership – leadership for what? This paper suggests peace is the primary answer.

PEACE

Frequently definitions of peace begin with cessation, e.g. the reduction of violence, hostility, unrest, and war (Fort & Schipani, 2002). Matthew King (2010), provides a straight forward description, "Peace is a state of existence for a society within which conflicts are managed without violence, and result in the advancement of social, moral, economic and political aspects of society to the betterment of the people" (p. 172). Peace is concerned with civil and human rights, and justice. Peace builders aim to prevent violence and work to bring a reconciliation of issues for the good of society**.** We know peace is present when there is a recognition and rejection of violence, where differences are resolved through dialogue and not violent conflict, where there is critical awareness of injustice, and where a moral imaginative understanding of peace leads to increased social justice (Lederach, 2005; Joseph & Duss, 2009).

Transcending cycles of violence and advancing durable peace requires moral imagination and involves a great deal of responsibility (Lederach, 2005). According to Wolpe & McDonald (2008) a culture of sustainable peace requires establishing “collaborative capacity” among those engaged in or holding the potential for conflict (p. 141). Such capacity invites a shift in consciousness to understand the deep connection shared between individuals and groups. Yet, there is a certain ironic fear that exists because connection invites freedom to choose, to speak, to act and this carries with it a kind of fear of responsibility, Bauman (1993) calls this, “the unbearable silence of responsibility” (p. 78). Might there as well be a fear of peace? For peace demands a high level of responsibility to first build and then keep the peace. Is peace too fragile to keep? The fragility of peace is wrapped up in vulnerability, in so far as peace requires recognition of the fundamental truth of our interdependence and connection to one another. This played out dramatically in the Truth & Reconciliation Commission in South Africa where vulnerability gave rise to responsibility for administering justice for all. Indeed, it was collaborative capacity that enabled reconciliation to exist which paved the way to peace. Reconciliation required enormous vulnerability expressed through the “…acknowledgment of guilt; showing remorse and repenting; asking for and giving forgiveness; and paying compensation or reparations” (Murithi, 2009, p. 228). This process set the conditions for developing a culture of peace. Which begs a question, what if instead of preparing for war, we planned for peace? The challenge of building lasting peace is ever present.

To address this challenge I proceed as follows. I begin by explaining a dialectic approach to reconceptualize power and resistance, not as duality but as mutually constructive elements of leadership (Collinson, 2005). This sets the groundwork for conceiving of resistance as a form of leadership useful for building peace. Next, I argue that resistance leadership to advance peace must engage moral imagination, and to make this claim I show that moral progress is possible. Lastly, I propose that peace will take some time and thus depends on the generation now coming into leadership, GEN Y, to carry the work forward. I end by applying the ideas of resistance leadership for moral progress to a contemporary case example, the Occupy Wall Street Movement to illustrate how peace work might advance in a similar fashion.
At the out-set, I establish a set of four propositions:

Proposition 1. Mapping a process of leadership for peace requires a dialectical approach
Proposition 2. Resistance leadership for peace must be moral
Proposition 3. Moral resistance for peace assumes the idea of moral progress
Proposition 4. Moral progress and the work of resistance for peace depends on the next generation

The central purpose of this paper is to demonstrate that peace leadership requires moral resistance and the Occupy Movement is a case example of this possibility.

DIALECTICS OF LEADERSHIP: POWER AND RESISTANCE

A dialectical approach begins with dialogue, evidence of this method reaches as far back as Plato in the Socratic dialogues (Lublink, 2011). Dialectical seeks to hold together seeming opposites. Such an approach offers a process for dealing with contradictions by inviting us, as Hegel instructed, to preserve the useful portion of an idea or thing or society while moving beyond its limitations (Brincat, 2009).

In the dialectical, both ideas in the contradiction have something in common. To grasp this commonality requires an understanding of the parts to understand their relationship within the whole system. The whole of reality as an evolving process is considered and therefore a dialectical approach rejects dualisms in favor of maintaining focus on both ideas simultaneously. Dialectical is a transcendence of opposites entailing an imaginative leap to a higher level of reasoning that leads to a justification for rejecting both alternatives as false and/or helps illuminate a real and integral relationship between apparent opposites that have been kept apart and regarded as distinct (Brincat, 2009).

For the purposes of this discussion, I will argue that leadership for peace requires considering the dialectic of power and resistance. In this way, rather than dualistic opposites, power and resistance are understood as complex, ambiguous and interrelated constructs (Collinson, 2005). Typically with reference to leadership we think of power as a means for dealing with resistance; power over to suppress resistance. Holding these constructs dialectically offers a way to see resistance as influence necessary for leadership rather than contrary to leadership, particularly leadership for peace.

By casting leadership as a certain kind of resistance, we discover a possible framework for understanding social change for peace within organizations and societies. Resistance leaders see themselves as social change agents, activists and consciousness-raisers. They work to re-humanize work and society – reconceptualizing the dominant organizational bureaucratic power-over paradigm, which ultimately leads to instrumentalism, dismantling the tendency to see people as instruments to accomplishing organizational goals (Collinson, 2005). Ironically, organizational leaders create dysfunctional structures and, dialectically play a critical role in disrupting common paradigms of power and resistance to re-humanize work. When leadership itself is seen as possessing the capacity for social critique to uncover deep power structures embedded within the traditional views of the discipline, we can begin to understand a simultaneous leadership process involving both power and resistance useful for transforming structures of domination (Zoller & Fairhurst, 2007). Resistance leadership challenges traditional either/or thinking and instead views power and resistance as "mutually implicated, co-constructed and interdependent processes that have multiple, ambiguous and contradictory meanings and consequences" (Collinson, 2005, p. 1427). This broader view of leadership, a sort of radical translation of the concept of leading, involves the willingness to ascertain, determine and discern oppression, and domination in its subtle and profound forms as impediments to peace.

A dialectic of power/resistance views resistance as a form of power where power is seen as influence, exercised as resistance and not as power over and against. Familiar concepts come to mind when we consider power as it relates to leadership – charisma, authority, and influence. Charisma in particular has received a good deal of attention in the leadership literature and is associated with organizational change (Bass & Avolio, 1994). Recall, however Weber, who was among the first to articulate a theory of charisma, cautioned that charisma is naturally unstable, and even revolutionary (Adair-Toteff, 2005). Because of its inherent instability, charisma is not considered a viable source of power in the dialectic with resistance for leading peace. All too often power is explored as a surface issue in its relation to leadership to the neglect of deep power structures in society, which must be taken up if we have any chance at leading for the sake of peace. Rost (1991) got at this problem at bit by placing the focus on leadership content rather than the leader or leadership. Moreover, modern origins of leadership studies in the work of Burns (1978) have given us the construct of the transformative capacity of leadership in society.

Critical theorists have argued leadership research has focused too much on managerial effectiveness rather than social critique (Brown, 2004; Fournier & Grey, 2000; Zoller & Fairhurst, 2007). The largely quantitative and managerial focus of leadership studies has produced a kind of methodological individualism, a belief in the 'power of one' (Gronn, 2000, p. 319). Adding to this, mainstream leadership theory tends to emphasize leadership as a process that is asymmetrical and unidirectional. In the rush to set goal accomplishment and shareholder wealth as the primary ends of leadership, leadership theory neglected the deeper moral purpose of leading.

In considering the dialectic of resistance and power, the notion of freedom also comes into play. Resistance leadership approaches leading as the practice of freedom in the sense of liberation (Freire, 2000; hooks, 1994). Leading to promote liberation is leading to transgress boundaries that deny freedom – this requires critical interrogation of practices, processes, and systems that promote power to dominate at the cost of freedom. Resistance leaders liberate through speech to undermine coercive power, and through silence to give space for tolerances that resist power. Commenting on Foucault, Harvey (2006) suggests different historical eras produce, and are produced by different kinds of power. The sword was the old power, modern power is the power of surveillance, and thus Foucault praises resistance in response to modern power structures that limit freedom; and if we limit freedom, we limit peace.

The leadership literature is for the most part silent on the idea of leadership as conceived as transgressing boundaries and transforming structures of domination. Culturally embedded images of power have been displayed through strength and violence. George Orwell, through his own struggles with power in Burma, writes, "...when man turns tyrant it is his own freedom that he destroys" (as cited in Harvey, 2006, p. 81). Moreover, leadership has been understood as a form of domination, as a kind of "colonization" to bring followers into compliance using power as domination. Thus, ideas of dissent and resistance have long been understood from the point of view of revolutionary followers.

Indeed, managerial scholars often treat organizational resistance as disruptive of stable meanings, cultures, or systems, which must therefore be managed. The assumption often is that dissenters, almost by definition, destabilize things to disrupt the flow of organizing, while management seeks to return to the status quo. However, resistance leaders must manage both the fluidity and consistency of systems, which means resistance leadership may involve disrupting a stable system and this may require rejection of long standing, well-established definitions of leadership and power.

RESISTANCE LEADERSHIP

This paper posits that peace is the purpose of leadership and is primarily achieved through resistance. Critical leadership scholars point out that resistance can be understood as a form of leadership, that leadership can actually facilitate resistance (Alvesson & Spicer, 2012; Zoller & Fairhrst, 2007). Resistance leaders critique dualisms common to mainstream leadership approaches such as leader-follower, individual-collective, worker-manager, and reason-emotion (Collinson, 2005; Zoller & Fairhurst, 2007). Resistance leaders are those who notice and attend to practices of domination and exploitation and respond by developing a "hidden transcript of indignation" (Scott, 1990, p. 7). Because of this awareness, resistance leaders are in the best position to transform structures of domination and "…formulate discourses of dignity and justice for the marginalized…" (Zoller & Fairhurst, 2007, p. 1347). In this way, resistance leadership acts as a mobilization process for transformation, often involving many and not merely one central leader.

Albert Camus, French writer and philosopher, often associated with the existentialist camp, won a Nobel Prize for Literature in 1957, he was a person with a checkered past, he became a pacifist and devoted his efforts to human rights in the 1950's and his thinking is often associated with the practical ideas of resistance and rebellion.

In an essay in 1957 under the heading "The Artist and His Time" Camus writes of the role of the artist and the writer in society to effect change. If we take leadership to be a kind of art and replace Camus's references to the artist with the word leadership – I believe this is what Camus (1961) would say to us today. "Every leader tries to give form to the passions of his time. Yesterday it was love. Today the great passions of unity and liberty disrupt the world. Perhaps it is harder today. It is possible to fall love once in a while. Once is enough, after all. But it is not possible to be a militant in one's spare time. And so the leader of today becomes unreal if he remains in his ivory tower or sterilized if he spends his time galloping around the political arena. Yet between the two lies the arduous way of true leadership. It seems to me that the leader must be fully aware of the dramas of his time and that he must take sides every time he can or knows how to do so" (Based on Camus, 1961, p. 182). What Camus is saying is passion must fuel social action and such action is not a sidebar hobby. Social action leading to change is a choice to live in a tension, leading through the dialectic of power and resistance to advance liberation for the sake of peace.

To lead with resistance, to transgress forms of domination individually and collectively, we must critically consider our values and the valuing of peace. bell hooks (1994) rightly points out that resistance leaders create a location of possibility. In this field of possibility, we labor for freedom, but, she asks, do our values and habits of being reflect our commitment to freedom, our commitment to peace? Moreover, Dr. King declared, "…we will be unable to move forward if we do not experience a true revolution of values… We must rapidly shift from being 'thing oriented' to 'person-oriented'…. A civilization can flounder as readily in the face of moral and spiritual bankruptcy as it can through financial bankruptcy. It is not enough to say, we must not wage war. It is necessary to love peace and sacrifice for it. We must concentrate not merely on the eradication of war but on the affirmation of peace" (King, 1968, p. 195-197).

Might we be bankrupt in the currency of peace? Currency of this kind is available through a social commitment to the common good defined as the "intersection of personal passion and public need" (Crosby & Bryson, 2004, p.853). Morally grounded in the ethical values associated with dedication to the common good such as compassion, empathy, and shared power, resistance leaders strive to advance peace. I suggest that in order to move forward with a sustainable plan for greater peace, moral grounding, wisdom, and keen insight are needed if we are to promote peace vis-a-vis resistance leadership. Without morality, resistance subsumes into violence and even war. Without this grounding leadership as resistance can too easily lead to leadership for force and domination. Viewing leadership through the lens of resistance thus requires moral imagination.

MORAL IMAGINATION

Moral imagination needed for leading for peace according to John Paul Lederach (2005) is mainly a concern for holding together paradox, curiosity, creativity and risk; these tensions, if you will, create a kind of generative energy necessary for peace-building. Lederach (2005) argues relationship is the central organizing concept in the moral imagination for peace. "…moral imagination rises with the capacity to imagine ourselves in relationship, the willingness to embrace complexity without reliance on dualistic polarity, the belief in the creative act, and acceptance of the inherent risk required to break violence and to venture on unknown paths that build constructive change" (Lederach, 2005, p. 29).

Building on this notion of relationships, Margaret Wheatley (2003) reminds us that nothing living lives alone. Indeed for peace to exist individuals and communities must develop and enlarge their capacity to imagine themselves in a web of relationship, even with enemies; this speaks to the interdependency of our collective web. Thus, resistance leaders for peace must be skilled in the arts of web making and web watching.

Moral imagination demonstrates concern for injustice expressed as moral indignation in the context of political consciousness. Narrative is important here in the form of story. Effective resistance leaders develop powerful stories that embody collective action and resonate with a particular constituency (Zoller & Fairhurst, 2007). Narrative as a form of moral imagination is the means by which we stir urgency for this real but intangible challenge. This implies the necessity for agency, essentially the belief that change is possible – to deny the immutability of some undesirable situation – to believe we are agents of our own history.

From the leadership literature, we can take a good understanding of agency and the role of mobilizing and influencing to lead change. However, the existing critical leadership literature points out that we often see the one single leader leading change and thus greater attention is needed to understand the process of mobilization from individual action toward collective attempts at social change (Zoller & Fairhurst, 2007). Envisioning leadership as collective rather than individual requires a moral imaginative leap in interpretation of leadership theory and practice.

Moral imagination in the service of peace requires us to resist fatalism and cynicism and its close cousin contempt – where hopelessness and powerlessness may prevail - cynicism has become chic and works in the opposite direction of moral imagination; cynicism has a self-defensive nature (why waste my time on something I cannot influence?). The tone is ironic, providing a safe distance and an air of condescension toward political systems and civic engagement. Equally challenging to the goal of peace is the deep-rooted individualism in our culture. We must resist these tendencies and instead exercise moral imagination. This shift requires tremendous courage because it means I must come to acknowledge and confess my failings in fully accepting my responsibility in humanizing the other, courage to acknowledge I have contributed to the problem of a lack of peace – I am part of the pattern of systems that have worked against peace. Thus, moral imagination requires a kind of resistance against the potential for self-ignorance, in favor of reflexivity, honest appraisal and rationality to engage in simultaneous objectivity and subjectivity.

Finally, moral imagination involves identity in the form of defining who the "we" is in a movement for social change; here we attend to inclusivity and consider collective identity and race, a color-blind discourse, even in the context of considering peace, can exclude people of color. If we fail to examine the way in which whiteness and privilege influence worldviews and relationships, we have failed to be inclusive. Being inclusive in this discourse must be intentional. In actuality, avoiding racial and class differences leads to exclusionary practices, which only serve to undermine peace (Zoller & Fairhurst, 2007).

Identity also refers to the capacity to name. Using moral imagination to ground resistance as a potential form of leadership involves the capacity to name the world as it is. To name something is to give it voice and place. Naming can and often is a collective process of resistance when dialogue gives way to transforming domination; to deny naming is dehumanizing aggression (Freire, 2000). Further, I would suggest that the ivory tower of yesterday's leadership is filled with images of domination and top down hierarchies of oppression, these ideas and models of leadership aren't going to get us very far down the road toward peace. A morally imaginative approach to leading with resistance for peace will build on the values of prudence, moderation, tolerance and the belief that peace as the necessary basis for human progress (Lievan & Hulsman, 2006).

THE IDEA OF MORAL PROGRESS

While critics take issue with this notion of progress (Nietzche, 1886; Popper, 1957) still I think it is worth our while in this particular discussion on advancing peace to consider this philosophical construct, which serves as the underlying assumption built into the proposition of leading for peace.

The idea of progress gained philosophical and practical prominence during the period 1750-1950 and as Nisbet (1994) points out "No single idea has ever been more important than, perhaps as important as, the idea of progress in the Western civilization" (p. 4). This is an idea finding its zenith in the enlightenment and lies beneath other ideas including liberty, justice equality, community and peace. Indeed, "…all of the social sciences without exception – political economy, sociology, anthropology, social psychology, cultural geography, and others [including leadership] – were almost literally founded upon the rock of faith in human progress…" (p. 175).

It can be argued that the idea of progress is a way of orienting time, taking a linear view, suggesting that as time progresses, things get better. In a similar way, progress assumes continuity, gradualness, naturalness, and by many considered not accidental, but part of the scheme of things in the universe and society, where advance occurs from inferior to superior. (Nisbet, 1994; Marx, 1996).

We can think of progress in at least two ways, the progression of thought, say in science and technology that lead to scientific advances, evidenced in obvious and measureable examples such as increase in the standards of living. The second, less certain way to think about progress is the advancement of humanity's moral or spiritual condition (Marx, 1996; Mazlich, 1996; Nisbet, 1994). With respect to the first, advancement is typically sequential, incremental or cumulative where the aim is to reach a better understanding and control of the matter of study such as physics, biology or mathematics. Here there is a kind of accumulation and revision, in such instances we have little doubt what it means to make progress and its value (Marx, 1996). Conversely, Mazlich (1996) posits moral progress is not cumulative and not progressive in the same way we understand scientific inquiry. Moody-Adams (1999) suggests we know moral progress has taken place when our understanding of moral principles deepens. When we consider progress along the lines of morality, matters become almost hopelessly complicated and conflicting. When we try to speak of progress in humanity or civilization, we are immediately confronted with the knowledge that great good and great bad have come from those each embracing the idea of progress. Even still, Leo Marx (1996) points out that, "The history of all that is greatest in the west – religion, science, reason, freedom, equality, justice, philosophy, the arts, and so on – is grounded deeply in the belief that what one does with one's own time is at once tribute to the greatness and indispensability of the past, and confidence in an ever more golden future" (p. 8). Rorty (2007) adds that "we have been equally successful in both morality and physics", that scientific inquiry along with moral inquiry works much the same way (p. 921). He makes the point that a good deal of evidence exists to support the claim that moral progress is alive and well, by pointing out we know more about right and wrong than we did two centuries ago and we know more about nature; our practices have changed for the better. Still, Iggers (1965) would disagree and remind us that change does not necessary indicate moral progress.

However, Immanuel Kant argued that progress is neither automatic nor continuous and does not measure knowledge or wealth, but is a painful and largely inadvertent passage from barbarism through civilization toward enlightened culture and the abolition of war (Schuler, 1995). Kant called for education, with the education of humankind seen as a slow process whereby world history propels humankind toward peace - through war, international commerce, and enlightened self-interest (Schuler, 1995). In other words, Kant believes we do pass through a kind of continuum or dialectic perhaps from war to peace – how long that takes, he does not say.

In order for the idea of progress to exist and advance, rational values are required. Iggers (1965) states, "Without the belief in the existence of rational values, the idea of progress is meaningless" (p.2). Thus, the idea of progress requires sustainability of rational moral values. Even still, how does moral progress develop? Is moral progress simply greater realization of the Golden Rule, an accumulative perspective, a belief that morality builds on itself much like scientific knowledge accumulates? This question of moral progress is central to the idea of increasing or expanding peace in the world. Is moral progress a matter of moral development and is our moral development, developing to higher levels as we progress through history – this is nearly impossible to answer. It is important to establish we cannot live without a moral system. One may ask from whence does such a system arise? Ironically, we may point to Darwin who embraced altruism as an evolutionary development, in other words we can think of altruistic Darwinism rather than social Darwinism in our discussion of moral progress (Mazlich, 1996; Rosas, 2007).

When advancing moral progress it is necessary to consider the "unit of analysis" from which such progress initiates. Mazlich (1996) suggests culture may become more moral, while individuals within society may not. Institutions may move in a progressive moral direction rendering society more moral. South Africa is a prime example of this in the post-Apartheid period. The general movement toward less autocratic forms of government in favor of more democratic, rights-respecting political order is a sign of moral improvement. On this note, Mazlich (1996) argues less war equals moral progress. Indeed it has been said, violence creates the reasons for its own elimination.

On the other hand, according to Moody-Adams (1999) moral progress is always local, "…in relatively circumscribed domains of concern" (p. 169). By this she means, we cannot target a goal of moral progress but we can go more deeply into say a particular moral idea, such as justice or compassion. "This involves coming to appreciate more fully the richness and the range of application of a particular moral concept (or a linked set of concepts)" (p. 169). Moreover, one must recognize "Moral progress in one domain may be accompanied by regression in some neighboring domain" (p. 170).

From this, we deduce that moral progress involves agency, surfacing the question, who drives moral progress? According to Moody-Adams (1999), "…the main engine of moral progress is the advocacy of engaged moral inquirers" (p. 180) who have personal engagement with the everyday consequences of the moral argument they advance. They must be willing to assume great personal risk in order to advance the causes they advocate for, which means they may deliberately expose others to risk, allowable only as is morally necessary. Moral inquirers offer their own lives and practice as moral examples and rely on nonviolent public protests and demonstrations. By doing so they create an 'intellectual crisis' through which people might be willing to acknowledge inconsistencies in belief and practice otherwise ignored or denied (p. 180). Thus, the role of moral inquirer requires the ability to break down her audience's resistance to self-scrutiny. Who are the moral inquires of our day? Enter Gen Y.

CASE EXAMPLE: THE OCCUPY MOVEMENT

Heifetz, Grashow & Linsky (2009) remind us, achieving our highest and most noble aspirations for our world may take more than a lifetime. Building sustainable peace will depend on the next generation of leaders, Gen Y. Seth Godin (2008) in his popular culture book titled *Tribes*, admonishes tribal leaders to *lean* into challenges and struggles. Commenting on the emergent and rotating nature of tribal leadership, Godin explains "this posture of leaning in is rare and valuable" (p. 57). Leaning into the problem is messy and demanding, and this is the struggle of leadership. A contemporary example of leaning in as a form of resistance leadership can be detected in the Occupy Wall Street Movement (OWS). Largely populated with Gen Y members, this widespread, international movement is seeking to raise awareness concerning economic inequality. The OWS movement provides an example of widespread resistance leadership, from which peace work might glean insight. Moreover, a strong linkage between economic conditions and peace can be demonstrated (Gartzke, Quan, & Boehmer, 2001; King, 2010; Press-Barnathan, 2006). Spreitzer (2007) cites Gandhi's observation that poverty paves that way to criminal violence and civil unrest, clearly, when economic inequality is present, peace is held at bay.

Gen Y is teaching us a bit about using resistance leadership to lean into the vexing problem of economic inequality. Generational differences between Gen Y and Boomers suggest distinctive approaches to achieving social change. Boomers wanted a better world and our approach was to dismantle all things conservative through behavior change (e.g. music, dress, drugs, etc.) we tried to build a counter culture and in small ways, we were perhaps only somewhat effective.

Gen Y in many ways carries the seeds of our Boomer hope for a better more peaceful world, but they are more strategic and systemic about this effort, using their values they are moving institutions and even society in the direction of moral progress. Boomers thought more in dualistic either/or terms; Gen Y is teaching us to think more dialectically. By leaning in, they are working within established systems, rather than against them, to create organizations that benefit society through their strong commitment to social justice and peace, expressed politically, environmentally, and across cultures.

Gen Y members of the Occupy Wall Street Movement (OWS) began in Zuccotti Park in Manhattan on September 17, 2011 to protest economic inequality. Six months into the effort, the movement boasts 750 events or encampments worldwide (Rogers, 2001). Perhaps the movement's greatest contribution has been to find a way to forge a public space for a continuing discussion on a set of crucial issues related to jobs and debt (Buell, 2011). The Occupy Movement garnered rapid support for its general message. As reported by Fast Company, "If it were possible, within the context of the current government, to formulate and advance a coherent set of demands, there would be no need for the protest in the first place. However, when certain ideas like treating the creators of the financial meltdown as criminals instead of saviors are outside contemporary elite discourse, those ideas instead get expressed in whatever space is available outside the mainstream" (Ungerleider, 2001, ¶ 11).

Could it be that OWS is, in one sense, taking on the role of "moral inquirers" articulated by Moody-Adams (1999)? Moral progress depends on moral inquirers, those who examine moral principles and disseminate new moral ideas. Central to determining the degree to which moral progress is evident in and through the movement is to ask, is the act of questioning the morality of policies and practices of influential institutions a sign of moral progress? It might be argued that through their personal engagement with the everyday consequences of economic imbalance and by relying on non-violent direct action through public protests and demonstrations, the Occupy Movement participants have at least initiated a moral line of inquiry concerning current economic practices and policies. OWS has persisted with a consistent message and methodology and as movements tend to, this one has made people uncomfortable. Could it be these moral inquirers are attempting to break down their audience's resistance to self-scrutiny? (Moody-Adams, 1999).

Fueled by the methodology and early outcomes of the Arab Spring, and similar movements in Spain and the Argentinian protests during the economic crisis of 2001, the Occupy Movement sought to build on models of active resistance to regimes of misappropriated power (Sitrin, 2011). So potent is this moment of movements in our history, TIME Magazine identified the Person of the Year for 2011 as "The

Protestor" (TIME, 2011). This surge of activism raises an important philosophical question, one that has lain dormant for nearly 40 years, is moral progress possible? The Arab Spring and the Occupy Movement provide the impetus to take up this question integral to advancing democracy and peace in the world.

The occupy movement has been called a leaderless movement and a movement of leaders, rhetoric that simultaneously adds mystery to its mission and keeps a laser focus on the purpose rather than on a person. With intent and by design the Occupy Movement initiators set out to leave open ended the "one demand" they sought in favor of making movement-building the central strategic goal and letting demands come later. An example of this comes from a member of Occupy Orange County at the Fullerton, CA encampment who explained the change they work toward begins with working with local city governments to pass resolutions related to economic justice (e.g. predatory lending) with a plan to escalate demands to the state level (personal communication, February 14, 2012). Through the experiment of pure democracy within the Occupy Movement, participants attempt to embody the very message they seek to convey, representative governing, and collaborative decision-making, within an egalitarian non-hierarchical structure.

Evidence of moral progress can be discerned when our understanding of moral principles, such as justice, deepens, when violence and coercion are diminished. The premise of the movement is the vast imbalance in both political and economic power. Mainly young people who aligned with this message took to the streets to use their physical voice because they perceived they did not have a financial voice to effect change. Thus, resistance against those structural forms that represent oppression, dictatorial rule and tyranny in favor of individual and collective rights and political order in society is evidence of moving in the direction of moral progress. Is moral progress inching its way, as Kant suggests, from barbarism through civilization toward enlightened culture? The great divides of our time, as in times past, seem primarily concerned with questions of equality, justice, freedom, humanity - might it be that inroads are being forged toward moral progress? The OWS movement provides a suitable example of resistance leadership, supported by moral imagination as a means for advancing peace, and thus reviving moral progress.

IMPLICATIONS FOR PRACTICE

How might organizations take the ideas of resistance leadership , advancing moral progress and promoting peace and operationalize these commitments in practice? While it is easy to see leadership as a solo endeavor, it is critical to remember that leading with resistance takes place through the collective. Models of shared and distributed leadership are more commonplace now and can serve as path to resistance leadership (Jackson & Parry, 2011). Zoller & Fairhurst (2007) astutely indicate this approach will require challenging reified dichotomies of workers vs. managers, followers vs. leaders in favor of exploring "…how members all along the hierarchy may resist" (p.1341). Resistance leadership can manifest at any level within organizations to raise awareness regarding systems and processes that lead to dehumanizing work and other manifestations of asymmetrical power structures. Organizational resistance leaders are akin to Meyerson's (2001) idea of "Tempered Radicals", informal leaders who lead change quietly to effect evolutionary change, challenging prevailing wisdom, and transforming organizational customs and norms, slowly. Simple, consistent, collective acts of resistance build over time to advance moral awareness and increase peace within organizations.

Embracing moral progress as the moral grounding for leadership requires a willingness to understand leadership as the means to advancing the common good over individual self-gain. Organizational leaders who operate with the idea of moral progress see their work and the influence of their organizations in society as promoting values, ethics and morals in the world, and this perspective is certainly a precursor for leading for peace. Indeed, advancing peace is predicated on a widespread acceptance of the common good.

At the micro-level, leadership for peace begins within the individual, though significant and ongoing commitments to advance peace in relationships, to extend compassion, to exercise self-restraint (Thich Nhat Hahn, 1991). Organizational leaders can influence the moral mindfulness of the people in their organizations, through articulation of moral values, serving as role models, and rewarding moral action (Thomas, Schermerhorn, & Dienhart, 2004).

One form of leadership that captures these commitments well is servant leadership, which begins with a commitment to serve others first. Organizational leaders who embrace this style of leadership invert the hierarchical pyramid, placing themselves at the bottom rather than the apex, seeing customers as those possessing the most rights rather than the least, in contrast to most top-down approaches (Wilson, 1998). Servant leadership builds on the work of James MacGregor Burns' (1978) idea of transforming leadership, and its bold claim that such leadership ought to increase the level of morality for both leader and led.

Evidence of resistance leadership and moral progress for peace is seen in the growing number of organizations demonstrating commitment to sustainability practices to assume environmental and social responsibility. By definition, organizations that embrace authentic commitment to sustainability do so throughout their entire supply chain (Lawler & Worley, 2011). Sustainable organizations resist the profit only motive in favor of a triple bottom-line approach to measuring success, invest in production and distribution partner organizations and thus demonstrate a higher level of moral reasoning. Excellent examples of this more holistic and to some, radical business model, are Patagonia and Timberland. Each of these organizations have embedded moral practices in their business processes, clearly demonstrating moral progress and resistance leadership and through their commitments to environmental sustainability and social justice, each has advanced peace through raising awareness of the common good.

CONCLUSION

This paper set out to address an under researched question, leadership for what? – and suggested peace is certainly one hope for outcome of leadership. I argued that leading for peace involves using leadership influence as a kind of resistance to challenge power-over domination in organizations and society. Resistance leadership, however must be grounded in moral imagination, if the kind of moral progress is to occur that will lead to the advancement of peace. In the wake of world-wide social movements, it is imperative that leadership scholarship and practice consider the role of moral resistance as a form of leadership for peace. Policy and regime changes, along with conversations in the public square both actual and virtual concerning inequality, freedom and democracy seem to be pointing us in the direction of moral progress. While much good work has been accomplished in advancing peace, the torch is passing to the next generation of leaders, Gen Y, to carry the work forward. Expanding peace in the world will depend on enlarging our cooperative capacity through moral consciousness centrally necessary for moral progress to occur at the individual, organizational and societal levels. There are many hopeful signs and I hope we can add "increased peace in the world" to a growing list of positive, moral developments in our time. For now, we fix our eyes on the slow, tentative emergence of institutional and organizational embodiments of moral improvement – and who will lead the change we long for, those who raise the level of consciousness, the moral inquisitors who individually and collectively lead for peace.

Clearly, more dialogue is needed between leadership scholars and critical researchers in order to understand resistance leadership, moral progress and peace. While these fields may initially perceive there is little in common, upon further exploration commonalities and connections come into sharper focus. While measures exist for moral development (Kohlberg, 1981; Rest, Navaez, Thomas, & Beneau, 1999), moral progress is perhaps best captured in longitudinal studies using qualitative interviews. Central to the challenge of assessing moral progress is establishing a set of outcomes or goals against which the idea of moral progress can be determined. Equally challenging is assessing resistance leadership. Zoller & Fairhurst (2007) suggest ethnography might provide a better understanding of resistance leadership, since the expression of such leadership is socially and contextually situated. Future studies addressing these constructs might explore the role of organizational leaders in advancing moral progress by examining the question, what role do organizations play in advancing moral progress in society and of course, this interplay could be reversed, the role of society in spurring the moral progress of organizations.

One approach for exploring these ideas is found in the field of positive organizational scholarship, which has identified "positive deviance" as an evaluative construct useful for mapping intentional behaviors that depart from organizational norms (Spreitzer & Sonenshein, 2003). Positive deviance as a methodology identifies exceptional and innovative practices within organizations or groups. Through qualitative data collection such as interviews and observation, researchers discover positive successes, which can be replicated in the system in order to support organizational progress by building on what is already present within the organization. This approach holds promise as a means for exploring moral progress expressed through resistance leadership as an expression of moving beyond the status quo to effect positive change at the group, organizational or societal levels toward the end of advancing peace.

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ABOUT THE AUTHOR

Bernice Ledbetter, Ed.D.

Graziadio School of Business and Management, Pepperdine University.
Faculty, Organizational Theory and Management, Graziadio School of Business and Management, Pepperdine University. Dr. Ledbetter teaches graduate-level classes across a range of management and leadership topics, including organization theory and management, leadership and ethics, leading theory & practice, and organization development and change. Dr. Ledbetter is the co-author of *Reviewing Leadership: A Christian Evaluation of Current Approaches* (2004, Baker Books) which has been translated into Korean, Chinese and Spanish. Her chapter on “Leading Self” appears in the *Political and Civic Leadership Handbook* (2010, Sage Publications). Dr. Ledbetter holds a Bachelor of Arts in Liberal Studies, a Masters of Divinity, and a Doctorate of Education in Organizational Leadership.

Combating Modern Slavery: What Can Business Do?

Robin T. Byerly
Appalachian State University

It is argued in this paper that the contemporary issue of modern slavery is one of meaningful relevance to today's business, particularly multinational corporations. Increasing attention to the role of multinational corporations in regard to human rights violations, the rise of corporate social power, and a new corporate social responsibility ideology all serve to make the case that this issue should resonate with, and draw response from, modern business. The argument is made by first exploring an evolving perception of corporate social responsibility that recognizes a social, or institutional, logic as rationale for business legitimacy with society. Several examples and suggestions are offered as to how business organisations and their leaders can effectively aid in combating the disturbing issue of modern slavery.

INTRODUCTION

Combating modern slavery is a mammoth challenge. While it exists in various forms and is estimated to include approximately 2.5 million people (un.org, 2012), it is still a problem 'unseen' and largely denied (Lee, 2007). It is fostered and sustained by an explosive world population with many in desperation; by rapid and dramatic social and economic changes, particularly in developing countries where traditional ways of life and subsistence have been altered for quick profit alternatives; by government corruption and legal conundrums; and by the extreme profitability it provides in a global economy (Bales, 1999). In short, modern slavery's existence is powerfully subsidized by the age in which we live and the events, developments, and players that have shaped our global marketplace, much of which is solidly entrenched.

It has been reported that as many as 161 countries are affected by human trafficking by being a source, transit or destination, and that the majority of victims are young, between the ages of 18 and 24, and many are children. According to the United Nations (UN), people are reported to be trafficked from 127 countries to be exploited in 137 countries for purposes of forced sexual, physical, or economic exploitation (un.org, 2012). Modern slavery, also known as human trafficking, affects every continent and every type of economy.

That it exists at all is, nonetheless, grievously wrong. Many attempts to theoretically interpret exploitative relationships have approached this issue (humanity, human rights, worker rights, workplace democracy, and others), with most seeking common consent or moral universality in order to legitimize. Lenn Goodman, in "Some Moral Minima" (2010) may have expressed it best. He draws upon our common store of moral knowledge to suggest four areas where human deserts are irrefragable. Slavery is one of the four – beyond dispute, never to be questioned nor breached in practice. The inhuman use of human beings is the deepest exploitation and our common humanity requires universal concern.

Alarm has elevated with numerous non-governmental agencies, international institutions, activist groups, a variety of social partners, and multinational agreements designed to address the issue of human trafficking. Individuals are implored to join abolitionist groups and participate in grassroots initiatives. But evidence suggests that progress in eliminating human trafficking and rescuing victims is weak, international laws and covenants are frequently not enforced, and moral persuasion is often inadequate. Military solutions are not feasible and any form of unilateral global action remains elusive (Miller, 2008). One of the pre-eminent experts on modern slavery, Kevin Bales (2007), proposes a number of progressive steps for governments, citizens, international institutions such as the United Nations and World Bank, consumers, and for businesses. This paper focuses on the latter--business, its role and potential as a partner in combating modern slavery.

Clearly, some legitimate businesses (as opposed to criminal profit-seeking activities) are culprits, participating in some fashion either directly or indirectly. But many business organisations, particularly large multinationals, are characterized by power and social influence (Freeman, 1984), and for either moral, institutional, or reputational reasons, feel an increasing responsibility to authentically create social responsibility agendas and to present themselves as good corporate citizens. Notions of corporate social responsibility (CSR) have expanded in recent years for publicly traded corporations and have led them to include triple bottom line management and attention to a plethora of social and environmental issues, strategies, and initiatives. Today's corporations are feeling the call to respond to the pressing social issues of our time.

This paper argues that business can assist in combating modern slavery. Using social (or institutional) logic, strategic pragmatism and evolving interpretations of corporate social responsibility theory, the case will first be made as to this issue's relevance for business. In other words, why should business pay attention and heed the call? Second, a number of actions and initiatives are suggested to answer the question of how business can play a partnering role in the fight to end human trafficking.

MODERN SLAVERY: A CONTEMPORARY SOCIAL AND BUSINESS

It is seemingly paradoxical to express the problem of slavery as "contemporary," for it has a very long history and its earliest use is ancient, dating back to Mesopotamia and Egypt thousands of years B.C. and to early periods in Europe and the Greco-Roman era. Further, it has transcended many ages and different societies, manifesting in various forms throughout history to the present. Increasing evidence abounds that human trafficking and exploitation continue to exist and that slavery, in its cruelest forms, can be found all around the world today. How has a social problem that is so historically old, and considered abhorrent by most of the world's societies, failed to truly evolve toward reform?

Combating modern slavery first requires understanding it. Recent approaches to the problem of slavery have sought to better understand it in contemporary terms that reflect a new world where legal ownership is bypassed, slavery itself may be short-term rather than over a lifetime, and slaves are plentiful and extraordinarily cheap. Further, it is corroborated by corrupt police on the take and governments indifferent to the problem and to the policy measures suggested by the United Nations, World Trade Organization, World Bank and other institutions (Bales, 2005; Ennals, 2007; Lee, 2007). In short, its practice is nourished and fueled by many aspects of globalisation, its potential for profit, corrupt governments, inadequate laws and enforcement, and enduring cultural traditions in certain societies that continue to support it. Research and efforts to address the problem have often been aimed at exposure, bringing the reality of modern day slavery into the public sphere of awareness by focusing on places where it prevails, what factors support it, how it is transacted, and personal stories of its victims (Bales, 1999; Bosworth, 2007; Ennals, 2007; Shelley, 2007). Moreover, researchers and international institutions have offered suggestions for combating modern slavery that address individuals, communities, governments, international institutions, consumers, and businesses with action-oriented initiatives (Bales, 2007, Ennals, 2007; ILO; McIntyre, 2007; Wilson, 2008). Such efforts are beginning to gain traction.

Sociologists Fuller and Myers (1941) theorized that every social problem has a natural history but it is a history that emerges gradually over a temporal course of development that passes through history stages as awareness, policy determination, and reform. The implication of their thesis is that at some point in the lifecycle of a social issue, awareness brings a collective society to a common realization that "…cherished values are threatened by conditions which have become acute" (Fuller & Myers, 1941: p. 322). The challenge emerges that something must be done. Progressive awareness then pushes for policy determination and solution building efforts for the problem. Indeed, similar notions of the social issue lifecycle (its stages and trajectory) tend to be widely supported and history suggests that many social problems have been significantly addressed in like manner.

Still, meaningful development of *this* social issue and effective action toward it are challenged not just by the enabling facets of globalisation mentioned above, but perhaps even more dramatically by the silence which surrounds contemporary slavery (Ennals, 2007; Lee, 2007). Silence may be linked to the disquieting nature of the topic, perhaps limited evidence of its incidence and implications, political sensitivities, a preference in certain societies for polite conversation, a reticence to thoughtfully consider long-term implications, or perhaps even simple denial (Ennals, 2007). Without breaking the silence, the issue remains in its early stages of development with too little awareness, weak calls for reparations, and ineffective and disorganized measures to institutionalise change.

Finally, it is obvious that more united governmental and institutional action, oversight at local and international levels, and punishment for offenders are required to ultimately eradicate the use of modern slavery. But such has proven inadequate thus far. A number of multinational agreements, including the United Nations' Protocol to Prevent, Suppress, and Punish Trafficking in Persons, Especially Women and Children (2003), have achieved only limited success, with non-enforcement continuing for many nations and offenders. It is proposed here that greater collaboration among multiple players on a global scale, especially business, offers one of the best prescriptions for advancing this issue in the minds and hearts of global citizens and finding new and effective ways to combat it.

The Issue and its Relevance to Business

Many human rights violations do entail business involvement, although not all are committed by the business itself but by a third party. Complicity may take on many forms and is not benign. Although many victims are exploited as sexual slaves, the UN reports that market forces are driving much of this activity with 17 percent being trafficked to perform forced labor (un.org, 2012). Further, an estimated 1.2 million children are trafficked for forced labor each year. International corporations may find themselves as complicitous, whether unwitting or uncaring, if they fail to responsibly source and work to eliminate the risk of human trafficking in their supply chains. Wettstein (2010) suggests that due to changing patterns of influence and authority in a growing global political economy, some business organisations actually serve as accomplices and are complicit in human rights violations.

Theory and pragmatism support this issue's relevance for modern business. In today's global marketplace, powerful multinational corporations may find themselves in positions of political authority that also foster a political responsibility to go beyond doing no harm and assuming positive obligations to protect. Corporate actors may legitimately accrue greater responsibility for human rights advocacy, and be expected to assume duties previously ascribed mainly to the state. Moreover, many are increasingly viewing the corporation as a political (and social) actor, with various opportunities for influencing social policy, such as direct political engagement, lobbying, institutional participation, direct provision or production; NGO partnerships, etc. (Kanter, 2011; Miller & Mooney, 2010; Nelson & Dorsey, 2003).

Evolving perspectives on corporate social responsibility (CSR) recognize a stronger social contract with greater expectations of society and see the rise of the corporation as an institution with power and social influence. Newer views of corporate social responsibility provide normative theoretical rationales for businesses' attention and action regarding modern slavery as an issue for their social agendas. Moreover, in a pragmatic sense, businesses have power, influence, resources and capabilities, all of which can be harnessed for problem solving action. Rosabeth Moss Kanter (2011) suggests that great companies are moving beyond the notion of just making money to a greater goal of building enduring institutions where society and people are considered core to the business's purpose. By following a *social* or *institutional logic*, corporations achieve legitimacy in society with valuable long-term implications by balancing public interest with financial returns. Indeed, many forward thinking businesses are solving human, economic, and environmental problems through CSR agendas and innovation in ways that benefit stakeholders and new constituents, as well as themselves.

Corporate Social Responsibility: An Evolving Normative Perspective

It is without question that business operates in a competitive, globalised capitalistic market and is highly incentivized to make a profit. Nonetheless, the notion that business functions solely by that driving imperative has long been revised to reflect societal expectations of: corporate social responsibility (CSR), attention to stakeholder concerns and the building of relationships with all business stakeholders, good citizenship, and adherence to an implicitly understood social contract (Carroll, 1991; Freeman, 1984; Warhurst, 2005). In an unusually prescient outlook, Bales & Gogel (1979) posited that businesses must recognize that their most critical audience is society as a whole and that corporate power must manifest itself as much more than image management by engaging in genuine advocacy and tackling controversial issues. This is arguably more true today than ever. Morally, society expects business to honor the social contract by extending responsibility well beyond any legal or prescribed condition. We are bonded to each other by nature and by covenant, and thus, it is the calling of business and of government to be good stewards of creation. Our collective moral priority is that which reflects stewardship of the earth, labor, wealth, and our neighbors, in other words, serves the common good (Drayton & Budinich, 2010; Schmeltekopf, 2003). We can take the matter of responsibility further. Davis' (1960) "Iron Law of Responsibility" implied that the social responsibilities of businesses need to be commensurate with their social power, an argument that becomes stronger than ever given the extraordinary reach, influence, and power of modern multinational corporations.

Admittedly, antagonists and skeptics abound, citing economist Milton Friedman's (1962) anti-CSR arguments and others such as: CSR doesn't pay, it is a public relations charade, etc. In staunch defense of corporate social responsibility and its reality for modern business, William Frederick (2007) argues that CSR has always been about values, value awareness, value change and creation. The ends are all-important. Its goal is to integrate social values and the ethical principles underlying them into corporate organisation, strategy and planning, decisions and policy, and operations. LaMarche (2007) asks the question, "What do we owe each other?" and suggests that no one is truly alien from the social contract. In like regard, a duty of hospitality has been invoked by several moral and social philosophers that acknowledges the rights of strangers. Attending to that duty respects citizenship and cosmopolitan justice (Benhabib, 1994; Derrida, 2001; Hudson, 2007; Kant, 1970).

The evolvement of the social contract also points to better citizenship. Citizenship requires that once educated to the pursuit of personal interests, individuals and organisations must be turned to the service of the public good (Pestritto & West, 2003). Society increasingly expects global business to work with others to provide solutions to humanitarian crises and major social problems facing the world. The boundaries of corporate responsibility are advancing in terms of all stakeholders; this is being shown through a variety of innovations in business practice to achieve enhanced social justice (Warhurst, 2005). Many companies are coming to recognize that by balancing the rights and responsibilities that derive from their legal and social status within communities, they have enormous influence and ability to participate and contribute to a community's well-being. Responding means developing a corporate-citizenship agenda, building mutual relationships, and enabling social capital that will have a positive impact on community, all of which is particularly important in transitional and developing economies (Goddard, 2005). The persuasive and significant concept of corporate citizenship and social responsibility in a globalised world has evolved, matured and taken new structural shapes in multinational corporations (Palacios, 2004).

Corporate Social Responsibility and Strategic Pragmatism

A powerful momentum is being seen in the creative efforts of huge international companies to fundamentally transform themselves, stop destruction, and affirmatively address the effects of corporate activity on the planet and its people (Debold, 2005). Michael Porter and Mark Kramer, of Harvard

Business School, suggest that doing so can be strategic and competitive (2006, 2011). It is their view that business and societal issues are not mutually exclusive; in short, that business has a vested interest in addressing society's challenges. In so doing, companies can create economic value by creating social value, a concept they call "shared value." Rosabeth Moss Kanter (2011) asserts that great businesses are behaving differently these days by conceiving of themselves as social institutions with purpose and values, with a long-term focus and emotional engagement that is contagious and energetic. Moreover, as they are crossing borders and sectors to tap new business opportunities, they are partnering and building relationships with a host of other players including government officials, public intermediaries, suppliers, customers, NGOs, and communities to address societal needs. In this sense, business companies work to expand the total pool of economic and social value. This modern conceptualisation of CSR encourages companies to take the lead in bringing business and society together.

Embracing social concerns can present real opportunities for companies that innovate and seek entrepreneurial approaches to social issues. Social entrepreneurs have emerged in large force, creating a sea change in the way society's problems are solved, work is performed and businesses grow (Drayton & Budinich, 2010). In designing and creating solutions addressing education, emergency care, poverty and starvation, sustainability, etc., businesses are also reaping rewards that include profits, new knowledge and talent. Working together, corporations and social entrepreneurs are reshaping industries and effectively tackling some of the world's toughest problems. Opportunities for business contributions are endless. Today, social entrepreneurship and innovation targeted for social improvement provide an engine of positive and systemic change (Neck, Brush, & Allen, 2009).

Frederick (2007) points out that as social values have influenced business life and activities, our lives have been improved (safer cars, more educated and secure consumers, workers at less risk for job injury, women and minorities better represented in the workplace, better monitoring of supply chains for worker rights protection, and so on). Corporate conduct codes, board-level ethics compliance officers, business commitments to social and environmental agendas are all increasingly adopted and help to curb antisocial business behavior and promote more transparency and accountability. Porter and Kramer (2006) provide meaningful advice for operationalising CSR and creating shared value by reconceiving products and markets, redefining productivity in the value chain, and building supportive industry clusters at company locations. In so doing, the potential exists for resetting the boundaries of capitalism. By better connecting companies' success to societal improvement, it opens up many new ways to serve needs, gain efficiency, create differentiation, and expand markets.

The compelling issue of modern slavery is one that impacts business and is impacted by business. As with any social issue of its time, its persuasive power for action stems primarily from its moral importance and urgency. Further, its relevance for businesses' proactive attention and response is well supported by both normative theory and utilitarian pragmatism.

WHAT CAN BUSINESS DO?

In recent times, corporations have grown almost beyond comprehension in size, assets, revenue generation, and both economic and societal influence. It is highly unlikely that any early economists ever envisioned a world where corporations would become so large and powerful that they would become tantamount to private governments, indeed, more powerful than many national governments (Dixon, 2003: Slaughter, 2004; Tansey, 2000). Edward Freeman (1984), in his seminal work on stakeholder theory, posited that the corporation had grown to such proportion, power, and prominence that it should be dealt with as a major social institution. Abundant evidence suggests that many business organisations, large and small, are harnessing their power and talent in innovative ways to respond to societal and stakeholder expectations and are embracing the notion of community at every level. Growing numbers of large organisations that operate within international markets and possess resources and power that rival those of many nations are representing a leap in humanity's capacity to organise for a shared purpose.

If modern slavery represents an issue that is theoretically and pragmatically relevant to today's business, then what must business organisations and their leaders do? How can they respond? For this issue to become better addressed, two primary goals seem intuitive. First, the issue must advance in the social problem/issue lifecycle and become more widely acknowledged and understood. *Greater awareness and urgency* must be created in the minds of all, most particularly by those with voices and influence, in order to create a common and forceful call for solution. Second, efforts to reduce and ultimately eradicate modern slavery cannot rely exclusively on government, global institution, or law. It requires *unified and collaborative action* by multiple parties. Businesses, particularly those with large influence and reputation and those involved in multinational activities, can play a significant role in addressing these two goals. Several suggestions and examples follow.

Greater Awareness and Urgency

Businesses can educate. They can assist in breaking the silence and enlarging awareness to help propel this issue. By putting it on their social agenda, establishing goals, strategies, and reporting measures, they can elevate this issue in the public's mindset, as they have done with other social and environmental concerns. Ennals (2007) suggests that businesses have tended to direct themselves to local, regional, or national issues but education need not know national boundaries in today's market.

For example, when The Body Shop, the second largest cosmetic chain in the world, discovered how big a problem human trafficking is, it decided to start a campaign to educate its patrons. In its continuing efforts to promote greater corporate transparency and to be a force for positive social and environmental change, this company has launched a number of campaigns dedicated to social issue advancement and resolution. These campaigns make strategic sense for this company as they match the company's stated five core values: 1)Support community trade; 2)Defend human rights; 3)Campaign against animal testing; 4)Activate self-esteem; and 5)Protect our planet. In picking up the fight against human trafficking, The Body shop's current "Stop the Trafficking of Children and Young People campaign" is raising awareness and funds, and offering support for victims or those at risk. These proactive initiatives are in keeping with the company's dedication to its mission to campaign for human and civil rights and environmental protection across the globe.

Education and awareness can be further enhanced with training programs, particularly when tied to legal requirement such as the California Transparency in Supply Chain Act (2010, SB 657) which requires retailers and manufacturers doing business in California to publicly declare their efforts to train company employees and management on human trafficking and slavery in supply chains. Retailers and manufacturers need a time-efficient, concise and globally available learning resource for sourcing managers to gain experience about human trafficking and slavery in supply chains, both for their own corporate social responsibility goals, and to comply with the California law. Training efforts aim to enable sourcing managers to: have greater awareness of human trafficking and slavery in supply chains, learn to identify human trafficking and slavery risks in their companies' supply chains, and support prevention and mitigation efforts when human trafficking and slavery is suspected.

Collaborative Action

Collaboration and networking are new hallmarks of business activity and success. The opportunities are rich and fruitful for connecting and sharing with other players in the business value chain, with government, international institutions, and with watchdog and activist groups. By partnering with other devoted efforts, businesses can achieve improvements in organisation, planning, and action in their efforts to address social concerns. Opportunities abound for partnering with the International Labour Office and a variety of NGOs such as: Not For Sale Campaign, Free the Slaves, Coalition to Abolish Slavery & Trafficking, Alliance to Stop Slavery and End Trafficking, End Human Trafficking Now, Global Forum on Migration and Development, International Organization for Migration, and others. These are action oriented groups that work to raise awareness, advocate for victims, and expose trafficking rings through combining intellectual capital, abolitionist groups, and growing networks of committed individuals. Some work to bring together the best in research, policy, and advocacy to activate local and global solutions on a broad scale.

Businesses can stimulate active global citizenship. Business leaders came together to create the Caux Business Roundtable Principles for businesses that are globally engaged. By pursuing and enacting good global citizenship, by committing to globally established principles, corporations can begin to martial support for individuals as citizens, regardless of their circumstances. Concerted activities with a foundation of research and credible voices can have powerful effects. Other uniting institutions and initiatives that foster global citizenship include the United Nations Global Compact, Humanity United, Solidarity Center, Vital Voices Global Partnership, and others.

Tougher subcontracting agreements with monitoring are both doable and essential to stop slavery in a company's product supply chain. Similar efforts have achieved some success in dealing with rights of laborers and with environmental issues. The complexities of the global slave trade and limited insight into product supply chains make it difficult for the average producer and consumer to grasp how they are connected to labor abuses occurring within the global production cycle. Today, companies are working with a wide range of initiatives- such as monitoring, certification and labeling programs - to assure their consumers that their products do not violate worker rights.

For example, Free2work.org streamlines and simplifies the process for concerned consumers on the topic of forced labor. At Free2work.org, consumers can easily search specific products, learn more about various labor standards and corporate practices, and further their engagement through their consumption decisions. After extensive research, Free2Work grades companies on a scale of "A" to "F" based on supply chain transparency, code of conduct, response to child and forced labor, and overall efforts to empower workers. A broad range of certification programs also exist that attempt to protect worker rights. Free2work.org offers a strategic tool to increase transparency in supply chains, empower consumers to make informed decisions, as well as mediate communications between consumers and companies.

Businesses can provide support for antislavery workers with grants, technological assistance, employee volunteerism and participation, and stakeholder engagement. For example, Hewlett-Packard created an Electronic Industry Code of Conduct (EICC) that is underpinned by international labor and human rights standards. The company began a supply chain social and environment responsibility (SER) program in 2000 and has since undertaken many efforts to ensure and verify the absence of forced labor and child labor in its supply chain. Other efforts by HP include: risk-based supplier assessments; supplier audits and agreements with zero-tolerance policy for the presence of forced and child labor; capability building programs that partner with a number of nongovernmental (NGOs) and training partners to raise awareness, share best practices, and train employees who are responsible for supply chain management on how to identify and respond to forced labor issues.

Businesses can use their competitive competencies in technology and innovation to engineer product solutions direct to individuals who live in societies where opportunities are scarce or nonexistent. Living solutions for individuals may address employment, poverty, local environmental problems, and others, thus indirectly reducing the desperation of those vulnerable to slavery. Many creative examples are already being engineered by international companies like Hewlett Packard and Philips Electronics.

In 2010, HP created its "HP Learning Initiative for Entrepreneurs (HP LIFE)" as a global initiative that helps entrepreneurs develop essential IT and business skills. Recognizing that entrepreneurs drive innovation, create jobs, and fuel economic opportunity, frequently transforming their communities, HP works with organisations all over the world to help recent graduates, young people, and aspiring entrepreneurs acquire the information technology (IT) skills and knowledge they need to launch successful businesses and help their local communities prosper. In its vision statement, Philips Electronics states its belief that true innovation is not about isolated products and solutions. It's about empowering people to improve life. By putting people at the center of everything it does, generating insights, doing trend research, and testing concepts both in its labs and in the market, Philips seeks to find out what people's needs are, today and tomorrow. That provides the basis of all its innovation activities.

Many great companies are viewing their roles in the world today differently than in the past. As Kanter (2011) explains, a different logic that is social, or institutional, actually gives today's businesses an advantage that can radically change leadership and corporate behavior. It reflects a new way of conceiving the firm with a coherent identity that comprises purpose and values, guiding institutional values that endure to provide a longer-term focus, and that foster emotional engagement that stimulates motivation and propels self-regulation. By partnering with the public, innovating, and organizing to address societal needs, companies are producing new models for action that accomplish positive results for both business and society.

In sum, business can make a difference by: educating and bringing about greater awareness; monitoring and doing its part to eliminate slavery in all forms in its own supply chains; partnering with other institutions to collaborate, influence policy making, and generate movement toward more collective and broad based solutions; and by working to make life better and create opportunities for those vulnerable where they live.

CONCLUSION

Modern day slavery lurks beneath a global society that is more culturally connected than ever before, technologically savvy, and information rich. The issue needs to bridge the divide that keeps its reality silent and distant. Business, particularly multinational corporations, can assist in a number of ways in bringing the issue to light, enlarging it in the public's mindset and, by partnering and using its power for influence, innovation, and reform.

The case has been made that the issue of modern slavery is most relevant for today's business, including those that seek to achieve legitimacy and maintain positive reputations, certainly for those that attempt to manage based on a declaration of values. Morally, the issue is profoundly moving, and begs all to action. Theoretically, business engagement is supported by well-established notions of corporate social responsibility, the social contract, and calls to global corporate citizenship. Pragmatically, it makes sense for business given its influence, reach, resources and capabilities. The pragmatic argument is further strengthened in recent times by public exposé, legal actions, lawsuits, and attempts to claim reparations from companies found to be involved.

Most specifically, it is posited here that business can have a real impact on the issue with efforts targeted to two specific goals—by educating and stimulating greater awareness, thus propelling the issue toward a greater consensus and concern; and by collaborating with government, global institutions, and NGOs to build stronger networked alliances with greater opportunities for collective action toward the issue. Although an argument has been made here as to *why* businesses should be actively engaged and a number of suggestions have been offered as to *how* they can assist in the fight to end modern slavery, a challenge clearly remains in getting more business corporations to recognize this. Global forums, petitions, engagement, even exposure of those culpable all can assist in more collectively bringing business corporations to engage in this daunting fight.

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Investigating the Relationship Between Affective Commitment and Unethical Pro-Organizational Behaviors: The Role of Moral Identity

Curtis F. Matherne, III
University of Louisiana at Lafayette

Shanan R. Litchfield
Mississippi State University

In this study, we investigate the relationship between affective commitment and unethical pro-organizational behaviors (UPBs), which are unethical behaviors conducted by employees meant to potentially benefit the organization (Umphress, Bingham, & Mitchell, 2010). We predicted that affective commitment would be positively related to UPBs and that moral identity would moderate and weaken this relationship. The results support our hypotheses, indicating that individuals with high levels of affective organizational commitment are more likely to engage in UPBs when they hold a lower level or moral identity. Theoretical and practical implications are discussed.

INTRODUCTION

Unethical behavior is both common and costly in work organizations (Vardi, 2001; Vardi & Weiner, 1996; Umphress & Bingham, 2010). It has been well documented that organizational members at all levels steal company property, mislead customers, cheat the government, as well as violate psychological contracts (Vardi & Weiner, 1996), indicating that unethical behaviors include a wide range of minor to major violations. Furthermore, research has demonstrated a number of reasons for why employees might engage in unethical behaviors: to benefit themselves, to retaliate against the organization, or to harm coworkers (Umphress & Bingham, 2010).

With that, it is not surprising then that scholarly research has focused to some degree on the antecedents of such potential detrimental behaviors as organizations desire to encourage positive individual behaviors directed at the organization and discourage counterproductive behaviors. However, recently, scholarly interest has increased regarding a different form of unethical behavior: acts that seek to benefit the organization, rather than cause harm (Umphress, Bingham, & Mitchell, 2010). This stream of literature is built on the idea that sometimes, people engage in unethical behaviors with the intent to help, or benefit, their organization. Unethical behavior is often associated with negative behavior; however, members of organizations can also engage in positive forms of deviant behavior for organizations (Warren, 2003). These unethical pro-organizational behaviors can be seen as positive and/or desirable and such behavior may benefit the organization even though in turn it may violate some overarching social norm (Cullinan et al., 2008; Warren, 2003). While motivating behaviors of organization-harm have been addressed extensively in the literature (e.g. Robinson & Bennett, 1995; Sackett & DeVore, 2001), the motivating behaviors of unethical pro-organizational behaviors is an underdeveloped area of research (Cullinan et al., 2008).

Previous literature investigating such unethical behavior intended to benefit the organization have been presented in various ways and using various concepts. Vardi and Weiner (1996) defined these behaviors that are primarily intended to benefit the organization as an entity as organizational misbehavior (OMB) Type O (Vardi & Weiner, 1996), whereas Cullinan and colleagues use the term organization-gain issues (Cullinan et al., 2008). These behaviors are usually aimed at external targets, such as other organizations, customers, or any other social institutions and agencies (Vardi & Weitz, 2004). These unethical behaviors differ slightly in the literature as the focal point of benefit and detriment change depending on the type of misbehavior. In organizational settings, normative behaviors include those which are expected within the setting of the specific organization. Organizationally-benefiting misbehaviors focus on behavior that violates societal norms as opposed to organizational norms. Examples of benefiting misbehaviors include knowingly selling an inferior product, deceiving a customer in order to make a sale for the company, or falsifying reports to make the organization appear to be more financially viable than it truly is. Such behavior could be regarded as beneficial to the organization, but harm a larger function of individuals in return or violate some inherent societal code.

Unethical pro-organizational behavior (UPB) (Umphress & Bingham, 2010; Umphress, Bingham, & Mitchell, 2010) is defined as “actions that are intended to promote the effective functioning of the organization and its members (e.g., leaders) and violate core societal values, mores, laws, or standards of proper conduct” (Umphress & Bingham, 2010, p. 2). The two components of this definition are 1) that UPB is *unethical behavior*, and 2) UPB is *pro-organizational behavior*, meaning that it is intended to benefit the organization, its members, or both.

The objective of this study is to evaluate the effect of individuals’ affective commitment on unethical pro-organizational behavior. This study contributes to the literature in a number of ways. First, we empirically examine a form of unethical behavior that has not yet received enough empirical support (Umphress et al., 2010). Our study adds to the theoretical and empirical work of UPBs. Furthermore, although several studies have investigated possible antecedents to UPB, such as organizational identification (Umphress et al., 2010) and positive social exchange (Umphress and Bingham, 2010), organizational commitment has not been investigated as an antecedent. Furthermore, we extend previous work in this area by adding the component of moral identity as a moderating variable that would weaken the proposed positive relationship between affective commitment and UPB.

The next section of this paper will review the literature and introduce the hypotheses for the study. Then, the methodology will be discussed followed by the results of the study. Finally, the findings will be discussed and ideas for future research will be proposed.

LITERATURE REVIEW

Theoretical Background

Scholars have long since explored the motivations behind individual actions in organizational settings. In this paper, we focus on the foundation of relationship one has with their employing organization, briefly covered social exchanges and focusing primarily on organizational commitment.

Social exchanges are based on the norms of reciprocity and are “voluntary actions of individuals that are motivated by the returns they are expected to bring and typically do, in fact bring from others” (Blau, 1964, p. 91). This means that one party provides a favor for another party with the expectation that a future return will be obtained. In a social exchange, each party has the ultimate desire to maximize their own interest. Based on the argument of social exchange and norms of reciprocity, an individual who is treated fairly in an outcome or procedure by the authorities of an organization, would be willing to reciprocate favors to the organization or the supervisor. Similarly, an unfavorable or unsupportive work environment may be reciprocated with work-place deviance (Bordia et al., 2008).

Organizational Commitment

Organizational commitment is a psychological state that characterizes an employees' relationship with an organization and has implications for whether or not an employee wants to stay in the organization (Meyer & Allen, 1991), and has been the focus of a significant amount of research for more than 30 years (Cullinan et al., 2008). According to Porter et al., (1974), organizational commitment is defined as "the strength of an individual's identification with and involvement in a particular organization" (p. 604). As a multidimensional construct, there are 3 components of organizational commitment: affective, continuance, and normative commitment (Allen & Meyer, 1990; Meyer & Allen, 1991; Meyer, Allen, & Smith, 1993). Affective commitment is an employees' emotional attachment to an organization (Allen & Meyer, 1990), continuance commitment is the employees' perceptions of the costs associated with leaving the organization (Allen & Meyer, 1990), and normative commitment is an employees' perception of their obligation to remain with the organization (Allen & Meyer, 1990). The current focus of the study is the extent to which workers will engage in activities that are unethical, but seen as beneficial, to the organization, therefore affective commitment is the most relevant dimension of organizational commitment. The current study does not address the cost of leaving the organization (continuance commitment), or the individual's feelings of obligation to remain with the organization (normative commitment). Therefore, only affective commitment is included in this study.

Affective organizational commitment is "the employees' emotional attachment to, identification with, and involvement in, the organization" (Allen & Meyer, 1990, p. 1). The literature has focused largely on commitment as an affective, or emotional, attachment to an organization "such that the strongly committed individual identifies with, is involved in, and enjoys membership in the organization" (Allen & Meyer, 1990, p. 2).

Individuals who have higher levels of organizational commitment generally identify more strongly with their organization (Cullinan et al., 2008). Therefore, those individuals would seek to maintain that strong identification with the organization, and would wish to avoid causing harm to the organization. It seems plausible, then, that studies generally show that individuals with higher organizational commitment are less likely to engage in behaviors which will harm their organization (Cullinan et al. 2008). However, less understood is whether or not individuals with higher levels of organizational commitment would be more, or less, likely to engage in behaviors that are ethically questionable, but are meant to benefit the organization (Cullinan et al., 2008).

Individuals who have higher levels of affective organizational commitment may react in a different way to issues in which the organization would gain from questionably unethical behavior. Cullinan et al., (2008) provide the following example to demonstrate:

> "For example, an accountant in an organization may overstate the company's revenue in advance of the organization applying for the loan. The overstated revenue would increase the probability of the organization obtaining the loan. The organization benefits by obtaining the loan at more favorable terms than would have been granted if the true revenue of the organization had been known to the bank" (p. 227).

It would seem plausible that individuals with higher organizational commitment would be more likely to misstate the financial information in order to ensure that the organization would achieve its goals. Because individuals with higher levels of organizational commitment have a stronger sense of identification with the organization, they are more likely to engage in unethical behaviors that are meant to benefit the organization, as a way of maintaining their commitment to the organizations goals. Therefore, we formally hypothesize that:

H1: Affective commitment is positively related to unethical pro-organizational behaviors.

Moral Identity

Of interest to researchers studying moral behavior is the question of when and why people act in ways to benefit human welfare (Aquino & Reed, 2002). The belief is that an individual's moral reasoning is what predicts moral behavior. This is understood as moral identity, which is a self-regulatory mechanism that motivates moral action (Aquino & Reed, 2002) and can be conceptualized as the degree to which an individual defines him or herself to be a moral person. A more formal definition of moral identity is "a commitment to one's sense of self to lines of action that promote or protect the welfare of others" (Hart, Atkins, & Ford, 1998, p. 515).

Moral identity influences an individual's moral behavior as it serves as the convergence or moral ideals with an individual's personal identity (Colby & Damon, 1993). An individual will make an effort to maintain self identities that are believed to be significant, and will therefore engage in certain behaviors that are in agreement with those self-defining attributes in order to uphold certain identities. Therefore, an individual who places value on certain traits or representations of the self will act in ways to maintain that identity.

Furthermore, moral identity may influence moral action (Blasi, 1983). It is believed that when morality is a central tenet in an individual's sense of identity and self, it heightens that individual's sense of obligation and responsibility to behave in ways that are consistent with one's moral concerns.

Previous research has linked moral identity to a number of outcomes, including forms of ethical behavior. Aquino, Ray, and Reed (2003) observed moral identity to have a significant relationship with inter-group relations and a negative association with lying. Reynolds and Ceranic (2007) found that a strong moral identity positively impacts moral behavior. In one sample of their study involving students, they found that a strong moral identity positively related to charitable giving. In a second sample involving managers, Reynolds and Ceranic (2007) found that the ethical behaviors were at the highest reported levels when moral judgments interacted with an individual's strong moral identity.

The importance of an individual's own moral traits will guide subsequent moral behavior. Therefore, we argue here that an individual's moral identity will negatively relate to unethical pro-organizational behaviors, indicating that individuals who report high levels of moral identity will be less likely to engage in unethical pro-organizational behaviors. Furthermore, we argue that an individual's moral identity will in fact moderate the relationship between affective commitment and unethical pro-organizational behaviors. More specifically, an individual with high affective commitment will be more likely to engage in unethical pro-organizational behaviors; however, a strong moral identity will make this a negative relationship. Formally stated:

> *H2: Moral identity is negatively related to unethical pro-organizational behaviors.*
>
> *H3: Moral identity moderates the relationship between affective commitment and unethical pro-organizational behaviors. Specifically, greater levels of moral identity will weaken the positive relationship.*

METHODOLOGY

Sample and Data Collection

Surveys were administered to workers of a restaurant chain at 5 different locations in 3 cities in a Southeastern state. The restaurant workers were chosen as the sample of investigation as they had the opportunity and interactive abilities on a day to day basis to engage in each of the types of behavioral outcomes pertinent to this research. Previously, restaurant workers, bartenders specifically, have been studied due to their dual contact with both customers and management (Eddleston, Kidder, & Litzky, 2002). Further this specific categorization of workers has been studied in conjunction with deviant behaviors in organizations (Eddleston et al., 2002; Litzky, Eddleston, & Kidder, 2006). All survey data were gathered on site and during employee meetings and neither owners nor managers were present during the time subjects completed the survey instrument. Participants were assured of the voluntary nature of the survey and of the confidentiality of their responses. A total of 148 employees were administered the survey. Eleven respondents' surveys were eliminated from the analysis due to acquiescence bias of responses on both positively and negatively worded items (N = 137).

Descriptive statistics are reported based on the 137 participants. The average age of participants was 23.26 years (SD = 3.949) and 52% were female. Seventy percent of all participants worked 21 hours or more per week. Participants had spent an average of 14.28 months (SD = 15.361) at their current location and 38.85 months (SD = 34.977) in the industry. Participant involvement per job title is as follows: 35.3% wait staff, 25.2% bartending, 16.8% cook, 3.4% host/hostess, 13.4% management, 1.7% dishwashing, and 4.2% other.

Measures

All scale items were tested to assess the dimensionality and reliability of each measure used for hypothesis testing. A principle component factor analysis (PCA) with varimax rotation was performed on each of the scales used in this study. Dimensionality was assessed by examining the factor loadings for each item. Items with factor loadings of greater than .50 on their hypothesized factor and without crossloadings above .40 were considered adequate indicators of each factor (Hair et. al, 2006). Items and their factor loading can be found in the Appendix. The data reduction yielded a clean 3 factor structure with no significant crossloadings.

Dependent Variable

<u>Unethical Pro-Organizational Behavior</u> (M = 1.58, SD = .99, α = .80). Our measure of the dependent variable, unethical pro organizational behavior, was created for the purposes of this study. A 5-item measure was constructed to reflect how often individuals engaged in behaviors that reflected intent to serve or protect the organization while also violating some overall social norm. A caveat to these behaviors is that the underlying beneficiary of the behavior is targeted at the organization, not the individual. Respondents were asked to indicate how often they engaged in certain behaviors using a 7-point Likert format (1 = never, 7 = always).

Independent Variables

<u>Moral Identity</u> (M = 6.23, SD = .96, α = .76) was assessed using Aquino and Reed's (2002) five-item subscale of moral identity internalization. The original scale includes 10 total items, five of these items assessed the subscale of internalization and 5 items assessed the subscale of symbolization. Internalization is the degree to which moral traits are deeply rooted in an individual's self concept. Symbolization is the degree to which such moral traits are evident through the individual's actions in society. This assessment listed a number of traits (honest, ethical, honorable, fair, trustworthy, principled, compassionate, caring, charitable) and the respondents were asked to evaluate the degree of importance of these characteristics by various question items using a 7-point Likert format (1 = Strongly Disagree and 7 = Strongly Agree). The internalization subscale encapsulates the degree to which a person's moral identity is ingrained fundamental to one's being and has been found to be the more robust predictor of ethics-related attitudes and behavior (Aquino & Reed, 2002; Aquino et al., 2007: Detert et al, 2008).

<u>Affective Commitment</u> (M = 2.75, SD = 1.47, α = .86) was assessed using five of six items from Allen and Meyer (1990; Meyer & Allen, 1991). The first item in the scale "I would be very happy to spend the rest of my career with this organization" was dropped due to the fact that most of the workers in the organizations were college students and regardless of attachment, would spend their careers in other organizations upon graduation. All items used a 7-point Likert format (1 = Strongly Disagree and 7 = Strongly Agree).

Control Variables

Several control variables were considered in the analytic procedures. Demographic variables were included in this study as they have shown relevance in similar studies regarding morality and specifically moral identity (Detert et al, 2008; Schminke, Ambrose & Miles, 2003). Furthermore, past empirical evidence shows that in organizations, as the employee's age and job tenure increase, so do levels of commitment (Ogilvie, 1986). In all, age, gender, tenure in the organization, tenure in the industry, hours worked per week, job title, and location were entered as controls.

RESULTS

The means, standard deviations, and zero-order correlations are shown in Table 1. The level of correlation between moral identity and affective commitment (r = -0.30, $p < .05$) is below the threshold of .50 typically associated with multicollinearity concerns (Hair, Black, Babin, Anderson, & Tatham, 2006). An investigation of the variance inflation factors (all below 1.83) also suggests no reason for concern with respect to multicollinearity (Hair, Anderson, Tatham, & Black, 1998). The levels of affective commitment ($r = 0.186$, $p < .05$) and moral identity ($r = -0.284$, $p < .001$) are both significantly correlated with unethical pro organizational behavior in their respective hypothesized direction (affective commitment – positively correlated, moral identity – negatively correlated). The hypotheses proposed in the research model were tested using hierarchical regression analysis. Results are presented in Table 2. Age, sex, time (months at location), time (months worked in restaurant industry), hours worked per week, job title, and restaurant location were entered in to Model 1 as control variables.

In order to test the direct effect hypotheses, affective commitment and moral identity were entered in the second model. A significant change in R^2 ($\Delta R^2 = .174$, p < .001) was observed. Affective commitment (β = .197, p < .05) was found to have a significant positive effect on unethical pro organizational behaviors, supporting hypothesis 1. Furthermore, Moral identity (β = -.306, p < .001) had a significant negative effect on unethical pro organizational behaviors, supporting hypothesis 2.

In order to test the hypothesized moderation effect, the interaction term was entered in Model 3. The change in R^2 was significant (ΔR^2 = .085, p < .001). Hypothesis 3 indicated that moral identity would moderate the relationship between affective commitment and unethical pro organizational behaviors, which was supported (β = -.257, p < .001). To facilitate the interpretation of the moderation effect, the interaction was plotted in Figure 2.

DISCUSSION

The goal of this study was to investigate the antecedents of unethical pro organizational behaviors. As several have been theorized, the empirical evidence for such behaviors is still in the infancy stage. As hypothesized and testing in this study, both affective commitment and moral identity were found to have significant relationships with unethical pro organizational behavior. Furthermore, the interactive effect of moral identity and affective commitment had a significant relationship with unethical pro organizational behaviors. Our empirical tests supported our hypotheses in that higher levels of affective commitment contribute to higher levels of unethical pro organizational behaviors and alternatively higher levels of moral identity contribute to reduced occurrences of unethical pro organizational behaviors. Of specific interest, and as graphically represented in Figure 2, was the moderating effect of moral identity on the relationship of affective commitment and unethical pro organizational behaviors. It was observed that even at high levels of affective commitment, the effect of low versus high moral identity had a significant effect in reducing the occurrences of unethical pro organizational behaviors.

The implications of our findings are multiplicative. First, these findings extend the research into outcomes associated with individual's affective attachments, moral dispositions and unethical pro organizational behaviors. These findings generally support the proposed theoretical relationships offered by Umphress (2010) and extend the findings of Umphress et al (2010), in that a similar construct to organizational identification, affective commitment, is also positively related to unethical pro organizational behaviors. As such attachments have been generally regarded as positive occurrences in organizational settings (for review see Riketta, 2005), these results further elucidate the potential negative ramifications. Secondly, the research domain of moral identity has been extended to include a deterrence to engage in unethical pro organizational behaviors. In that, individuals who place a greater priority on an identity founded in moral traits are less likely to engage in said behaviors. For practitioners it is important to understand that potential negative consequences exist when individuals develop high level of emotional/social attachment to a given organization. However, individuals' behavior and decision frames are also regulated by a sense of morality which can reduce the potential negative effects of high levels of attachment. These findings introduce an interesting discussion for researchers and practitioners, which are can an organization implement certain tools to determine one's moral identity? Can an individual's moral identity change over time? Until these topics have been explored more in the literature, practitioners may use the findings of this study to demonstrate the importance of having an organizational code of ethics that is communicated to all employees.

LIMITATIONS AND FUTURE RESEARCH

As with nearly any research endeavor, several limitations are present in the work. The empirical results of this study should be considered in light of its limitations. Some are a function of the specific research design employed, while other limitations concern the methodological approach for measurement.

The design of the study was cross-sectional in nature, not allowing for prediction of causality. Specifically, the survey instrument captured all constructs of interest at a single point-in-time. It is possible that consistency effects may have lead to significant findings that are just a function of common method bias. Significant causal effects are indirect as relationships were measured at the same time, using the same instrument. Future research should address this limitation by employing a multi-trait, multi-method methodological approach, to lessen the common method effects of the construct relationships. Further, longitudinal research on the behavioral outcomes of moral identity and affective commitment could identify specific points in time when an individual's morality and attachment to the organization directly influences subsequent behaviors and the decision making process in an organizational setting.

Although our choice of sample was supported not only by prior works, but geared specifically to the topics of investigation it may hinder generalizabilty. Furthermore, in the restaurant industry in a college town, most workers are students and do not plan to spend the remainder of their careers with the relevant employing organization. This may create a different dynamic and decision making framework atypical of other firms. Future research should aim to replicate these findings in a more traditional work setting.

This study focused exclusively on an individual's self importance of moral identity to reduce the effects that affective commitment may have on unethical pro organizational behaviors. As this is a major contribution to the literature, other individual characteristics should be explored. Furthermore as an individual's moral identity was shown to have basically a filter effect on the reduction of unethical pro organizational behaviors, future research should also investigate organizational influences the may moderate the relationship of affective attachments and said behaviors. As noted in the discussion, research should consider what impact organizations have on shaping an employee's moral identity as well as organizational level variables (e.g. code of ethics) that may shape members' moral perspectives on behavior.

FIGURE 1
HYPOTHESIZED RELATIONSHIPS

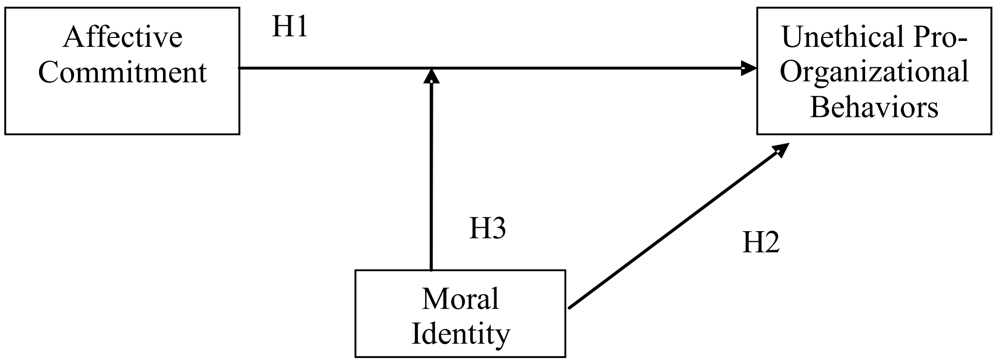


TABLE 1
DESCRIPTIVE STATISTICS AND CORRELATIONS

Variables	*Mean*	*SD*	*1*	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*
1. UPOB	1.58	0.99									
2. Affective Commitment	2.75	1.47	.186*								
3. Moral Identity	6.23	0.96	-.284**	-.304**							
4. Age	23.26	3.95	-0.016	-0.136	-0.049						
5. Sex[b]	0.48	0.5	-0.064	.000	.284**	-0.162					
6. Time (months at location)	14.28	15.36	0.021	.237**	-0.031	.226**	-0.111				
7. Time (months in industry)	38.85	34.98	0.054	.233**	.176*	.400**	-0.124	.373**			
8. Hours worked/week[c]	2.86	0.78	0.087	.285**	0.111	.298**	-.385**	.295**	.304**		
9. Job Title[d]	2.56	1.7	0.066	-0.152	-0.149	0.074	-.423**	.262**	0.097	.358**	
10. Location	3.09	1.32	-0.056	0.021	0.021	-0.047	-0.065	.182*	-0.129	0.021	0.072

N = 137

[a] Model statistics are betas

[b] Coding: 0 = Male, 1 = Female

[c] Coding: 1 = 0-10hrs, 2 = 11-20hrs, 3 = 21-40hrs, 4 = 40+

[d] Coding: 1 = Wait Staff, 2 = Bartending, 3 = Cook, 4 = Host/Hostess, 5 = Management, 6 = Dishwashing, 7 = Other

*** $p < .001$
** $p < .01$
* $p < .05$
† $p < .10$

TABLE 2
MODERATION RESULTS FOR HIERARCHICAL REGRESSION ANALYSIS FOR UNETHICAL PRO-ORG BEHAVIORS [a]

Variable	***Model 1***	***Model 2***	***Model 3***
Control Variables			
Age	-0.010	-0.022	-0.003
Sex [b]	-0.268	0.007	-0.031
Time (Months at location)	0.002	0.000	0.000
Time (Months in industry)	0.001	0.005†	0.003
Hours worked/week [c]	0.135	0.296*	0.212†
Job Title [d]	-0.028	-0.030	-0.046
Location	-0.041	-0.001	-0.024
Independent Variables			
Affective Commitment		0.197*	0.170*
Moral Identity		-0.306***	-0.136
Interaction Effects			
Affective Commitment*Moral Identity			-0.257***
R^2	0.044	0.218	0.303
? R^2	0.044	.174***	.085***
Adjusted R^2	-0.018	0.151	0.236

N = 137

[a] Model statistics are betas

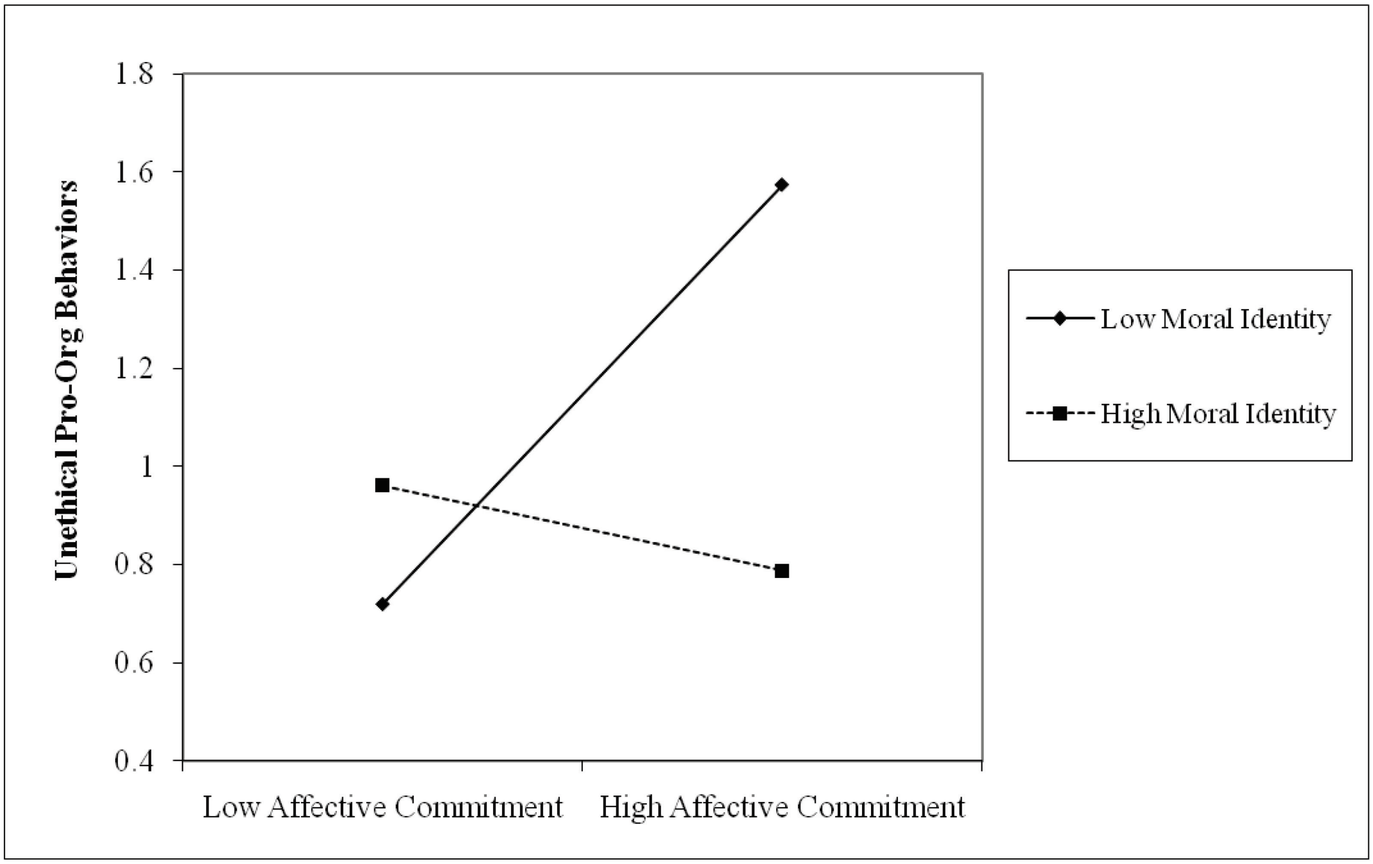
[b] Coding: 0 = Male, 1 = Female

[c] Coding: 1 = 0-10hrs, 2 = 11-20hrs, 3 = 21-40hrs, 4 = 40+

[d] Coding: 1 = Wait Staff, 2 = Bartending, 3 = Cook, 4 = Host/Hostess, 5 = Management, 6 = Dishwashing, 7 = Other

*** $p < .001$
** $p < .01$
* $p < .05$
† $p < .10$

FIGURE 2
INTERACTION EFFECTS OF AFFECTIVE COMMITMENT AND MORAL IDENTITY ON UNETHICAL PRO-ORG BEHAVIOR



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APPENDIX 1
SCALE ITEMS AND DATA REDUCTION RESULTS

	1	2	3
Moral Identity			
It would make me feel good to be a person who has these characteristics.	0.69		
Being someone who has these characteristics is an important part of who I am.	0.767		
I would be ashamed to be a person who has these characteristics.	0.616		
Having these characteristics is not really important to me.	0.723		
I strongly desire to have these characteristics.	0.74		
Unethical Pro-Org Behaviors			
Falsify documents to protect your organization		0.77	
Provide false or misleading information about your organization to protect it or enhance its standing		0.789	
Fail to cooperate in an investigation to protect your organization		0.837	
Fail to report unethical or illegal behaviors to protect your organization		0.78	
Overlook the interests of another party in favor of the interests of your organization		0.547	
Affective Commitment			
I really feel as if this organization's problems are my own.			0.644
I do not feel like "part of the family" at my organization.			0.798
I do not feel "emotionally attached" to this organization.			0.906
This organization has a great deal of personal meaning for me.			0.781
I do not feel a strong sense of belonging to my organization.			0.83

ABOUT THE AUTHORS

Curtis F. Matherne, III is an Assistant Professor of Management at the University of Louisiana at Lafayette. He received his Ph.D. from Mississippi State University. His research interests include identity dynamics in organizational settings, focusing primarily on family owned businesses.

Shanan R. Litchfield is a doctoral candidate at Mississippi State University. Her research has mostly focused on behavior in family firms. Her dissertation explores human resource practices and the impact on family business outcomes.

Testing a Team-Development Model: Partnership in Creating a Work-Integration Social Enterprise

Fred Seddon
University of Northampton, UK

Richard Hazenberg
University of Northampton, UK

Simon Denny
University of Northampton, UK

A model of team-based philosophy is applied to test the efficacy of a partnership between a university and a regional social enterprise development agency during the set-up and development of a work-integration social enterprise (WISE). The research had three data collection phases 'early', 'middle' and 'late'. Analysis of interview data collected during the 'early' phase of this research evaluation revealed five themes: 'Communication', 'Unity', 'Concept and Planning', 'Personalities' and 'Personal Perceptions'. These interim research findings are discussed in relation to the proposed model and its appropriateness for the evaluation task.

INTRODUCTION

This paper focuses on the initial phase of a three phase longitudinal research study designed to examine the formation and development of a partnership between a UK regional social enterprise development agency (hitherto referred to as SEDA) and a UK University (hitherto referred to as UNI). The partnership was formed in order to set-up a work-integration social enterprise (WISE) with the support of grant funding and to test the notion of developing a financially sustainable WISE from a 'funded project'. Work on the set-up of the WISE began during the early part of 2008 and resulted in a bid for funding being submitted by SEDA to a funding body in August 2009. The funding bid was successful and the partnership between SEDA and UNI was formed, which ultimately led to the set-up of the WISE, which began trading in March 2010. The management structure of the WISE consisted of a board of directors, a steering group, CEO and company staff who administered and delivered three employment enhancement programmes to clients according to their age, qualification and prior experience. Client groups were young people not involved in employment education or training (NEET), unemployed graduates, and unemployed 'executives'. Members of the partnership between SEDA and UNI and the WISE staff were considered to be a 'team' collaborating to fulfil the monitoring requirements of the funding body in terms of delivering a funded project and creating income from trading to ensure the continuing financial sustainability of the WISE. In order to provide empirical evidence of the success of this 'team' venture the researchers reviewed team building literature.

LITERATURE REVIEW

Prior research conducted by Tuckman (1965) established a four stage, team-development model, based on four stages: forming, storming, norming and performing. Tuckman (1965) proposed that passing through this four stage process transformed a loose group into an effective team. Later research, Adair (1986), which examined group formation, postulated that groups of individuals share common needs that can be categorised into three basic elements (i.e. task, group and individual). Sheard & Kakabadse (2002) added a fourth basic element to the list of common needs (i.e. environment) based on the importance of organisation culture rooted in associated norms, routines and rituals. Sheard & Kakabadse (2002) argued that for a loose group to successfully transform into an effective team through the process of forming, storming, norming and performing, all four basic elements: task, group, individual and environment must be aligned. This alignment of the basic elements between individuals requires the management of any conflict between individuals in order to minimise negative aspects of the conflict. The developing nature of the management of conflict means that alignment of all the basic elements does not occur until the final stage (i.e. performing) which means during forming, storming and norming stages, alignment of the basic elements does not occur. Alignment of the basic elements evolves in three 'states', which can be assigned to each basic element at each stage of the team development process (Sheard & Kakabadse, 2002). These three 'states' are:

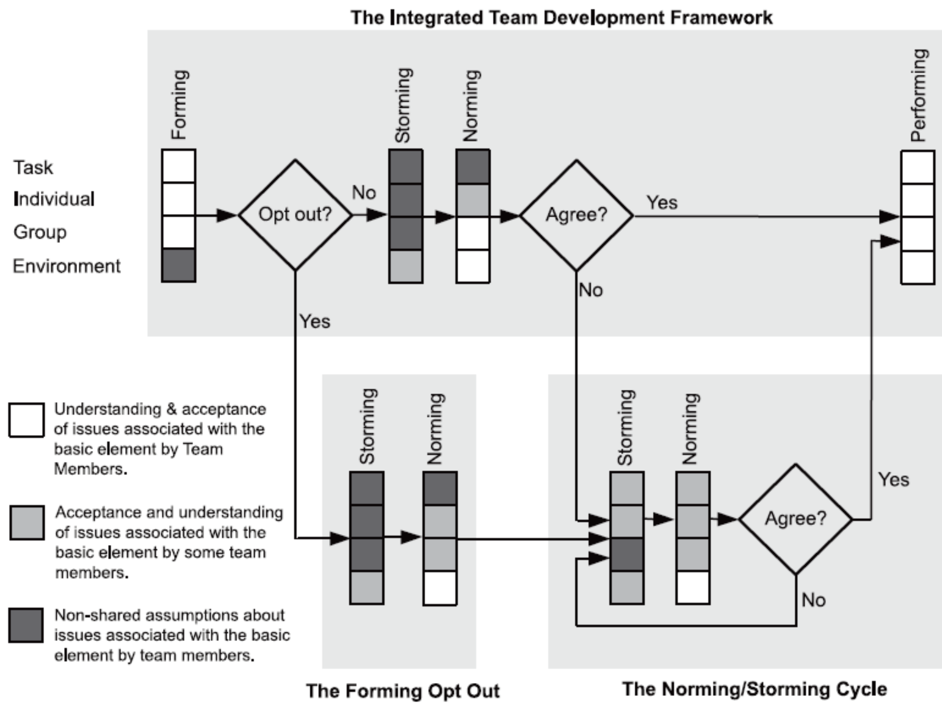
(1) understanding and acceptance of issues associated with the basic element by team members;
(2) acceptance and understanding of issues associated with the basic element by some team members;
(3) non-shared assumptions about issues associated with the basic element by team members.

It is the alignment of the basic elements of task, group, individual and environment, as indicated by statement (1) above, that signals the team's arrival at the performing stage of team development (See Fig.1).

Sheard & Kakabadse (2002) extended the integrated team development framework by adding a 'forming opt out' and a 'norming/storming cycle' to the original Tuckman (1965) forming, storming, norming and performing team development model (see Fig.1). The 'forming opt out' is taken by individuals who do not immediately enter the storming phase. The 'norming/storming cycle' is taken by individuals who do not progress to the performing stage. Deviation from the Tuckman (1965) direct route is because individuals are not prepared to accept decisions that would involve them in doing something differently and prefer to retreat into denial. It is essential for key individuals in the team to 'buy in' to what the team is attempting to accomplish in order for the team to reach the performing stage. If non-key individuals do not 'buy in' to what the team is attempting to accomplish, this won't necessarily prevent the team reaching the performing stage however greater efforts will be required from the others who do 'buy in' or the team will not perform as well as it could have done. However, without the support of key individuals the team will remain in the norming/storming cycle and fail to reach the performing stage.

In order to apply the above framework to determining the stage of development a team has reached, the basic elements of task, individual, group and environment were broken down into nine key factors that collectively differentiate a loose group from an effective team (Sheard & Kakabadse, 2002). To transform a loose group into an effective team requires a task for them to engage in. A task requires a goal, which must be clearly articulated to the group. Also, because in any organisation there will be constraints of time, money and available resources, a set of priorities around the task must also be clearly articulated. An individual must be considered as a team member, which relates to roles and responsibilities within the team and the extent of self-awareness of the consequences of one's actions and behaviours on other team members. The group refers to the team's ability to function as a unit, which can be broken down into three key factors: leadership, group dynamics and communication. Environment is defined by infrastructure and organisational context where infrastructure encompasses: IT systems, HR support and the ability of senior management to translate its strategy into a series of goals suitable for the teams to tackle and context is the organisation of the company.

FIGURE 1
THE INTEGRATED TEAM DEVELOPMENT FRAMEWORK
(SHEARD AND KAKABADSE, 2002, P.137)



It is proposed in the current research that elicitation of participant perception of these nine key factors will reveal the stage the partnership has reached in becoming an effective team in this 'early' phase of development.

METHOD

Participants

The total number of participants was 20, (N=20) which consisted of the members of the board of directors, the CEO, the steering group and the administration and programme delivery staff. During this 'early' phase in the longitudinal study (March, 2010 - November, 2010), the board of directors consisted of 6 members (including 1 chair-person and the CEO/acting CEO) (n=6) the steering group had 7 members (3 of the 7 were also board members) (n=4) and 10 members of administration and programme delivery staff. The board of directors represented the two partners and consisted of 3 representatives from the UNI and 3 representatives from SEDA (one of whom was the chairperson). The steering group was made up of representatives of both partners and co-opted stakeholders. From time-to-time members of the steering group were seconded to the WISE administration and delivery programmes. At the time of data collection for this 'early' phase, there were 10 members of staff at the WISE: 2 involved with administration, 7 with programme delivery (2 working with NEETs, 2 with graduates 3 with 'executives') and 1 with responsibility for work placements across all programmes (for clarification of the WISE structure, please see Fig. 2 below).

TABLE 1
THE NINE KEY FACTORS
(ADAPTED FROM SHEARD AND KAKABADSE, 2002, P.137)

Basic element	Key factor	Loose group	Effective teams
Task	Clearly defined goals	Individuals opt out of goals not understood	Understood by all
	Priorities	Split loyalty of individuals to other groups	Cohesive team alignment
Individual	Roles and responsibilities	Unclear, with gaps and overlap	Agreed and understood by individuals
	Self-awareness	Individuals guarded	Social system established and accepted
Group	Leadership	Directive	Catalytic
	Group dynamics	Individuals guarded	Social system established and accepted
	Communications	Formal	Open dialogue
Environment	Infrastructure	Task focused	Stable support from organizational infrastructure
	Context	Task focused	Influenced, but not controlled by organisation

There were changes in personnel during this 'early' phase, although overall numbers of staff remained the same except for short periods of time when changes were made in response to specific circumstances that required extra temporary staff. These temporary members of staff were not included in the research as it was felt they did not have sufficient experience in the company to form longitudinal opinions. The original CEO resigned in August 2010 and a board director from UNI fulfilled this role on a temporary basis up to the conclusion of the 'early' phase. The original CEO was asked to contribute to the research study but declined to take part.

Procedure

For this 'early' phase of the longitudinal study, all 20 participants engaged in individual semi-structured interviews with a researcher. The interviews were conducted face-to-face (n=16) or on the telephone (n=4). The questions asked were open-ended in nature and were the same for all participants. As the interviews were semi-structured, the researcher asked additional supplementary questions when participants took the discourse in different directions. All interviews were recorded for future transcription and analysis. Interviews lasted from 20 minutes to 1 hour 47 minutes in length. The prescribed questions were constructed from the evaluation requirements of the funding bid and the nine key factors outlined above (Sheard & Kakabadse, 2002). Six broadly based open-ended questions were constructed in order to give participants the opportunity to express their perception and evaluation of the success of the partnership project at the end of this 'early' phase.

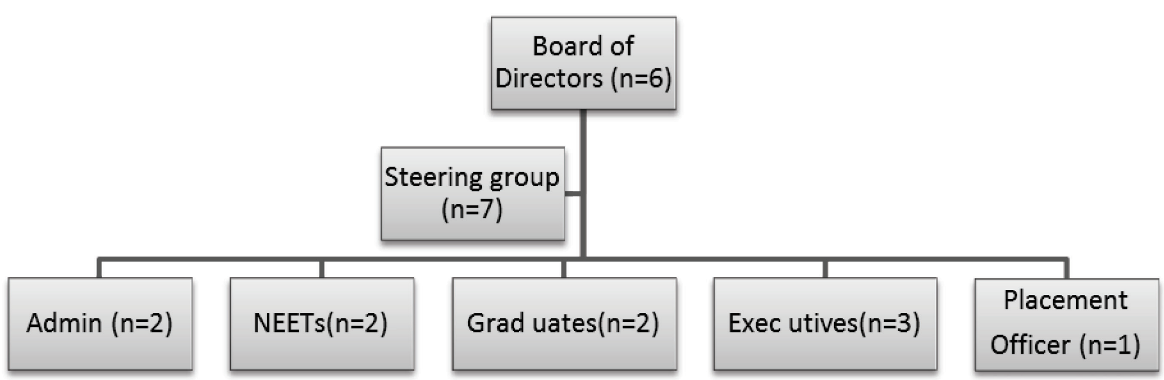
These questions were:

1. What do you think is the purpose of the WISE (broadly philosophical with economic implications)?
2. How do you perceive your role in the company?
3. How do you feel you are you succeeding in your role?
4. How could you improve your contribution?
5. Describe what inhibits you from maximizing your role within the WISE?
6. What would you change to enable you maximize your role in the WISE more successfully?

Nine more specific, open-ended questions, grounded in the nine key factors that form part of the integrated team development framework (Sheard & Kakabadse, 2002) provided the participants with the opportunity to express their opinions on those key factors. These questions were:

1. Please describe what you consider to be your specific goals.
2. Please explain how you prioritize your daily, weekly, monthly work schedule.
3. Please describe what you perceive as your roles and responsibilities.
4. Please describe the extent of your awareness of how your actions impact on others in the company.
5. Please describe your leadership style and how it impacts of the group dynamics of your team or please describe how your team leader's leadership style impacts on the group dynamics of your team.
6. Please describe and evaluate the group dynamics within your team, between teams and the company in general.
7. Please describe and evaluate the communication between members of your team, between teams and the company in general.
8. Please describe and evaluate the organisation of 3e in relation to IT systems and the context/environment in which you work.
9. Please describe and evaluate the ability of the senior management to communicate their strategies into specific goals for you to achieve.

FIGURE 2
STRUCTURE OF THE WISE DURING THE 'EARLY' PHASE
MARCH-NOVEMBER 2010



ANALYSIS

Data

The data collected for analysis in this 'early' phase of the research evaluation was 20 semi-structured interviews conducted by a researcher with the participants outlined above. The researcher also attended (as an observer only) a series of board and steering group meetings held during this 'early' phase of the group project. The researcher was also engaged in the evaluation of all three employment enhancement programmes delivered by the WISE. This combination of data collector and 'insider' experience combined to give the researcher a unique perspective on the development of the partnership, which informed the interpretation of the data.

Procedure

The method employed to analyse the 20 transcripts of the participant's individual semi-structured interviews collected for this 'early' phase in the research, was 'Constant Comparative Method' (Glaser & Strauss, 1967; Lincoln & Guba, 1985). Constant Comparative Method (CCM) is an iterative procedure designed for the qualitative analysis of text and is based on 'Grounded Theory' (Glaser & Strauss, 1967). Constant Comparative Method has been successfully applied in previous studies across a wide range of disciplines from social venture creation (Haugh, 2007) to music composition strategies (Seddon & O'Neill, 2003) and musical communication (Seddon, 2004 & 2005). This method of analysis focuses on a process where categories emerge from the data via inductive reasoning rather than coding the data according to predetermined categories (Maykut & Morehouse, 1994). Constant Comparative Method involves five main stages:

1. Immersion, 'units of analysis' are identified;
2. Categorisation, 'categories' emerge from the 'units of analysis';
3. Phenomenological reduction, 'themes' emerge from the 'categories' and are interpreted by the researchers;
4. Triangulation, support for researcher interpretations of 'themes' is sought in additional data;
5. Interpretation, overall interpretation of findings is conducted in relation to prior research and/or theoretical models (McLeod, 1994).

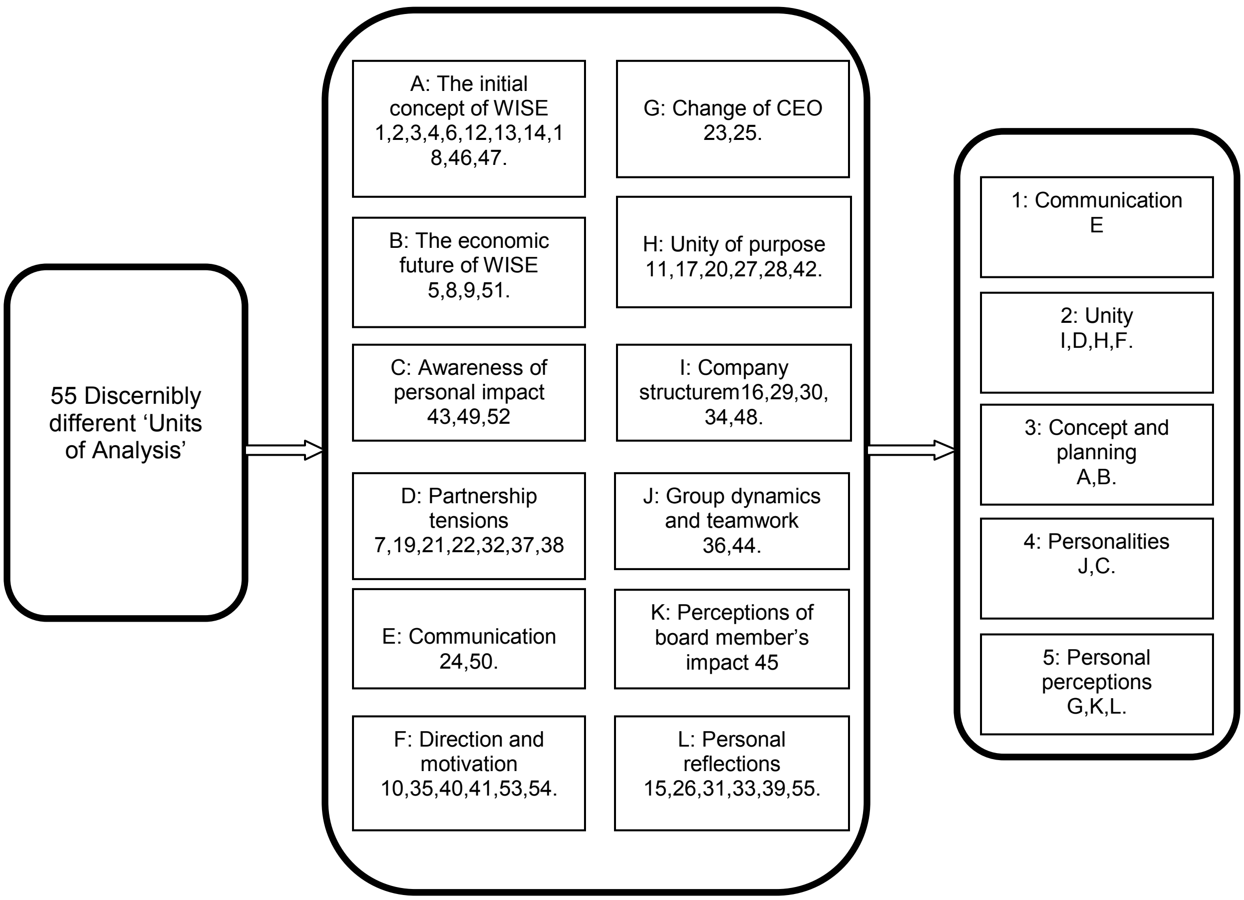
RESULTS AND DISCUSSION

When interpreting the results of the data analysis it should be taken into consideration that during this initial phase of the research (March, 2010 - November, 2010) the original CEO resigned in August 2010 and the position was temporarily undertaken by one of UNI's representatives on the board of directors. The original CEO refused to be interviewed as part of the current evaluation process so her perspective is not represented in this analysis. Analysis of the interviews: Stage one (i.e. 'immersion') revealed 55 units of analysis (e.g. 'complex hierarchy', 'conflicting loyalties', 'empathy' and 'lack of clarity of thinking'). Stage two (i.e. categorisation), 12 categories emerged from the 55 units of analysis, which were: 'the initial concept of WISE', 'the economic future of WISE', 'awareness of personal impact', 'partnership tensions', 'communication', 'direction and motivation', 'change of CEO', 'unity of purpose', 'company structure', 'group dynamics and teamwork', 'perceptions of board member impact' and 'personal reflections'. For a unit of analysis to be included in a category it had to fulfill the rules of inclusion, expressed in a propositional statement for each category. During this categorisation process, if a unit of analysis did not fit into an existing category, a new category was created facilitating the emergence of categories during analysis based on a continuous iterative process. Stage three (i.e. phenomenological reduction) five themes emerged from the 12 categories, which were: 'communication', 'unity', 'concept and planning', 'personalities' and 'personal perceptions'. As with the emergence of the categories from the units of analysis, for a category to be included in a theme it had to fulfill the rules of inclusion expressed as a propositional statement for each theme. During this phenomenological reduction process, if a category did not fit in an existing theme, a new theme was created facilitating the emergence of themes during analysis based on a continuous iterative process. A diagrammatic version of this process of analysis is provided for further clarification (see Figure 3).

FIGURE 3
CCM ANALYSIS AT 'EARLY' PHASE

Immersion | Categorisation | Phenomenological Reduction

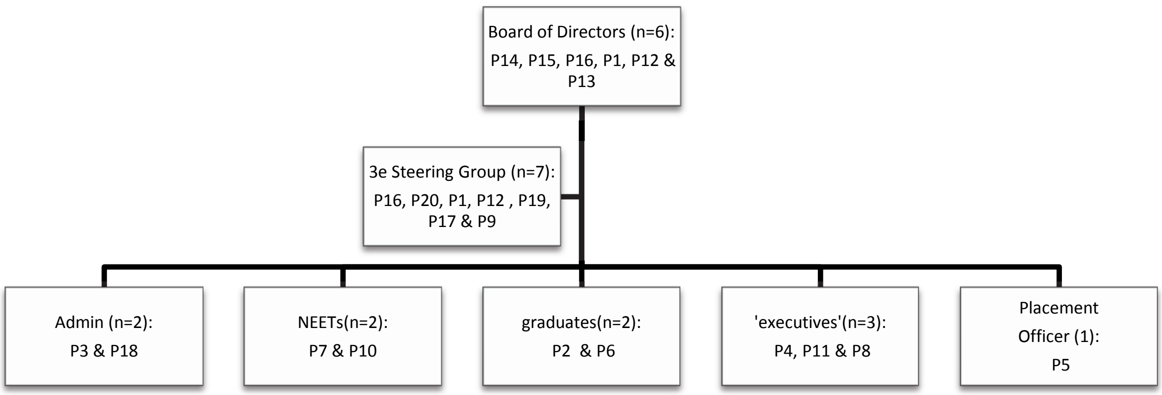
Units of Analysis (55) | Categories A-L (12) | Themes (5)



NB. The numbers displayed above in Fig. 3 in the 'categories' boxes correspond to the relevant units of analysis contained in that category. The numbers in the 'themes' boxes correspond to the relevant category contained in that theme.

All participant quotations cited below are taken from units of analysis and serve to exemplify specific aspects of the overall themes of: 'Communication', 'Unity', 'Concept and Planning', 'Personalities', and 'Personal Perceptions'. In order to maintain participant anonymity, participants are referred to only by their participant number. In order to provide the context for the participant's perspective, Figure 4 indicates the participant's number in relation to their position in the partnership/company (CEO refers to any references made by participants to the original CEO who resigned and did not take part in the evaluation process).

FIGURE 4
KEY TO PARTICIPANT NUMBER IN RELATION TO POSITION IN THE WISE AND THE PARTNERSHIP



Theme 1: 'Communication'

Communication was a recurring emerging concept at the first three stages of this analysis. Communication was a unit of analysis (No. 24) and this unit of analysis subsequently emerged as one of the units of analysis forming the Category E (Communication). The category 'Communication' subsequently emerged as Theme 1 'Communication', indicating the importance of this concept of communication from the participants' perspective (please see Figure 3). Participant comments about communication referred to both the quality and quantity of communication occurring both within and between groups. The specific role of ICT in the communication process was also commented on as this played a large part in the emergence of a crisis that was instrumental in the resignation of the original CEO. The quotations from board members cited below exemplify the perceived quality of communication between board members as being 'distant' and 'formal' and the quantity as 'infrequent' and often focussed on 'confronting a crisis' rather than 'trying to establish a strategy'.

> *"So yeah we communicate with each other but I wouldn't say it's close. I did pick up the phone once to speak to P15 and after, he spoke to the CEO because at that stage I was concerned. I was concerned for the organisation, for WISE and for the risk of what appeared to be a poorly functioning but probably rather dissatisfied and maybe a damaged chief executive."* P13

> *"I would say communication is OK but distant. I mean we communicate via emails, we don't have frequent meetings and in an ideal world we ought really to set aside some time to meet not when we're confronting a crisis but when we are actually trying to establish a strategy"*.P15

Communication between members of the Steering Group was also perceived as problematic as can be seen in the following quotations:

> *"I personally think it comes down to communication. Having time to do all the tasks but also communicating with all members of the steering group. And I think there were times were we had to make decisions within the programme and say P1 and I had met, we would sometimes forget, and I believe it was my role as chair of the steering group to communicate it out to all the other partners."* P16

"I don't want to lay all the blame on CEO because she's not here but there were discussions, certainly in steering group, as to what the numbers were and there were meetings with CEO separately to go through outputs and things. So she should have understood what the outputs [funding body requirements] were and how she communicated those to the staff team and that seems to be where it broke down." P20

From the above quotations it would appear that communication of important information about the funder's requirements, which should have been passed to the CEO and then to the staff team wasn't effectively communicated. This breakdown in communication was a major contributory factor leading to a crisis that threatened the funding and precipitated an important change of motivational emphasis for WISE programme staff. Communication within the staff employed to deliver the employment enhancement programmes was perceived by the staff themselves to be good.

"I think me and P10 we just kind of work alongside each other quite nicely. Me and P10 we are like an old married couple. Cos there are times when I think we really wind each other up but we've got a very open relationship. And that's kind of why I really like P10. I hate it, people bitching behind each other's back. I'd rather, if I'm bugging somebody or they're bugging me, I'd rather just get whatever the problem is out in the open. And that's what me and P10 are like, that's kind of how we deal with stuff" P7

"Whereas because me and P2 communicate really well and we work really well as a team together like it makes it a lot easier. We can just concentrate on doing things that we need to do." P6

"Excellent, P4 and I speak in evenings, we speak at weekends, and we speak regularly. I've no problems with communication between P4 and I." P11

However, external perception of communication within the 'executives' team [P4, P8 & P11] by P1 does not support their internal perception.

"Three out of the four teams communicate really effectively amongst themselves and I think because they have got that level of communication, I'm seeing a real step change in what they are doing. I think the other team, the executives programme team, don't effectively communicate and that becomes apparent in everything that they do. It's just so blatantly obvious that they do a lot of talking but they don't communicate with each other." P1

When examining the overall communication that took place between all groups the following quotations exemplify individual's perceptions.

"I don't think CEO actually accurately understood because I think maybe there was a communication issue there in relation to her being fed information that was accurate and up to date. So, I mean to some degree she was constantly running around chasing her tail with that sort of stuff. She should never have been in that situation because she should have been the one feeding the information through to us and it should have been accurate and precise and we should have known what we needed to be doing, and we didn't always." P5

> *"I think the communication isn't as good as it could be. And again that's within the board itself but also between the board and the staff; if there is communication from the board, who takes on the responsibility for moving that to staff?"* P14

From the evidence presented it would appear that there was a breakdown in communication between the directors of the company and the programme staff. Often the conduit for communication between the board and staff was assumed, by the board of directors, to be the CEO. However, it became apparent that the CEO didn't fully comprehend the detail of what was required to ensure adequate record keeping. This situation contributed to a crisis point that could have resulted in the loss of funding. Subsequently, the CEO resigned in August 2010 and an acting CEO was appointed internally to instigate procedures to rectify the crisis situation. A further contributing factor to the crisis was rooted in many of the programme delivery staff's lack of competence in the use of the company's IT system [ACT], which was designed to record this vital record keeping information.

> *"Prior to August, IT was crap; it doesn't work, I can't access my email, I can't access this, I can't access remotely. When I do access remotely it is really slow. ACT is rubbish it doesn't do this, it won't do that, I can't use it; it is not user friendly blah, blah, blah.... Every single problem with IT was because we didn't know how to use it. And it wasn't that the system was crap; it was because they didn't trust it, they didn't like it, they were impatient with it and it didn't work in the way that they wanted it to work or they just didn't know how to use it."* P1

The quotations cited below exemplify the remedial action taken to resolve the lack of IT competence but it seemed there were still some issues around understanding exactly what information was required to be recorded.

> *"The pair of them [P2 & P6] said "Do you know what, what's the point in keeping all the spreadsheets that everyone is keeping? ACT does it." So we gave them some ACT training. The pair of them use it as it was supposed to be used and now teach everybody else how to use it. So that's had a fairly significant impact as well."* P1

> *"I know a lot of people had big problems with ACT but if you just sit down and actually focus on what you need to do and how you need to work it, it's very, very easy and I've helped quite a few people figure it out and now they're fine with it."* P20

There were also issues regarding the lack of clarity of information and the constantly changing administrational procedures that existed during this 'early' phase of the development of the WISE.

> *"You know you can write your forms and they should be done, sorted, before you have even got it up and operational really. All your paperwork and your systems should be in place; we never had that. We constantly changed and adapted and manipulated the systems and the processes all the way along. I think we are kind of there now with it but it should have been there from day one really."* P5

> *"After going through reams of forms and speaking to over a hundred people and filling in over a hundred forms for instance, it was found out that there were seven different styles of this one particular form on the company hard drive and nobody had gone in every time one was amended and deleted the old one off."* P4

The acting CEO instigated training procedures to ensure ACT was being used correctly and the information required by the funder was being accurately recorded on the database.

> *"The staff members weren't sure on how to use the ACT system and that was part of my role to come in and train everybody on that system so hopefully now everybody is fully aware. We have aligned it to the [funding body's requirements] so we can easily pull off information. So I think the IT system is there now and if it continues to stay in place then it should help the staff instead of being a hindrance, which I think it was a few months ago."* P20

Collectively, the above quotations taken from the theme 'Communication' reveal the quality and quantity of communication from the perspective of all participants in this 'early' phase of evaluation. The next theme to emerge during analysis was 'Unity'.

Theme 2: 'Unity'

The theme 'Unity' emerged from the data as both a positive and negative concept that broadly pivoted around the crisis point that was reached during August 2010. As revealed in the theme 'Communication', the staff did not appear to have received clear directions on how to record vital information required by the funders. In addition to this, the staff team was experiencing problems with the company database. This difficult situation was exacerbated by differing viewpoints being expressed by P1 and the CEO over various aspects of the management, which also contributed to a lack of clear direction to the staff team. Also, some staff's individual perception of a hierarchical structure in the company contributed to poor overall team cohesion. There were also some emerging issues around the unity of the board that centered on board member's levels of commitment to the company. The change of CEO seemed to have a positive effect on the unity of the board and the staff team, resulting in a cooperative effort to resolve the immediate crisis situation.

> *"CEO would say something that was completely and blatantly wrong and I would contradict it without knowing what she had said. The complexities of this she never actually got to grips with. I think she found herself in a position where she was out of her depth because the paperwork wasn't set up. It was set up but then it changed for some reason."* P1

> *"While CEO was there, she boosted P19 up to be, I think it was senior consultant and we [P7 & P10] were both a bit cheesed off with that to be honest because we are doing a senior consultant's [job]. So that's a gripe, yeah it's definitely a gripe. To be honest there was no need to call her a senior consultant."* P10

> *"My title is Senior Careers Consultant and I do work with clients first hand. I consider my role as well, as one of the more mature members of the team, to be a bit of an ambassador; perhaps with a bit more work background, work experience. There are some very young members in that team who haven't had experience of the workplace or how to conduct in front of clients."* P11

> *"We knew he P13 was going to act in the way he does because, quite reasonably from his point of view, he acts in what he sees to be the interests of [particular school at UNI]. And I think he sometimes misunderstands the role of the director, which is to act in the best interests of the company. I think he sometimes finds it difficult to separate the two."* P12

> *"It's really a question of time. I need to be on that board ensuring that the university's interests are met and that any potential crises are avoided if at all possible. That is*

> *different from P12 and P1's role. P1 quite rightly, his sole role is the best interests of the WISE."* P13

After the appointment of P1 as acting CEO there was a change in management style, which resulted in a new direction being given to the WISE staff. The management style was more directive and the focus of attention was shifted to focusing primarily on ensuring that the information required by the funder was collected and entered on the ACT data base. These changes produced clarity of overall objective for the staff and contributed to them adopting a more cohesive team mentality. A collective perception of an overall WISE team emerged and for a while the staff found this to be a positive and unifying experience.

> *"But now when we talk about participants it's as a whole. When we talk about the graduates programme and when we talk about the executives programme and we talk about the NEETs programme yeah, we are still there but it's collectively as a whole company now, which is pretty good it gives us clear direction or clearer direction than we had before."* P10

> *"So, whenever I am going out promoting the WISE I don't just talk about the executives' programme I talk about all three projects."* P4

However, in spite of this overall increase in staff unity, there was still factional disaffection from the executives programme team that was contributing to overall disunity. For this group, the change in management style was not perceived as a positive one.

> *"P4 and I are both mature members of the team. We've had prior experience of the workplace and different management roles. Understanding that vision and that overall objective would explain some of the management decisions that have taken place; but I don't have sight of that so it's very difficult to justify the management style at times."* P11

Overall there was evidence of a general lack of unity between members of the board of directors. There was also evidence of some confusion among members of the WISE staff, regarding the funder's auditing requirements that contributed to a level of disunity within the staff team. The temporary appointment of P1 as acting CEO appeared to create staff unity around a specific cause (i.e. resolving the crisis), which created a unity of purpose around achieving the target figures required for the funder. However, this co-operative activity could be described as a form of crisis management providing temporary unity rather than the company moving forward in a united way to achieve sustainability. The problems faced by the company are summarised below.

> *"I think it comes down to the fact that it is quite difficult to set up a relatively large organisation with complex activity through funding, which then allows you to employ a number of people who have to then function collaboratively and then to look at how to sustain that activity beyond the period of funding when perhaps the activities have been designed around a funding stream rather than necessarily around a business approach that would allow you to be able to sell some of those services in the open market or public sector market."* P17

Nevertheless, the company was now seeking to fulfil the targets contained in the original funding bid but sustainability tended to become sidelined in the pursuit of those specific targets. This change in emphasis characterised the next emergent theme.

Theme 3: 'Concept and Planning'

As difficulties with 'Communication' and 'Unity' emerged, which contributed to the crisis already discussed, there was a shift in emphasis towards achieving numerical targets in order to satisfy the funder's demands. This meant that planning for a sustainable future for the WISE was sidelined in order to address more immediate financial problems.

> *"When the bid was written it was anticipated that rather than providing placements we would actually be providing employment opportunities for NEETs and for persons made redundant. Then the economic climate changed and it was changed to placements alongside the training elements and education."* P17

Also, some of the more altruistic aspirations of management and staff of the WISE suggest a certain naïveté and disregard for the necessity for profit making in order to achieve post funding sustainability. However, this naïveté was not widespread, especially among board and steering group members and in spite of the underlying naïveté among WISE staff members there was a general awareness of sustainability issues:

> *"So, I like that side of it, that we are not just there to like bring money off people; we are there for help for the community as well as our thing. It is important to me, I love that, it feels like a more meaningful company than just a for profit thing."* P2

> *"Well, WISE has a number of purposes. At one level I think it's in some ways, its most important level, is to provide a service to customers and to the community and you can argue at the moment they're not customers because they are not paying."* P12

> *"In my view, the purpose of WISE is to try to assist people to engage with the labour market and find employment. So that's the primary task of WISE but in doing that it needs to sell the services that it offers. I'm slightly concerned that may actually be difficult to achieve."* P15

> *"The sustainability, obviously we don't have that unless we make our programmes as they are now profitable, which I don't really think is possible with all of the.....we aren't really sustainable and we do rely on either getting more funding from the same source or finding something else to do."* P6

> *"So, I think there is that gap [in the market]. We have begun looking at different markets that will buy what we are doing. I think the future is about what any other business has to do, get your products right, understand your customers, package your product up so your customers will buy it and then sell it with a real focus on customer service and quality."* P1

A further contributing factor to the problems the WISE was facing was rooted in the individual personalities across the partnership and the staff team, which form the basis of the next theme.

Theme 4: 'Personalities'

Following his appointment as acting CEO, P1 brought his own personality and management style to the crisis management task, which seemed to be appreciated by the majority, if not all of the staff.

> *"I don't want a new CEO because I think everything is working a lot better since P1 like took charge and I think we are a better team. It will feel strange having somebody new come in [potential new CEO] and maybe they won't understand our routine. We had*

goals before P1 was CEO but we didn't notice them as much. We were just focused on our own individual team performance. We weren't focused on the whole of the WISE performing beforehand I don't think." P2

"Before, I didn't feel like any of us were working as one big team at all. I felt like we were like very individual on our projects. We were all really blinkered by our own targets what we had to achieve. And since P1 has taken over, we are much more, we have regular team meetings. So we interact with each other a lot better." P7

The above quotations characterise the way P1's management style and personality enabled him to generate a sense of teamwork among the staff. However, as effective as P1 was with the majority of the staff, the individual personalities of a small group of individuals seemed to conflict with P1. This group consisted of three members of the executives programme team, P4, P11 and P5, who became a discontented 'faction' that were becoming increasingly isolated from the other staff and discontented with P1's management style. In addition to isolation from the overall team, the personalities within the executives programme team itself, did not lend themselves to the creation of a cohesive and collaborative team. This personality clash was apparent to other staff and the members of the executives programme team themselves.

"We [P4 & P11] *do have moments where we don't get on. We do have moments where we disagree but we are both adults and we both move on from it and learn from it"* P11

"I just see one group of people now who are working together but I do see this small group, who I think is the executives programme bunch, where they just seem to be a little bit out of the loop. I am trying to pull that in." P1

"I think the group dynamics and the harmony within the executives programme has fallen apart, utterly fallen apart. And I am sure that P4 and P11 would crucify me for saying that. But I don't think that it's either of their faults at all. But it has, the cohesion there is......it's been undermined [by P1] to a point where it is just collapsing." P5

As has been indicated previously, during this 'early' phase in the development of the WISE a crisis emerged, the original CEO resigned, P1 was appointed as acting CEO, prior to the appointment of a new CEO, administrational procedures around the reporting of information for the funder were changed and targets were put in place to motivate the staff. This sequence of events is not disputed by any of the participants in this evaluation study. However, personal perceptions of how the crisis emerged and the actions taken to resolve the crisis created divisions within the WISE staff.

Theme 5: 'Personal Perceptions'

The personal perceptions of the actions taken to resolve the crisis fall into three main groups:

1) The perceptions of P1, before and after he was appointed as acting CEO;
2) The perceptions of some of the 3e staff who became disaffected as a result of P1s changes and management style;
3) The perceptions of the members of staff who supported the management style and measures taken by P1.

Although the chronology of events is not in dispute, the personal perceptions of the individuals and groups involved are of primary importance because they impact upon the development of an 'effective team', which is the basis of this research. Perceptions are not formed within a vacuum but within an overall social environment constructed by the individuals and groups involved. For the research purpose, the veracity and uniformity of the perceptions is less important than how the individual and group perceptions impact on the overall team development. Prior to August, P1 was employed by the university in addition to being a director on the board. Becoming acting CEO of the WISE presented problems for P1 because his role in the university involved line management responsibility for some of the WISE staff who had been seconded from the university to work in the WISE. The following quotations exemplify his personal perceptions of the conflicting pressures of his three roles:

> *"All the time wanting to keep out of staffing issues but having the university staff coming to me as their line manager, I had one coming to me in tears saying I can't cope with this, it's doing my head in. So, there was a lot of conflict in my role because I am a line manager of staff, I'm a director of the WISE, so I can't ignore it. I have a responsibility under contract."* P1

> *"But I think, I think there is a real kernel of truth in the fact that my role [as director] and maybe me personally did contribute to that crisis situation and I think that the majority of that, was that I assumed a number of roles that were required to be done. I have questioned whether, as the founder of this, did I want to control it, No, I didn't want to control it because I have got enough on my plate, why would I? Because actually it is my vision, people have bought into this because of the work I have been doing over 5 years."* P1

The personal perceptions of the 'disaffected' group, discussed in the previous theme, were influenced by P1's management style and their prior relationships with the original CEO. This group had aligned themselves with the prior CEO much more so than the other members of staff. Regardless of the veracity of their personal perceptions, it seems clear that the individuals involved felt they were being treated badly and this perception would prevent effective teamwork developing.

> *"At times, it almost seems, seem as though that certain areas of what we are doing, the work we are doing, are wanted to fail. They are wanted to fail by senior people and I mean board level down. The one that immediately springs to mind is the executives programme, you know. This is no way a direct insult or anything towards P4 or P11 but at the moment, they are being put through an absolute living hell. They really are; no other way to describe it. They have done a lot of work to turn it round but are getting beaten senseless. I just don't see the logic in it at all."* P5

> [Pre-change of CEO] *"Very, very supportive, very helpful always, always willing to sit down and have the time to explore avenues and look at different ways.* [Post-change of CEO] *a lot less supportive. I think what had been the WISE's main problem is that it's kind of been fire-fighting all the way really; lastminute.com all the time."* P4

> *"I am uneasy about some of the management decisions and tactics that he [P1] adopts. I'm not aware of the reason why that management style is adopted. I would like to say the amount of paperwork that we have had to get re-signed and re-printed and filled in from scratch again has just been mammoth. I think that has taken up an immense amount of time. A necessary thing to do but if it had been set up in the right way in the beginning; we wouldn't have had to do that. And I'm personally quite angry about that. To me it seems madness."* P11

However, the personal perceptions of P1's management style by other WISE staff provide an alternative interpretation to the executives programme team's perception.

> *"I think P1 and the team [executives programme] are feeling the pressure. You know something has got to change but we have got to do it in a positive way. I think it is P1's management is conflicting cos it just feels like he just wants to say to the executives programme team "Come on guys we've got to change something" but the way that that's being received is also not right so maybe both of them need to take a look and say "Come on let's sit down as a team."* P8

> *"All of the targets are improving and also everybody is working in the same sort of way and everyone is thinking in the same sort of way. And everybody seems to be much more focused on what seems to be right and it just feels better. Everyone seems happier."* P7

> *"Now, I actually love coming in, in the morning whereas before I could quite easily have not bothered. But now, recently it just feels like everything has been uplifted and everything is just changed to how I believed it was going to be when it was first started."* P3

The majority of the WISE's staff member's personal perceptions of P1's procedural changes and management style were positive. Their personal perceptions enabled them to respond positively to given specific targets and a more direct management style. This resulted in a greater sense of cohesion for the 3e staff with the exception of the executives programme team as described above. However, the disaffection of the executives programmes' group and P5 clearly impacted to some extent on the overall cohesion of the WISE staff team.

SUMMARY

The analysis of the semi-structured interviews conducted with the twenty participants revealed five themes, which were interpreted by the researchers as: 'Communication'; 'Unity'; 'Concept and Planning'; 'Personalities' and; 'Personal Perceptions'. The above discussion of those emergent themes provides evidence of poor communication between the management and staff of the WISE. There was also evidence of poor communication between staff members involved in the delivery of the three employment enhancement programmes. Poor communication was a contributory factor in the lack of 'Unity' across the partnership and the WISE staff team, which was shown to impact upon the 'Concept and Planning' of the social enterprise. The 'Personalities' of some individuals, at all levels of the partnership and staff team, were revealed as often conflicting and detrimental to cohesion within the company. Individual 'Personal Perceptions' of the actions taken by the acting CEO to resolve the crisis, contributed to the disaffection and isolation of the executives programme team, which was not conducive to overall effective teamwork.

If the findings of the research are triangulated with the Sheard & Kakabadse (2002) model [please see Figure 1], it can be argued that at the end of this 'early' phase the WISE was locked into the 'Norming/Storming Cycle' section of the model. By examining the basic elements of task, individual, group and environment in relation to their nine key contributory factors [please see Table 1] it can also be argued that during this 'early' phase of the research evaluation, the partnership and WISE staff were still operating as a 'loose group' and not performing as an 'effective team'. As the results of the analysis of the interview data demonstrates, some individuals in the WISE were opting out of goals they failed to understand or did not agree with and there was evidence of split loyalty in both the partnership and the WISE. This meant that the group as whole did not understand the goals being set nor which ones to prioritise and they were therefore not an effective team in relation to the 'task' element of the model (Sheard & Kakabadse, 2002). In relation to the basic element 'individual' the results of the current research revealed that roles and responsibilities were unclear with gaps, overlap and a social system that left individuals guarded, again highlighting the WISE team's 'loose group' status (Sheard & Kakabadse, 2002). In addition, results from the current research in relation to the element 'group' revealed that the majority of the WISE staff indicated that they preferred a leadership style that was directive. In the partnership (i.e. the board of directors and steering group) the style of communication was described by directors themselves as ‘formal’ with little open dialogue. Finally, and in relation to the ‘environment’ element the results from the current research revealed that the infrastructure was far from stable as there were many changes of personnel, office space and problems with the technology. In an effective team, the ‘context’ should be influenced but not controlled by organisation (Sheard & Kakabadse, 2002). Results of the current research revealed that in the WISE the ‘context’ seemed to lack effective organisation and staff were encouraged to be task focused.

A team, consisting of a newly formed institutional partnership and a WISE in its ‘early’ phase of development is likely to experience difficulties as it tries to successfully complete a funded project and develop income from trading to support a financially sustainable future. The current research, conducted during the ‘early’ phase of a three phase longitudinal study, provides empirical evidence that the team had not yet reached the ‘performing’ stage in the ‘Integrated Team Development Framework’ proposed by Sheard & Kakabadse (2002) and was still performing as a ‘loose group’. The findings of the current research indicate that by mapping the results of this ‘early’ phase of a longitudinal research study, against the criteria from the basic elements and their relationship with the Sheard & Kakabadse (2002) model, it was possible to reveal whether or not the team was performing as an effective team. When the results of the ‘middle’ and ‘late’ phases are available, this research method will provide empirical evidence of whether or not, and at which stage, the team were able to reach the performing stage of the model.

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Around the Way Dog

Rachel Collins Wilson
Middle Tennessee State University

Around the Way Dog was a gourmet hot dog and hamburger restaurant created in a suburban college town. This teaching case on the venture opens by tracking the difficulties in financing and structuring this startup. After startup, the case presents typical growing pains of a restaurant: labor cost management, production management, promotion of an unfamiliar brand name, and destructive partner conflict. Despite a lack of comparable competitors and a seemingly small town environment, the case concludes with a business on the brink of failure. A teaching note follows to guide discussion regarding issues such as partner relationship management and undercapitalization.

Rebecca Jackson sat cross-legged on the black canvas futon in the quiet second floor office of her restaurant, looking around at the cheery yellow walls as if an easy decision would somehow come to light if she sat there long enough. “Easy” had not been a word in her vocabulary since opening Around the Way Dog, a restaurant centered around gourmet hot dogs and hamburgers, a year earlier. Partner conflict, a cash crunch, and her inability to maintain a business alongside a career had all made successfully owning and nurturing a small restaurant seem impossible, and she just wanted out.

But how could they get out? The restaurant had liabilities, employees, extremely loyal customers, and vendors that were relying upon her and her husband, Scott, to keep trudging on. She and Scott had decided that a sale was eminent, but the decision was still an emotionally charged one. The decision to sell just didn't “feel” right. They felt fear, betrayal to their employees, customers, and vendors, betrayal from their partner, and uncertainty. How much could they ask for a brand new business in this recession? What type of buyer should they look for, or would anyone even be interested? How could they get the cooperation of their estranged partner? Her thoughts were interrupted as the cashier, Mel, called up the stairs, reminding Rebecca of the roll of quarters she had gone up there to get in the first place.

APRIL 2009

It was starting to get warmer outside as Spring began to bloom, and so Juan Turner's trainees at his new business, FitFolks Sports Training, were jogging outside. While jogging with them, his mind was contemplating an exciting venture idea one of his clients and he had discussed the night before. Having spent a few years in Chicago, the mecca of hot dogs, Juan had always thought it would be a great idea to bring the concept of the hot dog stand to a Southern town. His client, Scott, had mentioned that there were a few hot dog stands and a couple of hot dog restaurants in Memphis, where he worked, and that during lunch time, people would actually stand in lines 20 long to get a hot dog! The entrepreneurial desire in Juan started to tingle when he considered the idea more and more, and he wondered what his client would come back and say this evening after talking with his wife about the matter. More importantly, he wondered what his own wife, Alaina, would have to say about him starting yet another venture.

The night before, as Scott recovered from his workout, he talked about the conversation he and Juan had. His wife, Rebecca, a professor of strategy and entrepreneurship, winced at the idea of another business. “A hot dog stand? Are you kidding?” she said. It seemed so menial, so…silly. He said, “We wouldn’t be running it – just investing in it. The start-up budget would be so little. I’ve already researched online and found that you can get a vendor cart to start with for $5000.”

They had just closed their first business two years prior, a construction company, and it had consumed their lives while it was open. She had almost ruined her chances for tenure at her university, trying to balance a rapidly growing business and a career, and he was asking the family to do it again? She said, “Please don’t do this to me,” but inside, she understood that he wanted to give it a try. She also knew that there was certainly a market out there in their college town for junk food and little to no competition, so maybe this could work.

Scott dove in. He called City Hall to ask about the possibility of a hot dog stand in town, and there he encountered his first barrier. To be a vendor in the town would require going before the city planning department, and would only allow them 70 days of operation each year at a single location. Rebecca said, “Well, we do have some money saved and we could sell a few things to gather the rest of the money. I would bet that Juan could come up with half. Why don’t we try for an all-out restaurant? The return from a restaurant would be greater than the return off of a stand, anyways.” Scott and Rebecca met with Juan and Alaina, and the idea took off. As May rolled in, the venture began to take form. A menu was developed, a startup budget was created, and the group began to interview people in town to determine whether anyone even wanted a hot dog badly enough to try the new business. Rebecca and Scott constructed some projections that showed that, given a customer base of just 10% of the customers an established restaurant in the area was attracting each day, the idea could be viable, as shown in Table 1. All that was left now was to incorporate the business, get their pool of startup money together, and get this show on the road. According to their early estimates, about $30,000 to $35,000 was needed to get their restaurant idea open.

Juan was working hard to get his half of the startup money. He and Alaina had just purchased their first home together and were expecting their first baby in December. Money was tight. He found it all frustrating. Just a few years ago, he had been a free agent in the NFL, playing first with the Jaguars, and then moving to the Bears. Then, it wouldn’t have been an issue to come up with $15,000. Now, with a baby on the way and a startup fitness business also in need of capital, it was a huge issue. He and Alaina were even worried about telling her parents that they were considering starting another business, so asking them for the money wasn’t an option. Asking his family wasn’t an option, either. He just didn’t feel that close to his father. In the end, they asked a friend if she would loan them the money to start the restaurant, and she agreed. Elated, they continued to plan for the startup, but as weeks passed, she never committed by actually writing the check. When they confronted her, she conceded that she just didn’t have the money to spare. Now what? After the recent purchase of their home, there was no way to get an unsecured loan for $15,000 with their average credit.

TABLE 1
PRO-FORMA MONTHLY CASH BUDGET AFTER YEAR ONE (ESTIMATED)

Revenue from 26 days open, 1 month:	44,000
Expenses:	
Fixed or Semi-Variable Costs:	
Rent	1950
Accounting fund	300
Legal fund	300
Insurance	
Workman's Compensation	180
Liability on Location	190
Benefits	
Health Insurance	3000
Vacation Time	200
Labor	7800
Management Labor	4333
Utilities	
Electricity	800
Gas	1000
Garbage Disposal	125
Cable, Phone, and Internet	225
T-Shirts	100
Cleaning Supplies	200
Office Supplies	200
Equipment Repair Fund	200
IT Fund	300
Promotion and Advertising	800
Total Fixed Costs per Month	22,203
Variable Costs (based on 270 customers per day):	
Cost of Food:	13,200
Total Variable Costs per Month	13,200
Total Expenses per Month	35,403
Net Profit per Month	8597

Meanwhile, Rebecca went to work on a detailed startup budget. She had heard from other restaurateurs that it would take $100,000 to start a restaurant, but she was certain that with the purchase of used, rather than new equipment, and with the selection of a location that was already renovated, they could save a substantial amount. After researching four locations, they found a cozy, lovable house within walking distance of the large state university in town. The glory of this place was that someone else had blown their $100,000 startup budget before opening, just a year prior, renovating the place and making it codes-compliant for a restaurant. There was still work to be done, but it was minimal. Most of the budget was going into making the location unique – a kiosk ordering system, flat screen TVs in every room for watching sports, deriving a clean but relaxed and cozy look. As was expected, the budget kept creeping upwards, and so Rebecca designed a conservative plan to represent what would absolutely have to be purchased and completed before opening day, as shown in Table 2.

TABLE 2
DESIRED AND CONSERVATIVE STARTUP BUDGETS, AROUND THE WAY DOG

	Description	Desired	Conservative
Exterior			
Street signage	Replacement panels, street	750.00	700.00
Exterior paint	Fix blue stripe, one coat poss.	500.00	100.00
House signage	Wooden or resin sign for house	1,000.00	200.00
Lighting	Light up wooden signs on gable end	500.00	200.00
Picnic tables	3 concrete picnic tables	900.00	250.00
Benches	2 park benches for front porch	500.00	200.00
		4150.00	**1650.00**
Interior			
Interior painting	2 coats on walls of interior	500.00	500.00
Floor renovation	Refinish floors for atmosphere	3,000.00	-
Stainless counter work	Apply stainless steel to counters	400.00	-
TVs and installation	3 flat panel TVs and brackets	1,500.00	500.00
Pictures and décor	Add nostalgic national and local art	700.00	500.00
Ceiling fans and lights	Move lights to sides of ceiling, install fans	1,000.00	350.00
Open kitchen wall	Extend wall hole leading to kitchen	600.00	-
Cleaning supplies	Supplies needed to thoroughly clean facility	150.00	150.00
Furniture	Back room furniture and kids' spot décor	700.00	500.00
		8550.00	**2500.00**
Equipment			
Freezer	Need 15 cubic ft.+ freezer	1500.00	1500.00
Cooler	Need cooler for vegetables, meats	1500.00	1500.00
Fryer	Need 1 more 2-basket or 1 4-basket fryer	800.00	800.00
Grill	Need gas grill for hot dogs and burgers	600.00	300.00
Warmers	Need 2 food warmers for chilis and dogs	500.00	360.00
		4900.00	**4460.00**
Register/POS System			
Hardware	Screens and register	3,000.00	500.00
Software	Restaurant Pro or Custom Software	600.00	200.00
Quick Books	Accounting software	129.00	129.00
		3729.00	**829.00**
Promotions/Marketing			
Cartoon graphic design	Design mascot and 2 t-shirts	400.00	400.00
Weenie costume	Construction of wearable hot dog costume	250.00	250.00
T-shirt 1st printing	Print t-shirts for public sale	600.00	300.00
Polos-managers	Print polo shirts for management w/ logo	300.00	-
T-shirts – employees	Print t-shirts for employees upon hire	450.00	200.00
		2000.00	**1150.00**
Purchases of Food			
First food purchase	Food for one week or ½ week, conservative	5,000.00	3685.00
Paper products	Startup supply of paper products (2 weeks)	2,000.00	800.00
		7,000.00	**4485.00**

Legal Services			
Lease review	Review of lease and negotiation	1500.00	1500.00
Inspection services	Permits and inspections to open	550.00	500.00
		2050.00	**2000.00**
Employee Training			
Pre-open training	10 hours training, 5 employees	500.00	500.00
		500.00	**500.00**
Rent/Deposits			
First Month's Rent	Rent for August 2009	1950.00	1950.00
Grease Trap Deposit	Deposit for Grease Trap	600.00	600.00
		2550.00	**2550.00**
Grand Opening			
Grand opening party	Party for vendors, professionals, creditors	1000.00	500.00
		1000.00	**500.00**
Reserve Fund			
Reserve fund	Fund for future orders, maintenance	5000.00	5000.00
		5000.00	**5000.00**
GRAND TOTAL		**41,429.00**	**25,354.00**

One night in mid-May, Scott read a text on his phone, and his face went pale. "They can't come up with the money," he explained to Rebecca. "What now?" Scott and Rebecca had already planned on other ways to get the capital, including postponing the preparation of the business until they were awarded regularly scheduled bonuses at work, selling the family's Jeep, motorcycles and boat, or digging into their 401k. The couple developed a plan whereby Juan's share of the business, currently planned at 51% due to his future operational management role in the venture, would start instead at 10%, and grow to 49% as he contributed small injections of capital over the first year and as he could buy back ownership share with future profit. Scott and Rebecca would fund the business upfront, with an understanding that Juan and Alaina would contribute as they could during the first year.

When the group met to discuss the plan over dinner, the tone of the relationship had already changed. Conversations that had once been jovial and easy became strained and fractious. Juan and Alaina felt insulted and lowballed by Rebecca and Scott's offer. Juan felt that he had a celebrity status as a football player among locals that would attract diners to the restaurant. Once opened, that should count for a great deal. After all, he was the one who had the idea to start the hot dog stand in the first place. Scott and Rebecca felt uncertain and let down that the other couple had fallen through with their commitment to get funding. They also felt as if they didn't want to anger their partners or make them feel devalued. On both sides, the level of trust had diminished. At the end of the dinner, they negotiated to the point where Juan would retain 30% ownership of the business, and he would work hard to infuse the business with $15,000 the first year. Juan asserted that his image in the community, and the future revenue that would be made through the patrons that would come to see him was worth this share.

Over the next two months, the couples drafted an operating agreement, formed an LLC, signed a lease, and literally ate their way through hours of meetings to decide upon a menu. Juan proposed that the business use the name he had always wanted his hot dog stand to use: Around the Way Dog. Rebecca really couldn't understand the name, was concerned as to the copyright issues it would have with LL Cool J's "Around the Way Girl," and didn't think that it was memorable, but since Scott and Alaina liked it as well, it stuck. They bought used equipment from the masses of restaurants going out of business in the area, many due to the recession. It often felt like they were vultures, lighting onto those restaurants and picking around through what was left. They interviewed several people for hire who walked in while the restaurant was being renovated, and were able to retain their entire initial crew with these few and their friends. Despite their lack of experience, the only areas wherein the partners diverted from their budget were in paying relatively massive utilities deposits and completing unforeseen electrical work, which ate up the funds they had set aside for a grand opening party.

One month after the university started classes in the fall, the business had its first day, a soft opening scheduled on a Sunday just for friends to come by, try the food, and suggest improvements. Unfortunately, too many were invited. In the final five minutes before opening, Rebecca strained to figure out the subtleties of the cash register and Scott and Juan tried to fan the flames of the grill in the back. One hundred fifty customers waited outside in the heat in a parking lot made for about 18 cars. As 1:00pm struck, the doors were opened, and people flooded the building. Some customers waited 45 minutes to be served a hot dog and fries, but everyone remarked about how exceptional the food was. Three hours later, the last customers left, and cleaning began. The group identified several operational bottlenecks that were keeping them from serving as many customers as they would like, and Rebecca sighed. She was three weeks into the semester, and the workweek would begin early for Scott and her the next morning. The partners' parents, who had proudly showed for the opening, patted them on their backs and gave them encouragement, and they locked the doors.

NOVEMBER 2009

Two months after the official opening, life was good for the restaurant. The brand image they had wanted to portray, that of an irreverent challenge to the status quo, cookie-cutter nature of the average fast food restaurant, had worked. Early adopters: transplants from the northern U.S. and foodies who were constantly on the lookout for the newest offering in town, were already regulars. Thanks to Juan's previous stint at a Heisman-potential running back at the university in town, the local newspapers and football fans were very interested in the young start-up. After two articles appeared in the local paper, lunches at the small restaurant were standing-room only. Sales had just reached projected levels required for profitability, and this happened months before the partners had even imagined. They hired more help just to clean tables and direct walk-through traffic in the shop.

Still, all was not perfect. The rush of customers was greater than the capacity of the restaurant. Scott created a helpful new production and cooking procedure in the back kitchen; however, still, only around 8 to 10 orders could be cooked simultaneously. Through most of the midday, 30 to 40 people were there, causing some to wait 30 minutes for lunch. The word getting around was that the food was super, but only if you could afford to wait for it. Scott felt like he couldn't avoid driving from his workplace in Memphis every day to spur lunch production. The boom from the initial press lasted about four weeks, and, just as quickly, sales began to drop. Payroll from the busy days was also becoming a burden to cover with the dwindling revenue, and with the effects of the newspaper coverage waning, advertising and promotion were becoming a priority. Free-flowing cash was needed, but nowhere to be found. Juan had been working several months in the restaurant without a paycheck from another job, and took a $1000 draw from the business to help cover his family's mounting expenses at home. As December came, he felt himself growing impatient, and stagnant sales were eroding his hope. His son was due any day, and the restaurant wasn't providing the financial support he had expected from the initial crowds. There were too many things on his plate, and he felt his partners could not empathize, since they had careers that supported their household.

JANUARY 2010

But the Jacksons weren't set at home. Their paychecks were steady, it was true, but now the business wasn't supporting itself. They had initially used most of their savings, their summer bonuses, and even sold some of their recreational equipment to fund the start-up, and had little left to use for important promotional campaigns. The business still needed $2000 to $3000 in addition to its revenue, just to operate monthly, and it was coming from their pockets. While Juan was growing impatient with the business, Rebecca was growing impatient with Juan. There had been no mention of his locating the share of capital he had committed to before startup, and he regularly needed someone to replace him during the day, which drove up labor costs. Some days, Juan would bring his newborn son with him and place him in an infant carrier on a front table so that he could cover his shift and watch his son. Other days, he would leave his son in the upstairs office and listen for him on the baby monitor. Occasionally, he would leave his son with employees to run errands or meet for job interviews while Alaina was at work. Clearly, he was doing the best he could, as was Rebecca, but was it enough? At a particularly incendiary officers' meeting, as he argued for a pay cut to the employees, his frustration boiled over, and he exclaimed, "Screw the employees, my family's going broke!"

Christmas break had been dreadful. With college students comprising 50% of their customers, the restaurant had become a ghost town for a month. Sales dropped 50% over the break, and Rebecca had to dip into her retirement fund and take the resultant penalty to cover payroll. Bills were seriously starting to pile up, both in the business and in the Jackson's household. What was worse, Rebecca frequently had to leave her work at the university to do routine checks on the restaurant during the mornings and afternoons, then work the restaurant at night. Her daughter had to stay at the restaurant with them and watch TV, paint, draw, or visit with the customers every night. Three days each week, before Rebecca started work, she drove an hour into Memphis and an hour back to pick up fresh buns from their artisan baker, as well as any fresh produce that was needed. She started to become depressed as she resigned herself to the fact that this cycle might not end anytime soon.

MARCH 2010

Spring brought a renewal in more than just nature. Sales at Around the Way Dog started to steadily climb again as word of mouth caught on. A new promotion, Two Dog Tuesday, was designed to combat the Tuesday discounts at each of the restaurants surrounding "The Dog," as it had had come to be called, and it had caught on like wildfire to the discount-sensitive college students. Tuesdays had become a social event for hipsters, aggies, and Greeks alike. Because the food was excellent, most customers would return multiple times during the week, stating that they couldn't hold out until the next Tuesday. Still, when random townspeople were asked about the restaurant, more than 75% did not know what or where it was.

By March, the animosity between the partners had mounted to intolerable levels. Rebecca had let Juan know that he couldn't continue to bring his son to the business and maintain the atmosphere they were looking for, and Juan was aggravated by what he felt were out of control expenses. He began to instruct the employees to serve food in smaller portions or with fewer toppings. If employees hesitated to serve sloppily assembled food, he would grimace at the idea of wasting it to correct the issue, and would tell them to send the product out anyway. He grew angry at the fact that Scott and Rebecca scheduled employees to work the restaurant on slow nights so that they could go home and rest. After all, she complained about profits; that was causing an unnecessary expense. Juan also felt that Rebecca and Scott were too friendly with employees, going out with them occasionally or having them over to their house. It was getting to the point where employees would refuse his requests to reduce costs, simply out of some cultural allegiance they had to Scott and Rebecca's vision for the restaurant. After a while, he and Alaina stopped coming to the restaurant entirely, and refused to meet with Scott and Rebecca. Why bother when their ideas and minority votes, in all practicality, didn't count? Even as sales were climbing, Around the Way Dog was crumbling from the inside out.

SUMMER 2010

As the summer loomed ahead, along with it came the assurance that sales would plummet again, due to students' summer moves back home. At least Rebecca's classes were done, so that she could manage all day at the restaurant. Extra cash was unheard of, as was her partner. Rebecca and Scott realized that with three months of slow sales ahead before the students returned, the only option for the business was a large cash infusion, both for the three months ahead and for a promotional campaign to push brand awareness into the mass market. Their frustration came from the glowing reviews they had, coupled with the lack of customers. One Yelp review had labeled them, "An Instant University classic." So where was everyone? The couple began to consider selling more of their assets, taking out an unsecured loan, and lastly, selling the business to someone who could take it to the next level.

Surely among the venture community, there was someone who would want to take a business that was undercapitalized, but strategically promising. Scott and Rebecca considered that they could get $4000 to $15,000 together on their own quickly, but that a new owner could offer unlimited capital potential. Rebecca looked at the income statement, shown in Table 3, for the first nine months, and shook her head. Where were all of the customers they had counted on to cover their fixed costs? She looked at their pro-forma budget and compared it with their actual expenses, shown in Table 4. She cynically snickered at the idea of being able to afford health insurance or a monthly trip to the bookkeeper to do the work she currently did, as her daughter was falling asleep on the office futon behind her. How foolish she was to believe this would ever work!

TABLE 3
INCOME STATEMENT, SEPTEMBER 2009 THROUGH MAY 2010

Income	
Food Sales	
Food Sales - Cash	70,150
Food Sales - Credit Card	88,740
Total Food Sales	158,890
Cost of Goods Sold	
Food Purchases	79,024
Restaurant Supplies	7,440
Total COGS	86,464
Gross Profit	72,426
Expense	
Advertising and Promotion	7,175
Alarm Service	249
Bank Service Charges	3,934
Business Licenses and Permits	1,176
Charitable Donations	300
Computer and Internet Expenses	557
Equipment Rental Fees	1,541
Gas Expense	392
Insurance Expense	4,231
Office Supplies	2,643
Payroll Expenses	56,501
Pest Control	542
Professional Fees	1,575
Rent Expense	16,562
Repairs and Maintenance	6,724
Restaurant Decor	1,259
Uniforms	492
Utilities	10,816
Total Expenses	116,669
Net Income	(44,243)

TABLE 4
ACTUAL MONTHLY CASH PERFORMANCE AFTER NINE MONTHS OPEN

Revenue from 26 days open, 1 month:	$20,518
<u>Expenses:</u>	
Fixed or Semi-Variable Costs:	
Rent	$2000
Legal fund	$31
Equipment Rental	$180
Insurance	
Workman's Compensation	$230
Liability on Location	$190
Labor	$5383
Utilities	
Electricity	$800
Gas	$925
Garbage Disposal	$125
Cable, Phone, and Internet	$300
Restaurant Décor	$150
Office Supplies	$120
Repairs	$662
Pest Control	$50
Bank Charges and Credit Card Machine	$521
Alarm Service	$30
Promotion and Advertising	$690
Total Fixed Costs per Month	$12,387
Variable Costs (average 105 customers per day):	
Cost of Food:	$9916
Total Variable Costs per Month	$9916
Total Expenses per Month	$22,303
Net Profit per Month	($1785)

Two major concerns about putting the business up for sale existed. The first of these concerns was the valuation of a business that seemed to have potential and a loyal customer base, but had negative net income and few tangible assets, as shown in Table 5. How much would be too much, in a recessionary economy? Could they be sure the price was high enough to attract someone with ample capital to grow the business? Would they allow for financing options for an interested buyer? Would they continue to stay on as minority partners? How were they to approach this with Juan and Alaina?

TABLE 5
AROUND THE WAY DOG BALANCE SHEET, MAY 31, 2010

	May 31, 2010
ASSETS	
Current Assets	
Cash	2349
Cash Register	222
Utility Deposit	1910
Security Deposits	2550
Total Current Assets	7031
Fixed Assets	
Furniture and Equipment	6918
Signs	548
Total Fixed Assets	7466
TOTAL ASSETS	14,497
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	4280
Payroll Liabilities	7127
Sales Tax Payable	4540
Total Current Liabilities	15,947
Total Liabilities	15,947
Equity	
Rebecca Jackson Equity	36,229
Juan Turner Equity	0
Retained Earnings	-37679
Total Equity	-1450
TOTAL LIABILITIES AND EQUITY	14,497

The second concern Rebecca and Scott held was that of cultural continuity. Even with a new owner, what would happen when the customers came in and weren't welcomed by their friends, Scott and Rebecca? What would a new owner do with their current employees, and how would they be treated? Would a new owner keep the current menu, or try to cut corners to save costs?

Even as they began the post to craigslist.com for Local Restaurant for Sale, they felt traitorous and sorrowful, but at the same time, they felt the hope that someone might be able to rescue this operation and make something extraordinary out of it. The next few months would reveal whether their decisions would salvage or kill the young business.

QUESTIONS FOR THOUGHT

1. What problems were inherent in creating conflict between the owners from Day 1?
2. Describe the problems with the partnership team composition that caused undercapitalization from the start.
3. What are the barriers that are hindering this small business?
4. What is the best course of action for the owners from this point onward?
5. What changes in course of action could have improved the owners' current position?
6. What should be done to address the absentee owners?
7. How would you go about valuing this ongoing business for sale?
8. Does it make sense to try to sell this business, or should the owners attempt liquidation and closure? Provide a rationale for your choice.

TEACHING NOTE
AROUND THE WAY DOG

CASE PURPOSE AND AUDIENCE

This case is intended to serve a dual pedagogical purpose, part a financial lesson and part an interpersonal lesson. From a financial perspective, the purpose is to provide practice in the division of ownership share in a business, both before startup and through early stage growth, and to allow students a chance to provide cash flow and cost level advice for a fledgling operation. Financially, this case is designed to generate dialogue that focuses on intangible assets, such as celebrity status as a predictor of future revenue streams, as well as on cash flow management and undercapitalization of a small enterprise. Interpersonally, this case provides a look at partner choice and conflict management in a dysfunctional partner relationship and allows for students to consider what factors should go into the choice of a partner, and how conflict between partners can ruin a business.

The best audience for this case would be an undergraduate, introductory entrepreneurship class, preferably which has had exposure to both team member selection and to interpretation of accounting statements. Students with this level of training would be able to address the fact that the organization is severely undercapitalized from the start, both in terms of cash and expertise. Another audience for this case could be an undergraduate small business strategy class, who could utilize this case from the multiple functional perspectives of a business to examine the overall health of the company as it grows.

The case has several potential uses as a class tool, depending on the instructor's focal lesson. Partner selection, the difficulty of valuing intangible assets, equity division at startup, partner conflict, and the sale of a young business are all possible topics that could be focal points in a class covering this case. Furthermore, the case could be used at the beginning of an entrepreneurship course to show the harsh reality of business ownership, and continually consulted throughout the semester to provide short ad hoc application lessons as students augment their knowledge base.

SYNOPSIS OF THE CASE

Rebecca and Scott Jackson and Juan and Alaina Turner were two couples who decided to become partners in a gourmet hot dog and hamburger restaurant called Around the Way Dog. Early in the relationship, difficulties in financing the startup caused tension between the partners and confusion as to how to structure the ownership of the business. The partners pressed on, performed market research, and designed a startup that they believed had potential due to its uniqueness. After startup, the partners experienced typical growing pains of an independent restaurant, including labor cost management, production design and management, and promotion of an unfamiliar brand name. Additionally, the introduction of personal financial difficulties and a new baby into the life of one of the couples seemed to be more than they could handle.

Around the Way Dog suffered from the cyclicality of sales from their most loyal customer segment, as well as a lack of cash flow and growth capital. Despite a lack of comparable competitors and a seemingly small town environment, the restaurant found it difficult to gain familiarity with the mass market through inexpensive means. By its ninth month of operation, the business was smothering for lack of capital, and its remaining active owners Rebecca and Scott found themselves trapped in the operational management of a company they had originally only intended to finance, with careers of their own. The owners thought, “Can we sell this business, intact and running, to someone who can infuse the capital it needs, while simultaneously relieving ourselves of this entrapment? What could we sell it for, assuming continued growth?”

BASIC ISSUES AND TEACHING OBJECTIVES

Partner Choice

One of the first, most obvious topics illustrated in this case is that of partner choice. Entrepreneurship texts frequently focus on the selection of early employees as a critical component of entrepreneurship, but fail to examine the concept of correct partner choice and the factors that lie within. In the case, the partners had known each other for a short while, roughly six or seven months. The partners did not perform additional research to examine each other and their compatibility. Students should be urged to discuss what factors might be included in the optimal partner selection process. Concepts that appear in the discussion should include prior experience in an industry, ability to work well together, access to capital, goal congruence for the venture, strong and loose social ties within the relevant market sphere, creativity, and decision making ability. Partners who have similar access to social networks or other capital could be more desirable, not only for their direct benefit for the venture, but also for the reduction in power difference between partners that can lead to dissention. It is also beneficial for students to discuss what types of preventive measures could be placed into a partnership agreement to eliminate the risk taken on by each partner due to weaknesses in their partner choice.

Partner Conflict

A second topic illustrated in this case, and one that segues naturally from the above discussion is the control and management of partner conflict in an ongoing relationship. Once partners are committed to a business, and it begins operation, how should their relationship work, and how should it be structured? How can partners better communicate to avoid dysfunctional conflict and promote constructive criticism? How can partners make the transition from creators and dreamers to effective upper management and director roles?

The best decisions in organizations are made by using a number of informed persons’ perspectives, but in an organization with one majority owner and one minority owner, one person’s voice can be continually drowned out, resulting in a zero sum mindset. Both sets of couples had different ideas about human resource management and cost control, for example. One of the ways that the owners could have made more progress in a compromise strategy involving human resource management and cost control was to exercise more strategic planning before opening. By creating policies and procedures, as well as a values statement, the owners could create a structure that would not change with the stress load or personal situations of the owners. Another way that the owners could avoid conflict would be to create a board of advisors who could meet with them periodically. Such a board would introduce new ideas to them and give them insight on areas of disagreement from a third party perspective.

Another personal conflict issue in this case that created conflict was that neither owner was personally or financially ready to own a business this large. Both owners experienced financial difficulty in their homes as a result of being involved in the business, and Juan’s financial struggles led to his disillusionment and subsequent withdrawal from obligations that he had committed to when the business began. Both partners had young families that required attention they could not afford to give. Rebecca and

Scott were involved in careers that required their full-time attention, and relying on Juan to provide free labor when he was in no personal position to do so was delusional. Frustration on the parts of both parties for the other partner to fix problems devolved into desperation and anger. Conflict about how to run the business degenerated into personal attack and defense of each other, and the business became much like a small child standing on the sidelines during a parents' tumultuous divorce. Instead, asking questions about what outcomes would be best for the business and working backward through to a set of strategies could result in more constructive discussion.

Valuation of Ownership and Valuation of the Business

There are two opportunities for students to consider valuation, both of intangible and tangible assets and resources. The first situation which required valuation was the division of equity at the outset of the relationship. The second situation requiring valuation was that of the sale of the business.

This case evidences a relationship in which a split of control was an issue, and in which one partner had a dream which the other partner financed. Both partners, at the beginning of the case, wondered what their contributions to the startup were worth, in terms of ownership share. When capital brought to the relationship was similar among the partners, division of ownership was simple. As Juan was to have operational management of the company, and Rebecca and Scott were to mainly invest and provide little labor, the decision was simple – to have Juan as the slight majority owner. When things became complicated was the moment Juan admitted that he could not find the capital needed. At that point, the proper division of ownership was clouded, more by emotion than anything else.

Students should list the resources that each partner brought to the relationship: Juan: an idea of starting a hot dog restaurant, local athletic celebrity status that could bring faster customer awareness; and Rebecca – strategic management knowledge, financial capital, a communication channel to collegiate customers, and any others that students detail. Students should practice estimating the future earnings that might be made from customers who would not otherwise come, were it not for Juan's image, and there should be discussion as to what that calculation might be. Students should discuss whether the resultant ownership division that actually did occur was fair for both sides, and how the students would have structured the company instead. Another discussion point that could arise include the value of an idea – should someone be compensated with ownership share simply because a business concept was their idea in the first place? Finally, an important topic to cover with students is the concept of "skin in the game." Do students believe that Juan would have decreased in his effort toward the business, if he had made a sizeable contribution of his own to equity? Would that change if he had gotten the funding from his friend, as opposed to using his own savings? Topics such as these will help students to consider the structuring of partnerships.

This case also concerns the valuation of an ongoing business for its sale. Students should consider if any value is added by selling the business in operation, versus a potential buyer starting his own, brand new business instead. Is there something of value in the fact that the owners have gone through the rigor of the setup of a new enterprise? What tangible assets are available that are gathered already in an existing business? What intangible assets are established or created in this operating business? Are those valuable enough to warrant a price above the market value of the tangible assets in the event of a liquidation and closure?

The fact that the business has not reached profitability causes difficulty in any method of "times earnings" business valuations, excepting those that use estimated future earnings. In this business's situation, the only thing that could be used to defend a valuation over the market value of the assets if liquidated would be the set of features that currently add to create a competitive advantage for the business. The worth of the loyal customer base, the strength of the brand name, the location near the college, the line of proprietary recipes and production techniques, or the business's extraordinary customer service could be considered as intangible assets to add to the market value of the tangible assets for sale.

Undercapitalization

One of the most frequent causes of entrepreneurial failure is undercapitalization, or failing to have adequate resources for supporting the business and its growth. Undercapitalization, theoretically, is the outcome when the amount of payments, or revenue, that a firm receives is constrained, because the firm has not gathered enough capital at startup to fund its progress toward its strategic goals. The firm may be missing expertise of a partner, or a decent location, or even a great product line-up, because there are not enough resources under the firm's umbrella to procure these things. Literally, the firm's lack of revenue mirrors any shortcomings the firm may have had in assembling the resources necessary to pursue the opportunity its owners identified. Survival through the economic model assumptions the business started under absolutely requires the gathering of ample resources to fuel that model.

One of the first signs of undercapitalization is the cash flow difficulty such as that which was experienced by Around the Way Dog. A second early sign of undercapitalization is an inability to make bulk purchases that could have earned the firm discounts. This compromises the ability of the firm to move toward profitability. A third warning of sign of undercapitalization is early stagnant growth, due to a lack of sizeable marketing campaigns that could affect the business's strength of brand image and identity in its market.

The founders of the business in this case were hesitant to borrow startup money from a financial institution, due to the increased risk of such an obligation. However, their hesitation may have caused the business to flounder unnecessarily in the startup months. Students should discuss the pros and cons of debt financing in today's tight credit environment. Furthermore, the partners in this case were given information that they needed $100,000 or more to start a business like theirs, and they ignored it, thinking that somehow they were more creative than the average entrepreneur, or that they could find better deals on startup materials than others that had gone before them. Students can discuss what they believe is the value of having industry average financial data. Also, the optimism that is considered a hallmark of the entrepreneurial personality could be discussed, for its strengths and weaknesses.

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Mega Events: Neoliberalized Vehicle or Opportunity for Strategic Global Leadership

David McGillivray
University of the West of Scotland

Gayle McPherson
University of the West of Scotland

Until recently, neoliberalization processes have framed the public policy outcomes accruable from mega events, limiting the opportunity for host cities and nations to accrue greater public value from these global events. There are intimations of change afoot as sanctioning bodies in partnership with governments move towards a model of social sustainability based on leveraging benefits beyond a narrow economic hegemony, using policy entrepreneurs to broker relationships between the public-private coalitions for the achievement of the common good. As new players enter the mega event circuit, there exists a great opportunity to re-evaluate the governing framework for mega events towards a greater good.

INTRODUCTION

In our recent text, *Event Policy: From Theory to Strategy* (Foley, McGillivray & McPherson, 2011), we argued that events are both political and politicized, offering policy makers and political operators a vehicle for regenerating their cities and nations. History tells us that mega-events are important signifiers in personal, community, national and global identity and are indisputably, of local, national and international importance. Many public good arguments are made for bidding, hosting and staging mega events and these are usually justified on the basis of a powerful economic narrative that reinforces neoliberal modes of governance. Although political leaders and economic advisers recognise that investment in bidding (and hosting) mega events requires the redistribution of public investment from other policy interventions, both national (or federal) and state governments across the world continue to position themselves in the global pecking order of the bidding war to secure the Olympic Games or soccer World Cup because they believe these events can transform the worldview of their nations and act as a catalyst for economic, social and cultural change. In addition, the sanctioning bodies that own the mega event properties also have their own strategic imperatives and bidders have to align with these in order to secure the rights to host their precious events. Add in the sports federations in each nation, commercial sponsors, media conglomerates and the public and you have a complex figuration influencing the public policy role of mega events. This article begins by discussing the emergence of sporting mega events as a neoliberalized public policy tool in nations around the world over the last half century. The discussion then continues with a focus on how new entrants to the mega event circuit in recent years have transformed the landscape, challenging the sanctioning bodies to reconsider the balance between capital, technical expertise and emotion in determining who secures the right to host. In the final section, the authors consider the implications for leadership and accountability of mega events hosting and proposes a new framework in keeping with a shared-power world to ensure that the public value accruable from mega events is secured. Empirically, the article draws on the authors' observations over the last five years as they have proposed a model for the study of event policy. Case studies from recent and future mega events are in embedded in the text and used to illustrate the primary conceptual and policy perspectives discussed.

MEGA EVENTS: AN EXPRESSION OF NEOLIBERALIZATION?

Mega events have been written into history and have also been used by governments, corporations, terrorists and athletes to alter it. Take, for example, the 1968 Mexico Olympic Games Black Power salute by Tommy Smith and John Carlos. This image was shown on the front page of every newspaper worldwide and was seen as a silent gesture of protest by some, and of humanity, by the athletes. There was political pressure for the athletes to boycott the Games but instead they used their unique position on a global media stage to highlight an issue of inequality and humanity, thus serving a cause in a far more spectacular way than simply boycotting the Games. Although the philosophy of the Olympic Games is avidly apolitical, a cursory glance at historical records over the last half century demonstrates that mega events like these are inseparable from the politics and policy imperatives of the time and their ability to portray an image or message beyond the geographical borders of a nation is not lost on sanctioning bodies and host nations alike. The 1984 Los Angeles Olympics Games, dubbed the Commercial Games, changed the way mega events were bid for, funded and delivered forever (Andranovich, Burbank & Heying, 2001). Whereas before 1984 few nations were interested in hosting the tainted 'brand' of the Olympic Games due to boycotts, terrorist incidents and financial problems, after LA 1984, a fierce battleground developed to host the Olympic Games, fuelled by an increasingly neoliberalized mode of governance (Brenner & Theodore, 2005, p. 101) which viewed mega events as a means of leveraging additional economic return and re-positioning cities and nations. These changes were consistent with transformations taking place across the USA and, latterly, the UK towards post-industrial economic models based on the growth of the service sector, leisure and tourism. As Eick (2010) states, neoliberalizing processes result in the destruction of existing structures in a rolling back of the state (e.g. public housing, public space or redistribution of welfare) and a simultaneous construction of new structures and institutions (public-private consortia or new market-sympathetic legislation).

The outcome of neoliberalized developments was a re-fashioning of the (welfare-oriented) state and its replacement with a highly entrepreneurial coalition of public and private partners prepared to invest to incentivize a consumer-oriented urban landscape. This, it was argued, would attract mobile capital in the form of companies, affluent residents and visitors (Law, 2002), producing a better quality of life for the area (Short & Kim, 1999). The subsequent 'institutionalization of competitive logics and privatised management by state and non-state actors' (Eick, 2010, p. 282) has been accompanied by a shift whereby the nation state has been overtaken by the city as the principal economic agent involved in inter-urban competition. This is significant for mega events as a tool of public policy because the 'publics' involved are now wide and varied and rarely collaborate as cities compete internally (and externally) for the right to host mega events.

In public policy terms, the prioritisation of public-private alliances to foster entrepreneurial activity has led in the USA, for example, to a federal approach of investing in policies of consumption and entrepreneurialism in the aspiration that this would lead to their economic salvation (Shoval, 2002). This was a precursor to the introduction of neoliberalized structures and institutions (Eick, 2010), including arms length external agencies. These agencies were funded and developed with the sole aim of bidding for mega events as part of a wide local state public policy agenda and driven by the regenerative imperatives of city leaders. They operated to broker relationships between private sponsors and public agencies in a bid to stay ahead of their counterparts and keep their place as a player at the top table of the global mega event, whilst simultaneously brokering citizen acceptance of such bids by generating feel good motives and feelings of civic unity (Waitt, 2001). Rather than events being used as one of many possible levers to produce public policy outcomes, the move to an entrepreneurial local state quickly placed events at the centre of public policy for many cities (Foley, *et al* 2011). Moreover, as Cornelissen (2004) suggests:

> The hosting of sport mega-events has become an important feature of many countries' development and other aims, and increasingly such events are recognized and analysed for their use by political and economic/corporate agents to attain certain objectives (p. 42)

The decision to engage in inter-urban competition to host a mega event like the Olympic Games or the World Cup does not come without significant public policy challenges. In order to secure the much-vaunted economic, social, cultural and political returns, a complex figuration, or coalition, of public and private actors have to be brought on board. Decisions to bid for a mega event are made across the administrative boundaries of the national and local state, involving sporting federations, the private sector and, crucially, the all-powerful event sanctioning bodies themselves. To illustrate the sanctioning body influence, Eick (2010, p. 285) argues that FIFA, 'forces all applicants for hosting the World Cup (nation-states as well as respective host cities) to accept all branding conditions, commercialization interests and security demands…even before the applicants would know whether they will be allowed to host the World Cup'.

The increasingly stringent infrastructural requirements, venues, security and media facilities laid down by the sanctioning bodies mean that nations normally have to allocate national (or federal) resources alongside additional local resources to support the bid process alone. Further public policy complexity is added when questions of who should pay for such policy decisions arise. The responsibility for mega event bidding and delivery does not sit comfortably within one discrete policy terrain and, therefore, how decisions are made, implemented and by whom remains open to contestation. That said, mega events have certainly become important to the everyday realities of public policy in many nations and their impacts are penetrating a raft of other public functions. National legislation is now frequently subject to amendment in order to ensure the desired economic returns are achieved (for example by outlawing ambush marketing) and planning hurdles can be overcome in shorter timescales (Hall, 2006). The independence of event sanctioning bodies as international non-governmental organisations also provides uncertainly in public policy terms for those cities and nations vying for the rights to host a mega event. Both FIFA and the IOC exist independently of governments and have wider 'cultural, humanitarian and developmental aims' (Eisenberg, 2006, p. 61). Although officially not-for-profit organisations they are also, however, criticised for focusing on the profit motive, regulating the activities of state actors to ensure the commercial returns expected for the property rights they own.

Many commentators have criticised this approach to policy (Hall, 2006; Brenner & Theodore, 2005; Smith, 2010) arguing that private sector entrepreneurial needs are given precedence over public sector welfare reforms and that mega event hosting is used as a way of consoling the public that they will see benefits to their city as a result of 'trickle down' benefits from hosting a large scale event. Those commentators critical of the reliance on neoliberalizing processes were previously silenced, but there is evidence that this particular mode of governance as it affects mega events is being contested, not only in the academic world but also in the actions and activities of citizens protesting physically and virtually. For example, new media is now used effectively by a broad coalition of protesters to voice their dissent and resistance to the perceived extravagances and lack of democratic accountability associated with the Olympic Games, in particular. Issues that may have would have previously passed below the radar because space (physical and media) was completely controlled by the political-corporate-media complex, now find a cacophony of voices willing to activate beyond the reach of the usual power brokers. Moreover, within more traditional forms of protest and dissent, the Canadian city of Halifax ran a 'Halifax No Way' campaign in 2005/6 to show their discontent with their leaders' wish to host the XXth Commonwealth Games in 2014. Halifax eventually withdrew from the bidding race. These two brief examples highlight the imperfection of neoliberalization processes with reference to mega event bidding, delivery and legacy. Continuing with this line of thought, the following discussion focuses on changing political and geographical landscape for mega events brought about by new entrants to the circuit and the implications for sanctioning bodies, national and local governments, thereafter.

MEGA EVENTS: A DEVELOPMENT NARRATIVE

Roche (2000), whose book *Mega Events and Modernity* is a seminal text in this field, argued that from the nineteenth century onwards the Expos, World Fairs and, latterly, the Olympic Games became very 'public' events, used by political elites for instrumental reasons associated with social control and securing population consent. Invented public events created and supported by the state were embedded in the calendar for the benefit of the citizenry. During this period, marked by rapid industrialisation in the West, events like these, including national days were public celebrations of the nation or of specific national symbols. Whilst in many parts of the world the symbolic value of festivals and events continues to be of great value as a form of social glue for local and national purposes, events are increasingly bought-in by governments and quasi-governmental bodies to serve a similar purpose but often without the democratic ethos and sense of ownership which accompanied their predecessors. Events with very little historical connection with a locale, city or nation are now targeted for wholly instrumental reasons including the neoliberalizing mantra of place promotion and consumption (Miles & Miles, 2004). Peripatetic mega events like the Olympic Games or the World Cup present hosts with the opportunity to produce short and long-term economic benefits (Hiller, 2000), attract private sector investment, create employment and generate additional tourism visitation (Preuss, 2004). Since Rome 1960 the Olympic Games has been viewed as an unparalleled opportunity to produce regenerative returns for host cities (Gold & Gold, 2008).

As a result of the naturalisation of mega event-as-public-policy discourse globally, competition to host the Olympic Games and the FIFA World Cup has intensified in recent years (e.g. Baku, Azerbaijan has followed Qatar and Pyeongchang, Korea in bidding for the Olympic Games) as emerging cities and regions see an opportunity to put themselves on the map. The Beijing 2008 Olympics represents something of a watershed in this respect as it allowed China to successfully strengthen its position in the world order despite the initial controversy over the IOC's decision to award it the Games. Any pre-Games dissent over human rights, pollution and the blackout of athletes speaking to the press were put to the back of the media reporting in favour of the promotion of China delivering on the Olympic values such as friendship, excellence and harmony. As Nye (2004) comments, China's 'soft power' offensive saw the production of an Olympic Games that was both a sporting and political success. Beijing (2008) also represents a key point in time for mega event sanctioning bodies as it marked a change in policy from awarding their Games to nations *becoming* as opposed to those already *being* capable of hosting the event. The cultural, humanitarian and developmental aims that differentiate international non-governmental agencies seemed to have been revived in the IOC's decision, although the economic imperative of reaching into a huge market in China and other parts of Asia should not be ignored. Herein lies the contradictory nature of the role played by sanctioning bodies – on one level they are gatekeepers of higher order universal values whilst on the other they facilitate intense neoliberalization through tight business-oriented activity involving control over the state to extract profit in partnership with sporting and media multinational conglomerates.

In mega event policy terms, advanced liberal democracies (economically, politically and culturally) face a changing world order. It is no longer enough to demonstrate the technical capacity and advanced political and economic systems to guarantee success. Until the last decade the economic and political motives underlying bidding had given precedence to developed nations with the necessary infrastructure, political stability and track record (Cornelissen, 2004). That is now changing and it is possible for undemocratic nations to compete for the World Cup or Olympic Games on a level playing field with the UK or USA whose bids are (at least formally) made within the structures of a democratic process. Nations previously able to target only lower-tier mega events are now targeting those at the top tier because the field is more open than it has been for at least a decade. The political intent to secure a mega event shown by leaders in the developed West is now shared widely across the world, from Asia to Africa. For example, Cornelissen (2004, p. 45) suggests that political leaders in post-Apartheid South Africa, have robustly attempted to position that country, 'in the international arena…actively engaging in the international mega-events 'market' has been a key aspect of this more outwardly focused foreign policy'. This political drive led to South Africa bidding and winning the right to host several second and third tier mega events in the 1990s and early 2000s, before successfully hosting the FIFA World Cup in 2010. South Africa provides an interesting case for this article because its bid for the 2006 World Cup) was focused on three main objectives. First, it was designed to consolidate 'both South Africa's international position and its domestic transformation' (Cornelissen, 2004, p. 44). So, albeit the political premise of bidding for a mega event is often externally focused, the South African government also appreciated the nation-building value of hosting the event, having experienced the wave of optimism that accompanied the 1995 Rugby World Cup. Second, the bid permitted South Africa to address a range of economic and development agendas, working on the neoliberalized argument that mega events help catalyse economic activity that would otherwise have been delayed, or not produced at all. The third goal was to 'enhance the country's international status by promoting the country's recent democratization' (Cornelissen, 2004, p. 45). Although ultimately unsuccessful in its bid for the 2006 World Cup, much of the rhetoric was maintained for its successful bid for the 2010 event. In particular, the themes of reconciliation and nation building remained in place and were actually extended to encompass the whole of the African continent - an objective that had failed for the 2006 bid. In addition, whilst in 2006, the emotional appeal of 'It's Africa's Turn' did not produce a successful candidacy, it did help bring about an appreciation within the sanctioning body (FIFA) that the World Cup should rotate around its confederations, leading to Africa having 'its turn' in 2010. This change of policy from FIFA is important because its rotation system now permits many more nations to join the circuit than would otherwise have been the case a decade ago. Sporting mega events are now a realistic and viable developmental instrument for a number of recently developed and developing countries.

Mega events are now a more realistic and viable proposition for emerging nations because the leadership of the sanctioning bodies has been forced, by significant levels of public criticism, to concentrate on the cultural, humanitarian and developmental aims that their organisations were created to promote through the vehicle of sport. However, this new policy direction contains its own contradictions and tensions that generate further criticism. Awarding South Africa the 2010 World Cup is defensible on the basis that it had been progressing the democratization process since the end of apartheid in the early 1990s and hosting a mega event would help to solidify its internal and external legitimacy. However, in the Middle East and parts of Asia and the Far East, the democratic principle has not been embraced and, yet, nations have been awarded a World Cup or Olympics recently. Moreover, China's failure to participate in the international political community, its problematic human rights record, poor environmental history and concerns over their treatment of political dissenters also makes the IOC's decision to award Beijing the 2008 Olympic Games difficult to defend on the basis of upholding universal values. This apparent inconsistency gives ammunition to those commentators arguing that the economic capital that China brought to the Olympic Games was an attractive offering to the IOC, producing an awe-inspiring spectacular unrivalled in previous Games.

Although the extent of human rights abuses and suppression of political dissent is less evident in the states of the Middle East and Gulf Region, the ruling power elites in a state like Qatar which was awarded the FIFA World Cup in 2011, also have complete autonomy to decide whether or not to bid for a mega-event. Like China, the oil-rich Gulf states have the financial strength to stage mega events, promising futuristic stadia, climate controlled environments for athletes and visitors and state of the art transport infrastructure. Qatar also provides an access route into new markets for the sanctioning bodies and fits the criteria of a becoming nation. However, Gulf states like Qatar have circumnavigated the democratic process and long term planning by simply buying in expertise as they need it and invested in an approach that is defiantly urban entrepreneurial, focused almost wholly on economic motives and global positioning. Qatar has followed a deliberate and intentional strategy to secure global sporting extravaganzas since 2001 (Foley, McGillivray & McPherson, 2012) and the visibility these events promise is an important component of Qatar's global positioning, with support from its ruling family patronage. However, citizen involvement in policy formulation and implementation in Qatar is minimal, part of a social contract that trades citizen rights for affluence. For FIFA, it appears that the impressive financial resources that Qatar promised to invest outweighed the absence of well-developed social policies and questionable records on human rights and other universal values. This fits with Eick's (2010) view that FIFA is ultimately concerned with exploiting its higher order aims to reach into new markets, regulating the urban spaces it encounters, restricting state freedom and exploiting its property rights. As he goes on to argue:

> the growing influence of FIFA can be described as a new mode of governance. The (contractual) relationships between all stakeholders involved are shaped by FIFA's ability to offer its monopolized product. It is for this reason that the networks created on a four-year basis are hierarchical, and the subjugation under FIFA's rules and regulations by the host nation and the respective cities is the precondition for hosting the games (Eick, 2010, p. 294)

The implication of this analysis is that although the most recent mega events have been awarded to nations with alternative governance systems including the BRIC nations (Brazil, 2016, 2020, Russia, 2014, India, 2010, China, 2008) and Qatar, 2022, the underlying strategic imperative for sanctioning bodies (and potential hosts) remains economic.

There is, however, more to the activities of the sanctioning bodies than an unashamedly neoliberal strategy to serve their own interests. As Brighenti, Clivaz, Deletroz, Favre & Chappelat (2005) have argued, emotion is now playing a greater role in bidding for mega events and this was certainly a significant part of South Africa's successful World Cup bid. South Africa's bid team essentially asked FIFA to 'complete the circle' of the globe by addressing the absence of Africa is hosting a mega event. Moreover, although FIFA and the IOC are often criticised for their suspect records on corruption and internal political machinations (Sugden & Tomlinson, 1998; Lenskyj, 2000; Shaw, 2008), over the last decade, emerging nations and regions have forced a shift in the power base for international sport and helped to reshape the map of mega event hosting. Prospective hosts continue to have to demonstrate their financial preparedness but it may well be that the sanctioning bodies are reemphasising their international non-governmental role and greater ethical principles in order to justify their entry to new markets in Asia, Africa and South America. This is, at least, generating useful discourse on the value and purpose of mega events and whether they are a force for good in the world catalysing economies, encouraging more progressive political systems and addressing unequal access to sport and culture. Even though the shadow of commerce looms large over the expansionist strategies of FIFA and the IOC it is hard to argue with the sentiment of opening up the opportunities to others and giving them a turn (Bob and Swart, 2009), especially given that for decades there were only a relatively few nations capable of bidding for and hosting the Olympic Games or the World Cup. However, with new bidders and hosts come new problems of leadership and accountability. The final section addresses this problematic and proposes solutions to enable the public value accruable from mega events to be shared more widely.

LEADERSHIP AND ACCOUNTABILITY IN MEGA EVENTS

Decisions about whether to bid for a mega event are about how public funds *should* be allocated, but they are also questions of *leadership* – how decisions are made and implemented, who assumes responsibility for these decisions and how representative the decision-making process is (Clark, 2008). Roche (2000) argues that, historically, decisions on bidding for the Olympic Games, World Cup or Expos were made by political leaders often on irrational or intangible claims. Emphasis was placed more on the short-term *bread and circuses* (Veyne, 1990) benefits associated with the ideological tools of spectacle, excitement and distraction rather than on what Roche (2000) calls the contextual (medium term) or macro-contextual (long term) perspective. Leaders viewed mega events as a means of securing popular support, domestically, and enhanced profile and status, internationally. This emphasis on the short-term dramatic character of the mega event spectacle itself has, to some extent, been supplemented with a greater political and economic concern with the contextual and macro contextual perspectives - at least in the liberal democracies of the West where accountability to an electorate means that short term impacts do not provide a satisfactory return for significant levels of public investment (Hall, 2006). In most democratic nations there exists a much more complex figuration of political actors involved in deciding to bid, running a bid, securing a mega event, planning for delivery and then delivering. The outcomes of these decisions ultimately lead to public policy impacts and judgements on whether the event was a success or not (John, 1998).

In terms of leadership there are a number of competing claims for authority within the complex network of interactions and wide range of audiences involved in a mega event. First, you have the event sanctioning bodies (i.e. the IOC and FIFA), then national political leaders, local politicians, sports administrators (representatives of the governing bodies of sport), corporate sponsors and a series of other stakeholders from across the public and private sectors. Each of these stakeholder groups themselves contains leaders with strong claims to power and authority over their audiences and are, differentially, accountable to their public (s). Additionally, there exists a mixed economy of funding for most mega events, with resources normally underwritten by central government but with significant investment from local government, the host city (or cities) and sponsors. This mixed economy model creates its own leadership and accountability challenges, especially as some stakeholders are looking to the short-term spectacle (e.g. the Local Organising Committees and corporate sponsors) whilst others are concerned with a much longer set of economic, social, political and cultural impacts (national and local government). Herein lies the tension between delivering a media spectacle that will produce the sort of coverage and images necessary to attract new investment, visitors and a greater global profile (the neoliberalizing tendency described earlier) and being accountable politically on the basis of macro-contextual outcomes associated with the ability of these events to transform the very fabric of a nation and its people and produce meaningful public value.

The defining feature of mega event leadership since the early 1990s, at least, has been the prioritisation of commercial imperatives over wider social, cultural or environmental concerns. This is of no surprise given the earlier discussion of mega events as a vehicle for the intensification of neoliberalization. As Hall (2006), Waitt (2002) and Whitson & Horne (2006) have each asserted, the power relations evident within mega events are weighted towards the corporate-media nexus and the role of the national and local state is to facilitate entrepreneurial activity in order to deliver the mega event successfully according to neoliberalized logic. Both FIFA and the IOC have a monopoly over their event 'property' and have fixed the rules of the game to benefit their own interests to the detriment of host city (and national) objectives. FIFA, for example, requires host nations to concede elements of their sovereignty over legislation and public space which makes leaders impotent and, ultimately, unaccountable, 'the influx of FIFA on regulating the urban space as a market and commodity already raises concern about the democratic conditions of the commonweal before and during these four weeks of a mega-event' (Eick, 2010, p. 293). The lack of democratic accountability built into the whole bidding, planning and delivery process also requires some discussion here as it directly impacts upon leadership and accountability. In order to be able to compete with largely undemocratic and unaccountable competitors (e.g. Qatar or China), bidding cities (or nations) in the West have felt it necessary to free their bid committees from the same standards of democratic accountability expected of other organisations within the public realm. Public-private alliances are formed, given the status of quasi private sector entities and afforded the extensive autonomy to act in a corporate manner to secure their ultimate prize. These new institutions are the outcome of the competitive logics and privatised management mentioned in the opening discussion of neoliberalization and this continues on into the planning and delivery stages if the initial bid is successful. Once a local organising committee is formed, according to the logic of privatised management of the public sphere, they invariably need to 'free' this new entity from the 'restrictions' of state bureaucracy, enabling it to operate outside the strictures of normal planning regulations and responsible for delivering to the sanctioning body's Host City Contract (HCC). It is our contention here that a democratic deficit exists between the local organising committee, the sanctioning bodies and the interests of publicly accountable bodies. Power is shared unequally as the delivery of the mega event itself overrides the interests of the professed beneficiaries. Framed by the tightly controlled HCC, those charged with the responsibility for delivery of the mega event are forced to focus on the short-term media spectacular over the course of two (the Olympics) or four (World Cup) weeks because that is what the sanctioning bodies and their sponsor families are, ultimately, interested in. However, the interests of FIFA and the IOC do not necessarily coalesce with those of the host nation and its populace which is much more likely to be interested in the contextual and macro contextual outcomes of the mega event. It is here that the unequal power relations that make up the mega event figuration are evident.

In recent years there have been calls for changes to be introduced to redistribute power from the sanctioning bodies (e.g. IOC or FIFA) towards those accountable public bodies with a responsibility for prosecuting wider public policy in their environs and achieving a common good from mega event investment (Lenskyj, 2000; Hall, 2006; Shaw, 2008). As international non-governmental organisations, FIFA and the IOC are largely unaccountable to the vagaries of national policy and are primarily accountable to their member associations and, perhaps to a greater extent, their commercial partners. Both bodies make significant profits from their media rights properties and their mega events, but both are constituted as not for profit organisations and, therefore exist for wider common good aims.

The question that hangs in the air is how to bring the sanctioning bodies, sponsors, national and local governments, sports associations and the public together to secure a common good or greater public value from the mega event phenomenon. At present there exists an unequal set of power relations which places the sanctioning body in a powerful position and relegates national and local governments to a secondary role even although they invest significant amounts of public finance to lever expected economic, social, cultural and environmental legacies. The work of Crosby & Bryson (2005) on the common good in a shared-power world can help to advance the discussion on the role of mega events in facilitating strategic global leadership, going beyond the narrowly channelled interests of neoliberalized governance.

Crosby & Bryson (2005) call for the greater use of the *policy entrepreneur* role, people with a systematic understanding of policy change processes to influence those involved in public policy decision making to secure greater public value for activities. Policy entrepreneurs would normally come from outside formal government positions to broker relationships between public and private partners to ensure that the common good is achieved. Fligstein (1997) suggest that this role requires people with autonomous reflexive behaviour and skilled social action alongside influential social positions. Others suggest that the policy entrepreneur needs to have the ability to secure cooperation, achieved through having sufficient authority and legitimacy to persuade those part of existing institutional arrangements that change is necessary and then to mobilise that action to produce the necessary alliances (Van der Steen & Groenewegen, 2009). That a version of the policy entrepreneur role is necessary in the public policy environment surrounding mega events is due to the complexities of ownership and outcomes that existing institutional arrangements create. For example, the sanctioning bodies are primarily concerned with ensuring their event is delivered successfully and the local organising committees are similarly under pressure to follow through on their bid commitments. There is no great incentive for these bodies to alter their practice primarily because a wider concept of the common good or public value has yet to be effectively articulated by host nations and their various publics. Crosby and Bryson suggest that the policy entrepreneur needs to understand the power relationships present with the key stakeholders and propose that an overarching institution (such as the local state) is the power source to coordinate these relationships. However, the danger always exists that the overarching institutions become the places where the 'mobilisation of bias' occurs (Crosby & Bryson, 2005, p. 168). It is the responsibility of the prospective host nation to consider how best to create governance structures that would permit the policy entrepreneur role to operate effectively. The role cannot be seen to simply reinforce the hegemonic neoliberalization agenda practiced by the sanctioning bodies and, to date, supported by the national and local state. It needs to be the product of a wider debate on the public value accruable from mega events – social, cultural, environmental and economic – which then creates the need for a policy entrepreneur to ensure these (often competing) values are delivered effectively, for the benefit of the common good and not just the sanctioning bodies.

There are some signs that common good and wider public value agendas are penetrating the privileged world of mega events. In Canada, a nation with a chequered past in hosting mega events, there has been a push to develop wider social leveraging strategies to ensure that mega events do not only focus on economic return. The 2010 Winter Olympics in Vancouver, for example, created an organization called *2010 Legacies Now* to act on a systematic social sustainability programme which 'strategically invested in programs, organizations and communities, and through our networks, leveraged existing relationships and facilitated new partnerships to create self-sustaining community legacies' (2010 Legacies Now). A policy entrepreneur who had worked across the private, public and third sectors and demonstrated a more strategic approach to the leadership around a mega event led it. Toronto is hosting the 2015 Pan American Games and has already initiated a Toronto 2015 vision that focuses on leveraging community inclusion and social capital (Misener & Mason, 2008). Again this serves as an indication of a trend, in North America at least, of common good thinking entering the lexicon of mega event literature. Each of these two examples illustrates a conception of legacy and impact beyond the narrow economic narratives of physical infrastructure, job creation and tourism visitation.

Evidence of the policy entrepreneurial approach in action also comes from Brazil's successful bids for the two top tier mega events – the 2014 FIFA World Cup and the 2016 Olympic Games. Like South Africa, Brazil's bid for the 2016 Olympic Games was unashamedly developmental, economic and emotional/political. Leadership for the bid was at the highest level and Brazil's President Luiz Inacio Lula da Silva made an impassioned plea in the last stages of voting to the South American and African IOC's delegates to give their votes to Brazil for 2016. He said that 'Brazil is the only great world economy never to have staged the Olympics…it would bring the games to the South American continent for the first time. This cannot be a privilege reserved for the rich nations" (27 Sept, 2009, Gamesbid.com).

Rio de Janiero, the second largest city in Brazil, had previously bid and lost to stage the summer Olympic Games. It had gained the experience in working with the sanctioning bodies, local and national government and the business community which enabled its leaders to adapt its approach, form new alliances and mobilise the right set of resources to succeed for their 2009 bid. They had also successfully delivered the 2007 Pan American Games which helped them build 'a relationship -- we built an understanding with the public sector and delivered an excellent games...the result of that accomplishment, paved the way for the Olympic victory" (Monterio, 2012). Osorio (Monterio, 2012) also emphasised that they differentiated themselves with the type of leadership arrangements they put in place. Other successful bids had installed key business figures as the spearhead but Brazil instead showcased their sportspeople. The choice of this leadership was crucial with sportspeople understanding the needs and language of other sportspeople at the top of the IOC. Although successful in winning the rights to host two mega events in quick succession, this does not necessarily translate into securing the desired public policy outcomes from these events. There have already been doubts expressed over the 2014 World Cup and its likely 'beneficiaries' which concur with the criticism of Eick's (2010) criticism of FIFA as a non-profit making organisation with a strong profit motive, '*If FIFA is not put in its rightful place, FIFA will soon have more power than our president and the World Cup will be the way FIFA wants it and not the way we should do it…FIFA could earn a little bit less so that the Brazilians can take part* (Romario, 2012*).* Such commentaries from high profile athletes focus attention on the public value, or lack of, therein accruable for stakeholders other than the sanctioning bodies. With doubts being expressed over the ownership and leadership of the World Cup in 2014, the message that the Olympics will do more than bring forward infrastructure changes is vital to the leadership of the Brazilian Olympic Committee. The Head of the BOC has stressed that although physical legacy was very important to them, 'more important is the big opportunity to leverage [social] programs that already exist, to foster integration within the society' (Monteiro, 2012). Again, there exists an opportunity in Brazil to foster a policy entrepreneurial approach whereby the integration between government and business and investors to create Brand Brazil could lead to greater public value for the host nation.

CONCLUSION

We have argued that mega sporting events are now a public policy tool used globally to lever economic, political and increasingly social returns for cities and nations. Events have historically represented good news stories for leaders in times of political, economic and social uncertainty, but their legitimacy is now open to greater critique as neoliberalized market models show signs of fatal failure. Furthermore, as the liberal democracies of the West face intense competition from emerging nations with alternative political systems and an emotional pull for sanctioning bodies, they have to adopt a policy approach that goes beyond the narrow confines of economic, political and regenerative gain to focus on social sustainability if they are to continue to secure the support of their citizens and funding agencies alike. Although the power to frame the terms of reference of the mega event debate continues to reside with international non-governmental organisations (FIFA and the IOC), there are intimations of change afoot that may help host cities and nations to capture greater public value from these global events.

In moving towards a model of social sustainability based on leveraging benefits beyond the narrow economic hegemony promulgated by the sanctioning bodies, sponsors and an entrepreneurial state apparatus, there is a role for the policy entrepreneur that can broker relationships between a set of public and private actors for the achievement of the common good. However, for models of social leverage, common good or public value to have greater influence in the future a marked shift in the governing framework for mega events is also required. Whilst the two principal strategic players (the IOC and FIFA) continue to set the rules that regulate host government activities and direct them towards a market orientation then the legitimation deficit between the organisers and intended beneficiaries will only widen. Without recognition that mega events leadership has to be more accountable and transparent and be subject to greater democratic accountability, we are likely to witness an increase in the number of protests being organised physically and virtually to complain about the overly commodified spectacle of mega events. Through exercising strategic leadership, policy makers have within their grasp the chance to demonstrate that mega events can fulfil their cultural, humanitarian and developmental aims and be the epitome of a shared power world in the way they are bid for, planned, delivered and handed over to the next host. This analysis is only the starting point on a debate in mega event policy and public leadership circles towards creating a more critical engagement on the future of events as a credible policy vehicle.

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Dr David McGillivray, School of Creative and Cultural Industries, University of the West of Scotland, Room A220, Paisley Campus, PA1 2BU, Scotland, United Kingdom.

Innovation, Sustainable Ethics and the Future of American Economic Power

Robert A. Miller
Dominican University

The United States became a great economic power as an outgrowth of developing a culture of innovation. Sustainability as a credible business strategy is an outgrowth of the impact the field of Business Ethics has on business practices. Systemic stagnation, an outgrowth of the current economic crisis, threatens American economic power and the leadership role America plays in innovation and sustainability. This paper explores these concomitant issues and proposes a Citizen's Examination of Entrepreneurial Will to address them and to stimulate discussion of the need for a dynamic re-enculturation that affirms innovation and sustainable ethics as core American values.

INTRODUCTION

In 2011, in the midst of a continuing economic crisis, the American political class fiddled while the nation smoldered. Or did it? Or are "we the people" responsible?

John Gordon Steele (2004, xvii) in the Introduction to his book, "An Empire of Wealth", noted that "…because a national economy is nothing more than the collective economic accomplishments of the citizenry, the American economy has become, over the nearly four centuries of its existence, one of the greatest wonders of the modern world and, indeed, a prime creator of that modern world." He also cautioned that "(a)t numerous points in the history of the United States, the economy was in deep, deep trouble, and that trouble could easily have spiraled out of control if the political leadership had failed…". As the summer of 2011 ended, leaving in its wake a rancorous political climate and a recalcitrant economy, he wrote that "(t)he American Economy is unwell." (Steele, 2011). Howard Schultz (2011), CEO of Starbucks, went further. In an interview with Scott Pelly, CBS Evening News anchor, Schultz concluded, "The system is completely broken." New York Mayor Michael Bloomberg (2011) warned "…that public frustration over joblessness in the U.S. is in danger of boiling over and could lead to riots in the streets if the government fails to create more jobs."

In the face of these severe economic problems, the issue of sustainability takes on new import and meaning. The United Nations Report of the World Commission on Environment and Development (United Nations, 1987, §1) defined sustainable development as "… development that meets the needs of the present without compromising the ability of future generations to meet their own needs." In §77 of that same report it acknowledges that "(t)he law alone cannot enforce the common interest." However, business ethics provides the necessary foundation as evidenced by incorporation of the triple bottom line (Economic-performance, Environmental-performance, and Social-performance) into the Sustainability Reporting Guidelines of the Global Reporting Initiative (Blackburn, 2007) and as recognized by mainstream media in such headings as *'Sustainability' runs on ethics* (Owens, 2010). The danger we face today, in trying to reduce complex problems to simple answers, is a fracturing of that ethics-based triple bottom line approach to sustainability in a rush to profit-based expediency unfettering the dangers of what Pope John Paul II (1981 #13) termed “economism”, i.e. “considering human labor solely according to its economic purpose.”

This paper explores these concomitant issues and proposes a Citizen’s Examination of Entrepreneurial Will to address them and to stimulate discussion of the need for a dynamic re-enculturation that affirms innovation and sustainable ethics as core American values.

POLITICAL, ECONOMIC AND ETHICAL DNA: 1786 – 2011

In a CNN.com story, John Blake (2011) reminds us that the issues that drove Shay’s Rebellion of 1786 (disagreement on how to handle the huge national debt incurred during the Revolutionary War; questions of the role, size and power of government arising from a distrust of “big government”; the rise of a populist citizen movement that felt their elected officials had lost touch with their day to day life) closely parallel the issues driving our current economic crisis. He concludes that they “… remain part of America’s political DNA”. However, while such issues occasionally may lead to a systemic political stagnation, we must keep in mind that a vital part of America’s economic DNA is a spirit, indeed a culture, of innovation and sustainable ethics. James Madison, Steve Jobs, John Steele Gordon, Thomas Friedman, and Fareed Zakaria, speaking from different times and circumstances each recognize the pivotal role innovation plays in the life of a country and/or company. Madison wrote:

> Is it not the glory of the people of America, that, whilst they have paid a decent regard to the opinions of former times and other nations, they have not suffered a blind veneration for antiquity, for custom, or for names, to overrule the suggestions of their own good sense, the knowledge of their own situation, and the lessons of their own experience? To this manly spirit, posterity will be indebted for the possession, and the world for the example, of the numerous innovations displayed on the American theatre, in favor of private rights and public happiness. (Wright, 1961)

At a time when Jobs faced difficult times at Apple he was quoted as saying, “The cure for Apple is not cost-cutting. The cure for Apple is to innovate its way out of its current predicament”. (Linzmayer (2004) The title of Gordon’s (2011) most recent article clearly states his position: “Growth: the only way out of this mess”. His writings recount the history of innovation in creating the growth that “…turned a wilderness into the mightiest instrument of wealth creation the world has ever known in less than half a millennium.” Friedman (2011) cites innovation as one of the country’s basic pillars of growth necessary for building sustainable businesses. However, he laments that we have let our basic pillars of growth (education, infrastructure, immigration of high I.Q. innovators and entrepreneurs, rules to incentivize risk-taking and start-ups, and government-funded research to spur science and technology) erode and cautions that as difficult and as complicated as it may be we need “… an integrated strategy for national renewal..” that will “… require the kind of collective action usually reserved for national emergencies.” Zakaria (2011) concurs,

> We need innovation urgently. But if we are to get the U.S. back to work, we need perhaps even more urgently to rebuild American education, reform our training system, revive high-end manufacturing, focus on new growth industries and rebuild our infrastructure. In fact, finding new ways to do these old tasks might be the greatest and most important innovation of all.

However, aggravation rather than innovation seems to be fueling the search for remedies to the current crises. In 2011 as in 1786 the role of government in spurring such innovation is being questioned. Gallup’s most recent annual governance survey (Saad, 2011) found that “… various ratings of political leadership in Washington add up to a profoundly negative review of government – something,” the report concludes, "that would seem unhealthy for the country to endure for an extended period". Commentator William Bennett (2011) disagrees. "One must not confuse broken government," he writes, "with slow government." He admits "Washington is stalled.." and is "…being pulled in opposite directions by competing visions of government…" but he contends "…we are in the midst of a serious philosophical battle over the future of the country" that was foreseen by our Founding Fathers. He quotes James Madison, who wrote in Federalist No. 10:

> The latent causes of faction are thus sown in the nature of man. ... A zeal for different opinions concerning religion, concerning government, and many other points, as well of speculation as of practice; an attachment to different leaders ambitiously contending for pre-eminence and power ... have, in turn, divided mankind into parties, inflamed them with mutual animosity, and rendered them much more disposed to vex and oppress each other than to co-operate for their common good.

"For this reason," Bennett concludes, "the Founders constructed a democratic republic that requires national dialogue in order to form consensus on crucial issues." But while he admits, "[t]he arena for that debate is not always pretty and the results are not always good," he takes the position that "…the American people get it right over time." However, to get it right, to achieve a greater common good and to sustain an ethical, triple bottom line approach to development and improve the nation's economic health requires a confluence of distinct interests. In the final analysis then the responsibility lies with WE THE PEOPLE.

But what can we do? The conclusion of *Our Common Future* (1987), (also known as the Brundtland Report) for the United Nations World Commission on Environment and Development (1987) lists several requirements for the pursuit of sustainable development, which can apply to our discussion. They are outlined in Figure 1 below. While the UN Report refers to "national and international, political and economic institutions", they can be taken a step further and applied to "we the people" as well. Figure 1 below outlines the systems and goals presented in the Brundtland Report, but adds an additional column outlining citizen responsibility for each system's goal. Responsibility here is used in the sense of having the ability to respond.

FIGURE 1
UN REQUIREMENTS FOR SUSTAINABLE DEVELOPMENT AS FOUND IN THE CONCLUSION OF THE BRUNDTLAND REPORT AND APPLIED TO CITIZEN RESPONSIBILITY

Systems	Goals	Citizen Responsibility
Political	To secure effective citizen participation in decision making	1. Be informed 2. Vote
Economic	To generate surpluses and technical knowledge on a self-reliant and sustained basis	1. Entrepreneurial mindset 2. Consent of the people
Social	To provide for solutions for the tensions arising from disharmonious development	1. Openness 2. Flexibility
Production	To respect the obligation to preserve the ecological base for development	1. Awareness 2. Respect
Technological	To search continuously for new solutions	Lifelong learning
International	To foster sustainable patterns of trade and finance	To be an informed discriminating buyer
Administrative	To provide flexibility and the capacity for self-correction	Tolerance

Perhaps, given the citizen responsibilities outlined above and the current crisis, it is time that "we the people" took stock of ourselves and made a Citizen's Examination of Entrepreneurial Will, reflecting on our own role in creating, maintaining and solving the problems we face.

A CITIZEN'S EXAMINATION OF ENTREPRENEURIAL WILL

President-elect John F. Kennedy (1961), in an address to the Massachusetts legislature prior to assuming the Presidency, provides us a basis for just such an Examination. "For of those to whom much is given, much is required," he said, adding that our success or failure in fulfilling our responsibilities to the state will be measured by the answers to four questions. His reflections can be applied not only to those holding elected office, but to citizenship in general, as well as to the entrepreneurial will that has fueled the innovation responsible for growing our economy and that provides the promise for our future as a nation. Kennedy's reflections on the four questions found in his address (inset with italics and bold type) are then followed by another set of reflections, provided by this author, for a Citizen's Examination of Entrepreneurial Will.

> ***First, were we truly men of courage—with the courage to stand up to one's enemies—and the courage to stand up, when necessary, to one's associates—the courage to resist public pressure, as well as private greed?***

Am I truly a citizen of courage? Do I have an informed opinion on issues that I am willing to share with others, - those who agree with me and those who do not or may not agree with me? Do I challenge those who are expressing ill-informed opinions or making false or cruel statements or taunts? Do I have the courage to resist the type of greed that doesn't allow me to balance the common good against my own wants? Do I have the courage to be open to new possibilities?

> ***Secondly, were we truly men of judgment—with perceptive judgment of the future as well as the past—of our mistakes as well as the mistakes of others—with enough wisdom to know what we did not know and enough candor to admit it.***

As a citizen do I exercise good judgment? Do I have the vision to take a long-term view rather than a short-term view, conscious of various ramifications of my decisions and actions? Do I have the vision to be open to opportunities, possibilities? Have I made an effort to learn from the past in planning for the future while living the present? Do I have the wisdom to recognize that no one is perfect and to learn from my mistakes and to allow others to learn from their mistakes?

> ***Third, were we truly men of integrity—men who never ran out on either the principles in which we believed or the men who believed in us—men whom neither financial gain nor political ambition could ever divert from the fulfillment of our sacred trust?***

As a citizen do I accept that the integrity of our system of government depends on consensus and the consent of the people? Do I maintain my integrity by being true to my principles while being tolerant and flexible enough to coexist with and to allow others in a pluralistic society to maintain their own integrity by being true their own principles?

> ***Finally, were we truly men of dedication—with an honor mortgaged to no single individual or group, and comprised of no private obligation or aim, but devoted solely to serving the public good and the national interest?***

Am I dedicated to the responsibilities of citizenship? Am I informed as to the issues facing us as a community? Do I vote regularly, consistent with my principles, but also recognizing the need to find common ground for the common good on many issues? Is my dedication expressed in a willingness to share in building the common good by being aware of and participating in sustainable trade decisions and respecting all stakeholders?

Finally, Figure 2 below summarizes these reflections as they apply to Figure 1 that outlines the systems found in the UN Requirements for Sustainable Development and Citizen Responsibility.

FIGURE 2
SUMMARY: A CITIZEN'S EXAMINATION OF ENTREPRENEURIAL WILL AS RELATED TO CITIZEN RESPONSIBILITY AND THE UN REQUIREMENTS FOR SUSTAINABLE DEVELOPMENT

Systems	Institutional Goals	Citizen Responsibility	A Citizen's Examination of Entrepreneurial Will
Political	To secure effective citizen participation in decision making	1. Be informed 2. Vote 3. Consent of the people	*Do I have informed opinions I'm willing to share? *Do I challenge others? *Do I work for consensus * Do I vote
Economic	To generate surpluses and technical knowledge on a self-reliant and sustained basis	Entrepreneurial mindset	*Do I have a long-term rather than short-term vision * Am I open to opportunities & possibilities? *Do I resist greed & seek balance?
Social	To provide for solutions for the tensions arising from disharmonious development	1. Openness 2. Flexibility	*Do I maintain my integrity by being true to my principles while being tolerant & flexible enough to respect other viewpoints as expressed in a pluralistic society?
Production	To respect the obligation to preserve the ecological base for development	1. Awareness 2. Respect	*Am I conscious of various ramifications of my decision & actions? *Do I respect all stakeholders in the production chain?
Technological	To search continuously for new solutions	Lifelong learning	*Have I made an effort to learn from the past in planning for the future while living in the present?
International	To foster sustainable patterns of trade and finance	To be an informed discriminating buyer	*Am I willing to share in building the common good by being aware of and participating in sustainable trade decisions?
Administrative	To provide flexibility and the capacity for self-correction	Tolerance	*Do I have the wisdom to recognize that no one is perfect and to learn from my mistakes and to allow others to learn from their mistakes?

CONCLUSION

The future of American Economic power needs a dynamic re-enculturation that affirms innovation and sustainable ethics as core American values. Reflection on our role as citizens and active participants in the innovation that has grown the economy is one step in that direction. But who are the citizens that will make a difference. Senator Robert F. Kennedy (1966) provides one answer. He once said:

> Our answer is the world's hope; it is to rely on youth. The cruelties and obstacles of this swiftly changing planet will not yield to obsolete dogmas and outworn slogans. It cannot be moved by those who cling to a present that is already dying, who prefer the illusion of security to the excitement of danger. It demands the qualities of youth…

As was his style, Kennedy's speeches were laced with quotations from other writers. The comments cited above were from a speech he gave at the University of South Africa and referred to Samuel Ullman's (1934) poetic essay on Youth, which inspired vision and confidence in the nation after World war II. Rather than Kennedy's paraphrase of the qualities of youth, Ullman's poem is cited here in its original because it applies to our discussion of difficult times and the need for reflection on the possibilities of will.

> Youth is not a time of life – it is a state of mind. It is not a matter of red cheeks, red lips and supple knees. It is a temper of the will; a quality of the imagination; a vigor of the emotions; it is a freshness of the deep springs of life. Youth means a temperamental predominance of courage over timidity, of an appetite for adventure over a life of ease. This often exists in a man of fifty, more than a boy of twenty. Nobody grows old by merely living a number of years; people grow old by deserting their ideals.
>
> Years may wrinkle the skin, but to give up enthusiasm wrinkles the soul. Worry, doubt, self-distrust, fear and despair – these are the long, long years that bow the head and turn the growing spirit back to dust.
>
> Whether seventy or sixteen, there is in every being's heart a love of wonder; the sweet amazement at the stars and starlike things and thoughts; the undaunted challenge of events, the unfailing childlike appetite for what comes next, and the joy in the game of life.
>
> You are as young as your faith, as old as your doubt; as young as your self-confidence; as old as your fear; as young as your hope, as old as your despair.
>
> In the central place of your heart there is a wireless station. So long as it receives messages of beauty, hope, cheer, grandeur, courage, and power from the earth, from men and from the Infinite – so long are you young. When the wires are all down and the central places of your heart are covered with the snows of pessimism and the ice of cynicism, then are you grown old indeed!

While others may fiddle, youth provides the future.

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Organizational Citizenship Behaviors of Pharmacy Faculty: Modeling Influences of Equity Sensitivity, Psychological Contract Breach, and Professional Identity

Leigh Ann Bynum
Belmont University

John P. Bentley
The University of Mississippi

Erin R. Holmes
The University of Mississippi

Alicia S. Bouldin
The University of Mississippi

The purpose of this paper is to develop a model that defines the impact of psychological contract breach, identity salience, and equity sensitivity on organizational citizenship behavior (OCB) of pharmacy faculty. Using social exchange and social identity theories, we develop a model and propose the potential relationships among model constructs. Our theory-based model posits that equity sensitivity will have direct effects on OCB and will also moderate the relationships between contract breach, identity salience, and the performance of OCB. This paper provides university and pharmacy school leadership teams insight into the potential predictors of job performance of pharmacy faculty members.

INTRODUCTION

Healthcare organizations operate in an extremely dynamic environment. Because of this environment and the perpetual need to do more with less, those who educate healthcare professionals must also be well versed in professional flexibility. The academic landscape of healthcare has not been immune to the need for flexible employees who are willing to exceed their formal job descriptions. Consequently, these academicians not only teach flexibility but must also be adaptable themselves. Universities are finding it necessary to do more with fewer resources. Pharmacy schools in particular are facing the challenges of educating pharmacists in a dynamic environment, with increasing demands being placed on faculty in terms of the academic missions of teaching, research and service. The Doctor of Pharmacy (Pharm.D.) curriculum has been implemented at all schools and colleges of pharmacy with a clear expectation of programmatic assessment by the accreditation body (ACPE, 2011). Despite these challenges the growth in the number of new colleges or schools of pharmacy continues. According to the American Association of Colleges of Pharmacy website, student pharmacist enrollments have continued to rise for the past ten years. As with many educational institutions, new and existing Pharm.D. programs find these challenges come at a time when state funding is diminishing and grants to fund important research are more difficult to obtain. Further complicating the academic pharmacy predicament, is that student enrollment continues to increase and faculty shortages persist.

Much like the larger population of healthcare professionals, pharmacy faculty members are diverse and autonomous. The study of pharmacy encompasses knowledge of chemistry, pharmacology, pharmacotherapeutics, and the clinical sciences, as well as the social and administrative sciences. The backgrounds and responsibilities of pharmacy faculty are diverse both within and across these domains. Individual faculty members may vary in their educational backgrounds and practical training, pharmacist licensure status, and job responsibilities. For example, pharmacy faculty may or may not have a practice degree in pharmacy and many have a discipline specific degree such as economics, chemistry, public health, or management. Some hold the professional doctorate (Pharm.D.) while others have a Ph.D. in the pharmaceutical sciences or a related field and some have both. In addition to teaching responsibilities, perhaps in both professional (Pharm.D.) and graduate programs (M.S. and Ph.D.), many pharmacy faculty members also have research, service, clinical practice, and administrative responsibilities. These responsibilities may vary between and within sub-disciplines as well as between and within schools of pharmacy. Given the precarious economy, faculty shortages, and the required curricular revisions facing pharmacy schools, it should be no surprise that they are asking more of their faculty than ever before. There is little research available on the performance of organizational citizenship behaviors (OCBs) by university faculty in general and to our knowledge no one has specifically examined the OCBs of pharmacy school faculty members. This paper attempts to addresses this gap in the literature. More specifically, this work will explore the relationship between psychological contract breach, identity salience, equity sensitivity, and the performance of OCBs.

The model described provides a unique contribution to management research by proposing equity sensitivity as a moderator of the relationships between psychological contract breach, identity salience, and the performance of OCB. First, we explain assumptions and specific claims of two theories that underlie the constructs and relationships proposed in this paper, namely social exchange and social identity theories. Second, we develop a model by drawing on these theories, thus addressing the motivations of pharmacy faculty members to contribute to the overall outcomes of the university and pharmacy school by performing OCBs. In order to provide a firm foundation upon which to explore the proposed relationships, a theoretical framework for this work will be discussed. Third, we present a brief review of each of the constructs of the model and articulate the proposed relationships. To conclude we discuss the implications of the proposed model and outline directions for future research.

SOCIAL EXCHANGE THEORY

Social exchange theory (SET) is a rational paradigm that has been used to explain work behavior (Cropanzano & Mitchell, 2005). The main concepts of social exchange theory are rewards, resources, and costs. Resources and rewards reflect the benefits of social exchange in terms of the satisfaction or gratification gained from being engaged in a social exchange relationship (Thibaut & Kelley, 1959). Blau (1964) asserts that social exchange is the central process of social life underlying the relations between individuals and groups (e.g., organizations). Specifically, Blau (1964) accentuates reciprocity within the exchange as the main driver of the subsequent social interactions because individuals are motivated in the reciprocated social exchange to further their own self-interests.

A classic social exchange relationship and the object of much research is that of employee and employer. According to SET, a positive employee-employer relationship evolves over time into one of mutual commitments when both parties abide by certain rules of exchange (Blau, 1964). These rules may be purely economic in nature or they may involve more social terms. They act as guidelines of the exchange process (Cropanzano & Mitchell, 2005). Perhaps the most widely recognized exchange rule is that of reciprocity or repayment in kind. This rule of reciprocity indicates that an action by one party will lead to a reciprocating response by the other party. For example, should the organization exhibit supportive and positive behaviors toward the employee, the employee, in turn, will likely respond in a positive manner, perhaps by exhibiting OCB toward the employer. This performance of OCBs will improve the chance that the organization will continue or repeat its positive behavior. However, the opposite scenario is also possible. If the employer fails to live up to the employee's expectations and thus breach the psychological contract, the employee will no longer feel obligated to engage in OCBs. These scenarios illustrate how social exchange theory may explain the proposed relationship between psychological employment contract and OCB.

GROUP VALUE MODEL

A complementary theoretical perspective to social exchange theory is that of the group value model. This perspective posits that individuals view their relationships with institutions as an important part of their identity (Tyler, 1989). Individuals may classify themselves and others into a number of different social categories such as organizational or professional memberships, religious groups, race, or age (Ashforth & Mael, 1989). When individuals strongly identify with a particular group, thus creating their social identity, they may perceive that their individual goals are categorically interchangeable with other group members (Haslam, Jetten, & Waghorn, 2009). As such, the individual as a group member will work to advance group goals as his or her own. However, each individual may have a number of different identities ranging from those with clear-cut definitions like that of a pharmacy professor to those more abstract in nature such as that of an American citizen (Ellemers, Spears, & Doosje, 2002). The fact that each individual may have multiple identities that are more or less salient across situations suggests that identity salience is an important determinant of OCB, particularly in professional/academic settings.

The group value model also posits that the way the organization treats its employees is significant as it communicates important identity-related information to each employee (Restubog, Hornsey, Bordia, & Esposo, 2008). Should the employer behave in an equitable and positive manner the employee will feel valued as a group member and develop a stronger group identity. In contrast, unjust or unfair treatment may indicate that, the employee is not valued causing the employee to identify less with that particular group. As such, employee identification has been found to correlate with the performance of OCBs (Riketta, 2005; Restubog et al., 2008) suggesting that the group value model is an appropriate theoretical framework for the relationship between identity and OCB.

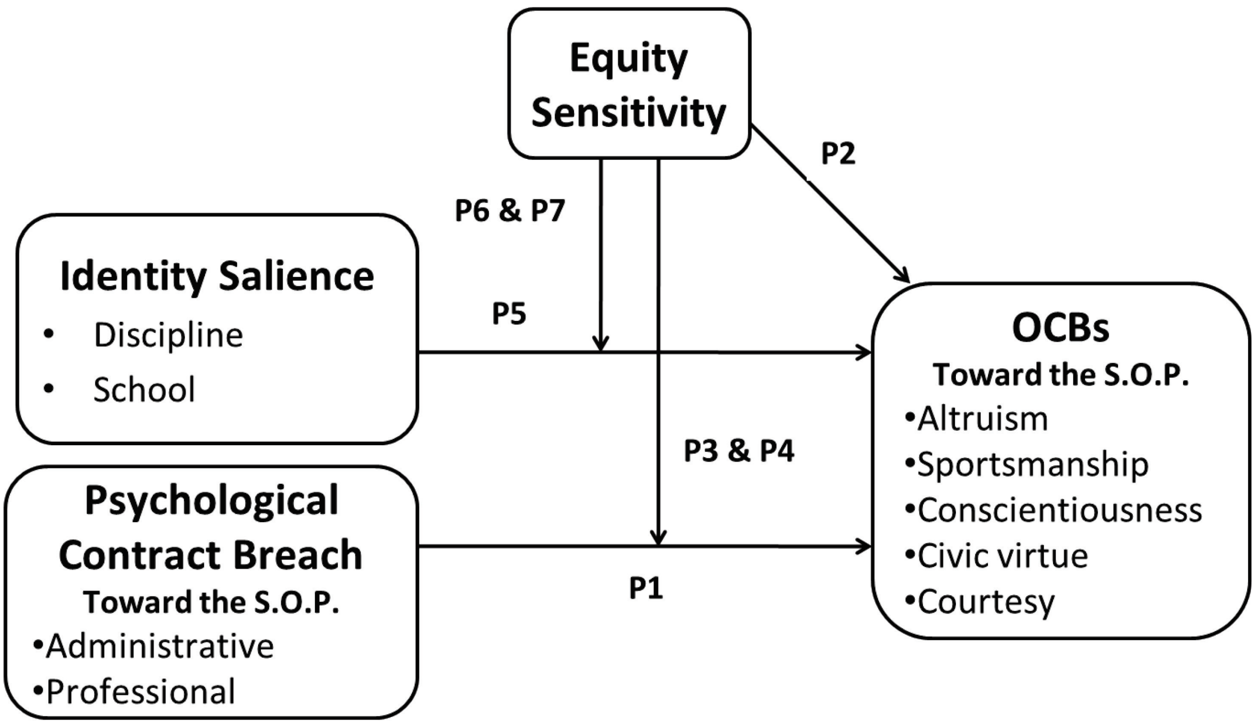
Drawing on the theoretical roots of both social exchange theory and social identity theory, equity theory suggests that people evaluate relationships by assessing the ratio of their outputs and inputs to that relationship in comparison with others. Should they perceive this ratio to be unequal the individual will experience distress and work to restore that balance (Adams, 1963, 1965; Huseman, Hatfield & Miles, 1987). From equity theory, grew the idea of equity sensitivity (Huseman et al., 1987). Equity sensitivity was initially conceptualized as a continuum with three points, benevolent, equity sensitive and entitlement, with the anchors of this continuum as benevolence and entitlement. Generally speaking, benevolent individuals are givers. They are most content when their outcomes to inputs ratios are lower than their comparison other (Huseman et al., 1987). On the other end of the continuum, entitleds are takers. They are most content when their outcome to inputs ratio is higher than their comparison other (Huseman et al., 1987). Equity sensitives are those individuals who prefer their inputs and outputs to be balanced.

Early work in this area demonstrated that an employee's job performance might change in relation to the employee's perceptions of inequitable outcomes (Moorman, 1991). Bing and Burroughs (2001) confirmed the idea of a relationship between equity sensitivity and in-role job performance demonstrating that as the individual level of benevolence increased the job performance increased. As it relates to the equity sensitivity continuum, Organ (1988) suggested OCB could be considered as an input for one's equity ratio. Thus by increasing or decreasing the amount of OCBs an employee performs, they could achieve a balance in their equity ratio.

THE PROPOSED MODEL

We integrate social exchange theory, the group value model and equity theories to develop a model proposing the effects of the perceived psychological contract breach, identity salience, and equity sensitivity on an important employee outcome, namely OCB. In the academic context of pharmacy schools, the model depicts the effect of equity sensitivity on the relationships between identity salience, type of perceived contract breach (both administrative and professional contract types) and the performance of OCBs toward the School of Pharmacy by pharmacy school faculty.

FIGURE 1
THE PROPOSED MODEL



ORGANIZATIONAL CITIZENSHIP BEHAVIORS

Bateman and Organ (1983) first conceptualized OCB as a wide array of discretionary extra-role behaviors which contribute to organizational effectiveness yet, are not required by the organization (Moorman, 1991). OCB has received an abundance of attention from organizational researchers (for a review, see Podsakoff et al., 2009). Of particular interest for the present work is the Organ (1988) five factor model. The five unique factors of this model are described by Podsakoff, MacKenzie, Moorman, & Fetter (1990, p. 115) as:

- *"Altruism*-Discretionary behaviors that have the effect of helping a specific other person with an organizationally relevant task or problem.
- *Conscientiousness*-Discretionary behaviors on the part of the employee that go well beyond the minimum role requirements of the organization in the areas of attendance, obeying rules and regulations, taking breaks, and so forth.
- *Sportsmanship*-Willingness of the employee to tolerate less than ideal circumstances without complaining.

- *Courtesy*-Discretionary behavior on the part of an individual aimed at preventing work-related problems with others from occurring.
- *Civic Virtue*-Behavior on the part of an individual that indicates that he/she responsibly participates in, is involved in, or is concerned about the life of the company."

Through the substantial amount of research on extra-role behaviors, it has become evident that these behaviors are important determinants of organizational and individual outcomes such as effectiveness, efficiency, satisfaction, and productivity (Erturk, 2007). Interestingly, despite our knowledge of the positive impact of OCB, there has been little research of this construct in the academic work setting.

PSYCHOLOGICAL CONTRACTS AND CONTRACT BREACH

The employment relationship can be conceptualized as consisting of two distinct contracts. The first is a legal contract explicating service requirements and remuneration responsibilities of the employee and the employer. The second is an unwritten contract which refers to the behavioral expectations that are not explicitly covered in the formal, legal contract. Rousseau defined a psychological contract as "individual beliefs, shaped by the organization, regarding terms of an exchange agreement between individuals and their organization" (Rousseau, 1995, p. 9), grounding it in exchange theory. A noteworthy aspect of the definition of psychological contract is the inclusion of individual perceptions and expectations as well as promises and obligations, suggesting that an individual's perceptions of the employment relationship and the psychological contract play an important role in the employer/employee relationship (Milward & Hopkins 1998; Purvis & Cropler, 2003; Rousseau, 1990).

The contract typology that is most applicable to the current project is that of Bunderson (2001), who posits that an employee's psychological contract is influenced by the competing professional and administrative work ideologies found in a professional work setting. The differences between professional and administrative ideologies have a prominent place in the study of organizations (Bunderson, Lofstom, & Van De Ven, 2000). However, there are few examinations of an individual's underlying or unspoken mental model. Bunderson et al. (2000) developed this typology by focusing on the internal and external components of both the administrative and professional organizational categories. Daily work is based on these different work ideologies, however in industry where knowledge-based work is of primary importance the employee is often affected by both professional and administrative work. These competing ideologies become very important in determining how employees view their psychological contract. Broadly speaking, professional models emphasize technical competence, commitment to work, collegiality, and service while administrative models focus on bureaucracy, commitment to the organization, and efficiency (Bunderson et al., 2000; Van Maanen & Barley, 1984).

The research on psychological contracts is quite diverse. There has been research in the nature, antecedents, consequences, and content of the contract. However, the research stream most relevant to the current work is that of violation or breach of contract. Morrison and Robinson (1997) suggest that perceived breach of a psychological contract refers to the cognition that the organization has not met one or more of the employee's expected obligations. Past research has provided evidence that perception of contract breach can have significant implications for employee attitudes and behaviors such as job satisfaction, organizational commitment, and performance of OCB (Robinson & Rousseau, 1994; Robinson & Morrison, 1995; Turnley & Feldman, 1999). More specifically, Turnley and Feldman (1999) suggest that the individual response to the breach of contract will be dependent on the transactional or relational nature of the contract.

Research has found that the extent of contract fulfillment was positively related to the performance of OCB (Turnley, Bolino, Lester, & Bloodgood, 2003). Consistent with these findings, Restubog and colleagues (2006) found differences when comparing transactional and relational obligations (Robinson, & Rousseau, 1994; Turnley et al., 2003). Their research revealed that a relational breach was associated with less civic virtue behavior while a transactional breach was not. Because the administrative ideology involves primarily transactional exchanges, and the professional ideology involves more relational exchanges, it stands to reason that perceived administrative breaches would differ from perceived professional breaches in professional employees' behaviors and attitudes. We suggest that the more transactional administrative breach will be unrelated to performance of OCBs while the more relational, professional breach will influence the performance of OCB. Thus, it follows that:

P1: Perceived professional breach with the School of Pharmacy will be negatively related to performance of organizational citizenship behaviors by pharmacy faculty toward their School of Pharmacy.

EQUITY SENSITIVITY

As previously stated, Huseman et al. (1987) proposed the equity sensitivity construct suggesting that individuals react in consistent but individually different ways to both perceived and real inequity. Early work in equity theory and equity sensitivity demonstrated that employee job performance might change in relation to the employee's perceptions of inequitable outcomes (Moorman, 1991). Bing and Burroughs (2001) confirmed the idea of a relationship between equity sensitivity and in-role job performance such that as the individual level of benevolence increased the job performance increased. As it relates to the equity sensitivity continuum, Organ (1988) suggested OCB could be considered as an input for one's equity ratio. Thus by increasing or decreasing the amount of OCB an employee performs, they could achieve a balance in that ratio. This type of performance modification is much safer than changing their performance of any of the more formal role requirements (Moorman, 1991).

Early organizational citizenship researchers focused on perceptions of justice and fairness as a predictor of the performance of OCB (Farh, Podsakoff, & Organ, 1990; Moorman, 1991, Organ & Moorman, 1993). They suggested that if the organization was viewed as fair, employees would be more likely to perform OCB. Since that time, researchers have confirmed the strength of the relationship between perceptions of justice or fairness and the performance of OCB (Blakely, Andrews, & Moorman, 2005; Cohen-Charash & Spector, 2001; Moorman, 1991; Organ & Ryan, 1995; Podsakoff et al., 2000). Interestingly, there are some findings suggesting that there are differences among individuals regarding the types of inputs that are considered 'fair' (Organ, 1990). For example, some people may believe that fair pay raises would be based on productivity, while others would put emphasis on effort, still others may consider external market pay, thus complicating the relationship.

According to equity theory, benevolent individuals are natural givers, while those who feel entitled are less likely to give. Benevolent individuals have a greater tolerance for under-reward and prefer their ratios of outcome to inputs to be less than a referent other. Entitled individuals, on the other hand, are more focused on outcomes. They prefer that their outcomes to inputs ratio be greater than others. Those who act in accordance with Adams' (1965) conceptualization of equity are called equity sensitives and prefer balance in the input outcomes ratio. Because OCBs are performed often with no foreseeable reward, it is unlikely that entitled individuals will perform these types of behaviors. There have also been consistent results in under and over-reward situations where benevolent individuals have the highest level of job satisfaction and are willing to work harder for less pay (Huseman, Hatfield, & Miles, 1985; Miles, Hatfield, & Huseman, 1989). Because of the lack of foreseeable reward associated with the performance of OCB, it is unlikely that individuals who differ on equity sensitivity will perform these types of behavior similarly. As benevolent individuals have a greater tolerance for under-reward and because OCBs are often not formally rewarded, it is likely that benevolents will perform more OCBs than both equity sensitives and entitleds. Therefore, the following is proposed:

P2: Equity sensitivity will be positively related to the performance of organizational citizenship behaviors toward the School of Pharmacy. That is, faculty with higher equity sensitivity scores (benevolent orientation) will engage in more organizational citizenship behaviors than faculty with lower equity sensitivity scores (entitled orientation).

THE INTERACTIVE EFFECTS OF EQUITY SENSITIVITY

Because those with an entitled orientation are less tolerant of under reward (Huseman, 1987), they will tend to monitor the employment relationship carefully to ensure the appropriate return for their contributions. As such they will be more likely to recognize breaches in psychological contracts than their benevolent counterparts. Given Organ's (1988) assertion that by changing the amount of OCBs an employee performs, they could achieve a balance in their input to output ratio, it stands to reason that should the entitled individual perceive a psychological breach they would decrease their performance of OCBs. Further, it is evident that perception of contract breach can have significant implications for employee attitudes and behaviors (Robinson & Rousseau, 1994; Robinson & Morrison, 1995; Turnley & Feldman, 1999). There is also evidence that perceptions of breach are influenced by the nature of the contract (Turnley & Feldman, 1999). The nature of the contract breach considered in the current study is dichotomized as administrative and professional. Therefore, it follows that there may be differences in employee behaviors between these categories. Although we expect no main (or constant) effect of perceived administrative breach on the performance of OCBs (see previous section), equity sensitivity orientation is likely to affect the relationship between perceived administrative and breach and the performance of OCBs in addition to the perceived professional breach-OCB performance relationship. This assertion leads to the following two propositions:

> *P3: Equity sensitivity will interact with perceived administrative breach with the School of Pharmacy such that administrative breach will have a greater negative association with the performance of organizational citizenship behaviors toward the School of Pharmacy for those with lower equity sensitivity scores (entitled orientation) than faculty with higher equity sensitivity scores (benevolent orientation).*

> *P4: Equity sensitivity will interact with perceived professional breach with the School of Pharmacy such that professional breach will have a greater negative association with the performance of organizational citizenship behaviors toward the School of Pharmacy for faculty with lower equity sensitivity scores (entitled orientation) than faculty with higher equity sensitivity scores (benevolent orientation).*

PROFESSIONAL IDENTITY

Previous research has investigated the concept of professional identity. Moore and Hofman (1988) consider professional identity to be the extent to which an individual believes his or her professional role is important and in harmony with other roles. According to Van Dick et al. (2005) individuals may identify with a particular career, with unique subunits within an organization, or with the larger organization. As has been previously discussed, employees may identify with several different groups simultaneously. The extent to which they identify with each is a function of the salience of that position. That identification has been shown to predict employee attitudes and behaviors (Van Dick & Wagner, 2002).

Research related to group productivity and individual job performance has provided mixed results. As early as 1949, Mayo suggested that work groups themselves could be the source of inefficiency or great organizational output. Consistent with this dichotomy, his research of aircraft workers demonstrated that some departments were extremely productive while others were not. He notes that members of the productive work groups identified themselves with the pronoun "we" while others in the workplace used the word "I". His research led him to believe that group solidarity is very important to group productivity. The social identity approach suggests that when individuals define themselves as group members their performance of group tasks should be enhanced. Further, Donnellon (1996) suggests that the key to productivity is whether the form of their individual contribution is based upon a shared social identity. It stands to reason, then, that individual behavior placing the groups' goals above the individual's goals and behaviors that exceed formal expectations will be performed based on the degree of social identity one feels for his or her group.

The study of pharmacy encompasses a number of different domains. Professors teaching within these different domains must be subject matter experts in their particular discipline. As mentioned previously, the educational and practical backgrounds of pharmacy faculty can vary considerably. They often have discipline-specific education and training. Despite (or perhaps because of) these diverse backgrounds pharmacy school faculty members come together to provide a well-rounded education for the pharmacy student. This diversity may have an impact on the way in which they identify with their employer, their school of pharmacy. These professors may primarily identify with the School of Pharmacy or they may identify with their individual disciplines, chemistry for example (or they may have a high degree of identification with both). Because the OCBs of interest are with respect to ones' School of Pharmacy, we expect that discipline identity salience will generally be unrelated to the performance of OCBs directed toward the School of Pharmacy. However, the greater one's identification with their School of Pharmacy, the more likely they will be to perform OCBs directed toward their School. Therefore, the following proposition is suggested:

> *P5: School identity salience will be positively related to performance of organizational citizenship behaviors by faculty toward their School of Pharmacy.*

THE INTERACTIVE EFFECTS OF EQUITY SENSITIVITY

As previously stated, those with an entitled orientation are less tolerant of under reward (Huseman et al., 1987) and will tend to monitor the employment relationship carefully. Entitled individuals will be more likely to underperform or perform behaviors that are consistent with their job descriptions. Given Organ's (1988) assertion that by changing the amount of OCB's an employee performs, they could achieve a balance in their input to output ratio, it follows that entitled individuals will be less likely to perform OCBs regardless of their identity, whereas the effect of identity may be more pronounced for benevolents and equity sensitives. In other words, equity sensitivity orientation is likely to affect the relationship between social identity salience and the performance of organizational citizenship behaviors. Although we predict no main (or constant) effect of discipline identity salience as described in the previous section, it is still possible for equity sensitivity orientation to moderate the relationship between discipline identity salience and the performance of OCBs as well as the school identity salience-OCB performance relationship. Therefore the following two propositions are suggested:

> *P6: Equity sensitivity will interact with discipline identity salience such that discipline identity salience will have will have a greater positive association with the performance of organizational citizenship behaviors toward the School of Pharmacy for those with higher equity sensitivity scores (benevolent orientation) as compared to those with lower equity sensitivity scores (entitled orientation).*

> *P7: Equity sensitivity will interact with school identity salience such that school identity salience will have a greater positive association with the performance of organizational citizenship behaviors toward the School of Pharmacy for those with higher equity sensitivity scores (benevolent orientation) as compared to those with lower equity sensitivity scores (entitled orientation).*

DISCUSSION AND CONCLUSION

The current work provides a unique contribution to management research by exploring the role of equity sensitivity as a moderator of the relationships between psychological contract breach, identity salience and OCB. Significant empirical work remains, including 1) assessing whether currently available

OCB measures, designed in the employer-employee context, are appropriate for university faculty and 2) testing the relationships proposed in our model. Research in the area would advance higher education research by expanding the current literature regarding the contribution faculty members can make to their school or university by considering a unique typology of psychological contract breach, as a factor that affects a more traditional human resource outcome, organizational citizenship behaviors. Additionally, Bunderson et al. (2000 and 2001) called for further examination of the generalizability of professional and administrative breach typology across professional settings. Testing these relationships would answer that call by examining the typology in a unique professional setting – that of academia.

Given the new realities facing higher education in general and schools of pharmacy specifically, leadership of universities and professional schools (e.g., schools of pharmacy) must find ways to do more with fewer resources. The performance of OCBs by university faculty is one way in which the university will be able to do more with the same or fewer resources. This paper suggests that the academic and healthcare leadership should consider several individual and organizational factors when seeking to increase the performance of OCBs. First, the organizational climate of professional courtesy and trust is a key antecedent to citizenship behaviors. As such, leadership must make efforts to create or enhance a professional climate of collegiality and mutual respect. It is also important that leadership recognize the role that individual identity has is the performance of desired behaviors. Leadership teams must work to bring the goals of the individual discipline and the goals of the School of Pharmacy in alignment when possible. Moreover, this paper suggests that benevolent individuals are more likely to perform OCB. As such, hiring teams may consider assessing an applicant's equity sensitivity status prior to offering the position. Finally, because of the similarities between the healthcare academician and the healthcare professional, this work provides insight into the work-life of healthcare professionals overall. Healthcare administrators may also consider fostering a climate of collegiality, recognizing discipline-specific success and an individual's equity sensitivity as they ask more of healthcare professionals whom they supervise.

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ABOUT THE AUTHORS

Leigh Ann Bynum, Ph.D.
Leigh Ann Bynum received her Doctor of Philosophy in Pharmaceutical Sciences (Pharmacy Administration) from the University of Mississippi. Her research interests include human resource management in healthcare, the impact of medication synchronization on patient adherence and employee job satisfaction, and the impact of pharmacy faculty members' work related attitudes on their teaching philosophy and their ability to counsel pharmacy students. Leigh Ann is currently an Assistant Professor in the Department of Pharmaceutical, Social and Administrative Sciences in the College of Pharmacy at Belmont University where she teaches human resource management, communication, healthcare delivery and entrepreneurship courses for their Pharm. D. program.

John P. Bentley, R.Ph., M.B.A., Ph.D.

John Bentley is an associate professor of Pharmacy Administration, and a research associate professor in the Research Institute of Pharmaceutical Sciences, at the University of Mississippi School of Pharmacy. He is a pharmacist, with an M.B.A. and a Ph.D. in pharmacy administration. He also has M.S. and Ph.D. degrees in biostatistics. He teaches elements of research design, biostatistics, and epidemiology to pharmacy students and several applied statistics courses at the graduate level. He has conducted research projects in a variety of areas including pharmaceutical marketing, quality of life, patients' evaluation of health-care providers, medication use and misuse, and practice management.

Erin R. Holmes, Pharm.D., Ph.D.

Dr. Holmes received her Doctor of Pharmacy and Master of Science in pharmacy administration from Duquesne University and her Doctor of Philosophy in Pharmaceutical Sciences (Pharmacy Administration) from the University of Mississippi. She teaches courses in pharmacy management, pharmacy law, personal finance and health care policy. Her research focuses on organizational behavior, human resource management and operations management in community pharmacy practice. Dr. Holmes is an assistant professor with the School of Pharmacy and research assistant professor of the Research Institute for Pharmacy Sciences at the University of Mississippi.

Alicia S. Bouldin, R.Ph., Ph.D.

Alicia Bouldin is an associate professor of pharmacy administration and research associate professor for instructional assessment and advancement at The University of Mississippi School of Pharmacy. Her research interests include student factors influencing pharmacy education (learning styles, motivation, involvement, professionalism), facilitation of innovations in pharmacy education, and informational issues surrounding the use of herbal supplements. She is currently involved in the facilitation of assessment activities—at both the programmatic and the classroom level—and faculty and teaching assistant development activities within the School of Pharmacy.

Managing not to Change: A Mixed-Methods Analysis of Anosognosic Management and the Indirect Impact on Organizational Change

M. Michaux Parker
North Carolina Central University

Rasheeda Abdul-Ghaffar
North Carolina Central University

Keren Campbell
Accenture Federal Services LLC

Dalisha Vickers-Johnson
North Carolina Central University

Anosognosic management occurs when a manager is both functionally inept and lacks the ability to perceive that ineptitude. This study explores Anosognosic managerial performance and its indirect impact on organizational change. This study used a concurrent mixed methods approach to examine the relationship between respondents' perceptions of the ease with which their organizations could change and the respondents' perceptions of manager job performance, perceptions of manager-induced employee morale (MIEM) and perceptions of manager-induced interaction hostility (MIIH). The study found correlations between Anosognosic job performance, the perceived ease of organizational change, the perception of manager-induced interaction hostility and the perception of manager-induced employee morale.

INTRODUCTION TO THE STUDY

There is no shortage of research on organizational change (Riley et al., 2012; Hallingera et al., 2010; Boga & Ensari, 2009; Erwin, 2009). Organizational change occurs anytime there is an alteration to an organization's processes, mission or strategic function. An organization's ability to change, or respond to environmental stimuli, is an important factor in its ability to succeed (Santos & Garcia, 2006). In a society characterized by strained economic markets, the ability for organizations to change becomes even more critical. Ideally, organizations would create and maintain an infrastructure that would make the need for change easier to address. The most essential component of that change infrastructure, conceptually, would be the organization's management cohort.

Managers within an organization have the ability to significantly help or harm change processes. Typically, when examining the relationship between managerial behavior and change, the analysis leans toward direct managerial effects such as administrative resistance to change. However, it may also be possible for managers to indirectly and unintentionally impact an organizations ability to change through specific managerial behaviors. The problem addressed by this study is that scholars do not have a thorough understanding of the managerial behaviors that may lead to indirect organizational resistance to change.

The purpose of this study is to examine the relationship between management practices and their indirect impact on the ease of organizational change. In order to accomplish this goal, the study has created five objectives. The first objective is to examine the relationship between a managers' job performance and the ease of enacting change. While managerial job performance impacts many day-to-day functions of an organization, scholars seldom view managerial job performance as a change-related precursor. However, managerial job performance may create an overall atmosphere within an organization that is not conducive to change. A manager who is not proficient in their job duties may engender mistrust in their subordinates.

The second objective is to examine the relationship between the manager-inspired employee morale (MIEM) and the ease of organizational change. This variable encapsulates two important concepts. First, the researchers recognize that while managers are important change agents, employees are often the change actors. As a change actor, the employee's morale must be an area of concern. The second realization brought on by the MIEM variable is that employee morale is often manager-induced. An organization's management team has the ability to directly impact how lower-level employees feel about the organization as a whole. Managers are the primary point of contact with the organization's administration. Managers received reports and complaints as well as convey decisions, messages and policies.

The third study objective is to examine the relationship between manager-induced interaction hostility (MIIH) and the ease of organizational change. Perhaps the most consistent opportunity for a manager to impact an employee's morale is through daily interactions. It is possible for an employee to view the manager-employee interaction as hostile even when the content or nature of the interaction was favorable to the employee. Manager-induced interaction hostility may be traced to a misalignment of management styles. One example of manager-induced interaction hostility that resulted from a misalignment of management style would be a manager who uses a Theory X management approach when supervising a contingent of highly motivated intelligent employees. The Theory X assumptions that the workers are lazy and unmotivated would almost certainly lead to interaction hostilities between the manager and the employees. Prior to the analysis it is important to examine the issues of organizational change and management.

THE NECESSITY OF ORGANIZATIONAL CHANGE

Every industry whether, banking and finance, manufacturing, media, or pharmaceutical industries periodically require different magnitudes of change (Storey, 2000). The impetus for organizational change can come from internal factors such as employee shortages (Schriner et al., 2010) or product development. However, highly interconnected external factors such as rapid shift in economic markets can produce wide-reaching external catalyst for organizational change. The bankruptcy of the Lehman Brothers investment bank in 2008 is considered to be the event that sparked the ongoing late-2000s global economic crisis (McKibbin & Stoeckel, 2009).This cycle of limited monetary and human capital has heightened the need for innovation and transformation throughout entire organizations and industries.

The global unemployment rate increased 15.6% between 2007 and 2010, with developed economies accounting for 55% of the overall growth (International Labor Office, 2011). These economic shifts have also required many organizations to restructure their organizations. These unemployment numbers represent a significant change not only in available capital of some organizations but also in employment pools, manufacturing processes and strategic stabilization. This type of economic shift is only one catalyst for organizational change and seems to produce more reactive change. However, change may also be more proactive in nature.

Results from a survey of 104 managers found strategic change, change of products, and change of productive processes to be the most welcomed forms of organizational change (Santos & Garcia, 2006). Through proactive change, organizations may also become more productive and increase their chances of attracting better employees. Valuable employees, who have the appropriate knowledge, skills and abilities, are attracted to organizations that are positive and productive (Boardman & Sundquist, 2009). The best way of ensuring that an organization has the capacity to engage in either reactive or proactive change is by maintaining an infrastructure that can facilitate change more efficiently. The core of any change infrastructure is the management cohort.

ORGANIZATIONAL CHANGE AND THE MANAGER

Organizational change and innovation require a competent, capable, and inquisitive manager at their helm (Stone, 1981).Managers affect organizational change in many different ways. Prior studies (Boga & Ensari, 2009; Santos & Garcia, 2006) have found that organizational change is greatly impacted by the perceptions and leadership of managers. This type of direct, decision-based effect on organizational change is typically how scholars view the relationship between management and organizational change. However, there are other studies (Storey, 2000) that have examined the impact of personality traits of managers as threats to organizational change and innovation. The results showed that organizational change can be significantly influenced by the managers' perception of its necessity. While studies (Storey, 2000; Santos & Garcia, 2006) suggest that managers can directly impact organizational change for various reasons, there are additional studies that allude to a manager’s ability affect organizational change indirectly.

The relationship between job performance and managerial personality is well-represented in the management literature. One study (Erwin, 2009) found that for organizational change to be successful it takes both strong and skillful leadership as well as a buy-in from the employees working under the leader. A study by Gellatly and Irving (2001) tested the relationships between situational job performance and personality. The results showed that managers who were viewed as a greater assets to the organization were also seen as cooperative, sympathetic, and helpful. Poor managerial work habits not only produce negative organizational results, but have a tendency to offset the positive gains from strong work habits (West & Berman, 2011). Several detrimental work habits were reported in West and Berman's study were: closed-mindedness and intimidation. Conversely, the study also identified several positive managerial work habits that may impact organizational change such as willingness to collaborate and willingness to adapt (West & Berman, 2011). Personality attributes such as narcissism, when found in management, have been negatively correlated to integrity and leadership skills (Blair et al., 2008; Mumford et al., 2001).

Studies have shown that a host of positive personalities such as conscientiousness (Robertson et al., 2000), job over qualification (Fine & Nevo, 2008) and self-accountability (Parker et al., 2011) correlate to effective managers.

ORGANIZATIONAL CHANGE AND THE EMPLOYEE

Employee consideration proves important across various studies of the change process. Along with the fit and importance of the change, the motivation of the individual employee was found to be significantly correlated to continuing commitment to proposed change (Daif & Yusof, 2011). Often the unfamiliarity that accompanies change is understood to be one of the main contributors to employee resistance to the process (Caldwell et al., 2004). Some scholars (Herscovitch & Meyer, 2002) argue that, in order for employees to be committed to organizational change, they must be bound to the course of action that will lead to the successful implementation of such change. Other studies (Baltzer, 2011; Patton, 2002) show that employees may engage in ‘resistant behaviors’ when they lose trust in the management or organizations where they work. The manager is the most visible representative of an organization and as such, is the glue that serves to bind employees to a course of change.

Increased communication can aid in the organizational change process (Kim, 2011). This connection is logical due to the information sharing and clarification produced by adequate communication. Kim's study of hierarchical classes in the long-term healthcare industry revealed that professional workers exhibited more readiness for change processes than their minimalist counterparts. In this survey of 100 long-term care institutions, minimalists were characterized by low training and low communication. Kim suggested that, in order to improve employee reception to change, the job training and communication channels for these workers must be enhanced. This analysis (Kim, 2011) alludes to the fact that there is something lacking in the manager-employee communication. The manager-employee communication may be hostile, strained or missing altogether.

ANOSOGNOSIC MANAGERS AND THE INDIRECT CHANGE AFFECT

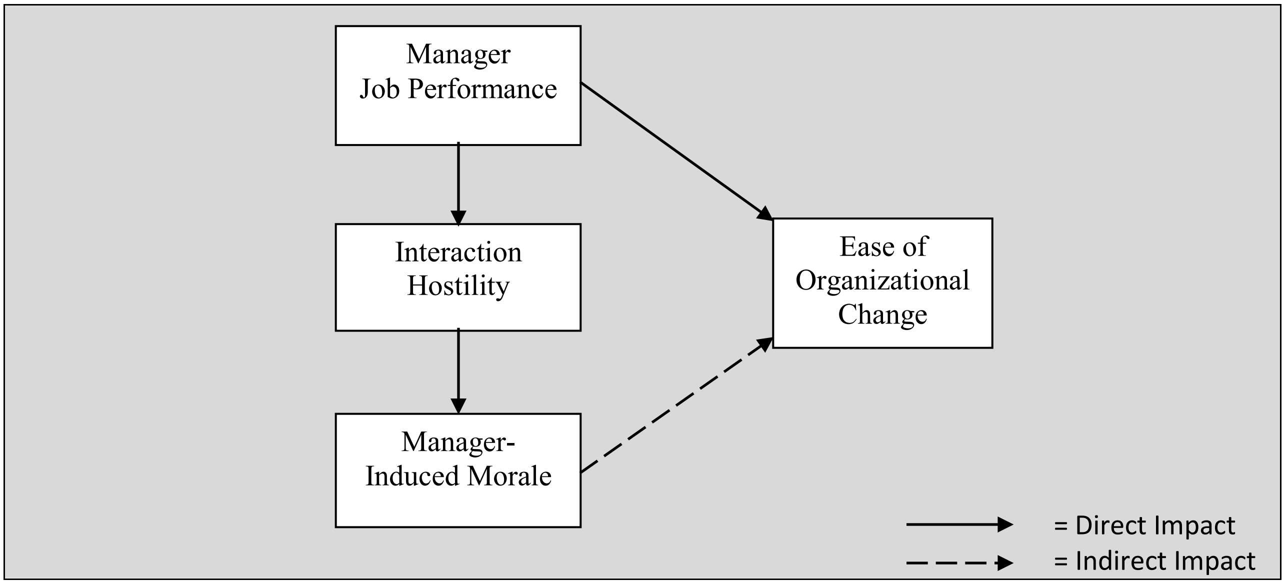
An Anosognosic manager is one who simultaneously possesses managerial ineptitude and the inability to recognize the managerial ineptitude (Parker et al., 2011). The concept of Anosognosia is derived from a Psychiatric disorder of the same name, in which some patients who endure severe physical trauma develop a psychological inability to perceive the resulting disability. The sociological variant of Anosognosia is often called the Dunning-Kruger Effect. The Dunning-Kruger Effect argues that incompetence often hides the awareness of that incompetence (Kruger & Dunning, 1999). Dunning and Kruger (1999) also explain that the type of decision making skills needed to identify the right solutions are also the same type of skills needed to recognize the right solution. Subsequent iterations and applications of the Dunning-Kruger Effect have begun to stray far from the basic elements of the construct: one that there is a profound deficiency and that 2) the subject’s inability to perceive that deficiency. In developing the concept of Anosognosic Management, the researchers chose to maintain the highest degree of theoretical fidelity with the original psychiatric construct.

The specific process through which Anosognosic managers may indirectly impact the ease of organizational change is through there interaction with employees. The first type of manager-employee interaction occurs through the manager’s job performance. Job performance is not typically considered to be a form of interaction. However, when employees witness a manager’s job performance they develop critical perceptions about the manager’s knowledge skills and abilities. Once these critical perceptions have been formed, they create the context in which the employee interacts with the manager.

The second step of the indirect change affect occurs during the manager-employee interaction. Managers interact with employees many times per day. It is important to note that although the employee may bring negative perceptions about the manager to the manager-employee interaction, it is still within the power of the manager to correct or affirm the perceptions of the employ through the interaction. Managers, who are viewed as hostile, inflexible or simply inept, may use daily interactions to correct negative perceptions. If the manager does not correct the negative perceptions of the employee, the employee’s morale may be impacted by long-term negative manager interactions.

Over protracted periods of time, employees may experience deflated morale due to consistently negative interaction with managers. Additionally, the employee may begin to assign the negative attributes of the manager to the organization as a whole simply because of the manager’s role as organization representative. Employees may assume that if a hostile, inflexible and inept manager was selected by the company it must mean that the company is also hostile, inflexible and inept. Figure 1.1 depicts a theoretical model of the direct and indirect impact of Anosognosic managers on the ease of organizational change.

FIGURE 1.1



STUDY METHODOLOGY

This study used a concurrent mixed methods design to examine anosognosic management and organizational change. The concurrent mixed methods design allows for the simultaneous collection of qualitative and quantitative data for a more comprehensive investigation of the research topic (Creswell, 2009:14). This is advantageous in an exploratory analysis such as this one because it provides a more thorough understanding of the phenomenon than if a single method was used separately. The study used a cross-sectional time design, collecting data from subjects at the same point in time; the data were collected in July 2011.

A non-probability, judgmental sample was employed to select study participants in July 2011. Volunteers were selected based on their age and work experience due to the research focus on a specific type of manager. The resulting sample size was relatively small (N=46) but was acceptable due to the mixed method design. The data were collected using face-to-face interviews. Recruitment flyers were posted in six different locations to request volunteer participation. The criteria for inclusion in the study was that each volunteer had to have been over the age of 21, have a minimum of five years of work experience, and be in a non-supervisory role.

Respondents who met the aforementioned criteria were sent (via email) a consent form for their review. Those who expressed further interest in participation were scheduled for in-person interviews. Once verbal consent was given, each participant was assigned a pseudonym to protect privacy. They were then interviewed using a 48 question interview guide. The instrument included a combination of open-ended and closed-ended questions about the participants' experience with Anosognosic Managers.

After the surveys were completed, a Grounded Theory approach was used to extrapolate key concepts from the qualitative data. Axial coding was then used to delineate notable themes and relationships in the data. The creation of thematic networks was used to promote Rhizomatic validity; assuring that rational associations are made between the concepts presented in the data (Creswell, 1998:199) (Findings from the qualitative data are not discussed in this article). The quantitative data were tested using Cronbach's Alpha to assess the internal reliability of the scale and Factor Analysis to test the scale validity. Subsequently, the data were collapsed into appropriate indices.

	Eigen Value	Cronbach's Alpha	Range
Job Performance			
1. Constructing new organizational policies.	.606		
2. Implementing policy for the organization.	.726		
3. Managing collaborations between organizations.	.678		Inept=
4. Managing collaborations within organizations.	.805	.875	10-19
5. Maintaining industry standards.	.760		Functional=
6. Making work schedules.	.868		20-29
7. Resolving employee conflicts.	.819		Proficient=
8. Following HR hiring procedures.	.531		30-40
9. Recruiting new employees.	.453		
10. Following the organization's mission.	.577		
Manager-Induced Employee Morale			
1. Management style affects organizational Effectiveness.	.738		Low=
2. Management style affects employees' effectiveness.	.567	.840	5-9
3. Management style affects employee morale.	.817		Moderate=
4. Management style affects employees' job satisfaction.	.929		10-14
5. Management style affects employees' trust of management.	.856		High= 15-20
Manager-Induced Interaction Hostility (MIIH)			
1. Employees felt they could disagree with LIND without fear of reprisal.	.755		
2. Employees felt they could complain about LIND without fear of reprisal.	.623		
3. Employees respected LIND as a person.	.640		Congenial=
4. Employees would have selected LIND as a manager if they had a choice.	.615	.833	8-15 Strained=
5. LIND knew how to motivate employees in a positive way.	.885		16-23 Hostile=
6. LIND was genuinely interested in employees' professional growth.	.717		24-32
7. LIND was genuinely interested in employees' personal growth.	.730		
8. LIND made decisions in the organization's best interest.	.430		

STUDY FINDINGS

The sample size used in this research was forty-six (46) cases. Females comprised 73.9% (n= 34) of the sample and the majority of the respondents were African-American (87.0%, n= 40). Half of the sample (50%, n= 23) were single, and various fields of employment were represented in this study. The largest discipline represented was 'Other' (54.3%, n= 25), with Healthcare comprising the second largest representation (17.4%, n= 8). Mental Health and Social Work each represented 8.7% of the sample (n= 4) (See Table 1). The study participants' ages ranged from 21-71 years with the mean age being 36 years old (Md= 33, Sd= 11.96). The study participants had several years of employment experience ($\bar{X}$= 16, Md= 13, Sd= 10.75) and most of the study respondents were college educated ($\bar{X}$= 16. Md= 17, Sd= 2.95) See Table-1).

TABLE 1
CHARACTERISTICS OF THE SAMPLE

		n	%
Sex	Male	12	26.1
	Female	34	73.9
	Total	46	100.0
Ethnicity	Black/African American	40	87.0
	Hispanic	1	2.2
	White	4	8.7
	Other	1	2.2
	Total	46	100.0
Marital Status	Married	12	26.1
	Single (never married)	23	50.00
	Divorced	6	13.0
	Other	5	10.9
	Total	46	100.0
Career Field	Healthcare (non-mental health)	8	17.4
	Mental Health	4	8.7
	Social Work	4	8.7
	Law Enforcement	2	4.3
	Education	3	6.5
	Other	25	54.3
	Total	46	100.0

Note: *Table does not include missing data

Of the respondents who reported having worked for Anosognosic managers, the mean score on the perception of manager job performance was 18.7 (n=24). The range of possible scores in the job performance index was from 10, being inept, to 40, being proficient. The findings show that 70.8% of the sample scored 19 or below on this scale. This indicated that the majority of the sample perceived the Anosognosic manager's overall job performance to be inept. Only two scores, a 33 and a 35, fell within the 'proficient' range, representing 8.4% of the sample.

The range of scores in the Manager-Induced Morale index was from 5, being low manager-induced morale, to 20, being high manager-induced morale. The mean score in this index was 8.1 (n= 39). The findings show that 64.1% of the sample scored 9 or below on this scale. This indicated that the majority of the sample perceived the Anosognosic manager as producing low employee morale. The mean score on the Manager-Induced Interaction Hostility index was 23.6 (n= 40). The scores in this index range from 8, being congenial, to 32, being hostile. The findings show that 95.0% of the sample scored 17 or above on this scale. This indicated that the overall sample perceived their interaction with Anosognosic Managers to be strained or hostile. (See Table-2).

TABLE 2
DESCRIPTIVE STATISTICS

	Mean	Median	SD
Age	36	33	11.96
Years Employed	16	13	10.75
Years of Education	16	17	2.95
Job Performance	18.7	18.0	6.31
Manager-Induced Employee Morale	8.1	7.0	2.63
Manager-Induced Interaction Hostility	23.6	24.0	4.81

Pearson's correlation coefficients were computed to determine the bivariate relationships between the study variables. The managers' job performance, the perceived ease of organizational change, Manager-Induced Employee Morale, and the Manager Induced Interaction Hostility all presented statistically significant relationships. Prior to any further discussion of the bivariate correlations, it is important to be aware that perceived ease of organizational change was re-coded into a binary variable for the purpose of this analysis. Re-coding the variable into a binary form produces a point biserial correlation rather than a standard Pearson's r. The point biserial correlation is still a valid measure but does suffer from attenuation due to one of the variable pairs being dichotomized.

The perceived ease of implementing organizational change was correlated with manager's job performance ($r= .728$, $p= .01$), manager-induced employee morale ($r= .428$, $p= .01$) and manager-induced interaction hostility ($r= -.484$, $p= .01$). These correlations suggest that it is more difficult to execute organizational change under a manager with low job performance, and one who induces low employee morale. Additionally, the correlations suggest that it is easier to implement organizational change when the manager-induced interaction is more congenial (See Table 3).

TABLE 3
PEARSON'S PRODUCT MOMENT CORRELATION

	PERF	MIEM	MIIH	OCHG
PERF	1	.511*	-.516*	.728**
MIEM		1	-.476**	.428**
MIIH			1	-.484**
OCHG				1

PERF= Job performance
MIEM= Manager-Induced Employee Morale
OCHG= Ease of Organizational Change (Binary)
MIIH= Manager-Induced Interaction Hostility
**P < .01 *P $\leq$ .05

In addition to the variables that were correlated to the perceived ease of organizational change, there were inverse correlations between job performance and manager-induced interaction hostility (r= -.516, p= .05) as well as an inverse relationship between manager-induced interaction hostility and manager-induced employee morale (r= .476, p= .01). These correlations suggest that as an Anosognosic manager's job performance decreased, the manager-induced interaction hostility increased. These correlations also suggest that as the manager-induced interaction hostility increased, the manager-induced employee morale decreased.

Due to the respondent demographics being heavily non-representative, partial correlations were run, controlling for sex, age, and ethnicity, to determine if there were any situational specificities in the demographic variables that may impact the observed relationships. As Table-5 shows, the correlation between perceived ease of organizational change and job performance were stable when controlling for age and sex. However, the relationship between perceived ease of organizational change and job performance lost significance when controlling for ethnicity (r= .048, p= .910). Additionally, all other correlations lost significance when controlling for age, sex, and ethnicity (See Table-5).

TABLE 4
PARTIAL CORRELATIONS

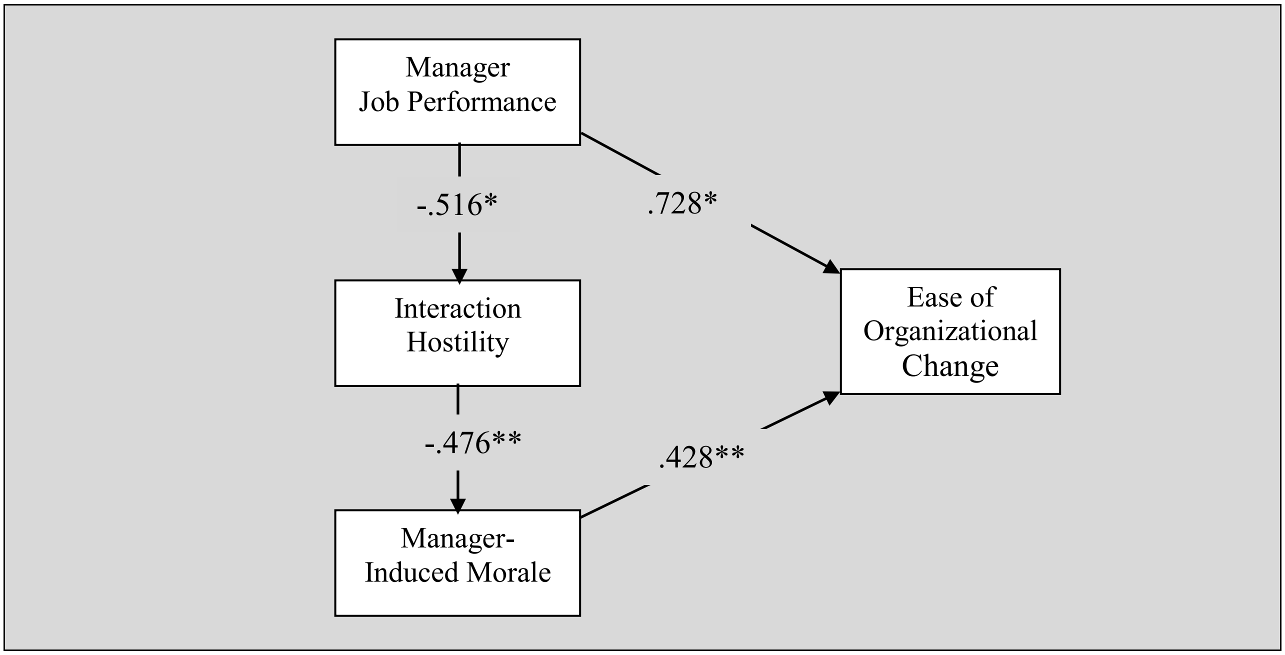
Correlation	Full Model	Controlling for Age	Controlling for Sex	Controlling for Ethnicity
OCHG x PERF	.728**	.710*	.711*	.048
OCHG x MIEM	.428**	-.258	-.236	-.068
OCHG x MIIH	-.484**	-.310	-.167	-.207

PERF= Job performance
OCHG= Ease of Organizational Change (Binary)
MIEM= Manager-Induced Employee Morale
MIIH= Manager-Induced Interaction Hostility
**P < .01 *P ≤ .05

MULTIVARIATE ANALYSIS AND MODELING

The original intent of computing the bivariate associations was as a colinearity diagnostic for a subsequent multivariate or SEM test of the model. The researchers attempted to run both an Ordinary Least Squares (OLS) regression model and Structural Equation Model (SEM). Both multivariate tests were unsuccessful due to the small sample size (N=46). However, Figure 4.1 displays the Pearson Product Moment correlations for the variables in the model.

FIGURE 1.2



Note: Model reflects Pearson Product Moment Correlation

DISCUSSION AND CONCLUSION

This study suffered from several limitations that bare discussion. First, the study used a small sample size with limited the statistical analyses that could be employed. It was not possible to conduct the multivariate analysis which would have provided measures of controlled association for the relationships. The small sample size also prohibited the generalization of the findings to larger populations. In future research, it is recommended that larger sample sizes be used to provide the maximum flexibility in analyzing the data. Another study limitation occurred with respect to demographic representation.

The sample was heavily African-American, female, and highly educated. It is possible that the findings may be represented only among that specific demographic. It is not clear if these correlations can be found among other demographics. In future research, a probability sample is recommended. Using a probability sample would not only allow the researchers to generalize the findings to the population, but also provide a method for determining the sampling error. Despite the limitations of the study, the findings help researchers begin to understand Anosognosic management.

The findings from this study offer several suggestions about the effect of Anosognosic Management on organizations. The findings suggest that Anosognosic managers have the ability to harm organizations in three ways. First, Anosognosic managers can harm organizations by directly impacting an organization's ability to change through their substandard job performance. The same substandard job performance that would be evident in the Anosognosic manager's daily duties would also carry over to the implementation of any organizational change. This limits the organization's ability to adapt to rapidly evolving internal and external situations. Additionally, the findings support the hypothesis that the Anosognosic manager can harm that organization by creating an indirect effect on the organization's ability to implement change. The second way in which the Anosognosic manager can harm the organization is by inhibiting the organization's ability to change through the indirect process.

The process of witnessing manager ineptitude and being subjected to manager-induced interaction hostility can lead to morale problems among employees. Employees with low morale are less likely to embrace organizational change. The culmination of the indirect effect process is the third way in which Anosognosic managers can harm organizations. Anosognosic managers convert employees into disgruntled employees. When considering the cost of low employee productivity, workplace hostility, and employee attrition, Anosognosic management may represent more than a mere administrative inconvenience. Anosognosic management may be more akin to the proverbial screen door on the submarine.

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ABOUT THE AUTHORS

M. Michaux Parker holds a Doctorate in Criminal Justice and is currently an assistant professor of Public Administration at North Carolina Central University where he teaches Statistics, Principles of Management and Research Methods. Dr. Parker's research interests include: gangs, international criminal organizations, globalization, social equity and anosognosic management.

Rasheeda Abdul-Ghaffar holds a Bachelor degree in Communications and a Master of Public Administration degree. Ms. Abdul-Ghaffar's research interests include: policy development, poverty in minority populations, international policy and management.

Keren Ruth Campbell holds a Master of Public Administration degree and is currently a Systems Integration and Technology analyst at Accenture Federal Services. Currently, she is contracted as an enterprise architect for the U.S. Army General Fund Enterprise Business System. Ms. Campbell's research interests include: organizational change, innovation, management, civil service reform, and ethical leadership.

Dalisha Vickers-Johnson holds a Master of Public Administration degree. Ms. Vickers-Johnson's research interests include: policy development, poverty in minority populations, and management.

Influential Managers in the Public Sector: How Can OD Prepare Managers in the Public Sector for Today's Challenging Working Environment

Henry Eric Williams
Benedictine University

Is there a greater need for leadership in the public-sector or is there a need for better management? The correct answer is maybe yes to both. Many theorists describe leaders and managers as two separate and different entities; but in the public-sector there may be a distinct need for both manager and leader as one. This paper will examine the complications faced by managers in the public sector, and how OD methods and intervention techniques can make a difference in the difficult political environment.

INTRODUCTION

During my 30 years of public sector service, 18 of those years were as a mid-level and senior level manager. Being an ambitious individual, prior to becoming a manager, I desired to move up in the agency in order to make a more significant contribution to the organization as a whole. As I pursued my goal, I found it a mystery as to how to qualify myself for various management positions. Prior to becoming a supervisor and shortly afterwards a manager, there was no formal training, educational requirements, organizational development activities or training initiatives in preparation for those leadership positions. Over time I realized that many of the organization leaders lacked the ability to be effective in their ability to motivate and inspire others to follow their vision and direction for the company's success. There were many managers that lacked leadership qualities. This prompt me to research and study various leadership styles in order to determine which skills, traits and behaviors may render a more effective and successful manager in the public sector. Even though there are some distinctive difference between leadership and management there are many similarities.

This study will focus on the similarities of the two. My background as a public-sector manager also provoked me to identify the methods that in my opinion may be more effective in developing influential managers in the future. Nevertheless, for the purposes of this study, through current theory and my years of experience, this paper will attempt to determine some of the key ingredients to developing an effective-successful public-sector manager.

AN OVERVIEW OF MANAGEMENT IN THE PUBLIC-SECTOR

Public-sector like private sector managers both need to provide effective leadership to insure services that encourage the health, safety, independence, and quality of life for their constituents (Dorsey-Oresto, 2009). For this reason, it is of the utmost importance to identify, recruit, educate and retain good influential managers and leaders. This is where the knowledge base of an experienced skilled Organization Development (OD) professional can help any organization, public or private.

The aptitude and capabilities of managers have been connected to a wide range of performance measures and results of studies for some time (Dorsey-Oresto, 2009; Bass and Steidlmeirer, 1998; Howell and Avolio, 1993; Yukl and Tracey, 1992), and numerous measures have been used to categorize managers as well as leaders (Aviles, 2001; Clark, 2003; Hardy, 2004; Ibrahim, Soufani, Poutzious and Lam, 2004; Kaplan, 2001; Yessian, 1995). However, these studies are not being utilized by public-sector managers, HR departments, and OD practitioners, because they do not connect to the overt political environments that plague their agencies. These studies point out the competencies, values and behaviors; while, not pointing out the factors that dominate these agencies such as tenure, seniority, and patriotism which in my opinion, control many decision made by politically appointed leaders in these agencies.

Change in the public sector does not always come easy for individual or for groups. However, it has been found that it is accepted easier when it is administered and supported from the top down regardless of the circumstances. Without a plan on how to foresee future change and implementation when necessary, organizations can become stagnant, moral can suffer, customer satisfaction begins to fall and profits began to shrink. These are some of the obstacles OD professionals face in the public and private sectors when they are brought in to assist organizations with the need to strategically make changes with human capital. However, there are more systemic characteristic changes that public sector agencies face that may make OD interventions more challenging. For example, Alderfer suggests in the public sector systems there is a significant portion of the environment that is overtly political which may have strong norms against many of the values and practices associated with OD work (1977). This is as true today as it was in 1977. Yes, thirty-five years later and these public-sector agencies such as school districts, law enforcements, city halls, and municipalities are still controlled by politicians as opposed to independent managers with the goal of providing the best possible services for their stakeholders, the general public.

DIFFERENCES IN MANAGING IN THE PUBLIC AND PRIVATE SECTORS

To some degree the goals of private sector companies are different than the goals of public sector agencies; therefore, the abilities and qualities needed by company managers can and should be different. They are both governed by stakeholders that demand different results. Private companies answer to owners and stockholders, but public sector organizations and government agencies answer to politician or political appointees. These distinctive differences require managers to develop unique styles on how to succeed in their environment.

According to Baldwin (1987), researchers have found three major differences in managing in a public and private sector organization: (a) private sector goals are primarily set buy economic trends and analysis, as well as the benefits and the bottom line, profits, whereas public sector agencies have to please or fulfill the needs of stakeholders, including politicians and the general public; (b) leadership changes hands more frequently in the public sector than in the private sector due to term limits and political reasons; and (c) public sector employees have better job security due to laws and due process of grievance procedure. In many cases, public employees are given more recognition time credit for their seniority. Twenty-five years later, many of these differences still exist with the exception of how frequent those leadership positions change hands. A public-sector manager's tenure may largely depend on his or her political leverage with the politicians in office at that time.

Baldwin (1987) also stated other differences include how the private sector stresses market incentives and the public sector places more emphasis on the civil service system. In most cases, in private sectors organizations, the mission is well defined and identifiable with the stakeholders; however, in the public sector mission can be more flexible (Patnaik, 2008). If public-sectors missions were identifiable, there may be more accountability; therefore, a better connection to the needs of the public.

Boyatzis (1982) tested a variety of assumptions regarding public-private sector differences and found that managers in the private sector generally have better competency skills in areas such as oral presentation, their ability to express their concerns, and using business concepts effectively. This hinders public sector managers because they must use a more erratic or sporadic decision making process. In his research, Boyatzis found many similarities in both types of organizations; nevertheless, many public sector agencies were found to be more formal in the functions of procurement and human capital than the private sector organizations. This may be largely due to due process and strong grievance processes in place.

When examining the operation of both private and public sector organizations, Kotter (1998) suggested that the leaders on both sides all had vision, motivated followers, and the kind of strategy needed to achieve certain guidelines, and operate well under public and media scrutiny. However, due to the economic condition and government uncertainty, it may be time for current public sector leaders to faces major challenges by being equipped to create ground-breaking and "visionary responsive organization" (Patnaik, 2008). However, even then, this goal can only be accomplished if those visionary public leaders are allowed to act on their visions.

Monetary rewards and other compensation factors are determined differently in the public sector than in the private sector. These factors can hinder the process of attracting and acquiring top level talent in every area including management stock to a public sector organization. Acquiring strong and influential leaders and preparing current employees to take on managerial roles is one of the key focal points of training for OD practitioners.

Internal structures differ between public and private sectors organizations as well. Many corporations in the private sector have oversight by a board of directors and the CEO/President. They are in-turn accountable to the stockholders. Public sector agencies that are subsidized by tax payer funding are governed by elected officials, or an appointed/elected board members. When appointing heads of these agencies they do not choose individuals based on the same qualifications used by private sector recruiters. In many cases, the decision to hire or promote are based on traits other than leadership ability, continuity, or match to a particular team. Some of those traits are loyalty and making political connections. According to Cummings and Worley, these unique abilities give them a distinct advantage over managers that lack the capacity or opportunity to gain the aptitude for these types of endeavors (2009).

SUCCESSFUL AND EFFECTIVE MANAGERIAL LEADERS

Now that we have discussed the difference in public and private sector management, let us take a closer look at what the skills, traits, and tangibles qualities look like in a good public-sector manager. For many years I have been consumed with the argument over what is the difference between management and leadership. The fact that there is a debate insinuates there is a difference, and being a manager does not necessarily make one a leader. During my stint as a public-sector manager, I always thought of myself as a leader, and being a leader was the expectations of my superiors. I often thought how can someone manage, train, motivate, and influence a group of individuals without functioning as a leader. While this was required of me as a manager, I do realize organization demand various duties of their managers and many do not require their managers take on such task.

"Handling all of the complexity of organizational life is what management does" (Stringer, 2002, p. 105). Stringer (2002) also mentioned that effective organizations need managers who can handle the forever changing environments as opposed to just dealing with systems and day-to-day work of their staff. Even though the work and duties may be the same for managers and leaders, the difference is in how they perceive their duties, how they handle their responsibilities, and how they communicate with people (Stringer, 2002). This is why the most successful and most effective managers are good leaders. These are the type of bosses needed in the public-sector.

There are ways to describe a manager's achievements and accomplishments when being classified as a good manager. As we observe the specific qualities that are indicative of a good public-sector manager, one of the most common terms used is "success". Success is usually based on a set of measured accomplishments. Those measures are developed by companies or personal goals and a set of criteria's set forth by an individual or group. It can also be based on one's performance and achievements determined by a performance management tool such as an annual appraisal reviewing process. However, in my experience, successful management or being a successful manager does not mean you are an effective manager. Personal and organization success can be measured through promotions, bonuses and how persuasive you are with the insiders and outsiders; but, these tactics do not necessarily convert into effectiveness within a leaders own group or when real decisions must be made. It has been found that when successful managers give little time and attention to the traditional management activities, it can have negative results. Human resource activities such as planning, decision making, and motivating cannot go unnoticed. Other important responsibilities are staffing, training/developing, and managing conflict (Head, Sorensen & Yaeger, 2007). The political climate within an organization may to a degree determine the level of socializing and political networking necessary to achieve goals in a complex public sector environment.

On the brink of “Financial Armageddon”, the challenges of our time demand skills that are different and more complex (Lu, 2006; Burke & Cooper, 2004; Miles, 1999; Yukl, 2004). Past performances of organizations may not be enough to get the job done in today’s climate. Organization’s must produce a high level of competency and skill to be competitive, successful and effective in the current markets (Jackson, Farndale, & Kakabadse, 2003; Pernick, 2001; Ready & Conger, 2003). Effective and successful leadership is at the nucleus of management for organizational transformation (Bennis & Goldsmith, 2003; Burke, 2002; Cummings, 1999; Gill, 2003; Kotter, 2001; Miller, 2002; Nadler & Heilpern, 1998; Parry & Sinha, 2005). Due to the reluctance to cooperate with change initiatives, transformation in the public sector requires influential and effective managers. Organizations in need of transformation need leaders that understand how to get the job done and posses the ability to build teams with the competencies to facilitate the efforts of their vision (Francis, D., Bessant, J., & Hobday, M., 2003). Miles once wrote, “the ability to orchestrate the fundamental process of transformation in complex organizations has become the ubiquitous challenge of executive in our time (1999, p. 221).”

According to Head, et al, effectiveness is defined as the perceived quantity and quality of the performance of a manager’s unit and his or her subordinates’ satisfaction and commitment; however, the biggest relative contribution to a real manager effectiveness comes from the human oriented activities- communication and importance placed on human resource management (2007). While individual success can be measured through a promotion and dividends, effectiveness is measure by how well you can motivate and work with others. Managers that are true leaders must possess the ability to communicate his or her goals with others and to convince them to follow their direction. The literature suggests, in today’s work force, effective managers must be diverse and possess the aptitude to stay in tuned with the day-to-day functioning of subordinates and peers (Head, et al, 2007).

A manager’s effectiveness is measured in many ways. However, no way is as important as the achievements, accomplishment and the stability an influential manager brings to an organization. In order for a manager to be an effective leader, one must be influential, efficient and successful at accomplishing goals and tasks. “An effect leader is supposed to have a vision, whereas an ineffective leader lacks one”. (DuBrin, P. 96) Vision is what connects effective management to charismatic leadership, because charismatic leaders motivate others to follow their vision and the organization’s mission (DuBrin, 1997). An effective manager must also be able to offer guidance and direction when needed as well as being a good listener with an open mind to the opinions of others. He or she at times must be willing to forgo personal gain for the growth and prosperity of the organization as a whole. In turn, the accomplishments and company achievements that you are responsible for as a manager shall eventually materialize in personal growth and success.

The power of influence is a key ingredient to a managers’ effectiveness. These traits are often found in transformational and charismatic leaders. In many cases, managers have been known to use a variety of persuasive tactics to accomplish their goals; however, those tactics may be situational (Yukl, 1989).

Personal magnetism may help ones’ chance of being chosen for a managerial position or position of power (DuBrin, 1997). Subordinates need to see their leader as being self-confident, not cocky, to ensure those that are following, things are under control. All these qualities are essential for an effective manager.

Finally, leaders that hold the qualities that are indicative of successful and effective traits make the ideal manager in most situations; however, there are just not a large percentage of individuals that have mastered both characteristics on the public or private sector sides. These characteristics require balance in the managerial areas such as communication, networking, human resources management and traditional management responsibilities. In a study by Head, Sorensen and Yaeger, less than 10% of the sample that were both among the top third of successful managers and top third effective managers (2007). This may be largely due to the lack of training and the lack of importance placed on being a well rounded managers.

Two important characteristic traits that seem to be universal in assuring success of a manager in the role of leadership in any environment are ability and motivation. You must have the ability to handle the job, and inspire others to follow your vision; also, the motivation to carry out your vision through not only influence of others, but by showing there is the "desire to make something happen, to change the way things are, to create something that no one else has ever created before" (Kouzes and Posner, P. 15).

LEADERSHIP STYLES FOR EFFECTIVE SUCCESSFUL MANAGERS IN THE PUBLIC SECTOR

James McGregor Burns developed the theory of transformational leader in 1978 through his work with public sector leaders. Burns claimed that for a leader or manager to have a relevant impact on followers, he or she must motivate them to action by engaging to their sense of shared values and their need to be led (Dorsey-Oresto, 2009; and Kuhnert & Lewis, 1987).

Coggburn and Schneider (2003) states that transformational leadership in the public sector should connect with the vision of management and management must behave in a morally and ethically manner. This all sounds good in theory, but it does not appear to work in the "real world". Many managers take on the responsibility of these new positions with ambition and hope; eventually reality sets in and they realize that no matter what they do, in the end there will be very little change. In most cases, managers choose to fall in line with the status quo in order to hold on to their own position.

Even though transformational leadership may be more suited for self-motivated environments, where employees are empowered to take on greater responsibility, it can still be utilized in public sector environments where empowerment is usually not acceptable (Tucker & Russell, 2004). The core of transformational leadership fits in the context of agencies that are not for profit such as public sector organizations (Riggio, Bass, & Orr, 2004). The big question is will the public-sector allow their managers to be transformation in leading their perspective agencies?

Transactional leadership style is quite common in public sector organizations, particularly among line level managers and supervisors. Mangers that display this style of leadership encourage their subordinates to recognize their worth by clarifying their assignment and responsibilities. This is achieved by motivating individuals with rewards and punishments to get what they need from the employee. These antics were very popular in my workplace while working in the public sector. These types of social systems work best with authoritarian type leadership models where the employee's job requires they follow management's lead without question (House & Mitchell, 1974). Questioning authority and challenging the higher acre is not acceptable in the public-sector. In an organization that uses the transactional leadership method, it is understood that everyone involved understands the structure of their position within the agency and there are clear instructions so that the agency's culture remains unharmed (Vroom, 1964; House, 1971). This may be as a result of the constant need to focus on completing tasks which is a common practice in bureaucratic agencies such as public sector organizations (Stone, Russell and Patterson, 2004).

During my tenure in the public sector, I have not had the experience of working with many individuals that I would consider to be charismatic. Those that were viewed as charismatic during the early phase of their stint in public sector management, eventually changed their philosophy or to a degree gave up on creating a culture in the organization that inspire individuals to buy into a vision other than their own personal agenda. The politics of various agencies overwhelm their drive and charisma, which also hindered their ability to be successful and effective in their endeavors.

THE IMPORTANCE OF INFLUENTIAL MANAGEMENT IN THE PUBLIC-SECTOR

Now that we know what a good manager looks like in isolation, let us take a look at their benefits in totality. Good leaders allow themselves to be open to receive information from others. To have great influence one must allow ideas of others to inform them of alternative thoughts and viewpoints. "Influence is simply the process by which people successfully persuade others to follow their advice, suggestions, or orders." (Head, Sorensen & Yaeger, p. 275) With training these techniques can be thought to new managers and nurtured by experienced managers. In many cases, the public sector as well as private managers do not possess the ability for reinforcing these skills or lack the time to nurture a young upcoming executive. This responsibility falls primarily on the OD practitioner who may be the training specialist, someone in charge of talent management or an executive coach.

Once a manager has equipped him or herself with these skills, their ability to persuade and influence their subordinates will improve the effectiveness throughout the organization. When people feel they are being heard and their ideas matter they feel a sense of empowerment. They acquire a sense of ownership of not just their job but to the entire organization. Today, there is a strong need for transformational leaders who can allow the networks that funnel diverse views upward from the lower levels of the organization where a need for change is often first detected (Head, Sorensen & Yaeger, 2007). The need for transformational leaders has become a greater necessity due to the expansion of global business and the diverse workforce. Managers must become more diverse in their ability to function in environments that require them to make decisive decisions. To have earned the power and authority to make crucial decisions through a wide range of choices can make one a successful, effective and influential manager.

In order to become an influential manager in the public sector, it may be equally important to be well diverse and effective with your staff as well as with politicians. Training new manager to excel in both areas can be a difficult task when working with agencies that resist change. According to Yaeger and Sorensen, "any discussion of the role of values in OD needs to address the issue of power, politics and ethics in organizations. Developing political support is the recognition of assessing the power of the change agent, sources of power, and the identification and influencing of key stakeholders." (p. 128) Culture within the organization plays an important role as well. Understanding the culture and where you fit may take an extended amount of time and effort. The right fit is a necessary component in team continuity.

With the help of OD interventions, inter-organizational as well as individual changes may be an easier task; however, making external changes that affect the organization may be difficult. This can be due to political obstacles as well as lack of control by the manager that are pushing for the change. In a political environment change constantly takes place, but it is usually based on an election. When there is a new political official in charge, they may or may not support the previous regime vision; therefore, the process set forth by the OD practitioner may lose support or it may gain support and flourish. In the private sector, the decision-making process is much broader and accountability is more isolated than in public sector organizations. Cummings & Worley suggest that responsibility is more clear-cut in the private sector making the road to effectiveness simpler (2009).

OD's PLACE IN THE PROCESS OF DEVELOPING MANAGERS FOR THE PUBLIC-SECTOR

Many public sector agencies have trouble using OD methods that have worked in the private sector. Agencies such as police and fire departments, schools districts and transit authorities, libraries and government offices, often use qualifying exams and or certification programs for managerial and supervisor positions. However, departments and companies have still been found to be dysfunctional, lack effort, lack education and have low expectations. There is a belief that internal experience and loyalty are far more important than ethic, diverse experience, formal education and training. Alderfer's theories suggest the rise and fall of OD programs in public sector systems are subjected to the agenda of the politically appointed executives (1977).

To understand organizational development, it is important to understand the OD practitioner's role and where they stand within any particular organization. In many organizations, OD is a function within the human resources department in the form of a specialist or as part of the duties assigned to the HR generalist. Those organizations understand the need to manage their human capital responsibly, prepare for constant change and value OD concepts. This can be accomplished in-house as well as through the use of outside consultants. Due to the value that OD experts have brought to organizations, HR managers and OD managers have earned the opportunities for a seat at the table with other C-level executive. They are now a part of the long term planning and policy making teams. Their value will continue to grow as organizations, private and public realize the most important commodity their companies possess is in their human capital. This task can be more difficult for public-sector agencies due to the political ramifications of placing human capital importance over political agendas.

The responsibility of the OD practitioner is to facilitate the process for individuals to obtain a clear understanding of what their capabilities are and where their talents and strength lie. This information allows them to pursue a career that fits their skills and the opportunity to make better choices over the short and long term. Whether filtered through human resources or through an external or internal OD consultant, OD professional's can have a large effect on the need for continues sustainability of an organization as well as continues change. All of which are grounded in human capital, which is the driving force the business.

Once OD is understood and their role is defined throughout the organization, the transformational process can begin. Even though there is a need for individual training to develop leaders for the future and interventions for organizations of all types to equip them to handle the diversity of the present and future, it appears there may be more intervention needed in the public sector. OD practitioners are trained to work with public and private organizations; however, public agencies such police departments, fire departments, school districts, city halls, etc. are not comfortable using methods that are often recommended by OD professionals. There is a sense that these methods and interventions are in conflict with the culture or what has worked for many years within their bureaucratic systems. For an example, giving a director or manager the authority to make decisions or changes without going through the proper channels can be catastrophic to his or her career even if their decision resulted in the best conclusion for the agency. The chain of command is of very importance due to the effects those decisions may have on the public; therefore, everyone must be aware and on board.

Management and leadership development programs are one of the most popular OD interventions aimed at developing talent and increasing employee retention. According to Cummings and Worley, these programs build an individual's skills, socialize leaders in corporate values, and prepare executives for strategic leadership roles (2009). Organizations have found these programs to bring positive short-term and long-term results. However, those positive results come with must less resistance in the private sector than the public sector. This may be due to resistance to change and inability to give up old traditions such as micromanaging.

True leaders have a vision and through their vision they create programs on how to accomplish goals. They have the natural aptitude to communicate with outsiders as well as insiders. These are also characteristics of successful and effective managers. Beer & Walton suggest, amongst their followers, they earn trust through positioning, being reliable, and sticking to their goals; and, they used their own optimism and self-confidence to inspire others (1987). Leaders are also counselors, motivators and innovative which are all qualities that are essential in the public sector. When working under budget and under staffed, it sometimes require creativity. When it is necessary to work through layers of bureaucracy, influential and persuasive talents can be useful. This has been found to be true, particularly in public-sector agencies at all levels

Traditional methods used by the many public sector agencies to hire new managers and to promote from within, maybe at odds with true OD practices. According to Cummings and Worley, OD practitioners need to completely understand the differences between public and private sectors and know OD applications may be challenging due to the complex political and bureaucratic environments (2009). This can also prevent or hinder the process of building a team of influential leaders, as well as persuading promotions and the acquisition of quality human capital process which is a practice that is needed to staff managers with the capacity to lead in today's diverse workforce.

LEADERSHIP/MANAGEMENT INTERVENTIONS

Management and leadership programs, conflict resolution programs, team building and change management in a political environment are all areas that are in need of intervention by OD practitioners for public sector organizations. The affects from many of these interventions may give managers in the public the needed influence to push through programs to accomplish their goals. This type of influence and power gives them the tools they need to be effective and successful. Programs of this type can help provide collaboration for a more positive working attitude and interconnected atmosphere. The first area of attention should be career planning and the development of existing talent. Additional leadership development programs and executive coaching may be necessary as well. "Career planning and development help attract and hold such highly talented people and can increase the chances that their skills and knowledge will be used." (Cummings & Worley, p. 454)

Secondly, as the OD practitioner works to build efficiency and effectiveness within an organization, he or she understands team building starts with "intergroup relations". The better a group works with each other and relates to the whole organization, the more successful they can be. Total buy in to a leader's vision can assist the team building process. The third area of attention is leadership and managing the change process. Organizations have found it beneficial and cost effective to plan change. OD practitioners train and continue to advise manager on how to put into practice change processes throughout their organizations. According to Cummings and Worley, five of the major areas of activities used to managing change are motivating the change process itself, creating a vision, developing political support, managing transition and sustaining the momentum (2009). All these areas can assist managers in becoming more effective successful leaders.

In many agencies, private and public, executive training and leadership development has become a top priority (Lu, 2006; Buus, & Saslow, 2005; Higgs and Rowland, 2002). These organizations have recognized the need to develop talent that match the organization's mission, vision, values and culture (Buus, & Saslow, 2005; Silzer, 2004). Therefore, these development programs must correlate with the organizational vision with a clear purpose, goal, and hopes (Gandossy & Effron, 2004). Knowing training and development can be a costly venture for any organization, the necessity to design a program with training objective are tied to the organizations goals are important to the program's success (Silzer, 2004). To excel in any environment, organizations must develop future leaders to guide organizations through change and doubt that has infested public sector and government agencies today (Buus, & Saslow, 2005).

Finally, the private sector first level of responsibility is to the shareholders and its team of executive managers. In many cases, the key to satisfaction of shareholders lie in the profits and stability. Accountability is more direct and usually easily followed through an organizational chart. In the public sector, an important area of concentration is the ability to work with and understand internal and external politics. Public sectors companies' first responsibility is to the good of the general public, and they are governed by laws that maintain their commitment to the public. These laws are established by federal, state and local elected officials who require a little more attention to be given to power and politics. The chain of accountability is not so direct, and is different based on many variables such as federal, state, city or what services the agency offers. However, the real responsibility is to the stakeholder, the public.

CONCLUSION

The need for effective leadership in the public-sector and better management is still prevalent today as it was decades ago. To describe leaders and managers as two separate and different entities may be a thing of the past in the public-sector settings. After examining the complications faced by managers in the public sector, and how OD methods and intervention techniques can make a difference in a difficult political environment, the next step would be to test these conceptual findings with empirical data. These tests should be set to determine how success, influence and effectiveness of a manager can be measured. It may be more beneficial to analyze data through a mixed-methodology quantitative/qualitative collection model. More conclusive information can be determined by collecting data that offers the ability to quantify the traits, skills and personality characteristics of various management, and leadership competencies and values. This information will help researchers go beneath the surface to help organizations design programs to determine what it takes to acquire, develop, and retain good managers.

Another area for future research would be to collect data from both public and private sector organizations to determine if there is truly any difference in ability of managers in areas and which competencies, traits, values and skills of cross both entities. Finally, it may be beneficial to take a deeper look into the public sector and governmental agencies and compare small and large agencies to determine if there are any differences in the needs of their leaders and managers.

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