Strategic Leadership in New York City Public Housing Reform: Blending an Organizational and Institutional Approach in *Plan NYCHA*: *A Roadmap for Preservation*

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Abstract

The New York City Housing Authority's (NYCHA) mission since 1934 has been to "provide decent and affordable housing in a safe and secure living environment for low and moderate-income residents throughout the five boroughs" (nyc.gov/nycha) through conventional public housing and other related programs such as Section 8 . However, as the current global economic climate has become the new "normal" and seemingly changed the expectations and capacity of government indefinitely, NYCHA has faced an unprecedented budget shortfall and is finding it more difficult than ever to fulfill its mandate. In order to strategically address issues such as the deterioration of its housing assets or resident perceptions of the safety of their buildings, the Bloomberg Administration developed *Plan NYCHA: A Roadmap for Preservation* (*Plan NYCHA*) in 2011 as a means of reforming the nation's oldest and largest public housing system. This article analyzes the reform strategies developed in the City of New York's *Plan NYCHA*, and specifically aims to assess the balance of organizational and institutional approaches used to improve the nation's largest housing system through its Ten Imperatives. While organizational reforms aim to improve instrumental efficiency, institutional considerations are more inclusive of the organization's cultural, normative, and cognitive environment and provide a sense of meaning for actors beyond technical demands. As NYCHA works to improve its efficiency and perceptions of its efficacy and legitimacy, understanding this balanced approach may prove to be vital for the success of its reform over the short and long term future.

Keywords: leadership, organizations, institutions, housing, reform, NYCHA

1. Introduction: *Plan NYCHA: A Roadmap for Preservation*

Public management in urban settings has always provided a more complex set of considerations for the political and administrative leaders charged with serving their citizenry. The economic, human and social capital benefits generated by dense metropolitan climates are often undermined by problems such as crime, high unemployment, low quality education, a lack of affordable housing, and in some instances, corruption and the mismanagement of public resources. New York City has been a perennial laboratory for policies and programs aimed at solving many of these "wicked problems" (Harmon and Mayer 1986) and over the course of its history, the city's ability to provide

housing for its low income residents has consistently proven to be a challenge. With over eight million residents in one of the most geographically constricting urban landscapes in the world, New York City leaders are extremely limited in the options they have for accommodating the housing needs of all of its citizens, let alone those who are restricted by their socioeconomic status.

The New York City Housing Authority's (NYCHA) mission since 1934 has been to "provide decent and affordable housing in a safe and secure living environment for low and moderate-income residents throughout the five boroughs" (nyc.gov/nycha) through conventional public housing and other related programs such as Section 8. However, as the current global economic climate has become the new "normal" and seemingly changed the expec-

tations and capacity of government indefinitely, NYCHA has faced an unprecedented budget shortfall and is finding it more difficult than ever to fulfill its mandate; its current housing stock is deteriorating from a lack of basic and comprehensive maintenance, many of its communities are havens for criminal activity, and its conventional public housing and Section 8 waiting lists have swelled to 167,000 and 123,000 families respectively. In order to strategically address these issues and others that have caused both residents and public officials alike to question the efficacy of the agency, the Bloomberg Administration developed *Plan NYCHA: A Roadmap for Preservation* (Plan NYCHA) in 2011 as a means of reforming the nation's oldest and largest public housing system. Guided by ten comprehensive imperatives – from "Preserve the public and affordable housing asset" to "Improve safety and security" – Plan NYCHA reflects a concerted effort to improve the organization's rationally-based structure and processes, as well the normative values, culture, rituals, and symbols in the institutionalized environment that produce a sense of meaning for public administrators and the citizens they serve.

For public leaders intent on realigning an organization's strategic approach in an era of limits (Koteen 1997), one of the primary challenges remains grounded in determining what mixture of efficiency-based and normative/value-based reform is appropriate considering their mandates to instrumentally "produce," and the "health" of the cultural environment in which the institution-citizen interaction takes place. Unfortunately, many reform efforts operate under the assumption that there is no distinction between the two approaches, or simply fixing an organization structurally/procedurally will have a spillover affect externally and kill the proverbial two birds with one stone. However, if not carefully addressed in strategic reform, institutional issues related to the cultural and normative aspects of an organization and its relation with the external environment can undermine a shared belief in its appropriateness and its legitimacy. Meyer and Rowan (1977: 341) frame this dilemma by asserting "conformity to institutionalized rules often conflicts sharply with efficiency criteria and, conversely, to coordinate and control activity in order to promote efficiency undermines an organization's ceremonial conformity and sacrifices its support and legitimacy".

This article analyzes the reform strategies developed in the City of New York's Plan NYCHA, and specifically aims to assess the balance of organizational and institutional approaches used to improve the nation's largest housing system through its ten Imperatives. First, a discussion on organizations, institutions, and reform therein will serve to provide a conceptual foundation for the rest of the article. While an expansive examination of the development of organization theory is beyond the scope

of this analysis, briefly highlighting some of the notable conceptualizations of *organization* will aid in clarifying its commonly identified components and its utilitarian function. The influential work of Philip Selznick (1948, 1957) is particularly critical to the framework for this assessment as his differentiation of *organization* and *institution* serves as an intellectual bridge between two distinct theoretical assumptions and reform platforms. Whereas organizations are treated as tools for rational, coordinated action, "Organizations can be said to be institutionalized insofar as their behavior is determined by culturally conditioned rules which manifest themselves in certain routines for action and which give meaning to those actions" (Brunnson and Olsen 1993: 4). Understanding this distinction plays a critical role in providing an analytical assessment of the type of strategies used in NYCHA's reform approach.

Next, a content analysis of *Plan NYCHA: A Roadmap for Preservation* using categorical aggregation will allow us to discern the comparative level (numerically) of organizational and institutional reforms developed between and within each of the ten Imperatives, while we can also discern the magnitude and meaning of their importance through direct interpretation (Stake 1995). On the surface, the problems faced by NYCHA can be at least addressed, if not remedied, through more efficient structures and processes harbored in the formal organization (Barnard 1938; Meyer and Rowan 1977; Ingram 1995). According to Plan NYCHA, three primary challenges framed their five-year plan: the new fiscal environment, a deteriorating housing stock, and an increase in the number of families and population groups (elderly, unemployed, etc.) needing housing services and other related assistance (NYCHA 2011). Despite political and administrative leadership championing a "more efficient and customer-focused New York City Housing Authority" (NYCHA 2011: 3) in the aftermath of the reform, NYCHA has been subject to scrutiny for neglecting many of the normative values embedded in its public housing communities (collaboration, safety, inclusion, equity, and opportunity, to name a few) that go beyond a demand for more efficient processes. For the stakeholders within and external to NYCHA, the value-orientations that bind *how* the reforms and change are developed and implemented can come to symbolize a cultural modification that yields a more collaborative and cognizant institution. This type of institutional analysis is important according to Scott (1987: 504), who claims "When a new structural pattern is voluntarily adopted by organizational mangers… then analysts must attempt to rule out an obvious competing explanation: that the changes are embraced for efficiency reasons".

This article will conclude with a discussion on what lessons can be extracted from the analysis, particularly focusing on how some of NYCHA's actions since the adoption of the reform document may be undermining their efforts.

2. Organizations, institutions, and reform

2.1. Establishing an organizational baseline

The terms "organization" and "institution" are often used interchangeably in non-academic circles, and understandably so given the connotation of structure, permanence, and routine associated with each concept. As organizational studies have continually expanded both the theoretical constructs and empirical evidence available to scholars and practitioners over the course of the 20th century, our understanding of their underlying differences have become easier to distinguish as institutional theory gained significant traction during the 1970's (Scott 1995). This growing demarcation between the two related concepts stems in part from a belief in the interconnected nature between an organization and its environment, and that open systems theory provided an interpretation of institutions which "transformed existing approaches by insisting on the importance of the wider context… as it constrains, shapes, and penetrates the organization" (Scott 1995: xiv). This of course, is a normative contrast to the theories posed by early organization theory and administrative scholars such as Max Weber, Dwight Waldo, Chester Barnard, and Philip Selznick, who each highlighted the instrumental nature of organizations that seemingly held the most descriptive power during the late 19th and early 20th century. The work of Max Weber is often regarded as "both a good and a poor place to begin" (Harmon and Mayer 1986: 68) when attempting to establish a baseline for understanding the nature of organizations. It is considered valuable in part because his thoughts on bureaucracy are widely noted as the foundational rubric by which all organizational forms and development are assessed; conversely, many scholars view his contributions with some reservation as access to his complete catalog has been limited–leading to the belief in some circles that we are still unable to completely contextualize his articulations beyond an "ideal type" without any degree of certainty (Harmon and Mayer 1986: 68-69).

Critical to Weber's seminal perspective of bureaucracy was the belief in rational action, or as Weber noted, "A person acts rationally in the 'means-end' sense when his action is guided by consideration of ends, means and secondary consequences… In short, then, his action is *neither* affectively determined (and especially not emotionally determined) nor traditional" (Harmon and Meyer 1986: 76, emphasis in original). Rational action, according to Weber, provided the bureaucratic organization with the knowledge necessary to execute its tasks efficiently, and perhaps more importantly, allowed for the aggregation of social power and control. As quoted in Harmon and Mayer (1986: 78) Weber asserted "Bureaucratic administration means fundamentally domination through knowledge. This is the feature which makes it specifically rational. This consists on the one hand in technical knowledge which, by itself, is sufficient to ensure it a position of extraordinary power. But in addition to this, bureaucratic organizations… have the tendency to increase their power still further by the knowledge growing out of experience in the service".

The posthumous translation of Weber's work prevented many of organization theorists of the early and mid 20th century from benefiting from his normative construction, and yet, when we examine some of the sentiments on organization posited by later theorists, we can see that the industrial and Progressive Era developments yielded a common interpretation guided by instrumentalism. According to Waldo (1955: 6) *organization* can be defined as "the structure of authoritative and habitual personal interrelations in an administrative system," where Barnard (1938: 73) held that "A formal organization is a system of consciously coordinated activities or forces of two or more people". The predictability and continuity afforded by rationalized policies, procedures, and carefully determined structures for the differentiation tasks became the hallmarks of the formal organization identified by Barnard, and much like the sentiments outlined by Weber, Selznick (1948: 25) added that they are "the structural expression of rational action. The mobilization of technical and managerial skills requires a pattern of coordination, a systematic order of positions and duties which defines a chain of command and makes possible the administrative integration of specialized functions". In Selznick's view, the instrumental nature of the formal organization could be analytically viewed as two types of systems: an *economy* and an *adaptive social structure.* The former interpretation is of immediate significance as Selznick contends that here the organization is an arena for technical and instrumental activity where coordinated action and managerial decision-making aim to efficiently and effectively utilize scarce resources. Perhaps Selznick's (1957: 5) proceeding seminal work *Leadership in Administration* most aptly frames the concept by concluding "The term 'organization'… suggests a certain bareness, a lean, no-nonsense system of consciously coordinated activities. It refers to an *expendable tool*, a rational instrument engineered to do a job". Over the course of an organization's life, given its machine-like execution of its rationalized tasks, it engages in a process *formalization* that ultimately mitigates the need for individualized decision-making based on personal attributes; instead, decisions are made based on "pre-packaged" routines regardless of the personnel and leadership capabilities (Selznick 1957). Given its Latin origin, *organon*, meaning "tool," (Boleman and Deal 2007) Selznick's portrayal of the formal organization paints a lucid picture of its construction, utility, and instrumental purpose.

2.2. The impact of the organization on non-instrumental values

For all of its success in enhancing the productive capabilities of the industrial world, some scholars argued that the proliferation of the organization, formalization, and its efficiency based value-orientation may have actually dissolved traditional social codes and bonds that have served as the adhesive for collective action and belongingness. In his commentary on Luther Gulick's classic essay *Notes on the Theory of Organization*, Davis (1996) provides an alternative illustration of the impact rationality had on non-instrumental values within the organization:

In Gulick's orientation, the basic purpose of organization from the administrative management perspective is efficiency… Thus efficient operations become an inevitabilityin organization instead of simply being 'the' value that Gulick insists all administrators should strive to choose. The adoption of his model actually builds in efficient operations. Thus the normative choice of values other than efficiency is eliminated. Not only are other values subordinated or even foreclosed by efficient operations, but also efficiency's predominance presents serious implications for humans employed in functional organizations premised on Gulick's theory.

Davis conceptualizes efficiency as *reified activity*, or ideology, and argues that this emphasis on instrumentalism has deleterious effects on the humans who engage in organizational actions as it creates a myopic reality. He argues "in other words, work experience for humans consists essentially of no more than the sheer exercise of abstract calculation and manipulation of means and ends as appropriate to one's task in the organization… At base, reified activity therefore refers to the treatment of the activities of humans and their interactions as impersonal objects" (Davis 1996: 22). Whyte's (1956) *The Organization Man*was in part devoted to the effects of industrialization and bureaucratization on cooperation and belongingness, the latter of which is embedded in human kind's natural desires. The organization's penchant for productivity, it seems, misplaced a historically social tradition and human need for interconnectivity and association. In quoting Tannenbaum (1951), Whyte argues (1956: 41):

The industrial revolution destroyed the solid moorings of an older way of life and cast the helpless workers adrift in a strange and difficult world. The peasant who had been reared in the intimacy of a small village… now found himself isolated and bewildered in a city crowded with strangers and indifferent to common rule. The symbolic universe that had patterned the ways of men across the ages in village, manor, or guild had disappeared. This is the great moral tragedy of the industrial system. [emphasis added]

Organizational theorist commonly acknowledge this attention to belongingness and the impact of social needs as part of the Behavioral School of thought (Anthony and Hodge 1988), but the implications were far greater as institutional theory began to develop a more comprehensive perspective of the symbiotic nature between human behavior, social values, the symbolic meaning of actions, cultural norms, and organizational effectiveness. While Selznick's intellectual currency is extremely valuable for his contributions on the formal organization, his early ability to convey the limitations of its efficiency-based components as an indicator of survival and effectiveness proved to be indispensible. The benefits of rationalization and structure were limited if non-rational considerations were neglected, and using the work of Barnard's (1938) concept of the *informal organization* as a springboard, Selznick proclaimed the functional organization needs to be an *adaptive social structure*, cognizant of social values, norms and their impact on internal performance. Selznick notes (1948: 26),

it is recognized that control and consent cannot be divorced even within formally authoritarian structures… From the standpoint of organization as a formal system, persons are viewed functionally, in respect to their roles… But in fact individuals have a propensity to resist depersonalization, to spill over the boundaries of their segmentary roles, to participate as wholes… The whole individual raises new problems for the organization, partly because of the needs of his own personality, partly because he brings with him a set of established habits as well, perhaps, as commitments to special groups outside of the organization. [emphasis in original]

From his perspective the effectiveness of the formal organization was interrelated with the individual's willingness to contribute to the cooperative system, or consent, given the organizations acknowledgement of his or her habits and value commitments grounded in the external world. In other words, the organization itself must adapt to the non-rational based elements of the human experience "in order to explain the context of and deviations from the formal systems of delegation and coordination" (Selznick 1948: 28).This recognition is the key to the concept of *institution* in its various forms (e.g. institutionalization, institutionalized, etc.) as posited by Selznick, and later, by institutional theorists (Meyer and Rowan 1977; March and Olsen 1984; Zucker 1987). Building upon this analytical foundation, Selznick (1957: 5) suggests "an 'institution'…, is more nearly a natural product of social needs and pressures – a responsive, adaptive organism". This adaptive nature is more than simply "smoothing over" conflict or difficulties with individuals, groups, or other organizations upon which its existence is dependent in order to maintain a positive image or remain politically viable; rather, Selz-

nick purports an institutional approach to administrative action is a process of instilling the organization with values beyond the technical requirementsas it "comes to symbolize the community's aspirations, its sense of identity" (Selznick 1957: 19).

2.3. Institutions and reform

In many ways, as Selznick and other scholars before him argued, the organization was considered social merely for its ubiquitous presence and ability to control individuals in society that are subjected to its efficient operations. However, while even early institutional thought was predicated on the formal aspects of organizations (March and Olsen 1983), it was analytically and functionally unique because its essence was predicated on a belief that the social beliefs and values individuals hold ultimately influence organizational behavior and the effectiveness of its productive capabilities. In 1940, Harvey Pinney's "The Institutional Man" purported that "Institution is necessarily social" (Pinney 1940: 545) and that the effectiveness of the organization is critically tied to a continuity of values and norms between group members. According to Pinney (1940: 546) "The more homogeneous the group, the more tightly knit the organization, the more rigidly precise its doctrinal system of values, the more clear cut are the margins delineating norms of behavior… To anticipate briefly, this behavior we call 'normal' is essentially institutional behavior".

During the late 1970s and 1980s, the institutional literature began to differentiate schools of thought, suggesting that the focus on the elements of an organization's technical environment – its productive capacities, regulations, processes, and "rules of the game" that facilitate performance – resided with the "old" orientation (North 1990; Knight 1992; Orru et al. 1991; Selznick 1996), while its ability to adapt to and integrate exogenous social forces resembled "new" principles and considerations. Scott (1987) conceptualizes the new emphasis as having as having four "faces," or approaches, in its view of institutions: institutionalization as a process of instilling value; institutionalization as a process of creating reality; institutional systems as a class of elements; and, institutions as distinct social spheres. The first interpretation is based on the work of Selznick and holds that the organization becomes institutionalized as it infuses value beyond its instrumental utility, and happens over time. When considered a process of creating reality, Scott (1987: 495) notes the importance of an organization's history and the long-term implications of institutionalization. When actors take action based on a shared interpretation of the social order, "actions become repeated over time and are assigned similar meanings by self and others" and thus become a taken for granted social reality. The third view of institutional theory holds that institutionalized belief systems account for organizational structures

by identifying social purposes and the appropriate means to achieve them. In referencing Meyer and Rowan's (1977) influential work, Scott (1987: 498) asserts that "salient features of organizational environment are reconceptualized. In contrast to prevailing theories of organizational environments… that call attention primarily to technical environments… the new formulation stresses the role played by cultural elements – symbols, cognitive systems, [and] beliefs". Finally, institutions as distinct social spheres interprets, builds on each of the aforementioned approaches in its emphasis on the importance of cognitive and normative systems, but distinguishes itself by assuming these "institutional logics" vary given the individual and organizational context. In this view, the institutional analyst must "study why the institutional arenas are patterned in the way that they are or the conditions under which new institutional forms develop" (Scott 1987: 501).

DiMaggio and Powell's (1983) widely cited work provided additional analytical clarity by asserting that institutions undergo various forms of *isomorphism*, or conformity, because organizations are not instrumentally insulated from the outside world. Organizations must take into account other organizations because "Organizations compete not just for resources and customers, but for political power and institutional legitimacy, for social as well as economic fitness" (DiMaggio and Powell 1983: 150). In recognizing this reality, new institutionalism "departs from… technically oriented approaches [of organizational analysis] by turning our attention to institutional environments" (Orru et al 1991: 361) in order to understand how organizations conform to social rules and rituals (Meyer and Rowan 1977; DiMaggio and Powell 1983). Under this assumption, organizational effectiveness and sustainability is perhaps more dependent upon acknowledging the meaning individuals (both within and external to an organization) associate with myths, ceremonies, symbols and the role they play in the social acceptance of its purpose and actions than the criteria it establishes for efficiency.

To illustrate this point in a practical sense, many public organizations have made a strategic effort to distance themselves from the myths and symbols associated with bureaucratic ineptitude by injecting many of the artifacts, methods and cultural values associated with the private sector – much of which centers around the idea of the citizen as a "customer". From trash collection to applying for a driver's license, many government agencies are "rebranding" the way in which they conduct public business to reflect the service orientation of their private counterpart. While the common citizen may not be able to objectively discern whether or not its local Department of Motor Vehicles (perhaps the public organization that generates the most myths regarding performance) is technically efficient, their experience with such an organization plays

heavily into their perception and belief in its efficacy. As such, the adoption of "customer service centers" or "one-stop shopping" processes and venues in many Department of Motor Vehicle offices (and other public organizations) integrates the social myth that private-based practices are in fact more efficient (see Goodsell 2004); as Meyer and Rowan (1977: 344) assert "Quite apart from their efficiency, such institutionalized techniques establish an organization as appropriate, rational, and modern. Their use displays responsibility and avoids claims of negligence". The belief that government should serve its "customers" rather than oppress or hinder its citizens is congruent with the institutionalized beliefs that exist in many social contexts, and therefore many organizations adapt their internal behaviors to gain acceptance and legitimacy – especially when long lines, filling out of documents and other regulative artifacts have historically served to frame the experience an individual may have in a public agency when receiving services. The utilization of terms like "customer" are intended to symbolize both an internal emphasis on efficiency, but also an institutional awareness that such an approach is what citizens believe to be appropriate when engaging with a public bureaucracy.

Public organizations are increasingly recognizing the power of their institutionalized environments (both positively and negatively) and are aiming to strategically align reform efforts to reflect a more integrated approach to the services they offer and expectations of their performance. As a result, bureaucratic and political leaders are engaging in reform at all levels of government that aim to address instrumental/technical deficiencies within public organizations while also considering institutional considerations such as: the public's perception of how decisions are made; what is at stake both internally and externally in organizational reform efforts; how change takes place and the meaning derived from the processes utilized and; when structures are likely to change, and how will this impact their social reality both symbolically and pragmatically (Brunnson and Olsen 1993: 25). Given this distinction, the following interpretation of institutions and reform hold valuable analytical power for the proceeding assessment of Plan NYCHA: "Institutions are bearers of meanings, norms and ideas. Reforms and institutional change processes are thus the part of a historical-cultural definition process which gives meaning and order to our perceptions of society and social development. Reform processes can affect what participants and observers regard as possible, true and right" (Brunnson and Olsen 1993: 13).

3. Methodology

This qualitative intrinsic case study (Stake 1995) is reliant upon the review of *Plan NYCHA: A Roadmap for Preservation* in order to unveil the balance of both orga-

nizational and institutional strategic imperatives in the housing authority's reform approach. According to Stake (1995: 3) intrinsic case studies are useful "not because by studying it we learn about other cases or about some general problem, but because we need to learn about that particular case". However, given New York City's size and the scope of NYCHA's challenges and responsibilities, the assertions gleaned from this document analysis can provide organizations in similar institutional fields with a comparative basis to address their own reform strategies, if even in a piecemeal, non-generalizable manner. However, it should be noted that this analysis is intended to assess the strategic foundation of the reforms, and not their short/long term impact on the organization's internal efficiency or the communities they serve. As such, this document analysis examined Plan NYCHA by evaluating the content of the ten Imperatives and their underlying goals and objectives (categorized by NYCHA as *NOW* and *LONGER TERM* to differentiate timeframe).

The coding process was based on the direct interpretation (Stake 1995) of the language used to describe the proposed actions within each imperative, and whether it reflected an *organizational* or *institutional* reform. Given the discussion provided above on the nature of organizations and institutions, proposed Imperative actions predicated on the former concept were identified by terms and language reflective of: allocation, assessment, coordination, economy, efficiency, goals, information, methods, objectives, operations, outcomes, performance, personnel, process, regulations, resources, rules, strategy, structure, and systems. *Institutional* goals, objectives, and actions were categorized by an interpretation of language related to: appropriateness, beliefs, community, culture, environment, interaction, interconnectivity, interdependence, meaning, myths, norms, perception, social, symbols, and values.

As indicated in the Categorical Aggregation Tables (Table 1 & Table 2) the Imperatives included in Plan NYCHA are as follows: Preserve the public and affordable housing asset; Develop new mixed-use, mixed-income housing and resources; Ensure financial stability; Expedite maintenance and repairs; Strengthen the frontline; Improve safety and security; Optimize apartment usage and ensure rental equity; Connect residents and communities to critical services; Excel in customer service; and Create a high-performing NYCHA. Any goal, proposed action, objective, or program within an Imperative that reflected an organizational or institutional-based reform was identified as such and aggregated with all other instances within each category to provide a numerical visualization of the strategic approach used. Where a given reform qualified as both an organizational and institutional measure, it was tallied as an instance in both categories. As such, the "Total" column in each table reflects the number of reforms

Initiative	Organizational	Institutional	Total
Preserve the public and affordable housing asset	7	0	7
Develop new mixed-use, mixed-income housing and resources	5	1	5
Ensure financial stability	1	0	1
Expedite maintenance and repairs	7	0	7
Strengthen the frontline	8	4	9
Improve safety and security	7	3	8
Optimize apartment usage and ensure rental equity	4	2	5
Connect residents and communities to critical services	4	7	9
Excel in customer service	6	5	6
Create a high-performing NYCHA	3	3	4
Total	**52**	**25**	**61**

Table 1: Categorical Aggregation – Plan NYCHA „NOW" Reforms, Goals, Objectives and Actions

Initiative	Organizational	Institutional	Total
Preserve the public and affordable housing asset	6	4	6
Develop new mixed-use, mixed-income housing and resources	6	2	6
Ensure financial stability	1	0	1
Expedite maintenance and repairs	5	0	5
Strengthen the frontline	3	1	3
Improve safety and security	1	6	6
Optimize apartment usage and ensure rental equity	3	1	4
Connect residents and communities to critical services	2	2	3
Excel in customer service	6	6	7
Create a high-performing NYCHA	3	2	3
Total	**36**	**24**	**44**

Table 2: Categorical Aggregation – Plan NYCHA „LONGER TERM" Reforms, Goals, Objectives and Actions

proposed by NYCHA for each Imperative, not the sum of organizational and institutional reforms identified. For example, the "Develop new mixed-use, mixed-income housing and resources" consisted of five (5) total reforms, goals, objectives, and actions to be initiated by NYCHA; of the five, each reform had an organizational sentiment, while only one of the reforms was institutional in nature. This implies that one reform was strategically aligned around both organizational and institutional principles.

In order to ensure the reliability of the coding process, investigator triangulation was employed. According to Stake (1995: 112-113), "To gain the needed confirmation, to increase credence in the interpretation, to demonstrate commonality of an assertion, the researcher can use… *investigator triangulation*, [where] other researchers take a look at the same scene or phenomenon," and in this instance, two investigators examined the document as a means of intercoder reliability. Following the indepen-

dent coding by each investigator, results were compared using a sample of data to determine the accuracy between the coders, thereby ensuring objectivity (Austin and Pinkleton 2001). Finally, the descriptive and background content that preceded and followed the bullet point lists of *NOW* and *LONGER TERM* proposed reforms within each imperative was used only to contextualize the reforms or to further clarify the nature of a specific goal, objective or action, but was not coded or counted in the aggregation of the data. For example, in describing the challenges faced by NYCHA in the "Develop new mixed-use, mixed-income housing and resources" Imperative, the document reads "While NYCHA is not in a position to be the sole financier of new government subsidized housing, it can use its resources smartly to assist in… Examining retail opportunities that will provide employment for NYCHA residents and serve NYCHA communities" (Plan NYCHA 2011: 15). This can be interpreted as an institutional reform given its non-instrumental approach to integrating

community values and needs into its organization, but was not identified under the strategic categories *NOW* or *LONGER TERM.*

4. Findings and discussion

4.1. Reform analysis – NOW

The content analysis of Plan NYCHA yielded two sets of coded data that shed light on the housing authority's strategic approach to reform. Both Categorical Aggregation Tables reflect the number of instances *organizational* and *institutional* reforms were observed in the document's ten Imperatives; Table 1 highlights NYCHA's reforms to be implemented immediately (*NOW*), while Table 2 illustrates measures it intends to develop and institute presumably over the five-year life of the document (*LONGER TERM*). In examining the first table, a total of 61 reforms were proposed by NYCHA, with 52 exhibiting *organizational* qualities compared to the 25 that were *institutional*-based. Imperative Five "Strengthen the frontline" and Imperative Eight "Connect residents and communities to critical services" yielded the highest number of reforms with nine each, and Imperative One "Preserve the public and affordable housing asset" registered seven (all *organizational*). While Imperative Eight was composed of only four *organizational* reforms, eight were identified within Imperative Five. Given NYCHA's desire to "become an efficient, high-productivity organization… [that] will incorporate best practices from property management companies to provide excellent service and high-quality management throughout its portfolio," (Plan NYCHA 2011: 24) the housing authority's heavy emphasis on productivity-based reforms in Imperative Five reflects the *organizational* belief that its frontline workers are a key component of internal efficiency and goal attainment. Reform strategies such as: *Make an immediate investment in frontline operations by adding more than 100 frontline employees* (operations, personnel, resources); *Generate savings that can be reallocated to support critical operating needs* (allocation, economy, operations, resources) and; *Identify areas for enhanced operating efficiency and effectiveness through process and organization redesign* (efficiency, effectiveness, operations, organization, process, structure) embody an *organizational* reform approach and make strategic sense given the nature of frontline responsibilities, which include janitorial services, maintenance and repairs, and grounds-keeping.

Imperative One "Preserve the public and affordable housing asset," on the other hand, adopted a total of seven reforms – none of which were of the *institutional* variety. In examining the background content on the Imperative, NYCHA's perspective on the nature of one of its primary problem is clear and proposes it be strategically mitigated through *organizational* means: "More than 70 percent of NYCHA buildings are over 40 years old. With older buildings come complex needs. Older buildings require capital improvements to repair roofs, elevators and brickwork… In 2006, NYCHA assessed its maintenance and repair needs. That Physical Needs Assessment (PNA) estimated that NYCHA needed to invest $25 billion over the next 15 years to maintain current housing stock in a state of good repair. These needs far exceeded current funding sources" (NYCHA 2011: 11). Similar to Selznick's (1948) conceptualization of *economy* and Anthony and Hodge's (1988) contention that organizations transfer inputs (physical resources, financial resources, information, etc.) to outputs (surplus/deficits, efficiency/inefficiency, products/services, etc.) in an open system, NYCHA framed this Imperative around the belief that efficient systems, resource acquisition and prudent fiscal management were the key to this subset of reforms, some of which include: *Complete current PNA to provide accurate replacement costs for systems and components that have outlived their effectiveness* (economy, effectiveness, methods, resources, structures, systems); *Complete repair work that becomes more costly if left unaddressed* (economy, goals, objectives, resources); *Improve Capital Projects Division processes, coordinating more effectively with Property Management to identify and prioritize needs of the properties* (assessment, coordination, effectiveness, processes, resources) and; *Utilize a variety of project delivery methods (such as design-build) to meet the varying needs of our portfolio, and deliver quality work on time and within budget* (economy, efficiency, effectiveness, methods, resources).

Other notable findings under the *NOW* timeframe include Imperative Four, "Expedite maintenance and repairs," which grounded its seven *organizational* reforms (zero *institutional*) in the belief that "Lack of timeliness in completing repairs, especially high-priority repairs, is the single biggest factor affecting NYCHA customers and their quality of life today" (NYCHA 2011: 22). Upon examining the specific reforms, it becomes clear that differentiation (allocation of tasks) and integration (coordination/execution of tasks) (Anthony and Hodge 1988; Bolman and Deal 2007) are viewed as significant antecedents to the inefficient completion of housing maintenance. Plan NYCHA notes it immediately intends to: *Hire temporary skilled trade workers and improve the coordination of trades; eliminate the inconvenience of scheduling separate appointments for multiple skilled workers (plumbers, electricians, carpenters, plasterers, painters, etc.)* (allocation, coordination, efficiency, resources) and; *Analyze current maintenance and repair processes and implement improvements to system management, from procurement to completion, which will ensure maximum efficiency in the use of limited staffing and materials resourcing* (assessment, efficiency, management, processes, resources, systems).

As Table 1 also indicates, with less than half of the *NOW* reforms grounded in *institutional* principles, examining Imperative Eight "Connect residents and communities to critical services" (the highest aggregation of *institutional* reforms with seven) gives us an understanding of how and where NYCHA perceived non-rationalized, non-efficiency based remedies would be the most transformative. According to Plan NYCHA, "NYCHA is only one stakeholder within a much broader community ecosystem that includes residents, community colleges, city agencies, non-profit social services organizations, workforce agencies, financial institutions, employers, and philanthropies", (NYCHA 2011: 33) acknowledging the housing authority's place in the interconnected, institutional environment. This environment has necessitated a role in non-residential issues where community centers provide activities for children, and job training/GED programs provide residents with skills and credentials necessary to obtain gainful employment – each of which acknowledge the values of its residents (dignity, opportunity, activity, personal growth) and provide meaning for residents beyond their housing needs. Brunsson and Olsen's (1993: 11) interpretation of the institutional environment is useful here, as "When the environment is institutionalized, the primary effect of attempted reforms may be the creation of meaning and the molding of public opinion". To create an environment where residents associate a positive meaning to NYCHA and its role in their lives, a few of the reforms Plan NYCHA proposed were: *Increase educational and economic opportunities for residents and Section 8 voucher holders* (community, environment, meaning, values); and *Work with the city's Human Resources Administration (HRA) and the Center for Economic Opportunity (CEO) to expand the proven Jobs Plus program to raise and sustain level of employment and earnings among NYCHA residents* (community, interdependence, meaning, values) (NYCHA 2011: 33).

The *institutional* value of these reforms is highlighted when the Imperative is examined more closely. Despite NYCHA's heavy budget shortfalls (these services cost $75 million annually, $12 million of which is covered by government grants), a survey conducted in 2010 demonstrated that residents believe non-housing related programs are extremely valuable to their quality of life. While money spent on programs such as supportive services for people with special needs or social services for families in crisis is diverted from maintenance of NYCHA's buildings, the housing authority understands their qualitative meaning: "They provide valuable life skills, empower residents, bring people together, and help build stronger communities. [Residents have] repeatedly noted how important NYCHA was because of the services and the opportunities provided to them and their families" (NYCHA 2011: 32).

4.2. Reform Analysis – LONGER TERM

A total of 44 reforms were presented in the *LONGER TERM* category in Plan NYCHA, with 36 *organizational* in nature and 23 identified as having some form of *institutional* value. Imperative Nine "Excel in customer service" yielded the most reforms with seven, while Imperative One "Preserve the public and affordable housing asset" and Imperative Two "Develop new mixed-use, mixed-income housing and resources" both tallied six. As noted above, one of the common themes that runs throughout Plan NYCHA is the manner in which depleted funding has undermined its ability to fulfill its mission; a shortfall in subsidies and other funding sources has led to an inability to provide basic maintenance and building upkeep, which is only exacerbated by reductions in frontline personnel. According to Plan NYCHA, "Many now live in buildings with frequent elevator outages, heating issues, and leaks… NYCHA lacks the funding to complete the necessary capital improvements, let alone invest in energy efficient and technology upgrades that would ultimately lower life cycle costs" (NYCHA 2011: 12). While it is reasonable to assume that a lack of monetary resources has contributed to the infrastructural maladies noted above, the withered buildings, dark hallways, and the prolonged absence of hot water in many units have come to symbolize endemic customer service and safety issues to many tenets; given this perception-based problem, Plan NYCHA's approach implies that changing attitudes and beliefs is a long term process dependent in part upon the strategic decision to couple its *organizational* reforms with a balanced *institutional* approach in Imperative Nine.

According to NYCHA, Imperative Nine's emphasis on improving their approach to customer service is grounded in the belief that "Our customers interact with us in multiple ways… and in multiple locations across the five boroughs… Providing positive experiences for this vast audience across all of these locations and interactions is a major challenge, and it is an area where NYCHA recognizes the need for substantial improvement" (NYCHA 2011: 35). With seven reforms included in this Imperative, as Table 2 indicates, the balance of *organizational* and *institutional* efforts (each tallying six) seemed to reflect Meyer and Rowan's (1977: 342) contention that despite the assumption that "coordination and control of activity are the critical dimensions on which formal organizations have succeeded in the modern world", organizations are often not as technically inclined as their structures and procedures intend, or they are subverted by the human element (failure to understand organizational goals, lack of proper training, etc.). Moreover, because formal organizations are "deeply ingrained in, and reflect, widespread understandings of social realty," (Meyer and Rowan 1977: 343) public

opinion or perception of an organization can function as institutionalized rules, or myths, and serve as the taken for granted manner in which tasks are executed – for better or worse. In this case, residents' perception of poor service seems to have become engrained in the technical aspects of NYCHA (responding to maintenance requests in a timely manner for example) and is reflected in the manner in which its workers complete requisite objectives and/or treat residents.

In order to institutionalize positive myths and "become a customer-focused organization that strives to make each customer interaction a positive experience, regardless of the circumstances," (NYCHA 2011: 37) Imperative Nine proposed, in part, to: *Conduct bi-annual satisfaction surveys* (O: assessment, performance; I: appropriateness, norms, perception); *Evaluate processes for assisting customers with concerns* (O: assessment, performance, process; I: appropriateness, values); and *Develop a more effective resident engagement model* (O: coordination, effectiveness, methods; I: community, interaction, interdependence, social, symbols, values) (NYCHA 2011: 37). The latter reform holds a significant *institutional* weight as it illuminates the belief that quality of life issues are a shared and collective experience and that residents' perception of what NYCHA *means* is in part predicated on encouraging "residents to get involved and become active in the lives of their community" (NYCHA 2011: 37). Scott (1987: 507) holds that "shared conceptions and symbols provide order not only by being mapped into organizational forms and procedures but also by their direct influence on the beliefs and behaviors of individual participants". Unfortunately, the meaning and symbolism that can become institutionalized within NYCHA communities has been lost on many residents, as Plan NYCHA reported that 78% are not a part of their resident associations – a critical governance mechanism that can serve to understand a community's values, beliefs, and interests.

Imperative One was similarly balanced despite its seemingly technically grounded focus of preserving the public and affordable housing asset. Much of the discussion provided in this Imperative surrounded its unfunded capital investments and other subsidies that have declined since 2006. To combat these technically oriented issues (expenses exceeding revenue) that affect residents' quality of life, Imperative One proposed six reforms, each of which were *organizational* in nature in some manner. Four of the six reforms also had an *institutional* orientation, although upon initial review, they do not appear to propose such an approach. To illustrate this point, the following reform was identified as having both an *organizational* and *institutional* focus: *Continue to improve methods for performing capital work and expand its service delivery models* (methods, performance, resources) (NYCHA 2011: 13). This reform

appears to be distinctively technical in nature given its emphasis on methods and models of service delivery. However, given Selznick's (1957) interpretation of an institution as a symbolic reflection of a community's aspirations and sense of identity, NYCHA's approach in determining *how* it will improve its methods and expand its services reflects more than a simply rational approach to capital improvement and resource management. According to Imperative One, "NYCHA will need to work with all of its stakeholders, as well as several city agency partners, to support resident training and hiring efforts in our federally-funded capital program. NYCHA will also collaborate with residents, advocates, employees, and city agencies to ensure that capital investments incorporate environmentally sustainable best practices" (NYCHA 2011: 13). Given this perspective, it appears that NYCHA understands that working with its residents to allows them to become a part of the solution; in fact, investing in them through hiring and training programs or obtaining their input regarding environmentally sustainable practices lends itself to the belief that residents' identity becomes associated with NYCHA the more involved they are with the organization and its decision making.

While Imperatives One and Nine were two of the most balanced *LONGER TERM* strategies, Imperative Six "Improve safety and security" was distinctively *institutional* with all six reforms aimed at altering the perception residents have of NYCHA's ability to provide a safe environment in its buildings. According to one resident, "We want to raise children in a safe environment. We are still scared. We want a more secure environment – patrols, cameras, better screening" (NYCHA 2011: 26). This resident was apparently not alone in their sentiment, as a survey conducted by NYCHA found that 75% of its customers were fearful of crime in their development (NYCHA 2011: 26). Even if most residents have not been the victims of criminal activity, the widespread perception of unsafe conditions is reflective of an institutionalized environment of fear and uncertainty. According to Plan NYCHA, "We recognize that our efforts must combat actual crime and address residents' perceptions of crime, both of which erode their quality of life," (NYCHA 2011: 26) and thus proposed the following reforms: *Strengthen our relationship with the NYPD* (interaction, interdependence, symbols); *Boost resident engagement* (appropriateness, interaction, interdependence, norms); *Secure additional funding for the layered access security system, including installing the system at all NYCHA developments and monitoring the actual incidence of crime – as well as perceptions of crime – at developments* (appropriateness, environment, perception, symbols); *Increase communication about safety issues with residents, enlisting them as partners in crime prevention* (appropriateness, community, interdependence, norms,

symbols, values); *Provide crime prevention training for all employees* (appropriateness, culture, norms); *Develop innovative approaches for reducing violence in the workplace* (appropriateness, culture, environment, norms, values) (NYCHA 2011: 27).

In examining the content of the Imperative in greater detail, the *institutional* value of the abovementioned reforms becomes apparent. Reforms such as *Strengthen our relationship with the NYPD* is underscored by a belief that "Ensuring our communities remain safe is the ultimate shared responsibility… First, City officials and the NYPD must continue to work with NYCHA, resident leaders, and advocates to implement the recommendations of the Safety and Security Task Force" (NYCHA 2011: 27). From an institutionalist perspective, while organizational rules and structures (restrictions on who is allowed to access buildings, or sanctions for exhibiting "unsafe" behaviors, etc.) have the potential to reduce crime and improve safety, reforms that attempt to create a culture or social reality of shared responsibility for crime reduction is key to transforming the behavior of individuals who live in and serve NYCHA buildings. According to Scott (1987: 507) "Cultural controls can substitute for structural controls. When beliefs are widely shared and categories and procedures are taken for granted, it is less essential that they be formally encoded in organizational structures". Not only is a shared belief system of collaboration with NYCHA and NYPD officials needed to mold residents' normative assumptions about what is an appropriate role for them to play in ensuring the well being of their communities, but it is also important to introduce symbolic measures that reflect a safer institutional environment; stronger relationships with the NYPD, an improvement in resident engagement, and employees trained in crime prevention are one element of this equation, but so too are technological tools such as security systems that provide residents with a feeling of security when law enforcement and NYCHA officials are not around. The implementation of security systems or ridding NYCHA buildings of "evidence of disorder, such as broken doors and graffiti, which can lead to further and more serious crime" (NYCHA 2011: 507) are important because as Scott (1987) purports, the symbolic aspects of organizations help to define and delimit the perception of social reality. Ultimately, it is clear that NYCHA believes its battle against crime within its buildings is a long term process that is dependent upon changing behavior and the belief systems of both those who may be prone to illegal activity, as well as those who may be the unfortunately subjected to it.

5. Conclusion

In 1926, Leonard White's *Introduction to the Study of Public Administration* described the core elements of public administration to be the efficient use of men, materials, and resources, and in concluding that management, not law, should serve as the basis for the execution of public services, his prescriptions for administrative development reflected the instrumental ideology of the early 1900s and the Progressive Era. As societies have become increasingly interconnected in the 21st century, so too have the problems that require government's attention, and the public organizations and institutions that are charged with meeting citizens' needs must adopt strategies that efficiently execute their missions, while also acknowledging *how* public problems provides a sense of meaning and social reality for those served. Unfortunately, there is some indication that some of Plan NYCHA's proposed organizational and institutional reforms may be just that – proposals – and are not neither an efficient use of resources or helping to create a meaningful perception of reality for the residents that rely on the housing authority for its basic human needs.

As the findings indicated, quality of life issues undergirded much of the reform in each of the ten Imperatives; from expediting repairs to providing safer communities and buildings, NYCHA acknowledged that the beliefs and perceptions their residents held were not congruent with their values – most notably safety, dignity, and family. And yet, according to recent news reports, NYCHA is facing increased scrutiny for spending $8 million for lawyers ($2 million less than it spends on its maintenance personnel) "to wage legal warfare against its 600,000 residents" (Smith 2013: para. 1) who have turned to the legal system in order to have long standing decrepit living conditions ameliorated. In October 2013, a Manhattan Housing Court Judge ruled that NYCHA was in contempt of court for leaving a single mother of three without water for two years and repeatedly ignored orders to have it repaired. Despite NYCHA Chairman John Rhea's statement that "No New Yorker should have to live without hot water," (Smith 2013: para. 5) the housing authority's plan to appeal the $19,205 fine it was ordered to pay the mother is becoming a symbol of the "David and Goliath battles [that] go on every day in Housing Court. Tenants make repair requests – for hot water, mold, faulty appliances – after the problems have lingered for months or years. When they try to fight in court for the repairs almost all of the tenets end up without a lawyer in front of a judge" (Smith 2013: para. 7). Similar reports of the inefficient use of funds have surfaced regarding nearly $50 million that have not been used to repair aging developments, or the millions that have been spent to install security cameras – a key reform embedded in Imperative Nine. While these stories may not reflect endemic failures within NYCHA, they illuminate the negative institutional implications that such organizational inactions create, and can ultimately undo any progress gained in the process of reform.

As both political and administrative leaders engage in the process of reform, especially during lean times, understanding the institutional environment should play an instrumental role in the development of the strategies used. Citizens undoubtedly are concerned with the efficiency of the public organizations that provide services to them, whether for basic survival needs as in the case of NYCHA's residents, or those who only engage with government activities in instances such as trash collection, filing taxes, or taking a driving test. In either case, politicians and administrators alike must be concerned with perceptions of legitimacy and the meaning of their actions as "Organizations are built around the construction of meaning as well (or instead of) making choices. Reforms may have as much to do with affecting the interpretations of participants and onlookers as with affecting effectiveness and efficiency" (Brunnsen and Olsen 1993: 21).

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Global Leadership Mindset and Workforce Engagement in Nonprofit Organizations

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Abstract

This study surveyed 136 employees and volunteers from 21 nonprofit organizations in Southern California to assess the interaction of global mindset and leadership characteristics on workforce engagement. Global mindset refers to the capacity of being culturally aware, keeping an open mind toward ethnic differences, trends, and markets, while having the ability to observe cross-cultural commonalities. The study revealed that the exercise of follower-oriented behaviors manifested through servant and transformational leadership dimensions coupled with global mindset orientation had an important effect on the engagement levels of nonprofit volunteers and employees. Although we hypothesized that both follower-oriented dimensions would have a statistically significant positive mediational effect on workforce engagement in nonprofit organizations, our findings showed that the transformational leadership dimension actually had a suppressing effect on global mindset. This might be due to the universal applicability ascribed to transformational leadership (Bass 1997), which might have offset the potential additional effects of global mindset. On the other hand, the significant mediational positive effect of the servant dimensions led to reinforce Patterson, Dannhauser, and Stone's argument (2007) about the merits of leadership based on global mindset and servant characteristics, such as altruism and humility, in order to increase workforce engagement among volunteers and employees in local nonprofit organizations.

Keywords: global mindset, global leadership, servant leadership, transformational leadership, workforce engagement, nonprofit organizations

1. Introduction

Globalization has imposed considerable changes, challenges and opportunities on the way we conduct business and interact with other individuals (Friedman 2006; Leamer 2007; Ghemawat 2012). In order to lead successfully, leaders today need to understand the limitations as well as the opportunities of the global world (Ghemawat 2012) and have the ability to convey a global vision (Patterson et al. 2007). They need global and cultural competencies that will help them inspire people from different cultural backgrounds (Tubbs and Schulz 2006; Cranford and Glover 2007). A change in the organizational culture from an "ethnocentric corporate mindset" orientation towards a "global organizational mindset aiming at mobilizing resources worldwide would also position the organization at a global competitive advantage, (Rhinesmith 1991; Sri-

nivas 1995; Church and Waclawski 1999). Organizations that favor a global mindset orientation are open to capitalize on the skills and ideas from their globally diverse pool of people. As such, leaders with *global mindset* might be better equipped to motivate and manage people from different cultural backgrounds toward working together for a cause that will have an impact on the global community (Adler 1997).

This study assesses the interaction between global mindset of leaders and leadership style, and the impact of this interaction on the workforce engagement in nonprofit organizations. Specifically, we examine whether and how different leadership dimensions -transformational, servant, transactional and laissez faire- mediate the relationship between global mindset and workforce engagement among volunteers and employees in nonprofit organizations.

2. Leadership in Nonprofits

Nonprofits are organizations that change the way social resources are distributed "in such a way as to bring it in congruence with the broader societal values, such as those of human dignity, environmental preservation, and care for disadvantaged" (Valentinov 2012: 86). Globally, the nonprofit sector keeps growing exponentially (Laidler-Kylander, Quelch, and Simonin 2007). The growing presence of NGOs is attributable to shrinking governments that outsource social services to nonprofits, a flourishing sector of social entrepreneurs who constitute what is called the fourth sector of cooperation (Develtere and Bruyn 2009), a convergence of ideas, technology and professional management, which is all reflected in a paradigm shift for the more efficient management of nonprofits nowadays (Werker and Ahmed 2008).

The presence of global nonprofit organizations is stronger today than ever before (Salamon et al. 1999; Simon 1995; Laidler-Kylander et al. 2007). The unique characteristic of nonprofit organizations lies in their mission, which is to elevate human condition (Ernst and Yip 2009; Laidler-Kylander et al. 2007). This "mission-driven" orientation is the force behind the existence of nonprofits and what moves the stakeholders to get involved and provide support in the form of financial donations, volunteering or other wforms of cooperation (Drucker 1992; Laidler-Kylander et al. 2007). The vision and mission of nonprofits cannot be materialized unless these organizations are able to go beyond cultural barriers (Ernst and Yip 2009) to mobilize global human and financial resources. Nonprofits with a global vision and mission orientation require globally competent leaders who appreciate and manage complex multicultural scenarios (Holt and Seki 2012). Despite the significance of the topic at hand, there is not a known model that explores the relationship between global mindset and leadership styles in the nonprofit sector (Bass 2000; Jones 2012). We hope to fill this gap in the literature.

3. Leadership in the Global Age

Conceptualizing global leadership is a vast task and goes beyond simply adapting the principles of established leadership theories to a global framework. Global leadership is a *multidimensional* construct that deals with the ability to do business or work effectively in global and multicultural contexts (Kim et al. 2006), and abandoning parochial ideas, embracing team diversity, attracting and cultivating talented locals (Ghemawat 2012). Developing a cadre of global leadership competencies requires a deep reflective exploration of the self, an educated appreciation and understanding of different cultures, and exposure to

real-time global changes and developments (Cohen 2010). Although there are no agreed upon standards or set prescriptions as to what constitutes global leadership competencies, such competencies would have to encompass the skill sets and cognitive mindset that transcend cultural boundaries, and allow individuals to be effective in different cultural contexts (Caligiuri 2006; Jokinen 2005).

Exercising global leadership is highly demanding and different from exercising leadership locally. The novel and distinctive issues faced by global leaders require an ability to manage the complex and diverse situations encountered in a global theater (Cranford and Glover 2007). To manage complexity in global scenarios, leaders need a set of competencies critical in achieving the goal of the organization through persuading and inspiring people from different cultural backgrounds (Tubbs and Schulz 2006). Costa and McCrae's (1992) *Big Five Personality Constructs* (openness, conscientiousness, extroversion, agreeableness, and neuroticism) provide a basic framework to think about global leadership competencies. However their construct fails to take into account multicultural effectiveness or sensitivity better prepares the global leader to be more cross-culturally effective (Holt and Seki, 2012). Another model that incorporates leadership competencies is the *SHL Great Eight Corporate Leadership* model. The model draws from both transformational and transactional leadership offering the global leader a skill set rooted on *core* competencies found to be a common theme in countries such as South Africa, Turkey, United Kingdom, and the United States (Inceoglu and Bartram 2012). Individuals who possess universal qualities or global leadership competencies are dexterous at performing their jobs nationally or internationally. They are not necessarily people with extensive formal education, or from a particular culture. Global leaders are self-aware, inquisitive, engaged in their personal transformation, and also need to know how to self-regulate, be socially skillful, and empathetic (Inceoglu and Bartram 2012). Additionally, social networking ability and knowledge skills are necessary behaviors when performing a global leading role (Jokinen 2005). Cultural competencies also play a fundamental role in the cross-cultural interactions in which global leaders engage. Global Leadership and Organizational Behavior Effectiveness (GLOBE) demonstrated the importance of cultural competencies decisive to have a better understanding of the organizational socio-cultural values and practices in global organizations (House et al. 1999).

Developing and training an ideal transcultural leader has been challenged and described as a mystified attempt to circumscribe global leadership within the borders of standardized competencies or localized practices (Ghemawat, 2012). Recently, a new visualization of global leadership claims to integrate the Western tradition of lead-

ership along with the precepts of Eastern leadership. This integrative view promises a possibility to close the leadership gap by developing *multicultural effectiveness* (MCE) ability critical to help leaders value the individuality of people operating in culturally diverse settings (Holt and Seki 2012). Global leadership requires preparation for the unexpected. When preparing for unpredictability, global leaders have to be attentive of what is important so they can respond promptly and draw meaning even from ambiguity (Cranford and Glover 2007).

4. Methodology

4.1. Model and Research Design

In this study we examine the relationship between global mindset and workforce engagement to elucidate whether and under what conditions global mindset of leaders lead to higher work engagement among employees and volunteers in nonprofit organizations. The *independent variable*, global mindset, refers to cultural awareness and open mindedness toward ethnic and cultural differences, trends and markets while being able to observe cross-cultural commonalities. An organization which corporate mindset supersedes cultural and geographic limits develops the powerful ability to examine the environment through a bigger magnifying glass (Jadesadalug 2011). Organizations that favor a cultural global mindset orientation are open to capitalize on the skills and ideas from their globally diverse pool of people. Leaders' effectiveness directly relates to the capacity of incorporating their multiple experiences (Avolio et al. 2009), apply certain *competencies* relevant to the group culture (Butler et al. 2012; Mendenhall 2006) and the situation (Hersey et al. 1979). This type of leadership is best captured in the global mindset paradigm (Levy et al. 2007; Cohen 2010). A culturally mindful leader can be more effective than one who is not. Essentially, leaders who understand the broad scope of people's expectations at a global scale have stronger tools to navigate through the complexities of global leadership. A cultural global mindset disposition is an important ally to navigate through the complexities and intricacies of the global arena (Srinivas 1995). Leaders with a culturally oriented global mindset are able to make the distinction between when is relevant to developing a benchmark applicable to different global scenarios, and at the same time when is important to customize (Cohen 2010).

In global interactions, leadership is a collaboratively shared process where hierarchies are deconstructed (Hold and Seki, 2012).

The *dependent variable*, workforce engagement, is the emotional and intellectual commitment people demonstrate to achieve organizational goals. In this study, sever-

al perspectives about engagement at work are analyzed to conceptualize the dependent variable workforce engagement. As a construct, workforce engagement is an indicator of the emotional and intellectual commitment people demonstrate to achieve organizational goals. Engagement literature presents three key components, *cognition, affect,* and *behavior* (Zigarmi et al. 2009). Workforce engagement levels should yield optimum levels of organizational performance.

Engagement is still an ambiguous concept derived from people's attitudes toward work; nevertheless, it stretches far beyond the boundaries of work attitude (Macey and Schneider 2008). A pioneer of workforce engagement, scholar William A. Kahn (1990) described the construct as "the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances" (694). In the words of Avery, McKay, and Wilson (2007) engagement is the "meaningful employee expression in work roles" (1542). Observed from the discipline of positive psychology, work engagement is about "being charged with energy and fully dedicated to one's work" (Hallberg and Schaufeli 2006: 119). Engagement is also the antithesis of *chronic work-related stress* or *burnout*, which is basically a drainer of a person's *emotional resources* (Hallberg and Schaufeli 2006; Cartwright and Holmes 2006). According to Saks (2006), "it is the degree to which an individual is attentive and absorbed in the performance of their roles" (602). Work engagement influences people's mindset in the sense that it helps develop certain level of confidence about what the person has to offer to the organization and the value it brings to making a difference; this aspect is crucial in predicting "behavior and subsequent performance" (Seijts and Crim 2006: 2). People display different comfort levels to express themselves at the workplace as they truly are by nature, and based on these comfort levels not only do people develop the right attitude towards work, but they also maintain a positive work outlook overtime (Kahn 1990: 693). Stances of commitment, involvement, and alienation are important indicators of people's degree of dedication and connection with work over time. According to Kahn (1990), work environments that encouraged authentic expression fostered higher engagement levels because people could easily and fully devote themselves in the role they played within the organization. In contrast, environments that did not encourage this level of personal authenticity created in individuals a tendency to withhold effort, feel less engaged, and in a last stage withdraw.

Three psychological conditions determine workforce engagement. The first condition, meaningfulness translates

into "the intrinsic value employees attach to performance in the work role" (Kahn 1990: 704). The second condition, psychological safety at the workplace refers to perceptions of the degree people can express themselves as they truly are, which depends on the social relationships people make at work (May et al. 2004). An indicator of the third condition, availability, is the access people have not only to material but also to their *cognitive* and *emotional resources* that are critical requirements to concentrate all efforts to the task at hand (May et al. 2004). Workforce engagement is the result of people finding in their work an intrinsic foundation of personal meaning and motivation, and an extrinsic source of positive personal interactions and organizational support (Cartwright and Holmes 2006).

4.2. Leadership Style

Leadership style plays a critical role in promoting attitudes and behaviors conducive to lead successfully in the global environment. For instance, the expectation for transformational-oriented leaders is to manifest behaviors more in alignment with the vision of global organizations, and to favor meaningful and necessary change (Church and Waclawski 1999). Advocates of transformational leaders describe them as highly prominent figures able to influence others to go beyond self-interest to favor the bigger cause (Bass 2000). Globalization, leadership, transformational leadership, servant leadership, and the perspective and focus of leaders are all interconnected aspects fundamental to lead and understand the global market (Patterson et al. 2007).

Thus, we expect leadership style and characteristics to mediate the relationship between the independent and dependent variables (Fig. 1). As such, we examine the mediating effects of four leadership dimensions—servant, transformational, transactional, and laissez-faire-on the relationship between the dependent and independent variables. Transformational leadership is about empowering followers to advance the mission of the organization. Servant leadership emphasizes the creation of a shared organizational culture where leaders serve and empower followers to become the best they can be. Transactional leadership uses rewards and punishments to complete the task and improve the performance of employees. In laissez-faire leadership, leaders delegate tasks and grant followers high decision-making power.

4.2.1. Transformational Leadership

Leaders that present transformational leadership orientation are expected to manifest behaviors more in align-

ment with the vision of global organizations (Church and Waclawski 1999). Transformational leaders have an ability to influence others to go beyond self-interest to favor the bigger cause (Bass 2000). In a study on follower satisfaction, Van Slyke and Alexander (2006) found that those leaders exhibiting transformational characteristics such as creating trust, empowerment, and a change orientation obtained high organizational effectiveness, and reported extra effort from followers (Mary 2005). Satisfaction had an extensive correlation to engagement in Harter, Schmidt, Killham, and Agrawal (2009).

Drucker's (1992) visualization of leadership, and the conclusion reached in Avolio et al. (2009) that leadership is becoming a *holistic* integrative dynamic process are both central in the present study. It is worth making a valuable connection between these two positions, and the fundamental contribution made by leadership approaches, such as transformational leadership (Bass and Avolio 1990), in which the organizational mission, and the role of the leader in inspiring sponsorship to the mission are at the core (Bass 1985).

4.2.2. Servant Leadership

Findings on servant leadership indicate that elements such as honesty, trustworthiness, service orientation, empowering capacity, role modeling, and valuing people's service are key to determine the satisfaction, commitment, and organizational stewardship of those who experience it (Joseph and Winston 2005; Stone, Russell, & Patterson, 2004). Values of empathy, competence and agreeableness associated with servant leadership have been found to have a positive correlation with follower's satisfaction as well (Washington et al. 2006).

Humility, altruism, understanding, and a disposition to help are fundamental elements to establish relationships of trust inter-culturally and cross-culturally. This aspect makes servant leadership decisive when exercising effective global leadership (Patterson et al. 2007). It is important to remark, though, that transformational leadership and servant leadership are not antagonistic. Both aim at explaining that leadership is above all about lifting others and being thoughtful about them (Stone, Russell, & Patterson, 2004). There is a generalized expectation about leadership regardless of what labels are attached to it. The word in itself evokes ideas of elevated vision, competence, and effectiveness. Leadership has been ascribed a high ethical value, and as such, even at the global level its duty is "to respond to the billions of the world's people in the direst want" (Burns 1978: 2).

4.2.3. Transactional Leadership

Transactional leadership is a leadership style used to manage, and supervise the performance of employees. The leader closely monitors subordinates' work to achieve compliance, spot mistakes, and abnormalities; both rewards and punishments are the norm. The style has two categories: Transactional contingent reward leadership in which leaders clarify expectations and recognize employees' objectives achievement. Next classification, Management-by-exception can be active, leaders indicate desired and undesired standard and performance levels perhaps punishing noncompliant followers; or passive, in this style, avoidant leaders fail to explain outcomes followers need to reach in order to perform effectively

4.2.4. Laissez-Faire Leadership

Laissez-Faire leadership is characterized by high delegation and total decision-making power granting. Leaders provide necessary tools and resources, but the expectation is for members to solve problems on their own. Situations requiring guidance usually result in low productivity and follower disengagement.

4.3. Research Questions and Hypotheses

The following research questions are based on the premise that there is not a known model that links global mindset to the dimensions of transformational, and servant leadership and their importance in nonprofit sectors (Bass 2000; Jones 2012). We examine the relationship between the leader's cultural global mindset and workforce engagement mediated by servant, transformational, transactional, and laissez-faire dimensions. The first question tests the direct relationship between leader cultural global mindset and workforce engagement. Questions two and three are aimed at finding the indirect effect of leader cultural global mindset with leadership dimensions—transformational, servant, transactional, and laissez-faire.

RQ_1: What effect will leader's cultural global mindset have on workforce engagement?

H_1: Global mindset will have a positive direct effect on workforce engagement.

RQ_2: How will the leadership dimensions—transformational, servant, transactional, and laissez-faire—affect the relationship between leader cultural global mindset and workforce engagement?

H_{2a}: The global mindset of the leader will have an indirect positive effect on workforce engagement via servant leadership dimensions (i.e., a mediator effect).

H_{2b}: The global mindset of the leader will have an indirect positive effect on workforce engagement via transformational leadership dimensions (i.e., a mediator effect).

H_{2c}: The global mindset of the leader will have an indirect negative effect on workforce engagement via transactional leadership dimensions (i.e., a mediator effect).

H_{2d}: The global mindset of the leader will have an indirect negative effect on workforce engagement via laissez-faire leadership dimensions (i.e., a mediator effect).

The next set of questions examines the direct effect leadership dimensions (servant, transformational, transactional, and laissez-faire) will have on workforce engagement.

RQ_3: How does the perception of volunteers and employees about leadership dimensions —servant, transformational, transactional, laissez-faire—affect workforce engagement?

H_{3a}: Servant leadership dimensions will have a direct positive effect on workforce engagement.

H_{3b}: Transformational leadership dimensions will have a direct positive effect on workforce engagement.

H_{3c}: Transactional leadership dimensions will have a direct negative effect on workforce engagement.

H_{3d}: Laissez-faire leadership dimensions will have a direct negative effect on workforce engagement.

No known research has identified a direct relationship between leader global mindset, and leader transformational and servant dimensions, yet they are anticipated to be correlated with one another. The discussion of these dimensions as "enhanced" leadership practices that contribute to obtaining positive outcomes especially in nonprofit scenarios (Jones 2012; Bass 2000) are the basis to correlate
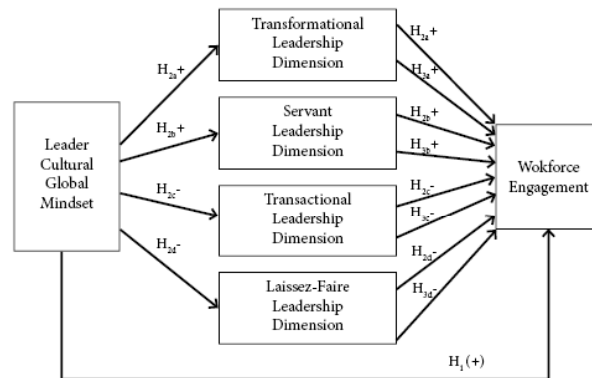
Figure 1. Proposed model examines the effect of leader cultural global mindset on workforce engagement via leadership dimensions (i.e., mediator effects) (Baron, Kenny 1986: 1176).

global mindset with leadership dimensions that lead to volunteers and employee work engagement.

4.4. Participants

Participants consisted of leaders, employees and volunteers recruited from 21 nonprofit organizations in Southern California. A total of 136 surveys were collected (n= 23 managers, n= 80 employees and n= 56 volunteers). Of the 23 managers who participated in the study, 66.67% were male and 33.33% were female. Of the employees and volunteers, 53.67% was male and 46.33% was female. Educationally, 85.71% of the managers reported having a bachelor's or more advanced degree, whereas the percentage of volunteers and employees with bachelors or more advanced degree was 53.10%. The nonprofit organizations that were selected for the study fell under the categories of human services (28.57%), public and societal benefit (23.80%), veteran services (19.04%), religious based (4.76%), capacity building (9.52%) and other (14.28%).

4.5. Instruments

In order to measure the effects of global mindset, as well as mediating effects of different leadership dimensions on workforce engagement in nonprofit organizations we relied on existing instruments that measure each construct. Each instrument was measured for internal consistency or reliability for employees and volunteers. Scales of each instrument had acceptable reliability levels, transformational dimensions, α = .88, servant dimensions, α = .92, transactional dimensions, α = .70, and laissez-faire dimensions, α = .83, and the UWES, α = .88.

4.5.1. Inventory of Cross-Cultural Sensitivity

The ICCS (Cushner, 1986) is a five-scale 32-item self-report inventory aimed at assessing participants' self-cross-cultural awareness. Scores differentiate test takers based on their level of intercultural experience. High scores are indicative of high intercultural experience, and appreciation of intercultural differences (Aoki, 1992). Leaders self-rated their level of cultural awareness on a 1 (Strongly Disagree) to 7 (Strongly Agree)[1] scale. A total ICCS score is obtained by adding the various subscale scores together, which determines the degree of sensitivity—low, average, and high. The nonprofit leaders for this study indicated average sensitivity levels for three of the scales: C Scale M of 42.29 and a SD of 13.38, B Scale M of 29.57 and a SD of 4.19, A Scale M of 24.48 and a SD of 6.08; the scores for the remaining two scales indicated high

sensitivity, I Scale M of 33.05 and a SD of 6.63, and E Scale M of 26.76 and a SD of 4.7. The total ICCS score had a M of 156.14 and a SD of 20.69. The nonprofit leaders' ratings were higher for C and I Scales, comparatively similar to A Scale, but lower when compared to scales B and E when contrasted to those obtained in Aoki's (1992) study on a cross-cultural study between Japanese and American college students, C Scale (M =36.20, SD=9.08), B Scale (M = 31.00, SD=3.58), A Scale (M = 24.80, SD=4.45), I Scale (M = 29.55, SD=7.20), and E Scale (M =28.25, SD=4.52).

4.5.2. Multifactor Leadership Questionnaire (MLQ5x Short)

The MLQ5x Short measures transformational, transactional, and laissez-faire leadership dimensions. Transformational leadership characteristics are based on four dimensions, idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. This study's average transformational dimensions mean was .40 higher (M = 3.48), and its standard deviation was .13 (SD = .46) above Hartog et al. (1997) study, M = 3.08, SD = .33. The nonprofit employees and volunteers (n =136) of this research described their leaders more transformational (M = 3.48, SD = .46) than transactional (M = 2.97, SD = .61), and notably less laissez-faire (M = 2.08, SD = .90); compared to normative data discussed in Hartog, Muijen, and Koopman (1997), transformational (M = 3.08, SD = .33), transactional (M = 2.48, SD = .62), and laissez-faire (M = 2.34, SD = .59.

4.5.3. Servant Leadership Questionnaire (SLQ)

Barbuto and Wheeler (2006) SLQ is a twenty-three five-factor survey, "altruistic calling (α = .82), emotional healing (α = .91), wisdom (α = .92), persuasive mapping (α = .87), and organizational stewardship (α = .89)" (p. 310). The instrument resulted in five self-rating and five rater scales; reliabilities ranging from .68 to .87 for the first subscale, and .82 to .92 rater with a M score of 2.76 and SD of .79. In this study, the mean average score was 3.23 with a standard deviation of .89 indicating a .47 higher mean difference, and a .10 difference in SD. Servant altruistic dimensions were rated high (M = 3.23, SD = .89) in these leaders; compared to normative data from Barbuto and Wheeler's (2006) studies, in which means range from 2.58 to 3.24 across the five scales of the instrument, and standard deviations ranging from 0.73 to 0.97. The altruistic dimension had a lower mean and standard deviation than the one in the present study, M = 2.76, SD = .79.

[1.] Items marked with an asterisk (*) are reversed. For example, reverse scoring results in: 7=1, 6=2, 5=3, 4=4, 3=5, 2=6, and 1=7.

4.5.4. The Utrecht Work Engagement Scale (UWES)

Schaufeli's and Bakker's (2003) UWES is the result of 25 studies conducted over the course of four years researching about thousands of employees from different countries. The UWES has three versions; 11 studies have employed the UWES-17 (N = 2,313) version, and 14 studies with a population sample of 7,366 have applied the UWES-15 version. A shortened version, the UWES-9 one-dimensional workforce engagement construct, was successfully applied in 10 different countries. The implementation of the survey across countries has demonstrated its cross-cultural applicability. Employees respond to the UWES items using a six-score scale (0 lowest score; 6 highest). A total UWES score is obtained by adding the item scores together and then dividing the result by the number of items of the scale. The total score then ranges from a lowest score of 0 to 6. The instrument is comprised of three dimensions vigor, dedication and absorption. This study focuses on workforce engagement as a one-dimensional construct. The internal consistency analysis using Cronbach's coefficient alpha yielded consistent estimates for the UWES-9, α of all 9 items has a mean of .89 across the sampled countries. Volunteers and employees indicated engagement levels slightly higher ($M = 4.07$, $SD = 0.77$), when compared with Schaufeli and Bakker (2003) score results for the nonprofit sector ($M = 3.49$); standard deviation was not indicated.

5. Analysis and Results

An exploratory factor analysis (EFA) (Fabrigar, Wegener, MacCallum, & Strahan, 1999) was used to explore the dimensions of leadership, global mindset, and workforce engagement. Factors were extracted with a principal component analysis (PCA, with Varimax), which resulted in six interpretable factors with three or more items each accounting for 65% of variance for the model, with component 1 contributing 15.87%, components 2 through 6, 11.01% , 11.71%, 8.86%, 8.85% and 8.79% respectively. Appendix A summarizes the item matrix. An inspection of the correlation matrix indicated that all the correlation coefficients were over 0.40, which is discussed as an important loading value (Hair, Anderson, Tatham, & William, 1995); however, only coefficients greater than .50 are presented. Prior to the extraction of the factors, the coefficient for Kaiser's (1970) Kaiser-Meyer-Olkin (*KMO*) measure of sample adequacy .59 (index ranges from 0 t0 1, with 0.50 considered suitable for factor analysis), and the Bartlett's Test of Sphericity (Barlett's, 1950), which was statistically significant ($\chi^2 = 197.58$, df = 15, $p < .001$) determine the suitability of the respondent data for factor analysis.

5.1. Factors Extracted

The factors are characterized based on the components of the variables. From the 32 items comprising global mindset only 12 items loaded into the model; for GM[2]_1items C11, I31, C24; GM_2 items C18, C32, B2; and GM_3 items C17, C1, C6, B30, I3, I14. Items refer to cultural open-mindedness, cultural awareness, intellectual interaction, and behavioral response aspects of global cosmopolitanism (sample items: I have never lived outside my own culture for any great length of time; I enjoy being with people from other cultures; the way other people express themselves is very interesting to me). Servant dimensions indicators (Barbuto & Wheeler, 2006); SER_1 to SER_4; all four core items of altruistic calling; sample item: This person puts my best interests ahead of his/her own. The core dimensions of Bass and Avolio's (2000) transformational leadership whose 16 items (4 factors) refer to inspiration (sample item: Talks enthusiastically about what needs to be accomplished), idealized influence (sample item: Acts in ways that builds my respect), intellectual stimulation (sample item Re-examines critical assumptions to question whether they are appropriate), and individualized consideration (Spends time teaching and coaching). Finally, 9 items (3 factors) for workforce engagement (Schaufeli and Bakker, 2003) measuring employees and volunteers performance indicators; respondents rated their engagement levels (WE[3]_1; three items; sample item: I find the work that I do full of meaning and purpose; WE_2: three items; sample item: I am enthusiastic about my job; WE_3: three items; sample item: I am proud of the work that I do). Both the transactional and the laissez-faire leadership dimensions loaded four items into one factor. An examination of each construct's reliability yielded satisfactory Cronbach's Alpha values for each scale (recommended value $\geq .70$). Cultural global mindset, 12 items ($\alpha = .80$), workforce engagement subscale, 9 items ($\alpha = .82$), transformational dimensions, 16 items ($\alpha = .88$), servant dimensions, 6 items ($\alpha = .89$). Cronbach's alphas for the transactional (4 factors) and laissez-faire (4 factors) were .76 and .83, respectively.

5.2. Data Analysis

The mediational effect analysis presented in this paper was conducted using Preacher and Hayes (2008) *SAS INDIRECT Macro Syntax* simultaneous mediation macro. By using this macro, the variables of the study, workforce engagement (DV), cultural global mindset (IV), and the four mediating leadership dimensions (transformational, servant, transactional and laissez-faire) were analyzed in one step (Table 1). Before conducting the analysis, all

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[2.]   GM (Global Mindset)

[3.]   WE (Workforce Engagement)

variables were standardized to provide more stable measures of the original constructs. Raw scores for the new formed factors were converted to z-scores in such a way all variables were put on the same scale without affecting the shape of the distribution. In this way, all scales were in one line allowing the comparison of two different looking values. Adhering to the rules of mediation, it was expected that the independent variable leader cultural global mindset affects the dependent variable workforce engagement through intervening leadership (transformational, servant, transactional, and laissez-faire) M variables. The syntax estimated the specific and total indirect effects of leader cultural global mindset on workforce engagement through the four mediators, transformational, servant, transactional and laissez-faire leadership dimensions. The bootstrap samples used was 5,000 with replacement from the full data set of 136 cases, and a request for 95% confidence intervals. By drawing 5,000 subsamples from the original sample size and keeping repeating the same analysis, the objective was to show if the mediators still validated results through bootstrapping. Leader cultural global mindset was a significant predictor of workforce engagement through servant and transactional leadership dimensions. Servant and transactional leadership dimensions were statistically significant predictors of workforce engagement while controlling for leader cultural global mindset, which indicates that the mediational hypothesis was supported. The servant dimensions had a positive significant effect whereas the transactional had a negative significant effect in the model.

As illustrated in Figure 2, leader cultural global mindset had a total effect of c – .4317 on workforce engagement, which is bigger than the indirect effect of $a \times b$ – .1068. When holding the mediating variables M constant, the direct effect of leader cultural global mindset on workforce engagement was .3250. The total indirect effect of leader cultural global mindset on workforce engagement was .1068, which leads to rejecting the null hypothesis that the total indirect effect is zero (*p <.05*). Specific indirect effects are products of unstandardized paths a and b that link the independent variable to the dependent variable through
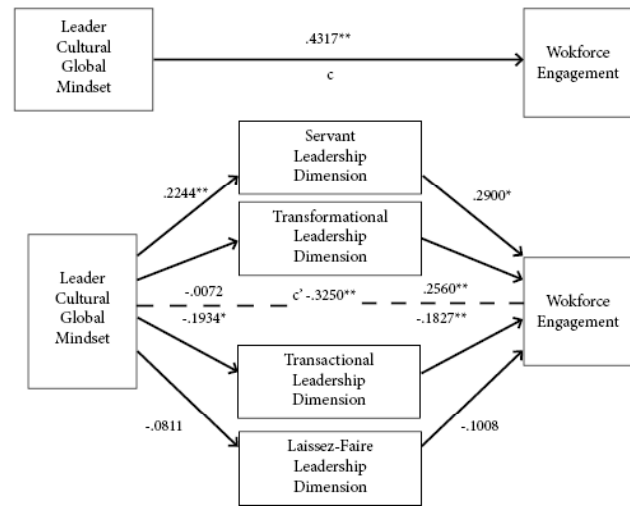
Figure 2. Multiple mediation model of leader cultural global mindset and workforce engagement. Path values represent unstandardized regression coefficients from bootstrapping analyses of global mindset on workforce engagement after including mediators. *$p < .05$; ** $p < .01$

a mediator (Preacher & Hayes, 2008). For, a_1b_1 = .0651 (through servant (M_1) dimensions), a_2b_2 = -.0018 (through transformational (M_2) dimensions), a_3b_3 = .0353 (through transactional (M_3) dimensions), and a_4b_4 = .0082 (through laissez-faire (M_4) dimensions). Confidence intervals led to conclude that both the servant and the transactional dimensions are important mediators since their CIs did not include zero, BCa 95% CI of .0202 to .1427 and .0026 to .1090 respectively. The directions of the a and b paths (Table 1) indicate that higher cultural global mindsedness leads to greater mastery of the servant, transformational, transactional, and laissez-faire leadership dimensions, which inturns leads to greater workforce engagement.

Global Mindset. Global mindedness had a direct positive influence on workforce engagement. Leader cultural global mindset had a statistically significant effect on workforce engagement, c = .4317, p < .01. The total effect c is the sum of a direct effect of global mindset on workforce engagement and the revealed indirect effects, a × b = .1068, 95% CI: [.0200, .2119]. The results supported the hypothesis of the direct positive effect of X on Y.

Table 1: Multiple Mediation Analysis on Workforce Engagement

Independent Variable X	Mediating variable M_1-M_j	Dependent variable Y	Effect of X on M (a)	Effect of M on Y (b)	Indirect effect(ab)	Total indirect effect(ab)	Direct effect(c')	Total effect(c)	Degree of mediation
LCGB	SED	WFK	.2244**	.2900**	.0651*	.1068*	.3250**	.4317**	Partial Mediation
	TLD		-.0072	.2560**	-.0018				
	TRD		-.1934*	-.1827*	.0353				
	LZF		-.0811	-.1008	.0082				

Note. LCGB (Leader Cultural Global Mindset), TLD (Transformational Dimension), SED (Servant Dimension), TRD (Transactional Dimension), LZF (Laissez-Faire Dimension), WFK (Workforce Engagement). The effect of leader cultural global mindset on workforce engagement was partially mediated by servant and transactional leadership dimensions (a_1xb_1). [a]p= .2244, [b]p=.2900, [c]p = -.4317. Significant coefficients, *$p < .05$; **p < .01.

Servant and Transformational Dimensions. The results for the servant dimensions were indicative of statistical significance since zero is not included in the CI. It means that leaders displaying more servant behaviors and who also had a global mindedness orientation tended to have employees and volunteers who reported more favorable levels of engagement even though their levels of global mindedness were midsize. The estimate of the indirect effect of the independent variable leader cultural global mindset on workforce engagement mediated by servant leadership dimensions, which is the product of the regression coefficient of the relationship global mindset-servant leadership, path a_1, β = .2244, p <.001; and the regression coefficient of the servant leadership-workforce engagement relationship controlling for global mindset path b_1, β = .2900, p <.001.

On the other hand, the estimate of the indirect effect of the independent variable leader cultural global mindset on workforce engagement mediated by transformational leadership dimensions (path a_2) was not statistically significant, β = -.0072, p > .05, although the regression coefficient of the transformational leadership-workforce engagement relationship controlling for global mindset path b_2 was statistically significant, β = .2560, p <.001. Confidence intervals [-.0555, .0368], which in this case include zero assist in supporting the conclusion that the indirect effect of global mindset on workforce engagement through the mediator transformational leadership is not statistically significant at the .05 level. On the contrary, the negative beta coefficient is indicating a suppressor effect between global mindset and transformational leadership. This particular instance of *inconsistent mediation* in which effects, direct and mediated, have opposite signs are indicative of suppression (MacKinnon, Krull, & Lockwood, 2000). The overall effect of the transformational dimensions was to increase the importance of global mindedness of nonprofit leaders, but contrary to that expectation the mediational path demonstrated the opposing effect, or a decline of the influence of the variable. Conger (1974) explained that "suppressors remove some irrelevant variance in a predictor" (36). This implies that transformational leadership is removing some of the irrelevant variance global mindset is adding through this variable within the model. The suppressor effect of the transformational dimensions finds an explanation in Bass' (1997) discussion of transformational leadership universal applicability. The broadness of the leadership paradigm support the idea of potential elements of global mindedness embedded within the transformational construct. Bass (1997) explained that transformational leadership "is sufficiently broad to provide a basis for measurement and understanding that is as universal as the concept of leadership itself" (130). The author arrived to that conclusion based on multiple studies and investigations across cultures that indicated that in different situations the behaviors transformational leaders manifest had positive effects and applications across different cultures and circumstances.

Transactional and Laissez-Fair Dimensions. The estimate of the indirect effect of the independent variable leader cultural global mindset on workforce engagement mediated by transactional and laissez-faire leadership dimensions (path a_3 and path a_4 respectively), although negative, was statistically significant for the transactional dimensions, β = -.1934, p = .02, but it was not for the laissez-faire dimensions, β = -.0811, p > .05. The regression coefficient of the transactional-workforce engagement relationship controlling for global mindset path b_3 was statistically significant, β = -.1827, p = .03, CI [.0026, .1102]. The results support the hypothesis establishing the significant negative indirect effect of global mindset on workforce engagement through the mediator transactional leadership dimensions. On the other hand, the relationship between laissez-faire and workforce engagement when controlling for global mindset path b_4 was not statistically significant, β = -.1008, p >.05, CI [-.0060, .0489]. Confidence intervals included zero for the last mediator supporting the conclusion that the indirect effect of global mindset on workforce engagement through laissez-faire leadership although negative is not statistically significant at the .05 level.

6. General discussion and conclusion

6.1. Discussion

Leadership style has a strong link with manifesting the behaviors and attitudes that are expected to be in alignment with the mission of the organization. In the case of nonprofits, the focus is to uplift the quality of life of those the organization serves. But of equal importance is the idea that in a service organization the focus of the leader is mainly the follower. Patterson et al. (2007) approached global leadership from the perspective of servant leadership because of its follower-focus orientation. In their view, true global leadership is about genuine concern and respect for followers. People are first because they are unavoidably the main force that fuels the organization. Therefore, the idea of placing organizational concerns at the top as in the case of transformational leaders is irrelevant for the servant leader who understands the vital premise of valuing people as the fundamental component of organizations.

Although positive mediational effects were expected

for both servant and transformational dimensions, the results and the discussion of servant leadership importance in the nonprofit organizations in this analysis indicate the primordial nature of this particular style within these contexts. The priority of nonprofits is to serve the community and not necessarily to introduce changes. This does not intend to minimize the role of nonprofits as change agents for the communities where they operate, but it enhances the premise that the essence of nonprofits existence is service.

The analysis of the cultural global mindset of the leader mediated by leadership dimensions, and the effect on levels of workforce engagement of volunteers and employees in nonprofit organizations does not address certain critical factors necessary to engage followers. For instance, discussion of followers' organizational commitment, job satisfaction, or the dynamics of the leader-follower interaction are excluded. The focus of this analysis, though, was an exploration of measurements to determine the mediational effects of leadership dimensions between global mindedness of leaders and workforce engagement levels of their employees and volunteers in the context of 21 Southern California nonprofits. The contextualization of these variables required the use of survey instruments capable or at least sensible enough to capture the essence of these constructs.

The first instrument, the ICCS scale measures five aspects of cross-cultural sensitivity such as cultural integration or attitudes towards others, which are aspects in right alignment with the capacity to be sensible to differences across cultures. Appreciation for cultural differences is paramount when discussing the concept of global mindedness. However, applications of the instrument in previous studies (Aoiki 1992; Loo and Shiomi, 1999) failed to recover all the items from the subscales when factor analysis was performed. Some of the explanations discussed were lack of variability in the responses; instrument lacking *sensitivity* and failing to capture group differences, unsuitability of some of the scale items, which finds an explanation in the low reliability coefficients of some of the ICCS scales. In the present study, the exploratory factor analysis only recovered 12 items out of the original 32. The EFA grouped the items in three factors (Appendix). Most of the items from the cultural interaction (C scale) were recovered (7 out of 10); for the behavioral response (B scale) 2 out of 6 items; intellectual interaction (I scale) 3 out of 6; whereas neither were any of the items from the attitude toward others (A scale), nor the empathy (E scale) recovered. Additionally and in alignment with some of the findings from the two studies mentioned above, establishing cross-cultural comparisons among leaders was not

possible given the cultural similarities of the participants. Most of the leaders were white males from the southern California area leading people from diverse ethnicities and cultural backgrounds. Most of the results for the ICCS self-rated instrument were at the average sensitivity level. It is possible that items such as "Moving into another culture would be easy" or "I speak only one language" would naturally produce low scores due to their complexity or lack of applicability to this particular population; or that giving high ratings to questions such as "Foreign influence in our country threatens our national identity" or "The more I know about people, the more I dislike them," which were not recovered in the EFA, would go in detriment to the personal or the values of the organizations participants lead or are not necessarily valuable to understanding leaders' cultural global-mindset in the context of the nonprofits analyzed in this research.

Average sensitivity levels demonstrated statistically significant mediational effects with servant dimensions on volunteers' and employees' workforce engagement. However, average levels in cross-cultural sensitivity failed to demonstrate mediational effects with transformational dimensions on engagement. In Bass' (1997) words, "the leadership that occurs is affected by the organizations and cultures in which it appears" (130). Contrary to the expectation, a suppressing effect indicated transformational leadership was removing the unnecessary variance global mindset was adding through the transformational dimensions. Additionally, the model explored in this analysis was built with the awareness that there was no evidence in the body of research identifying a direct or an indirect relationship between leader cultural global mindset, transformational and servant leadership dimensions, and their effect on workforce engagement. Nonetheless, positive correlations and effects with one another were anticipated. The hypothesized model found support on the premise that the servant and transformational constructs are elevated leadership practices that lead to desirable outcomes to accomplishing challenging missions like the ones of nonprofits (Jones, 2012), and even though a global mindset is indispensable for a leader operating in diverse cultural arenas without effective leadership characteristics the leader is doomed to fail.

6.2. Scores comparisons

Both the servant and the transformational dimensions had higher ratings when compared to normative data. Since a high proportion of the participants indicated maximum scores on both leadership dimensions, the high ratings caused a ceiling effect, which makes discrim-

ination among leaders at the top end of the scale almost impossible. High scores for the servant and transformational dimensions are indicative of the presence of *halo effect,* which is described as a cognitive bias that impairs an objective judgment of someone's character (Saal et al. 1980). Leaders are instead rated based on how much they are likable or dislikable. Employees and volunteers could have rated their leader based on how much they like or dislike this person ignoring the actual meaning of items in the questionnaires.

6.2.1. Leader Cultural Global Mindset

The hypothesis for the global mindset dimension anticipated a positive relationship with workforce engagement. The results were consistent with the hypothesis. Leader cultural global mindset had a statistically significant effect on workforce engagement, $c = .4317$, $p < .01$. Levels of self-cross-cultural awareness were assessed, and test scores intended to differentiate test takers based on their level of intercultural experience in such a way that leaders with the highest scores indicated higher levels of intercultural experience, and higher appreciation for people's cultural dissimilarities (Aoki 1992). However, issues of self-rater bias could be present. Leaders self-rated their level of global mindedness because the construct is built on the premise of personal and unique experiences. Unfortunately, self-rated instruments posit issues of validity in the sense the instrument may have failed to capture what was intended to be examined, or the respondents' feelings could have exerted a significant influence in the responses. Additionally, concerns with inflated self-reports, or presence of biases such as the *social desirability bias* (Stoeber 2001), in which respondents provide answers that will gain others' approval, potentially have serious effects in the answers.

6.2.2. Servant Leadership

The mediational effect servant leadership had between global mindset and workforce engagement was positive and statistically significant. Yet, questions arise on why it only took average responses in the global mindset measurement to obtain a significant positive mediational effect through servant leadership. Patterson et al. (2007) explained the importance of the servant dimensions especially altruism when laying the foundation to foster relationships of trust across social groups either at the local, cross-cultural, or international level. The review of the literature on servant leadership did not indicate any direct association between global mindedness and the construct. Page and Wong (2000) acknowledged the importance of servant leadership in keeping challenging operations like

those in nonprofit contexts afloat. The authors highlighted, though, that servant leadership construction is complex due to the different constructs participating on it; this multidimensionality can obscure interactions of servant leadership with a construct such as global mindset, or make the dimensions work as an ideal mediator as it happened in this study.

6.2.3. Transformational Leadership Dimensions

Contrary to the hypothesis that transformational leadership would have a statistically significant positive effect between global mindset and workforce engagement, the results highlighted a non-significant suppressant effect for this mediator, $\beta = -.0072$, $p > .05$. Since transformational leadership is considered a style with global applicability (Bass 1997), it is probable that the universal germaneness that has been attributed to the paradigm was responsible for creating a suppressing effect between global mindedness and transformational leadership dimensions. This conclusion found support in Conger's (1974) explanation on suppressors and their ability to clear predictors of some of the irrelevant variance that may result in multiple regression models.

Transactional and Laissez-Faire Dimensions. The hypotheses for these two dimensions predicted a statistically significant negative mediational effect. The results supported the hypothesis for transactional leadership, $\beta = -.1934$, $p = .024$. In alignment with Bass's (1990) explanation, transactional leaders rely on a system of punishment and reward that is ineffectual fosters mediocrity, and long-term has a counterproductive effect on followers. Furthermore, not only followers are affected but leaders end up paying the consequences of inaction and lack of productivity from people once the leader is no longer in control of rewards or punishments. Different studies using the MLQ to measure leadership styles in organizations in eastern and western countries have demonstrated that followers usually favor and associate leadership effectiveness with those leaders who manifest transformational behaviors as opposed to those who manifest transactional behaviors (Bass 1990).

One of the biggest limitations of this study was sample size. Due to this limitation the study stop at exploratory factor analysis. EFA limits the possibility of making causal inferences because the correlations established in the analysis only describe relationships. EFA tests for consistency between the data and the model of the study, in which case inconsistencies signpost flaws in the model; yet, when data and model are found to be consistent, it is not safe to conclude that the model is accurate because the data could fit different models (Suhr, 2006). Constraints with sample size prevented the researchers from moving forward with

the confirmatory factor analysis that requires a minimum sample size of 200 participants. By conducting a CFA analysis, the researchers could have tested the hypothesis that in fact the variables in the model had a relationship, and that a core latent construct between variables was present. Another issue with sample size is the appearance of suppressor variables that can result from small sample sizes. In this analysis, the transformational dimensions had a suppressing effect on global mindset, which found support in Bass's (1997) discussion of transformational leadership universal applicability.

Another issue was that of sample selection, which for this study was highly dependent on snowball effect. Survey champions in nonprofit organizations receive incentives to distribute the instrument to coworkers, which affected randomization. Restriction in exposure to other potential participants makes the results susceptible to selection bias. Finally, lack of ethnic and cultural diversity among the leaders (61.90% Caucasian males) may have biased the results; most of these leaders indicated average levels of cross-cultural sensitivity; aspect that limited scores range. Potential reasons include the sample solicitation method, and the convenience of access to the nonprofits targeted. Predominant participation of Caucasian leaders limits external validity to other leaders from different ethnic and cultural backgrounds.

Additional research is necessary to find how and if it is actually the interconnections of the two leadership dimensions (servant and transformational), and global mindset within nonprofit scenarios what fuels workforce engagement. Nonetheless, advocates of a fresher visualization of leadership define the construct as an active all-inclusive process (Avolio, Walumbwa, & Weber, 2009) that goes beyond mere multidimensional styles. Within this dynamic process, leadership focuses more on the interactions taking place between leaders-followers, and the frameworks where they interface; everything integrated into a symbiotic organizational ecosystem. With the idea of holistic leadership, future research should concentrate on analyzing the aspects that truly constitute and help to develop leadership within an integrative process.

When measuring leadership dimensions in the present study, issues such as ceiling effect, in which many followers rated leaders at the highest levels on both servant and transformational dimensions, could be minimized with the development of more objective instruments. These measurements would have to be able to filter followers' like or dislike of the leader in such a way that only core elements of leadership are targeted. Furthermore, global mindset was approached from the leaders' perspective. Qualitative studies aiming at spotting how followers perceive cultural awareness and the overall global vision of their leader would assist in developing and validating a rater version of leader cultural global mindset with the capability to deter issues of validity, self-rater bias, and social desirability bias.

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Appendix

Appendix: EFA: Global Mindset, Workforce Engagement and Leadership Dimensions Item Loadings (Exploratory Factor Analysis for Global Mindset, Workforce Engagement and Leadership Dimensions)

	Component					
	1	2	3	4	5	6
Servant_1	.862					
Servant _2	.878					
Servant _3	.866					
Servant _4	.883					
Ideal_Infl		.851				
Insp_Mot		.860				
Intel_Stim		.868				
Ind_Cons		.864				
Laissez_F1			.780			
Laissez_F2			.742			
Laissez_F3			.751			
Laissez_F4			.854			
Global_1				.852		
Global_2				.876		
Global_3				.820		
WE_1					.862	
WE_2					.837	
WE_3					.834	
Transactional_1						.817
Transactional_2						.868
Transactional_3						.700
Transactional_4						.515

Note: the above rotated component matrix is created based on the output of "Factor" produced by SPSS. Extraction Method: Principal Component Analysis. 6 components extracted. Only coefficients greater than .50 are presented. Extraction Method: Principal Component Analysis. Components 1 to 6 represent the variables. Transformational leadership components: Ideal_Infl (idealized influence); Insp_Mot (Inspirational motivation); Intel_Stim (intellectual stimulation); Ind_Cons (individualized consideration). WE (workforce Engagement).

Cracking the Gender Codes
Discourses on Women in Leadership and Management

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Abstract

Why do men continue to fill most of the senior executive positions and seats in the board of directors in Western corporations? Almost everyone agrees that diversity is good, many women are coming down the pipeline, and companies, states and international organizations and institutions have done extensive work to raise the proportion of women. This has helped slightly, but women remain underrepresented at the corporate top. Why is this so? What can be done to solve it? This article presents five different types of answers relating to five discursive codes: nature, talent, business, exclusion and empowerment. They all have conflicting views on the matter, each expressing its particular 'regime of truth'. By decoding these codes, unfolding their arguments and blind spots, this article reveals the complexity of the debate. The point is that in our efforts to break the glass ceiling with respect to women in leadership management, we must become more aware and take advantage of this complexity. We must crack the codes in order to crack the curve.

Keywords: gender, women in leadership and management, diversity management, discourse

1. Introduction

"Why yet another publication addressing the issue of women in leadership management!? Too much ink is wasted already – we have to act instead of just talk." I couldn't agree more. Still, the issue requires further writing, information and debate. My reasons are threefold. First: despite all the good intentions and hard work of companies and political activists, the tendency remains solid: the percentage of female employees falls as you climb the corporate ladder. The documentation is extensive (1): the gender gap remains massive in most Western countries, almost 80 per cent of corporate executives being men. We must therefore keep on investigating the matter.

Another reason for scrutinizing the subject is the incredibly polarized, undifferentiated and occasionally outright hostile tone in the public debate in recent years. The battle positions are very familiar; "for and against quotas", "for and against earmarked paternity leave", "Red-sock feminism vs. Blue-sock feminism", curling-mothers fighting mummy wars against career women – and finally the classic opposition: "women versus men". The discussion often turns into a competition to put on the blinders, shutting everyone else out and basically screaming, "I'm right, you're wrong". But that obviously does not bring us any further. I wrote a book – and now this article – to emphasize a basic point: problems concerning diversity and gender equality are complex, meaning that it is not only possible but also quite necessary for all of us to see the problem from numerous different angles. The challenge is not to reduce complexity, neither by conflict nor consensus, but rather to maintain a creative polyphony whereby we listen to all of the different voices and appreciate them as equal and independent standpoints – enjoying the wealth of perspectives they bring. We have to preserve and cultivate the diversity of diversity. That's the key point of this article.

A third reason for addressing the issue of gender and management is the need for an overview over a field of such enormous complexity, for not to say chaos. The debate about women in management is a mess; a morass of hefty proclamations, hesitant expressions of doubt and contradictory opinions. The statements are often excessive. It is

not uncommon to read that it is the individual woman's own fault for not reaching the top, possibly because of her priorities concerning her home and children, but the same writer might well continue to assert that the solution to the problem consists of macro-level structural adjustments. The argumentation is without rigor. Different understandings and reasonings are crisscrossed and mixed together. It is difficult not to do so in our daily complex coping with gender. But finding new solutions requires splitting things apart. We must do so in an analytical manner and create order out of chaos. We cannot and should not cancel the complexity available. But we can create an overview of this complexity in order to handle it better and to know what we are talking about when and in what ways. We must decode the gender codes. That is the ambition of this article.

2. Theoretical perspective

Gender Studies typically distinguish between three main perspectives on gender (see, for example, Lykke 2008: 31f):

Gender Conservatism, which focuses on biological sex: biological sex leads to social gender, that is, a particular socio-cultural gender identity and a special place in society's gender power system. The advocates of this perspective range from natural biology determinists (à la Danish Professor Helmuth Nyborg, British Professor Simon Baron-Cohen or the Canadian ditto Steve Pinker) to socio-biological interactionists (see, for example, Kennelly et al. 2000: 599) or "genetically constrained constructivists" (Lippert-Rasmussen 2010), where gender is assumed to be created in the interaction between socio-cultural influences and inherited genetic, hormonal and neurological input. The last being the first.

Classical feminism, which focuses on social gender: biological sex is different from social gender – we must distinguish between the two, paying attention to the social construction of gender. Social gender consists of both *experienced* gender – the gender the individual feels to have and the social expectations attached thereto – and *expressed* gender, any act of gender manifestation, such as behaviour, name and dress. Social gender cannot be traced directly back to the body. Although biology plays in, culture plays a major impact on how gender identity and gender roles unfold. Gender is socially constructed – not biologically predisposed.

Post-structuralism or gender-hybridization, where the argument is that biological sex and social gender are inextricably interwoven. Gender cannot be reduced to a purely biological or sociocultural matter. Gender encompasses both biological body material and cultural dimensions, each being floating and changeable. Biological sex and social gender are discursively constructed in interaction with each other: "The language throws bundles of reality over the social body", as the French feminist theorist Monique Wittig (Butler 2010: 191) writes. The semantic expectations of gender are embodied in us. There is no difference between biological sex and social gender – "the category «biological sex» is in itself a social gendered category, profoundly political, naturalized, but not natural" (Butler 2010: 193, with reference to Wittig 1981). The "raw" biological sex always turns out to be already "cooked", as the American professor Judith Butler puts it (2010: 88).

The article draws on this third post-structuralist view point: the so-called "natural facts" about sex and body are nothing but the effect of discursive norms:

Gender is not an essence but a powerful regulatory ideal; a social structure composed of many heterogeneous and conflicting discourses. As such, the meanings of femininity and masculinity are constantly negotiated and shifted in the discursive practices that constitute them. (Simonsen 1996: 33)

To get a grip on gender, we must therefore analyse the different ways it is articulated and constructed in the various discourses. And that is what I do in this article. For my purposes, by the way, a discourse refers to a group of statements providing a certain vocabulary for communicating about a topic and a means of producing a particular kind of knowledge and practice about that topic (Foucault 2002: 131). The key point when making a discourse analysis is to pinpoint that how we talk about and communicatively code gender determines the definition and handling of gender. Language is not innocent. It makes a world of difference. The article shows which.

3. Methodological framework

The presented discourses about women in management are constructed on the basis of different theoretical and empirical sources – all treated as equally informative texts: scientific literature (2), websites, blogs, pod-casts, consultancy reports, debate books, self-help guides and also policy documents and articles mainly from the Danish media (3), covering the period from the end of 1990 to the autumn of 2011. For an expanded list of material, see the references list in my book (Rennison 2012) (4).

Though most of the empirical data is from Denmark, the analytical results of my study appear relevant for the

field of women in management in general – while I do not claim any kind of representation and/or generalization. Apart from of course being *heuristic* (adding new knowledge and insight into the discussion) and *pragmatic* (bringing added value for the professionals at hand), my quality criteria for the study is *polyphonic*; grasping the complexity and letting different voices (perspectives or discourses) be heard – not as much in relation to their quantitative distribution and frequency, but by paying attention to something being said in certain ways – as a discourse analyst, I focus on "what is said" and "how it is said" – less on "who says what" and "how many say it". Most of all, because we as individuals frequently change our minds with respect to diverse views and often connect to different kinds of discourses almost at the same time. Thus, my mission is first and foremost an analysis of discourses and thereby the different subject positions they offer to the actors to juggle.

The framing of my questioning is inspired by the Australian professor Carol Bacchi's "What's the Problem Approach" (2010). Bacchi points out that how a given problem (in this case, women in management) is formulated has crucial implications for how it is formed and solved. So rather than studying how one has found or must find the solution to a well-established problem, the focus is instead on the design of the problem itself: How is the problem defined? How is it is not defined? What are the consequences of a given definition? How is the definition of the problem criticized and replaced by alternative presentations of problems? Following this approach, the analytical purpose of this article is to reconstruct the many manifestations of the problem of the limited number of women in management in the public and scientific debates. Through this reconstruction, we hope to become wiser regarding the repertoire of discursive patterns and the variations and clashes between them. And our blind spots are coming into sight: that which we cannot see when we argue within certain frameworks suddenly becomes visible – and potentially changeable.

4. Analytical results

The analysis of the discursive codes of women in management follows a two-step structure: the code is first presented, beginning with an empirical quote condensing the essence, followed by a brief description of its specific line of thought and its preferred solutions at the societal, corporate and individual levels. Secondly, some critical remarks are made with reference to the codes' blind spots and alternative positions of reasoning.

4.1. The code of nature

When we talk about women's and men's careers, we have the advantage of knowing why the sexes are not distributed evenly with respect to executive positions ... It begins as early as kindergarten, where the boys dress up for Halloween and Carnival as superheroes and fight battles against each other in the playground because they are biologically programmed to lead the world. Meanwhile, the girls are princesses, and they would love to have the boys playing house in the pillow room. (Male, commentator, Jyllands-posten 18.04.2010)

The code of nature has a strong mission: the revival of biology (for example, www.michelgurian.com; Baron-Cohen 2003; Nyborg 2011). It is time to re-assign a legitimate voice to biological sex in a field that has been dominated for too long by femi-constructivists and their chatter about social gender. The gender differences in behaviour cannot simply be reduced to something arbitrary and socio-culturally formed. Instead, it is all in the genes, in the inherited biologic dispositions. We are not blank slates. Biological sex differences – anatomical, neurological, chromosomal and hormonal differences – are key explanatory factors in a person's self-perception, behaviour, sociality – and job position. Gender is Genes. More Nature than Nurture. More Chemistry than Culture. The biochemistry of gender implies that women have a high empathy quotient (EQ); they are "into talk" and controlled by a relationship-oriented imperative of intimacy, whereas men have a high system-thinking quotient (SQ); they are "into action" and controlled by an individual-oriented performance imperative. So: "Brain chemistry – big deal!" as it is slogan-like proclaimed (www.michelgurian.com; youtube podcast, 09/10/08). Or, as Nyborg puts it, "May your molecules be with you!" (Nyborg 2011).This is the same man who has raised the controversial point of view that men's general intelligence is on average 3.15 IQ points higher than women's. As he concludes: "Proper methodology identifies a male advantage in g [general intelligence] that increases exponentially at higher levels, relates to brain size, and explains, at least in part, the universal male dominance in society" (Nyborg 2005: 507).

In the code of nature, two often incompatible spheres meet: the secular scientific and religious conservative. Each with their own means, the Bible and the brain-scanner, they agree on the outcome: women and men are and will always be different. The biological sex differences are given facts of life; they cannot be removed or reduced. Equality policy is therefore doomed to fail. Our values and choices are genetically and biochemically related. Roughly

speaking, men are "breadwinners", women "breastfeeders". The so-called highly segregated labour market simply follows a normal distribution whereby we are drawn to do what we do best as men and women, respectively. The sexes are complementary, not competing; equal in dignity, but different in function. That is true equality for this code of nature. The number of women in management is what it is simply because there do not need to be more – and society and the family in particular would be better off if women turned their career ambitions down a little. The imperative of solution is simple: accept the natural order and drop career life! Specifically, the aim is to avoid any form of state intervention or company-initiated support measures to assist women to the top. Instead, the call is to recognize the diverse virtues of the different sexes and to appreciate women saying "no" to a career at the executive level. Why has career become the ultimate measure of the worth of the modern, educated woman? Is management really what life is all about?

Critical remarks. The code of nature is confronted by a number of critical points:

Important historical advances with respect to equality are lost by this reintroduction of outdated gender roles. Women's career opportunities are sacrificed on the altar of the family, the man is reinstalled as the main breadwinner and the woman as the one and only true parent who chooses to follow the exit strategy of the opt-out revolution and support the trend of simple living and downsizing, where family, friends and personal development are higher priorities than money and career. Consequence: top management continues to be the domain of men.

It is conservative to maintain that the brain – and thus the differences between male and female brains – are immutable. On the contrary, the brain is elastic; it develops depending on the stimuli to which it is exposed. When such "neuro-nonsense" is repeated over and over again, the gender stereotypes are therefore reproduced, and self-fulfilling prophecies are created; all of us then think that the male biochemistry and brain structure provides a "natural flair" for top management – and women's ditto the opposite. The code of nature brings "neurosexism' and "xx-clusion" (Fine 2010).

The biological arguments that present themselves as objective facts of life are in fact expressions of normative values used to assert and legitimize what is regarded as morally right:

Belief in theories of brain organization, no matter how tenuous the proof, is a belief in the inalterability of the gendered status quo and the continued dominance of men

over women. The search for "first causes" and the concomitant distortion of gender is thus neither innocent nor morally neutral (Kennelly et al. 2000: 603).

4.2. The code of talent

We are talking about a revitalized equality debate, where the focus is "talent management" – headhunting and caring for smart people. The focal point is not primarily that the gender imbalance is unfair or a pity for the woman, but simply that inequality gives an unequal talent utilization, which we cannot afford in a time of scarcity of talent. Let it be said once and for all: hardcore feminism and male chauvinism are both taken off the agenda – now what's important is open-minded and profit-oriented adaption to avoid a waste of talent (Female, Editor-in-chief, Erhvervsbladet 02.06.2005).

In the talent code, the difference at the management top cannot be reduced to a question of sex and biology, explained instead by a gender gap in competences and experiences between women and men in the talent pool. Leadership is a gender-neutral office – and women are in principle equally talented leaders as men, but women make the 'wrong' decisions. Career-wise, they are educated in the typical soft subjects and stick to the so-called 'pink ghettos'; staff and support functions in the back office – instead of obtaining hard-core operational experience at the front. Privately, women undertake most of the work related to children and the home – they still work "double shifts". This makes for unfair competition in the labour market and is a total waste of talent, according to this code. The imperative of solution therefore sounds: fix the woman and cancel the gender issue!

Specifically, at the societal level, we need to regulate softly; create campaigns and make voluntary gentlemen's agreements with companies (no quotas allowed, they are only for fish!) – and we ought to pursue an informational – but not paternalistic – family policy (earmarking paternity leave is a violation of personal freedom). At the corporate level, we shall ensure well-functioning meritocracy, where the women become better prepared for handling the competition using instruments such as talent programs and mentoring. It all comes down to merits and qualifications – gender is basically irrelevant: "individuals rise and fall on their own merits" (Kolb et al. 2003: 10). At the individual level, the talent code therefore recommends that women choose an education compatible with management and that they gain operational experience. At home, she is to be more careful in marrying anon-career minded, "support-

ive husband", negotiating the household duties, dropping the matriarchal power of the home and above all cutting down on maternity leave, which, according to this code, is the ultimate career barrier. Thus, the woman must make some sacrifices; she must prioritize differently, thereby signalling that she *really* wants the executive position. Then, one can finally remunerate the ideal of the meritocracy and "let the best man win". And best of all: we can drop all the talk about gender. It's all about competences. In the international literature, this form of argumentation is found in perspectives such as liberal feminism, the gender-reform approach and meritocratic position, presented among others by Jagger (1983), Leijonborg et al. (2001), Lorber (2001) and Henning and Jardim (1977/2003).

Critical remarks. The talent code is confronted by a number of critical points:

Women's "wrong" priorities of education, job, husband and children make them "difficult to understand" and they are blamed for their lack of willingness to make the 'necessary' choices and sacrifices. It is the women who fail, and they are therefore responsible for their exclusion from leadership positions. This logic is self-reinforcing. As Bacchi concludes:

> […] *when women's lack of training is identified as the 'problem', women become the marked category. Consequently some women may decide to distance themselves* […] *fearing* [the] *stigmatizing effects, and may indeed internalize the message that it is they who lack some ability or skill. In this way the subject position of 'untrained worker'* […] *can affect some women's self-perception, leading them to see themselves as responsible in some way for their 'failure' to "succeed"* (Bacchi 2010: 6).

It really becomes women's own fault: "Blame the victim".

Belief in a neutral meritocracy and promotions made on the basis of objective criteria according to competencies and skills are sympathetic but naive. Competency and talent assessments are far from gender-neutral. If they were, we would already have more women in management – for women have long had high education levels and a lot of good professional cards at hand, as numerous sources emphasize (see, for example, DJØF 2008a; Sealy 2010). The problem is that women's skills are lower rated than men's, and that men typically define what the correct leadership skills are. Studies show that the nature of the merits, the tests to measure them and the subjective evaluation of the individual candidate's performance all seem to be in favour of the dominant male group (Simpson et al. 2010:

199; Son Hing et al. 2002: 494 in Sealy 2010: 186).

Gender cannot simply be neglected. Men and women cannot become assimilated in a unisex-spectacle. As pointed out in this almost classical quote: "Treating men and women in the same way will only result in equality if they really are the same. If they are not, treating them the same will be nothing but an unequal treatment" (Knapp 1998: 76 in Nentwich 2006: 501).

4.3. The code of business

Although the equation can hardly be presented as simply as 'women + management = good bottom line', modern management demands many of the qualities which women traditionally possess; being good conflict solvers, good communicators, good at promoting skills among staff, daring to ask learning questions, being innovative, service-oriented and flexible. Women make all the difference! (Women, Chairman for a women network, Børsen 21.07: 05).

There is no such thing as a gender-neutral organization; there is inevitably a difference between men and women, a difference we must take advantage of. The masculine and feminine are complementary; psychologically and socially bound to different characteristics, values and skills. It pays, therefore, to recognize, appreciate and preserve diversity. Why on earth else seek to increase the number of women in management!? Management will never be a gender-neutral metier – until now, however, the problem has been "[…] strongly connected to hegemonic masculinity by privileging traits such as control, competition, reason, efficiency, independence, and purposefulness" (Pini 2005: 76). Feminine values, such as emotion, intuition, motivation, inclusion and communication, have been excluded. The "Think manager – Think male" (Schein 2007) slogan has inhibited women's career advancement and forced women to adapt to a masculine leadership ideal, hoping to avoid the stigma and punishment. The women who actually made it to the top only did so because they were male clones – both in behaviour and appearance. Following the business code, this cloning must end. Stop fixing women. Celebrate them instead. Male managers were good in the "command & control management" of the ancient past, whereas female managers are well-suited in the "communicate &care leadership" of today. The typically female relational and perspectival behaviour makes a difference – their caring and sharing, being assertive rather than aggressive. And that's what we need in a time of crisis; women are essential as "recession recovery": "Think crisis – Think

women" ought to be the new slogan (www.20.first-com., 08.11.12; Brady et al. 2011: 88f).Women are also crucial in a predominantly "sheconomy" or "womenomics" in which women make most of the buying decisions – as *The Economist* proclaimed in 2006: "Forget China, India and the internet: economic growth is driven by women" (http://www.economist.com/node/6800723). And must therefore be managed by women as well. In this respect, the business code highlights various studies confirming a link between economic performance and women in senior management (for example, Carter and Wagner 2011; Kossowska et al. 2005; Desvaux et al. 2007; NIKK 2008; Smith et al. 2006, 2008).

The general business code argument is that failing to see women as good business is tantamount to a devastating loss of social, innovative and economic gains. In order to accomplish these gains, we have to make a clear political statement that gender is a business case and diversity pays off. A statement followed up by affirmative action and rewards and punishment to companies. Conversely, companies, must cultivate feminine leadership, prove that diversity leads to innovation ("innoversity"), and capitalize on the female advantage in "womenomics". At the individual level, the woman is advised to be proud of her gender, to avoid becoming a male clone or unisex, but instead expand her feminine way of managing and use her maternity leave and motherhood as a positive source of experience and competence in management. In sum: it's a women's world. This kind of reasoning is found in the international literature, referred to in terms of "gender-cultural feminism", "women in management", "special contribution", "female advantage" and "gender balance" (among others, Eaglyand Carli 2003; Eaglyand Johnson 1990; Fletcher 1994; Grant 1988; Helgesen 2003; Rosener 1990, 1995; Stroh, Varma and Valy-Durbin 2000; www.20-first.com).

Critical remarks. The business code is confronted by a number of critical points:

Diversity does not always pay off; it is time-consuming, potentially contentious, brings mixed signals – and better performance is not a sure thing; alternative studies suggest that the entry of women into senior management or boards of directors makes little difference to the bottom line (for example, Francoeur et al. 2007; Smith et al. 2008).

Equality is reduced to a means for reaching other goals (growth, innovation etc.) instead of a goal unto itself. Justice is subordinate to profitability, worth to value. The gender-as-business case implies a commodification of gender. "Womenomics" risks making women into items or goods

to be used and abused (for example, Nina Power's *One Dimensional Women* 2009 in Kvinfo.dk, 26.06.10).

Women are isolated as special segments with specific business goals to attend to; that is, for example handling of crisis – often making them "cliffhangers"; recruited to handle a crisis, because they are assumed better at it, but given impossible conditions to solve it. They broke the glass ceiling, but still hang precariously on a cliff, just waiting to fall (Haslam and Ryan 2008).

The thought of a positive transfer between home and work is problematic. First: "A caring mother might be a demanding and performance-oriented manager", as Billing and Alvesson suggest (2000, p. 153). Secondly, this kind of reasoning makes it even harder to change the unequal division of housework; "when mother's work with house and children give her such advantageous management skills at work, why on earth change this instructive competency and give it all away to dad!?" Thirdly, when comparing the workplace with the family and all its values, it is difficult for the female executive to escape the role as "corporate wife" (Morgan 1993 in Norlykand Lundholt 2008). She remains the supportive and caring right hand – never really the head of "family business".

It is uncertain whether the female leadership ideal leads to the advancement of women. Men just take on their femininity and capitalize even more from that change in management ideals. When women do feminine leadership, they are "just being natural"; when men do, they are "extraordinary" and "modern". The female advantage therefore suddenly becomes a disadvantage. (Staunæs and Søndergaard 2008: 37).

By installing yet another new dominating management ideal, the reasoning regarding the female advance not only misses that management comes in "many best ways", but also brings a lot of gender stereotypes leading to pressure in the form of expectations and excludes those women who do not identify with the feminine leadership ideal (for example, Billing and Alvesson 2000: 149, 155). As one puts it:

It simply makes me puke! […] women are turned into an "ethnic" category with specific characteristics (care skills, soft skills, holistic thinking and that kind of bullshit) […] Men must therefore be prepared to meet a special female being – a talking vulva or perhaps a fairy – in the boardroom. You understand damn well why they resist! (Female, commentator, Politiken 14.02.2009)

4.4. The code of exclusion

It's about having a membership card to the men's club if you want a management job and not about who is best qualified ... When we present both men and women to a particular management post, we note that the one who is hired, in seven out of ten cases, is a man, even though there was a much better qualified woman among the candidates for the job. Today, there is roughly the same inequality and discrimination there used to be. It's more hidden. But it's still here (Male, headhunter, Ugebladet A4 10.09.07).

The limited number of female executives is due to the tough fact that women are discriminated against: to manage remains MANagement. There are countless discriminatory structures, cultures and practices outside and within the workplace working to suppress women and limit their opportunities for advancement. No matter how well qualified and ambitious women may be, they are fighting against an invisible glass ceiling in their efforts to reach the top. They are hindered by various forms of gorilla hierarchy, Huey-Dewey-and-Louie recruitment and old-boys network, where men favour and promote men. Discrimination is not always direct; it often proceeds via mundane practices interwoven with communities and organizations, which we blindly follow, do not question and barely notice until we are restricted by them. It is like a quiet control with loud consequences. It upholds a patriarchal hierarchy which, like a "symbolic machine", repeatedly reproduces the power of men (Bourdieu 1999). The code of exclusion strives to destroy the patriarchy and reclaim feminism. Women have a legal right to be equally represented in management and boards of directors. And women have a special perspective to offer; their historical experience as outsiders imparts a distinct experience base and a broader approach to organization, staff and community.

Thus, there is still a need for emancipation and transformation. The concrete advices of this code is to create justice at the societal level and ensure women's rights through a progressive state feminism: paternity leave, equality accounts, gender statistics, affirmative action, quotas and penalties for companies that fail to comply. The proverbial velvet glove must come off – it takes a hammer to break the glass ceiling. The corporate level is meant to create zero tolerance for discrimination, to check out all rules, roles and routines for excluding procedures, and to be ambitious on gender equality policy. To ensure change the individual woman ought to fight for her right, demand a visible promotion policy, learn to recognize and fight the patriarchal mechanisms, buy stocks and goods in companies with proactive gender policies, and ally herself with like-minded women in networks of solidarity: Remember "You're not alone – the personal is still political". The code of exclusion is theoretical informed by classical feministic literature and perspectives such as; "Collectivist Feminism", "Radical Feminism", "Materialist Feminism" or "Feminist Standpoint" – described among others by Millett (1970), Al-Hibri (1981), Connell (1995, 1998), Hartman (1975/1981), Hartsock (1983), Hirdman (1990, 2001), Kanter (2003), Lorber (1994), Walby (1990, 2000) and Young (1981).

Critical remarks. The code of exclusion is confronted by a number of critical points:

The category of gender and the hierarchic gender regime is taken for granted – all that has to be investigated, then, is *how* it works (by revealing the latent mechanisms of patriarchy) – not *if* it really exists, in which cases it does not, or where other circumstances might be of relevance. We are stuck in the postulated hierarchy of gender and miss the chance to spot something else. It is not necessarily a sign of "false consciousness" or patriarchal suppression when some women deny their gender and attribute the gender difference any impact on promotion. They might be right (Bech 2005: 82, 83, 126ff; Højgaard 1991).

Gender equality is not a question of equality of results and equal distribution between men and women. It is a matter of equality of opportunity in terms of promoting the best talent and seeing more women in management as a means to higher organizational performance; not as goal in itself. Reducing equality to a question of anti-discrimination and representativeness is just not good enough; it solves unequal treatment but in itself will not bring out resources or lead to development (see, for example, Plum 2004: 74).

A radical and restricted equality policy based on rules, quotas and sanctions produces bureaucracy as well as resistance: no one likes to be told what to do and/or whom to hire. And no one likes to be hired because of their gender (there is a vast array of empirical quotes on this). Replacing institutional structures with new institutional structures only reinstalls individuals as "structural dopes"; women become tantamount to helpless, paralyzed victims requiring assistance; holding on to self-pity rather than self-responsibility; indeed, they become powerless.

The view on women as a social entity or group sharing unique characteristics ignores the diversity among women and other categories by which gender is intersected (such as age, ethnicity and nationality) and determines a specific identity for the woman. This restricting identity politics

limits, in advance, the very same opportunities for transformation that feminism ought to open for. The category of women should be seen as floating and changeable, not as a structural *a priori* (for example, Butler 2010: 243).

4.5. The code of empowerment

> *I think it's neither biology nor culture that determines my path in life as a woman. They affect me in my choices, but I'm still making the decisions in my life […] If I want change, it must begin with myself. If we as women want equality, we must as something natural ask ourselves: "What can I do to change the percentage?" […] Equality is as much about ourselves as about men […] One is not born a woman, one decides to be one!* (Berlingske Tidende 1997)

In contrast to the other codes, this code of empowerment does not have a fixed definition of gender. It follows the framework of existentialism, and thus the assumption that human beings are nothing more than what they do; being is becoming, existence creates essence (Sartre 2002: 47). "One is not born a woman, one becomes one", as summed up by Simone de Beauvoir's classic quote (1999: 13).The individual is free to and responsible for creating and transforming its own gender project. Gender is "an existential condition that both men and women have to bear – not just as a burden, but as a possibility", as one Danish researcher asserts (Rösing, Information, 07.02.2004). Or, as we are told elsewhere, "You can do it. It is your choice. It just requires that you start to behave more like the women, you have the possibility to become, instead of being the girl, you were taught to be" (Frankel 2007: 12). The women must fight "the struggle of transcendence", in Beauvoir's words, and transcend the fixed ideas and cultural conceptions of what it means to be a woman (Alsop, Fitzsimons and Lennon 2002: 185). The liberation of women emerges from individual choice, not institutional constraints – from individual empowerment, not collective emancipation. We do not have to "reclaim" feminism, as the modern "red socks" do, by repeating the question, "What can be done for women?"; instead, we must "redefine" feminism, as the post-modern "blue socks" do, asking, "What can women do for themselves?".

At the societal level, we must avoid any form of state intervention, pursuing instead a liberal gender policy making room for individual freedom and responsibility. At the corporate level, we must push women and train them to become better at promoting themselves and highlighting the role models who transgressed the norms and made it to the top. Nevertheless, the responsibility is first and foremost at the individual level; the individual woman is both the problem and the solution. Women are stuck in inhibiting self-perceptions and behaviour patterns which obstruct their career development; they take on non-strategic, dead-end projects; "someone has to do it"; they think more about highlighting the common effort than their own individual performance; "well, we did it all together"; they assume that hard work and high professionalism in itself provides access; "if I do my job perfectly, surely they will notice me" – and, finally, many women lack self-esteem; "maybe I'm just not good enough" (for example, Protocol 2011). These kinds of self-inflicted career barriers must be stopped. The individual woman must overcome the resistance she creates for herself. According to this code of empowerment, the ideal woman is a "Machiavellian Princess", ambitiously and competitively conquering the power to rule (Koester, 1982). And she shall not turn herself into some kind of unisex hailing competence instead of gender nor a "tomboy" playing "one of the boys" or a so-called "real" woman celebrating the female advantage. As an "alpha female", she dares to use masculinity without denying femininity, balancing the gender values whenever necessary. She is a "gender offender" (Björk 1997: 203), deconstructing stereotypes and expanding the boundaries of being a woman – and a female executive.

Critical remarks. The code of empowerment is confronted by a number of critical points:

Although gender is individually constructed and changeable, it is clear in this code that one always becomes a woman under the social and existential compulsion to be one. It is inevitable; no one can escape the gender project. Well, we can indeed juggle with masculinity and femininity independent of the male and female bodies, but this remains repressed in the respective matrices of the two genders. Why this privilege of gender? What happened to the individual person? And, more significantly, why this binary gender restriction? Should "the struggle of transcendence" not transcend the two genders and instead invite a multitude of gender identities (Beck 2005: 79; Butler 2010: 47)?

It is paradoxical that the aspiring female, as a free individual, is acknowledged as an authentic person in all her uniqueness, while at the same time expected to become like a "Machiavellian Princess" with certain general – and in fact often masculine – traits in order to succeed. Why is it only the "extrovert", "risk-driven", "ambitious" and "competitive" type that makes a good manager? Thus, the individual becomes standardized; uniqueness is reduced to sameness. What then became of diversity in management and individual differences? Being a human after all?

The view on the individual as a transcendent subject making free choices and acting independently is to ignore the cultural and structural embeddedness. Individuals and their gender construction are not an isolated source, but rather a social and discursive effect. As Butler writes:

> […] *one does not "do" gender alone. One is always "doing" with or for another, even if the other is only imaginary. What I call my "own" gender appears perhaps at times as some-thing that I author or, indeed, own. But the terms that make up one's own gender are, from the start, outside oneself, beyond oneself in a sociality that has no single author (and that radically contests the notion of authorship itself)* (Butler 2004: 1).

By making individualism the dominant ideology, it becomes easy for governments and corporations to neglect the problem and place the primary responsibility on the shoulders of the individual woman; it is a private matter, not a public issue. As one commentator sarcastically puts it: We simply love our individuality and our right to make a free choice. We won't hear any talk of something bigger and less individually oriented possibly interfering with our behaviour or choice. There's only me! And I'm free to do whatever I want – and if things don't turn out like

I want, I only have myself to blame (Female, blogger, Jyllands-Posten, 30.12.09).

"Your victories are your own, but so are your defeats", as one Danish researcher explains (Female, associate professor, www.information.dk, 04.03.10). You are the source of your own success or failure. Collective policies of equality and justice become individual politics of self-responsibility and self-progression. You get justice whenever you prove you deserve it.

5. Conclusion

The diverse and often conflicting codes presented in this article testify to how the debate on gender takes place along different lines of arguments and different regimes of truth, which contributes to how the issue of women in leadership management is raised and answered. Each of us can subscribe to any of the codes, and even though we might have our individual favourites, we often switch in and out of the codes in trying to understand and cope with things. In the continuing construction and de-construction of reasoning, the codes compete, collide and are criticized – leaving a risk of confusion and a chance for enlightenment. Table 1 sums up the essence of each of the five codes disputing on the field.

Code	Nature	Talent	Buisness	Exclusion	Empowerment
Concept of gender	natur-determined biological sex	socialized gender roles	essentiel, profitable gender-difference	structural determined gender hierarchy	existential, self-created gender
Vision of equality	anti-feminism, naturalization	equality of opportunity, accreditation	complementaryequality, business-case	equality of results, representation	powerfeminism, individualization
Female-ideal	housewife and life – stile-entrepreneur	talented person	business-woman	classical feminist	proactive alfa-female
View on management and gender	management is primarily a masculine function, naturally related to the man's genetics and bio-chemistry	management is gender neutral; inherent talent, learned competence and build-up experience of the individual	management is gender-linked; men and women manage differently and women's feminine leadership makes an effective difference	management might be gender-related; women's historical experience as outsiders contribute a broader approach to organization and community	management is individual-driven, but tinted by the woman's personal and often mixed gender-design
Problem-presentation	women are basically unfit for management; they have other skills and life-values than the career-oriented ones	women stay absent; they lack merits, hardcore skills and willingness to make the sacrifices' it takes	women are invalidated; their special attributes aren't valued because management still is imprinted with hegemonic masculinity	women are suppressed; discriminatory structures and cultures restrict women advancement opportunities	women exclude themselves; they subject themselves to self-inflicted career barriers, and escape form the freedom of action
Imperativ of solution	accept the natural order and drop career-live!	fix the woman and cancel the gender!	celebrate the woman and cultivate the gender!	reclaim feminism and destroy patriarchy!	empower yourself and resist our own resistance!

Table 1: Five codes of gender and management

To conclude the analytical results, I pinpoint three imperatives:

5.1. Encode!

We ought to recognize that gender is not a given thing; it is encoded in very different ways with widely different consequences. Coding is not innocent. When we articulate and practice gender and management through a specific code, we present the problem and solution in certain ways and neglect or are prevented from seeing them differently. In a complex world, we must blind ourselves in order to be able to see, but are then at least obliged to see that which we cannot see. This article has provided a cognitive map to light up the terrain; revealing both the "clear views" and blind spots alike.

5.2. De-code!

We must learn to decode gender; to hack into the different codes, become familiar with their logic and cautious about their consequences. We must act like a polyphonic orchestra leader; begin by screening the field for different voices, then hacking the specificity of each voice before prioritizing and juggling between them, depending on the situation at hand, and finally making a choice about which voices and accompanying gender and leadership identities that must be invoked when and in which compositions.

This article has provided the analytical tool – now it is up to the hard work of practice.

5.3. Re-encode!

We need to recode gender codes and disrupt the usual ways of speaking and acting in relation to gender and management. We must encourage the development of a third generation of gender-policy; the first being "equality policy" dominating the 1960–70s, the second being "diversity management", with its breakthrough in the late 1980s – neither of them have significantly changed the percentage of women in management. Maybe we should stick to the more radical and post-modern "queer policy" and challenge the gender norms, invite the abnormal and replace the male/female dichotomy with myriads of changeable gender identities, thereby allowing diversity in being a gendered subject, that is, a gendered manager. Norms and codes thus call the subject into being, but we can call back: the gendered categories we take for granted are constructions and could therefore be constructed differently. We must bear this potential for change in mind if we genuinely want more women in management. Let us all be gender troublemakers and find hope in this encouraging stanza from Leonard Cohen: "There is a crack, a crack in everything. That's how the light gets in" (Cohen, Anthem, The Future 1992).

Endnotes

1. Research from the 2013 Grant Thornton International Business Report reveals that women hold 24 per cent of senior management positions globally – however, the G7 economies are at the bottom of the league table, with just 21 per cent of executive positions occupied by women (Grant Thornton 2013). According to the Catalyst Census of Fortune 500, only 14 per cent of executive officers were women and only 17 per cent of the seats on boards of director were held by women in 2012 (http://www.catalyst.org, 24.06.13). In the European context, that amount is even smaller; 12 per cent women as board members of the largest companies on the stock markets in the 27 EU member states (European Institute for Gender Equality 2013: 91f) – and 97 per cent of them have a male chairman of the board. When it comes to executive positions, women posit 10 per cent, and only 2 per cent of the largest EU-27 companies anno 2012 have a female chief executive officer (http://ec.europa.eu/justice/gender-equality, 24.06.13).

2. The selection of the literature is inspired by work with categorization carried out by other researchers, including Alvesson and Due Billing (1997), Bech (2005), Borchorst et al. (2002), Calás and Smircich (2006), Fletcher and Ely (2003), Harding (1986), Kark (2004), Kolb et al. (2003), Lengermann and Niebrugge (1996), Stormhøj (2003) and Tong (1998).

3. The empirical data is primarily from Denmark – partly for practical reasons (I live there), partly due to curiosity; Denmark is ranked as the seventh 'most equal' country in the world (World Economic Forum, 2012, p. 8), a country with very flexible working conditions, with a majority of women in tertiary education and with a government initiating many initiatives. Why, then, does Denmark have a relatively low score internationally when it comes to the proportion of women in top management? According to the Danish Ministry of Equality, only 6 per cent of Danish executives are women, and only 12 per cent of the board members in listed companies – a figure which falls to 6 per cent when the employee representatives is pulled out (http://miliki.dk, 24.06.13). In the Grant Thornton IBR 2013, Denmark ranks as number 28 of 44 countries concerning women in senior management. According to the survey, fewer than 10 per cent of the Danish respondents indicated that they were seeking to hire more women in top roles over the next 12 months (Grant Thornton 2013: 7-8). In my mind, all of this makes Denmark an interesting case to study.

4. In analysing the material, I used a three-step method: 1. *Scanning*: in search of the different discursive formations, I scanned the texts for statements, that is, the smallest units or 'building blocks' in a discourse – and regularities in the statements, that is, a pattern consisting of correlations and transformations (Foucault 2002: 41, 89ff, 131). According to Foucault, a state-

ment must be analysed in its appearance, in its 'positive suddenness', as it emerges. Thus, I was interested in the specific semantics that the statements themselves present and the gender and management ideals that they explicitly put forward. 2. *Categorizing*: I categorized the findings in themes and related them to one another so that some were put together in one category and others were split up on a more detailed level. I searched for patterns and relations, but also variations and contrasts, and a corpus of text emerged that could serve as a basis for the analytical work to follow. 3. *Codifying*: I formed the categories into analytical concepts, that is, discursive codes, and structured each code using analytical fix points, which guided the analy-

sis: a. concept of gender and standpoint on gender difference, b. vision for equality, c. view on women, d. function of gender in management, e. definition of the problem concerning the few women in top management and f. the imperative of finding a solution in this regard. Related to this, I also 'asked' each of the discourses which concrete activities they would recommend at the societal, corporate and individual levels as means towards increasing the number of female executives – thereby creating a list of activities for practitioners to follow (see my book: Rennison 2012).

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Leadership Emergence as a Process
The Role of Emotions and Emotional Intelligence

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Abstract

Leadership Emergence (LE) has been found to be particularly relevant to understand leadership in organizations because of the increasing use of leaderless groups. Research has focused on understanding variables like cognitive ability, personality and physical characteristics to predict LE. Here, LE is conceptualized as a process. Two trends are derived using this framework: An increasingly individual-centric trend and the increasing role of affect. Using these trends, a model integrating a relevant individual difference variable such as emotional intelligence, group emotions and LE is presented. Potential implications to organizations are also discussed.

Keywords: emotions, emotional intelligence, leadership, affect

1. Introduction

Traditionally, research has focused on two dimensions of leadership: leadership emergence (the "why" of leadership) and leader performance (the "what" and "how" of leadership). In leadership emergence (LE), most of the research emphasis has been on individual difference-variables such as general mental ability (GMA; Judge, Colbert and Ilies 2004) and personality dimensions (Ilies, Gerhardt, and Le 2004). At least two gaps exist in LE-Research. First, though researchers have acknowledged and measured the temporal aspects of LE, the specific sequence of events (or the mechanism by which LE occurs) resulting in the emergence of a leader has received considerably less attention. Second, contextual variables have seldom been examined specifically in LE (these factors however have been investigated in leadership effectiveness, but not emergence) with some exceptions (Hogg 2001). Recently, an increasing number of propositions concerning the effect of contextual (social and interpersonal) variables on leadership emergence have been put forth (e.g. Emery, Calvard, and Pierce 2013). The increasing attention on contextual variables, especially emotions, could be seen as part of a paradigm shift in the organizational psychology/behavior literature (Barsade, Brief, and Spataro 2003).

In this article, the above-mentioned gaps are addressed in two ways. First, a process-framework of LE will be proposed. Specifically, this model will describe the *sequence of events* resulting in the emergence of a leader. Second, a mechanism by which emotional intelligence (EI) could work with group emotions to result in LE.

Leadership is one of the most developed and popular research areas in organizational behavior. One reason for this popularity is because of its practical implications, translating into organizational, team and individual performance (Thomas, Martin, and Riggio 2013). Although numerous studies have examined leadership conceptually and empirically, the very few have attempted to define it in coherent terms (Barker 1997). One of the definitions often used is that given by Yukl (1997; c.f. Ashkanasy and Tse 2000: 222). Yukl's definition of leadership was fairly descriptive and encompasses at least six distinct dimensions: (1) Processes affecting the interpretation of events for followers; (2) the choice for objectives for the group or organization; (3) the organization of work activities to accomplish the objectives; (4) motivation of followers to achieve the objectives; (5) maintenance of cooperative relationships and teamwork; and (6) enlistment of support and teamwork and cooperation from the people outside the organization.

2. Conceptual foundations and theories

2.1. Leadership emergence

Since its initial stages, leadership research has, for a long time, focused on finding out the "universality" of traits that could play a role in leadership (Ilies et al. 2004). The trait-approach to leadership went out of favor among researchers and practitioners from 1940s to 1980s. Several theories giving importance to the situational variables were proposed (Fiedler's contingency model, path goal theory etc.) The renewed interest in the trait approach from the late-eighties coincided with the emergence of a dominant dispositional line of research. Recently, modern theories of leadership such as leader-member exchange (LMX; described below), Transformational and charismatic leadership have dominated leadership research (Dinh et al. 2014).

Research has delineated at least two dimensions of leadership: leadership emergence and leadership effectiveness (Iles et al. 2004; Hogan et al. 2004). Research in leadership emergence focuses on factors (both individual-related and situation-related) those results in the expression of leadership qualities of an individual in self- managing groups (also researched in autonomous, self-directed and leaderless groups). Research in leadership effectiveness domain however, deals with topics such as "the ability of the leaders to influence their followers to achieve their goals" (Ilies et al. 2004: 207).

In this paper, we focus almost entirely on LE. There are at least two reasons as to why LE is the primary construct to be understood clearly. Firstly, it deals with factors that are at the roots of leadership, often termed as the "first step in the leadership process" (Ilies et al. 2004: 208). Hence, given that a group of individuals are exposed to the same situation, LE throws light on factors which are at the origin. Researchers interested in LE, hence, are particularly interested in studying the effects of individual characteristics (Emery, Calvard, and Pierce, 2013) and social factors (Tee, Paulsen, and Ashkanasy, 2013). Secondly, with an increasing number of organizations adopting such teams (e.g. self-directed/managing work teams), studying and applying the emergence of leadership becomes even more important (Wolff, Pescosolido, and Druskat, 2002).

Research evidence in the field of LE can be broadly categorized as being under one of the two categories: individual difference-related evidence and social exchange related evidence.

Empirical investigations have mostly focused on individual factors such as cognitive ability (Kickul and Neuman, 2000), personality (Judge et al. 2002; Taggar, Hackett and Saha, 1999), physical appearance (Cherulnik, Turns and Wilderman, 1990), gender (Peters, Kinsey and Malloy, 2004) and emotional intelligence (Côté, Lopes, Salovey, and Miners, 2010). In their meta-analysis, Judge et al. (2002) found that personality factors such as neuroticism ($\rho_c = -0.24$), extraversion ($\rho_c = 0.33$), openness ($\rho_c = 0.24$), agreeableness ($\rho_c = 0.05$) and conscientiousness ($\rho_c = 0.33$) influenced LE. Judge et al. (2004, c.f. Ilies et al. 2004) meta-analyzed the findings on the effect of intelligence on LE and found an average corrected Rho of 0.25. Together Intelligence and the big-five factors produced a multiple-R of 0.57. In most of the studies it is seen that there is a gender bias in the perceptions of leadership. This notion has been confirmed by empirical research (Peters et al. 2004).

Research evidence also suggests that social exchanges play a pivotal role in the development and effectiveness of leadership. This idea is not new to leadership research. At least two theories focus on the interpersonal exchanges between the leader and the follower: LMX (Dansereau, Graen, an dHaga, 1975; Graen, 1976, c.f. Steiner, 1997) and transformational leadership theory (Burns, 1978, c.f. Bass, 1999).

2.2. Leader-member exchange theory

Leader-member exchange theory, developed by Graen and others, attempted to understand leadership at the supervisor-subordinate dyad level. This focus was based on the assumption that each supervisor-subordinate interaction is unique and should be understood as an exchange (Steiner, 1997; Krishnan, 2004). Since the exchanges were proposed to be unique to a specific supervisor-subordinate interaction, the nature of the interactions was not generalized across situations. A distinction however was made between a high-LMX (leadership exchange) and a low LMX (supervisory exchange; Steiner, 1997).

A few years later, Burns (1978) proposed that the exchanges between the leader and follower(s) could be categorized into two broad categories: Transactional and Transformational. In transactional leadership, the exchange between the leader and the follower is based on short-term self-interests (Bass, 1999). A more recently researched concept is that of transformational leadership. Bass (1999: 11) defines transformational leadership as the "process where the leader moves the follower beyond immediate self-interests and through idealized influence (charisma), inspiration, intellectual stimulation, or indi-

vidualized consideration". The concept of transformational leadership is strongly grounded in the notion of persuasion of the followers to achieve a goal (Hogan et al. 1994). Many times persuasion can be achieved through high-quality interactions or exchanges resulting in the leader clarifying the common goal to be achieved, for the followers. Assuming that the leader is able to accurately understand the goal to be achieved, this process (of clarifying the goal for the followers) should lead to a similarity or fit between the goals of the leader and the follower. Krishnan (2004) examined the possibility of transformational leadership mediating the effects of LMX on achieving similarity of values between the leader and the follower ("value system congruence", Krishnan, 2004: 61). He found that transformational leadership fully mediated the relationship between LMX and achievement of "value system congruence".

2.3. Emotions

The emergence of the affective paradigm (Brief et al. 2003) in industrial/organizational psychology has triggered studies examining the role of emotions before, during and consequential to the interpersonal element of leader-member exchanges. Dasborough and Ashkanasy (2002, 2004) applied the attribution theory of leadership and examined the role of emotions in the follower perceptions of the leader. Their empirical investigation revealed that positive emotions of the followers were related to the perception that the leader was transformational, and negative emotions were related negatively to the perception of the leaders being transformational (Dasborough and Ashkanasy, 2004). These studies, however, focused on leadership processes, after the leader was either assigned or selected.

As can be seen from these studies, the interpersonal exchange perspective rarely addresses the specific mechanisms by which leaders emerge. Past research on such exchanges mostly deals with groups or organizations with formally established leaders (Pescosolido, 2002). Combining the notion of individual differences (trait based) in abilities or skill sets to be the predictor of emergent leaders and interpersonal effects, Pescosolido (2002) proposed that emergent leaders would be individuals who are efficient managers of group emotions. In addition, he also proposed that such individuals will be able to decode ambiguous stimuli (for the followers), understand the emotional state of the group members and initiate an appropriate emotional response. In other words, the ability to understand, express and manage emotions effectively in oneself and others (referred to as Emotional Intelligence-explained below; Salovey and Mayer, 1990; Mayer

and Salovey, 1997), could be an important individual characteristic that could play a role in the emergence of a leader. More recent research has shown that EI does play a significant role in the emergence of leadership (Côté, Lopes, Salovey, and Miners, 2010).

Parallel to the development of the individual difference/trait perspectives and the interpersonal exchange perspectives, leadership research also saw the evolution of the sociological perspective. Though not completely independent from the interpersonal-exchange view, sociological theories have contributed uniquely to leadership research. Several researchers have commented on the role of factors such as social perceptiveness (Zaccaro, Fotiand Kenny, 1990), forbearance (Nelson and Dyck, 2005), social interactions/networks of influence (Mehra, Smith, Dixon, and Robertson, 2006), and social problem solving (Mumford et al. 2000). Most of the propositions in this area are strongly based on the theory of social exchange (Nelson and Dyck, 2005). The social exchange theory (SET) draws similar notions as that of the leader-member exchange theory. SET proposes that when two individuals interact, individual A can do a favor for B, and hence elicit "social indebtedness" in individual B. Hence, in the leadership context, SET illuminates the role of pragmatism and contextual factors to the traditionally "rational" leadership theories.

As seen from the previous several sections, research evidence in the individual difference and interpersonal/social exchange perspectives rarely addresses the specific issue of causality. This was the first research gap we identified. Next, we develop a framework for understanding LE as a process rather than a static dependent construct.

3. Developing a Process-based Framework of Leadership Emergence

3.1. Framework for understanding Leader Emergence

LE should be understood and studied as a process (Thomas, Martin, and Riggio, 2013). For the same reason, its temporal facets are as important as the end result (of selecting a leader). Hence we propose a general framework involving five sequential steps, to describe the LE-process (Fig. 1). These five steps are based on two core principles: *relativity* and *convergence*. *Relativity* is defined as the comparative social processes occurring between individuals in a leaderless/self-managing group. *Convergence* is defined as the evolution or emergence of a point of attraction (one of two individuals) in a leaderless, self-managing group. Both these principles are conceptualized at the group level.
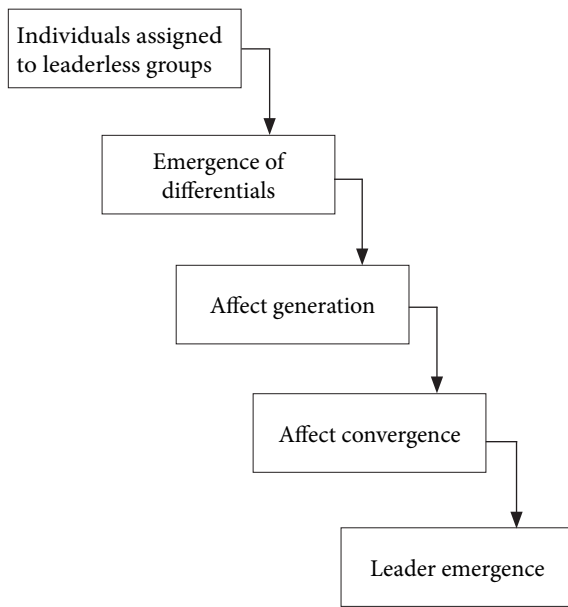
Figure 1: A five-step framework for understanding leader emergence

Next, the specific steps involved in the LE-process are discussed. After the inclusion of individuals in leaderless (or self-managing) teams (Step 1), individuals involve in interactions. The interactions result in the *differentiation phase*. Differentiation phase is defined as the stage at which team members use their cognitive ability to understand and compare their degree of influence over the other members. As the name indicates, this phase activates the comparative, relativistic core of LE. Here individuals use largely objective, factual information to evaluate each other. Individuals use information such as their level of expertise in a subject area, skills, ability and power and compare it with that of other members (perceived competence) to arrive at a differential. This leads to the first proposition:

Proposition 1: Individuals in leaderless groups will engage in comparative processes resulting in differential levels of perceived competences among the members

The next stage is that of *affect generation*. The affect generation stage is a direct result of the differentiation stage. Affect is a term that includes both emotions and moods (James, Brodersen, and Eisenberg, 2004). Emotions have been defined as psychological responses with a target and having a short duration (Weiss and Cropranzano, 2002). Mood is defined as general feelings or emotional responses occurring at a lower level and for prolonged periods of time (James et al. 2004). Emotions are often studied through dimension-based approaches (positive and negative) and discrete emotion-based (eg. Happiness, Fear) approaches. For an exhaustive review of these streams of literature, readers are directed to Barsade, Brief and Spa-

taro, (2003). There have been efforts to integrate positivity, negativity with another dimension, namely, arousal into one framework (Affect Circumplex, Weiss, 2002). Hence, for example, the emotion of "sadness" can be high on negativity or highly "unpleasant", and low on the activation (arousal) dimension, whereas anger or fear can be highly activated, at the same time retaining negativity or "unpleasantness". The key question then is how are emotions produced from the differentiation phase?

Of the several approaches used to explain the generation of emotions, the interplay between power and status dimensions of individuals could be applied in this (LE) context (the social interactional theory of emotions – SITE; Kemper, 1978). Kemper (1978, 2002) postulated that interactions between individuals could be described in terms of power and status. Power is defined as "the collection of actions designed to obtain compliance with one's wishes, desires and interests over the resistance of another" (Kemper, 2002: 54). Status is defined as "a roster of behaviors voluntarily bestowed on another that support, enhance benefit, or otherwise benefit the other" (Kemper, 2002: 55). SITE posits three types of emotions, namely, structural, anticipatory and consequential emotions. Structural emotions are emotions produced by a stable power-status structure existing in a group, whereas anticipatory emotions result from conscious planning and speculation about future interactions (potential changes in power-status relationships). Consequent emotions are those which are produced as a result of the previous interactions. Since the temporal dimension of this model is somewhat long in duration (more than 6 months), it is posited that a stable power-status structure will emerge. Because of the formation of a stable structure, the category of emotions formed will be structural in nature (Kemper, 1978).

Proposition 2: Stable Status and Power structures formed in leaderless groups will result in the generation of emotions.

The next stage is that of *affect convergence*. Here, the target of the emotions that were produced by the previous two stages becomes on one (or two) individual(s). This phase can be understood as having similar connotations to the concept of "group consensus". At this stage, the interaction between members uses affective information (emotions and moods felt and expressed by the team members). The result of affect convergence is the formation of focal points (target for affect), where most of the attention of the members is directed (Mehra, Smith, Dixon, and Robertson, 2006). This is the stage where the actual agreement as to which individual is the potential leader emerges.

Proposition 3: Focal points or targets (1-2 individuals) evolve in a leaderless group where the affective reactions of members will be directed.

The final stage is when one or two individual(s) emerges as the leader. At this stage, members agree almost completely as to who their leader is. From the follower's perspective, this stage marks the culmination of several stages, and interactions or influence strategies end. The interactions that happen after this stage will become a part of the task at hand, and is not directed at the emergence of a leader.

3.2. Assumptions about leader emergence and team members in organizations

This framework, however, makes several assumptions. First, it assumes that every member of the group wants or is motivated to become a leader. In organizations, not all members are motivated to compete for the leadership responsibility. Additionally, different team members may have different motivations to lead, depending on the specific outcomes involved (Chan and Drasgow, 2001). Second, it is assumed that there are no external influences that facilitate or hamper the sequence of events. In organizations, several external influences can influence the members of a team. For example, one person can be a member of several teams concurrently. The members could also be affected by increased work load due to external economic changes. These factors could affect the proposed sequence of events in the LE-process framework. Third, this model assumes that every member can interact with one another without hindrance. Implicitly, the team is assumed to have an optimum number of members.

The previous sections dealt with the LE process as a collective/interactive process. If the LE-process framework is examined, two trends can be noted. First, the dynamic interactions of the group members change from a dispersed format to a focused and individual-oriented (focal points) format (Eberly et al. 2013). Second, affect or emotions play an increasingly central role, especially at the later stages (Goleman, Boyatzis, and McKee, 2013; Sy, Choi, and Johnson, 2013). Combining these two trends, it can be inferred that the role of an individual-difference variable (first trend) dealing with affective information (second trend) should be studied more closely. Hence, in the next section, I propose a model describing the potential role of emotional intelligence, an individual-difference construct in the LE-process.

3.3. Four models of emotional intelligence

Several researchers have proposed that individuals have the ability to process emotional information and modify it in ways favorable to their goals (emotion regulation, Gross, 1997; emotional intelligence, Salovey and Mayer, 1990, 1997; Bar-On, 1997; social intelligence, Thorndike,

1920; emotional competence, Goleman, 1995). Of the several related constructs proposed, emotional intelligence has gained in popularity over the past 15 years (Mayer, Salovey and Caruso, 2004).

EI was first proposed by Salovey and Mayer (1990) and then was later refined by them (Mayer and Salovey, 1997). EI is defined as the ability to perceive, appraise and express emotion; the ability to access and/or generate feelings when they facilitate thought; the ability to understand emotion and emotional knowledge; and the ability to regulate emotions to promote emotional and intellectual growth. (Mayer and Salovey, 1997: 10). In essence, EI consists of four branches:

The first branch of this model deals with the *identification or perception of emotions*. This is the first step underwent by an individual when he or she encounters affect, causing individuals to label or to identify emotions. Additionally, this branch also deals with the processes of identification and perception of emotions in other individuals, and in physical stimuli.

The second branch of EI deals with the *processes by which emotions augment cognitive activities* such as prioritization of tasks, enhanced creativity and transform emotions to view multiple perspectives of the same issue. This branch is also closely associated with performance in activities in an individual's job.

In the third branch of EI, emotions are *analyzed and interpreted* in a more detailed manner. Here the individual employs emotional knowledge or awareness obtained from past experiences. Another dimension comprising this branch is the ability to understand how emotions transform over time.

The fourth branch of EI deals with the conscious processes by which individuals can use, regulate or modify emotional information. The first dimension in this branch deals with the ability to be prepared as emotions get invoked. Another dimension of this branch deals with the ability to associate/dissociate emotions with performance, ability to reflect on the effects of emotions in the past to see how harmful/helpful they were and then, using that knowledge to regulate emotions in oneself and others.

Though EI is an individual characteristic, operationally, it will involve interpersonal interactions with the group members. In perhaps the only empirical study investigating the role of EI (operationalized as empathy), Wolff and Pescosolido (2002) found that empathy supported the cognitive processes such as pattern recognition and perspective taking in groups.

4. General Discussion

4.1. Emotional Intelligence in Leadership Emergence: An Integrative Model

Integrating the previous research findings and using the LE-process framework proposed above, a comprehensive model of LE is proposed (fig. 2). As a result of the two trends mentioned above (Trend 1: Dispersed to focused; Trend 2: Increasing use of affect in interactions), this model uses constructs at the individual as well as the group-level.

The 5-step LE-process mentioned above results in two crucial components of the model: potential leaders (direct result of the affect convergence stage) and group emotions (direct result of the affect generation stage). Once the forma-
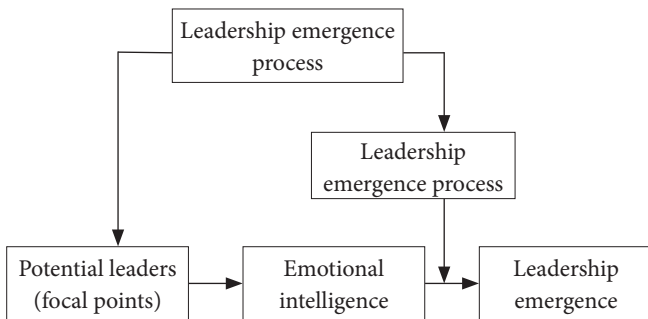
Figure 2. Depicting the role of emotional intelligence in leadership emergence

tion of focal points is accomplished, the probability of one of the individuals becoming an emergent leader depends on the level of that individual's EI. This is because EI's four branches provide the abilities necessary to perceive (EI-branch 1), assimilate (EI-branch 2), understand (EI-branch 3) and regulate (EI-branch 4) emotions produced as a result of the social interactions. This leads to the fourth proposition:

Proposition 4: Among individuals who are part of the focal point, those with higher EI will have a higher probability of emerging as the emergent leader.

4.2. Implications to Management Practice and Research

Understanding and studying LE as a process rather than a static construct will have widespread implications to organizations. There is increasing use of self-managed or self-directed work teams (SDWTs), which are mostly leaderless and autonomous (Bergman, Small, Bergman, and Bowling, 2014). Though time frames vary, leaderless groups can spend a varying amount of time before a leader is selected or one emerges. In most cases, a team can better function when there is an individual or individuals engaged in leadership behavior. Hence, selection or emergence of a leader is important for the performance of a team. Through a better understanding of the LE-process, organizations can use interventions at specific stages to facilitate the emergence of a leader. For example, organizations could enhance the formation of differentials (Stage 2; LE-process model) by increasing the heterogeneity of the team. Heterogeneity can be along different dimensions such as skills, educational backgrounds, experiences etc. Combining the LE-process model with the integrative model, organizations could assign individuals with a high level of EI to SDWTs. This way, individuals emerging as the focal points could then effectively manage the group emotions and subsequently become emergent leaders in a relatively shorter time.

Understanding LE as a process also helps organizations to parse out problems in SDWTs in a more efficient manner. If a leader is not emerging in a group due to an unexplained reason, the organization could analyze this issue *t* ascertain whether this is due to failure of any of the steps in the framework. For example, the organization could look for the presence (or absence) or differentials, convergence etc. separately and once the problem is identified, effective interventions can be implemented.

5. Conclusion

To conclude, conceptualizing LE as a framework, and further understanding the role of individual difference variables like Emotional Intelligence can help facilitate the emergence of leaders in SDWT. At a broader level, this can help organizations better understand the workings of SDWTs and help them perform at a superior level.

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Leadership and Strategy
The Vital but Evasive Role of Cooperation and Clarity of Expectations during Strategic Change*

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Abstract

Strategic change evokes a shift in the distribution of power and, therefore, often impairs cooperation and obscures the standards that employees must achieve. Yet, unless employees perceive the work environment as cooperative and their responsibilities as unambiguous, they tend to feel too unsafe to embrace the uncertainty that change entails. To examine the significance of this cooperation and clarity of standards, in Study 1, 223 executives assessed workplace cooperation, clarity of standards, meaning at work, impediments to strategic change, and firm performance. Workplace cooperation and clarity of standards were inversely related to impediments to change – a relationship that was mediated by meaning at work. To clarify how organizations cultivate this workplace cooperation and clarity of standards in the midst of change, 35 executives were interviewed. Thematic analyses revealed that leaders should first inculcate a vivid, shared vision but then gradually encourage individuals to assume distinct responsibilities that match their preferences.

Keywords: leadership, change management, cooperation, meaningful work, obstacles to change, strategic change

1. Introduction

Despite the prevalence and significance of strategic change in organizations, many initiatives or transformations culminate in a range of complications and problems (Franken, Edwards and Lambert, 2009). For example, during the implementation of strategic change, the norms and dynamics of the workplace are disrupted and may seem unfamiliar to employees. As familiarity declines, two complications can unfold. First, in unfamiliar environments, people are more inclined to perceive their social environment as hostile instead of cooperative (cf., Rios, Ybarra and Sanchez-Burks, 2013). Second, in these environments, people are not as certain which duties, obligations, and standards they should fulfill (Higgins, 1987).

Because of these two complications, after strategic changes are instituted, individuals are not as sure their relationships with co-workers are strong and supportive. They feel that other individuals may either be hostile or reject them. When the strength of their relationships subsides, people are not as likely to perceive their work as meaningful (for evidence, see Zadro, Williams and Richardson, 2004). As this sense of meaning declines, individuals are not as engaged in their work (Kahn, 1990, 1992; May, Gilson and Harter, 2004), often diminishing their resilience (Britt, Castro and Adler, 2005), and increasing their resistance to change.

Therefore, to implement changes effectively and to curb any resistance to these changes, managers and change agents must, somehow, prevent these threats to relationships. Leaders need to foster support and trust. This study explores the practices that executives utilize or champion to achieve this goal. Furthermore, this study examines whether these practices do indeed diminish the obstacles that have been shown to impede the success of workplace changes.

2. Obstacles to change

The majority of strategic change initiatives do not achieve their desired objectives because of unexpected barriers. Franken et al. (2009) estimated that about 75% of change initiatives are unsuccessful. These shortcomings have been ascribed to a variety of obstacles (e.g., Getz, Jones and Loewe, 2009; Hrebiniak, 2006, 2008; Rowe, 2001).

Arguably, these obstacles can be reduced to four clusters. First, managers and change agents often overestimate the capability of themselves, or their organization, to implement the change. Consequently, expectations are unrealistic (Miller, Wilson and Hickson, 2004), deadlines are implausible (Alexander, 1985), complications are trivialized (Speculand, 2009), too many changes are attempted (Freedman, 2003), and not enough responsibilities are delegated (Lippit, 2007). Furthermore, inadequate training is offered to facilitate this adaptation to change (Alexander, 1985).

Second, managers and change agents often reach decisions prematurely (Kruglanski and Webster, 1996), in which they fail to seek enough advice and support from other experts in the organization (Lippit, 2007; Raps, 2004). Likewise, they do not garner the opinions and perspectives of a sufficient number of employees (Raps, 2004). In addition, they do not reflect upon the complications adequately but instead settle on plans that are devoid of detail and clarity (Alexander, 1985; Cocks, 2010). Employees thus feel either disenfranchised or uncertain, diminishing their willingness to embrace the change.

Third, managers and change agents are not always willing enough to update and refine their plans. Consequently, they do not monitor the changes adequately (Freedman, 2003; Lippit, 2007), because they are not especially receptive to feedback. Individuals, therefore, do not feel accountable (Cocks, 2010), and apathy towards the change may unfold.

Finally, managers and change agents may dismiss the uncertainty and anxiety that change can provoke rather than help employees withstand these emotions. They may not engage employees adequately or inspire these individuals to accept unpleasant emotions as integral to this broader vision (Lippit, 2007). They do not offer incentives, such as rewards and recognition in response to success (Freedman, 2003) – incentives that could motivate employees to accept these changes.

3. Meaning and obstacles to strategic change

To reiterate, many of the obstacles that impede strategic change can be reduced to four clusters: inflated capabilities, premature decisions, reluctance to update plans, and neglect of unpleasant emotions. Practices that redress these four clusters, therefore, should override the impediments to change. Fortunately, according to the meaning maintenance model (Heine, Proulx and Vohs, 2006), when individuals experience a sense of meaning at work, these four clusters of impediments tend to dissipate. This model, although usually applied outside the workplace, could provide some vital insights to managers and change agents.

3.1. Meaning in life and inflated capabilities

According to the meaning maintenance model, when people are exposed to events that shatter their sense of meaning or coherence – such as incongruent words (Randles, Proulx and Heine, 2010), subliminal reminders of futility (Van Tongreen and Green, 2010), or absurd narratives (Proulx and Heine, 2009) – they become more susceptible to a range of cognitive biases (Proulx and Heine, 2006, 2008). Each of these cognitive biases is activated to restore a sense of meaning and coherence.

First, after their sense of meaning is threatened, people tend to overestimate the capabilities of themselves or their associates. To illustrate, in response to words that prime futility instead of meaning, people tend to inflate their self-esteem (Van Tongreen and Green, 2010). Consequently, they feel they can achieve their purpose, instilling a sense of meaning in their lives. Therefore, if people experience a sense of meaning in their work or personal lives, their tendency to inflate their capabilities – the first impediment to strategic change – should abate.

3.2. Meaning in life, premature decisions, and reluctance to update plans

In addition, after meaning is threatened, need for closure escalates. People become especially motivated to seek certainty and clarity, endorsing activities or environments that are predictable, ordered, and unambiguous (Van Tongreen and Green, 2010). Without this certainty, the facets of their life do not seem coherent and meaningful (Heine et al., 2006).

Conceptually, this need for closure comprises two facets: seizing and freezing (Kruglanski and Webster, 1996; but see Roets, Van Hiel and Cornelis, 2006). Seizing refers to the tendency of some individuals to reach decisions prematurely, without careful consideration, ultimately to

override feelings of ambiguity and uncertainty (De Dreu, Koole and Oldersma, 1999). Freezing refers to the inclination of some people to neglect feedback or information that could challenge their assumptions (Kruglanski and Freund, 1983). Threats to meaning, therefore, are likely to provoke both premature decisions and disregard of feedback (Van Tongreen and Green, 2010). Accordingly, if individuals experience meaning in their work or personal lives, premature decisions and reluctance to update plans – the second and third impediments to strategic change – should dissipate.

3.3. Meaning in life and the neglect of unpleasant emotions

Finally, when individuals feel their life at work or home is meaningful, they are more willing to embrace the unpleasant emotions that strategic changes can initially elicit. To demonstrate, when individuals perceive their work as meaningful and important, they feel their tasks align to their values (Kahn, 1990, 1992). They do not feel the need to suppress their natural inclinations and, therefore, can devote themselves wholly to their work, manifesting as engagement. Consistent with this argument, when individuals perceive their work as meaningful, they are more likely to feel engaged at work (May et al., 2004).

Employees who are engaged at work tend to be more resilient to change and other stressful events. In demanding circumstances, they regulate their emotions effectively, as gauged by increased activation of the parasympathetic nervous system (Seppala, Mauno, Kinnunen, Feldt, Juuti, Tolvanen and Rusko, 2012). They also experience fewer symptoms of illness in response to escalating demands and responsibilities (Britt et al., 2005), provided these events do not divert the attention of these individuals from their work. Indeed, many studies indicate that a sense of meaning, a key determinant of engagement, coincides with resilience to unpleasant emotions (e.g., Affleck and Tennen, 1996; Savolaine and Granello, 2002).

In short, if employees experience a sense of meaning, especially in the work environment, strategic changes are more likely to be implemented effectively. That is, the likelihood or consequences of inflated capabilities, premature decisions, reluctance to update plans, and unpleasant emotions diminishes.

4. Strategic change and meaning

As these arguments imply, to override the hurdles that impede the implementation of change, managers and change agents must instill in employees a sense of mean-

ing in their work or personal lives. A variety of practices can be instituted to fulfill this goal (see Baumeister, 1991). Yet, as Stillman, Baumeister, Lambert, Crescioni, DeWall and Fincham (2009) demonstrate, individuals do not experience a sense of meaning, unless they feel supported and included. In particular, if people feel rejected, their activities do not seem as meaningful (Stillman et al., 2009). Instead, when excluded, individuals orient their attention to more immediate pursuits, such as their need to restore relationships, rather than to meaningful aspirations for the future (Mikulincer, Shaver and Rom, 2011; Popper and Amit, 2009).

Unfortunately, during strategic changes, individuals are not as likely to feel supported or included. Two features of these changes can explain this decline in support.

First, after strategic changes are implemented, the distribution of power and responsibilities that characterize the workplace tend to shift. Individuals, therefore, often become more motivated to seek power (cf., Judt, 2010). According to the motivational lateralization hypothesis, this pursuit of power tends to diminish the motivation of people to cooperate (see Kuhl and Kazen, 2008).

Consistent with these arguments, as Maner and Mead (2010) demonstrated, when the distribution of power is liable to shift – a plausible consequence of strategic changes – managers are not as likely to behave cooperatively. They become more inclined to prioritize their own interests over the needs of their workgroup or organization. In these settings, individuals are more inclined to perceive their managers or colleagues as unsupportive, sometimes called a negative model of others (Bartholomew and Horowitz, 1991).

Second, in the aftermath of strategic changes, people are not always certain of their duties and responsibilities. They are not sure of the standards they are expected to fulfill, especially because many of these expectations are implicit and evolve gradually over time (cf., Cannon-Bowers, Salas and Converse, 1993). Consequently, individuals feel they may violate these duties and standards. In these circumstances, people assume, often implicitly, they will be punished, rejected, and perceived as unworthy of their community (Higgins, 1987, 1999), sometimes called a negative model of the self (Bartholomew and Horowitz, 1991).

Accordingly, in the midst of strategic change, individuals are more likely to perceive other people as unsupportive or themselves as unworthy of their community. When people adopt this mindset, they feel they may be rejected or excluded rather than supported or included (Mikulincer and Shaver, 2005; Mikulincer, Shaver, Bar-on and Ein-

Dor, 2010; Shaver, Schachner and Mikulincer, 2005). Their sense of meaning thus declines (Stillman et al., 2009), exacerbating the obstacles to strategic change.

5. Study 1
5.1. Preliminary remarks

Taken together, as these considerations imply, while strategic changes are implemented, individuals may not perceive their surroundings as cooperative or feel certain about their duties and responsibilities. Consequently, they do not feel sure they will be supported, diminishing their sense of meaning, at least in the work setting (Stillman et al., 2009). Consequently, these individuals inflate their capabilities, reach premature decisions, fail to update their plans, and experience strong negative emotions in response to change (e.g., Van Tongreen and Green, 2010).

As this account implies, to implement changes effectively, managers and change agents must circumvent these problems. They must foster a sense of cooperation, despite the changing distribution of power and resources. They must also clarify the duties and obligations of individuals within the midst of shifts in strategy. Accordingly, we hypothesize:

Hypothesis 1: A sense of cooperation and clarity of standards should be negatively associated with impediments to strategic change.

Hypothesis 2: These relationships should be mediated by meaning at work.

The first study was conducted to assess these hypotheses. In this study, executives from a variety of organizations, mostly associates of the Palladium Group or the researchers, completed an online survey. The survey assessed the degree to which these managers believed that employees perceive the work environment as cooperative and the standards as unambiguous and achievable. In addition, the survey measured the degree to which employees seemed to experience meaning at work. Finally, the executives evaluated both the degree to which various hurdles impeded attempts to implement change as well as the performance of their firm. The second study sought the opinions of executives on how to foster this cooperation and clarity of standards.

5.2. Method
5.2.1. Participants and procedure

Participants were executives working in 223 organizations in Asia or Oceana. These individuals were invited to participate in an online survey, comprising five main sections. First, participants answered demographic questions in which they were asked to describe the revenue, size, sector, industry, and location of the organization as well as their own age, gender, position, and experience in management. Second, participants completed questions that related to a model, developed by the Palladium Group and the other authors of this paper, around the leadership practices that facilitate the execution of strategy. These questions included items that gauge the level of cooperation and clarity of standards in their organization. Third, questions that assess the degree to which the employees manifest a sense of meaning were posed. Fourth, participants indicated the degree to which they felt that various obstacles had impeded their attempts to implement strategic change. Finally, a measure of firm performance was included, partly to substantiate the consequences of obstacles to change. All these questions were embedded within a broader survey that also assessed other features of the organization.

Among 223 companies, 22% of these organizations reported revenue greater than $1 billion, and 15% reported revenues between $10 million and $49 million. Furthermore, 49% of these organizations employed more than 1,000 employees, and 20% employed between 100 and 499 employees. These organizations mostly operated in Oceania (53%) and Asia (32%). The sample comprised more male than female executives (73 vs 27%, respectively). Finally, 33% of participants were aged between 40 and 49, whereas 29% were aged between 50 and 59.

5.2.2. Measures
5.2.2.1. Cooperation

A measure comprising three items, developed by the authors, was administered to gauge the perceived level of cooperation in the organization. The measure was derived from Baumeister's (1991) theory of meaning, the meaning maintenance model (Heine et al., 2006), and the Model of Sustained Strivings (Moss, 2012) and reflects the extent to which the individuals in the organization, including peers and leaders, seem helpful and supportive. Each item comprised two statements, representing high or low cooperation respectively. A sample item is "At my organization, people tend to be very cooperative, supportive, and caring of one another" and "At my organization, people are often competitive, rather than cooperative, towards one another". Participants specified the degree to which one statement was more accurate than was the other statement on a 7 point scale. This format is designed to prevent ambiguities and, therefore, to minimize random error. The alpha reliability of this scale was .76.

5.2.2.2. Clarity

A set of five items was constructed and administered to measure clarity of standards and duties. These items were derived from established theories of meaning (Baumeister, 1991; Heine et al., 2006; Moss, 2012) and reflect the degree to which individuals feel a sense of control over their work, either because their duties are unambiguous and feasible or because they are granted autonomy. Established scales were not applicable, because they do not integrate each of these features. Again, each item comprised two statements such as "Employees have clear objectives and accountabilities" and "Employees do not have clear objectives and accountabilities". Participants indicated the extent to which one statement was more applicable than was the other statement on a 7 point scale. The alpha reliability of this scale was .75.

5.2.2.3. Sense of meaning

Three items were also developed to measure the degree to which a sense of meaning pervades the workplace. Each item comprised two statements such as "At my organization, managers and employees seem determined and passionate at work" and "At my organization, managers and employees sometimes seem uninspired at work". Again, participants specified the extent to which one statement was more accurate than was the other statement on a 7 point scale. The alpha reliability of this scale was .88.

5.2.2.4. Hurdle to successful execution of strategy

Thirteen items, adapted from the measure that was developed and validated by Hrebiniak (2006), were administered to identify the degree to which participants felt the execution of their strategies were impeded by a set of obstacles and hurdles. Sample items are "Lack of upper management support of strategy execution", "Poor or inadequate information sharing between individuals or business units responsible for strategy execution" and "Inability to manage change effectively or to overcome internal resistance to change". Each item was measured on a 7-point Likert scale, ranging from (1) *not at all a problem* to (7) *a major problem*. The alpha reliability of this scale was .95.

5.2.2.5. Firm performance

To assess performance, a scale that was evaluated and constructed by Shea, Cooper, De Cieri and Sheehan (2012) was administered, with some minor adjustments. The scale comprises two subscales: organizational performance and market performance. Organizational performance reflects the extent to which managers believe the products, services, and operations of their organization are favorable. In contrast, market performance reflects the extent to which managers feel their organization engages in practices that increase financial success in the market. For this study, only market performance was examined. This 4-point subscale comprised 4 areas including growth in sales, profitability, and market share. Items were preceded by the stem "How would you compare your organization's performance over the past year to that of other organizations in your industry sector in in terms of …? (1 = *worse*, 4 = *much better*). The alpha reliability of this scale was .83.

5.2.2.6. Control variables

Controls included firm revenue, number of employees, and industry sector. Four categories of industry sector were differentiated: private sector, public sector, government department, and non-profit organization.

5.3. Results

Table 1 presents the mean, standard deviation, and possible range of each key variable, coupled with the correlations between each pair of variables. These data were subjected to structural equation modeling.

Variables	Mean	SD	1	2	3	4	5	6	7	8
1. Firm revenue	4.74	2.19	--							
2. Number of employee	4.60	1.71	.72**	--						
3. Sector	1.43	0.64	.00	.10	--					
4. Clarity	4.45	1.12	.28**	.38**	.13*	(.75)				
5. Cooperation	4.87	1.22	.14*	.21**	.09	.66**	(.76)			
6. Sense of meaning	4.79	1.35	.28	.27**	.01	.68**	.73**	(.88)		
7. Hurdles	4.15	1.51	.10	.19**	.11	-.59**	-.64**	-.59**	(.95)	
8. Market performance	2.43	0.73	.06	.08	.22**	.21**	.20**	.13**	-.29**	(.83)

Table 1. Descriptions statistics and correlations between the key study variables
Legend: SD – standard deviation; N = 223 organizations (alpha reliability coefficients are specified in parentheses along the diagonal); * p< .050; ** p < .0
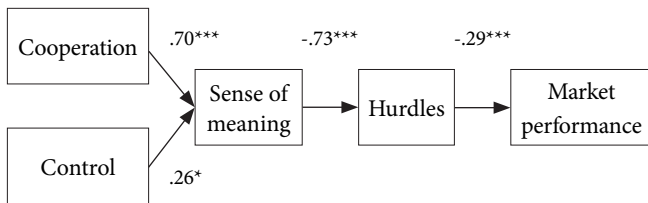
Figure 1. Structural equation model that depicts the relationships between cooperation, clarity of standards, meaning at work, hurdles to the execution of strategy, and performance

Legend: * p< .05; *** p< .001

Note: Model 1 is depicted in Figure 1. Models 2, 3, and 4 are identical to Model 1, except direct paths from cooperation and clarity to hurdles, hurdles to performance, and cooperation and clarity to performance were included in each model respectively.

Four models were assessed. Model 1, depicted in Figure 1, assumes that cooperation and clarity of standards affect meaning at work, and this meaning at work influences hurdles to the implementation of change and ultimately performance. This Figure also includes the B coefficients associated with each path. Model 2 was identical to Model 1, except direct paths from cooperation and clarity of standards to the hurdles or obstacles to change were included as well. Model 3 was the same as Model 1, except a direct path from meaning at work to market performance was also included. Finally, Model 4 was identical to Model 1, except direct paths from cooperation and clarity of standards to market performance was added. Models 2 to 4 were designed to assess whether mediation is full or partial.

Table 2 presents the fit indices that each model produced. The fit indices indicate that Model 1 fits the data adequately. Models 2, 3, and 4 did not significantly improve the fit indices. Therefore, Model 1 was deemed to be the most parsimonious representation of the data. As this model showed, the hypothesized indirect effects of cooperation and clarity of standards on hurdles to change via meaning at work were significant. Furthermore, cooperation and clarity of standards were indirectly associated with market performance.

Models	χ^2	df	χ^2/ df	RMSEA	CFI
Model 1	821.82	420	1.95	.06	.90
Model 2	804.30	418	1.92	.06	.90
Model 3	820.75	419	1.95	.06	.90
Model 4	820.56	418	1.96	.06	.90

Table 2. Fit indices associated with the alternative models

Legend: χ^2 – ratio of chi square; df – degrees of freedom; RMSEA – root mean square error of approximation; CFI – comparative fit index

5.4. Discussion

In the aftermath of changes, the distribution of power and the duties of individuals tend to shift. Therefore, people are more inclined to contest this power, provoking a competitive rather than cooperative environment (e.g., Maner and Mead, 2010). Furthermore, as people become uncertain of their duties, they feel concerned they may violate these obligations and thus be rejected or punished by colleagues (Higgins, 1987). When individuals feel the environment is uncooperative and feel concerned they may be rejected, they do not believe they will be supported if problems unfold (Bartholomew and Horowitz, 1991), which compromises their sense of meaning in life (Stillman et al., 2009). As their sense of meaning declines, individuals exhibit a need for closure (Van Tongreen and Green, 2010), in which they reject both unpredictable settings as well as information that challenges their pre-existing preferences or practices – ultimately impeding the execution of strategic change.

To assess these propositions, in this study, executives from 223 organizations completed a survey that gauged the extent to which the environment is cooperative and the duties of individuals are unambiguous and attainable. Furthermore, the survey assessed the degree to which individuals perceive their work as meaningful and the level of their firm's market performance. As predicted, when the organization was cooperative and individuals felt their duties were achievable, people were more likely to perceive their work as meaningful. This sense of meaning was negatively associated with the extent to which hurdles impeded the execution of change. As these hurdles dissipated, market performance of the organizations tended to improve.

Several limitations need to be acknowledged. First, because the design was cross sectional, the direction of causality cannot be established definitively. For example, when hurdles impede the execution of strategies, individuals are not as hopeful their goals and aspirations can be reached. Their sense of efficacy diminishes – a state that has been shown to impede a sense of meaning (Baumeister, 1991).

Likewise, a sense of meaning might increase the extent to which people feel the environment is cooperative, or their duties are achievable, rather than vice versa. This possibility, however, is unlikely. Consistent with research on the meaning maintenance model, when meaning is reinforced, biases tend to dissipate (Heine et al., 2006). Individuals are not as inclined to inflate the fairness of the environment or the magnitude of their efficacy (e.g. Van Tongreen and Green, 2010). Therefore, a sense of meaning should diminish the degree to which individuals er-

roneously feel the environment is cooperative or their duties are achievable. In short, the results do provide strong evidence that a cooperative environment, coupled with achievable duties, foster a sense of meaning in employees.

Second, the survey assessed the experience of employees, such as the clarity of duties, from the perspective of executives. When individuals occupy positions of power, they become more likely to misconstrue the mannerisms and cues of other people (Galinsky, Magee, Inesi and Gruenfeld, 2006), especially if they are not very cooperative (Mast, Jonas and Hall, 2009). Their preconceptions are particularly likely to contaminate their evaluations of other people (Keltner and Robinson, 1997). Executives, therefore, might not be able to decipher the perceptions of employees precisely. These managers may not have accurately characterized the level of cooperation, clarity of standards, and the meaning at work their employees experience.

Nevertheless, two considerations imply this limitation may not have compromised the legitimacy of these results. First, the perceptions of executives often shape the behavior of employees. To illustrate, consistent with research on the Pygmalion effect (Tierney and Farmer, 2004), executives who assume that employees tend to be uncooperative will often cultivate a hostile environment. Consequently, even if executives overlook mannerisms and cues, the perceptions of these individuals may still align to the perceptions of their employees.

Second, if executives misconstrue mannerisms and cues, and therefore characterize employees inaccurately, a source of random error is introduced. This random error should diminish statistical power. Therefore, if future studies assess the perceptions of employees as well, the observed relationships may be even more pronounced.

6. Study 2

6.1. Preliminary remarks

Despite some limitations, Study 1, coupled with previous research, especially in the field of attachment theory (Bartholomew and Horowitz, 1991), implies that strategic change is more likely to be effective when two conditions are fulfilled. First, individuals need to feel their social environment at work is cooperative and supportive. Second, individuals need to feel the standards and duties they need to fulfill are unambiguous and attainable.

Unfortunately, during the turbulence of strategic change, these conditions are not always fulfilled. In the midst of strategic change, the distribution of power may shift, and competitive, rather than cooperative, behavior

may prevail (Maner and Mead, 2010). Likewise, during these changes, the roles of individuals may also shift, and their duties or standards may become uncertain.

Study 2, therefore, was conducted to ascertain how executives foster a cooperative environment and unambiguous duties in a dynamic and changing environment. That is, these individuals were first asked how they cultivate trust and cooperation among employees during the execution of strategic changes. Second, these individuals were asked how they clarify the duties, obligations, and standards of employees during these turbulent periods. These questions could uncover some key insights on how managers can foster the conditions that facilitate the implementation of strategies.

6.2. Method

6.2.1. Participants and procedure

The participants were 15 senior executives of companies in Asia, Australasia, Middle East, North America, Europe, and Africa. These executives were invited to participate by the Palladium Group. One-on-one interviews with each participant were conducted by one of the researchers. Each interview lasted approximately 45 minutes.

6.2.2. Interview schedule

The interviews were designed to characterize the practices and strategies that executives implement both to foster cooperation and to clarify the duties and standards of employees in the midst of change. The first few questions were intended to prime memories of relevant strategic changes. Participants were asked to describe between one and three strategic changes they implemented at their organization – that is, changes that affect an entire department, business, or organization. Next, they were encouraged to describe how they executed this change as well as the hurdles or complications that impeded this endeavor.

Then, to fulfill the aims of this study, participants were asked to describe the practices the organization implemented to foster trust and cooperation among employees. In addition, they were asked to indicate how the organization clarified the duties, obligations, and standards that employees need to achieve. Finally, participants were granted opportunities to discuss other practices or strategies that were applied to facilitate the implementation of these changes.

6.2.3. Data analysis

The responses of participants were subjected to the six phases of thematic analysis, as delineated by Braun and

Clarke (2006). First, two researchers skimmed – and then carefully read – the transcripts while they transcribed their initial thoughts, assumptions, and conclusions. Second, the researchers assigned codes to chunks of data that seemed to relate practices that were intended either to foster cooperation or to clarify duties and standards.

These chunks of data ranged from about 5 to 25 words and usually comprised 1 to 3 sentences. For example, the response, "Giving our people the feedback in performance management in a constructive way is where the trust begins and it comes back to the individual playing their part" was coded as "Constructive feedback about contributions".

Third, to unearth potential themes, the researchers uncovered constellations of codes that appeared to be conceptually associated with one other. Disparities between researchers were then discussed and reconciled. Fourth, the researchers ascertained whether or not these themes were comprehensive enough to represent all the codes and responses of participants. A few themes were amended to fulfill this goal. Fifth, the researchers defined the key features of each theme. Finally, to construct a unified account of these data, the themes were compared and contrasted.

6.3. Results and discussion

Fifteen executives were asked to describe the practices they apply to foster trust and cooperation during times of change. Thematic analysis distilled three key themes: bidirectional communication, an emphasis on commonalities, and behaviors that exemplify trust.

6.3.1. Bidirectional communication

The first theme, broached by 12 interviewees, revolved around bidirectional communication of information. According to many of the executives, to foster trust and cooperation, a range of practices that enable managers both to convey information and to receive feedback should be implemented.

These executives characterized the information that managers should disseminate. First, strategic changes should be described in detail, partly to enable employees to acclimatize themselves to these developments (e.g., "[…] give people an opportunity to reflect and absorb what is going on and to be able to ask questions"). Second, these changes should be justified clearly ("Explaining the reasons for things"; "being transparent"). Third, this communication should not underscore problems and complications but convey some benefits and progress (e.g., "We moved from talking (about) lost time injuries to more positive aspects such as the number of Safety Action notices raised in a month").

The executives also clarified how managers could garner more feedback. That is, they referred to several tools and procedures that enable employees to share feedback with management, such as blogs (e.g., "We have been using and sharing internally with feedback and blogs") and regular surveys (e.g., "I put out a survey every year. Where do you think we are and what needs to be changed and how should we progress"). Specifically, according to the interviewees, these tools should be designed to increase the number of channels in which information is communicated (e.g., "communicating a lot by multiple ways") as well as the frequency of communication (e.g., "we call and email most days").

This theme partly overlaps with the concept of autonomy support (Gagne, 2003). In particular, this theme implies that managers should justify their choices extensively as well as appreciate the distinct concerns of each person. These features, according to proponents of self-determination theory, promote an environment in which individuals feel autonomous (Moreau and Mageau, 2011; Ryan, 2005). That is, when decisions are justified and the unique needs of each person are acknowledged, individuals feel they are granted the autonomy to choose courses of action that align with their values.

Conditions that foster this sense of autonomy do indeed promote cooperation. In these environments, people recognize the unique needs and concerns of each person. They are not, therefore, as likely to objectify people – that is, to perceive individuals as objects to manipulate (Moller and Deci, 2009). They are more empathic and cooperative rather than aggressive and exploitative. Indeed, many studies indicate that autonomy support can promote supportive, cooperative behavior (Gagne, 2003).

6.3.2. An emphasis on commonalities

The second theme, mentioned by 5 interviewees, related to an emphasis on commonalities across individuals. That is, the executives felt they should underscore the shared goals and experience, rather than emphasize the distinct roles and rights, of all managers and employees.

In particular, the executives tried to highlight the qualities that all managers and employees share, such as a common goal or objective (e.g., "Trust is built as you work towards a common goal"), a common set of values or priorities (e.g., "common sense of priority"), a consistent set of practices or behaviors (e.g., "Consistency in the way we work together"), and even a shared rival (e.g., "We make sure they understand how we can win against [our rival]").

Rather than merely communicate these commonalities, executives also implemented other practices to foster these similarities. First, whenever individuals violated the values of their organization, some redress, such as castigation or warnings, were executed promptly (e.g., "We have taken actions on individuals that have stepped outside of these values"). Second, the goal to execute these strategies was shared across the organization rather than confined to a specific unit (e.g., "We don't assign strategic areas to specific members"). Third, divisions between management and other employees were also moderated (e.g., "[…] a flat structure in our business").

The consequence of these commonalities is that individuals conceptualized themselves as a collective (e.g., "It is all about us as a team not as individuals") in which all members felt ownership over the change (e.g., "We have developed a sense of mutual ownership"). This identification with a collective and feeling of ownership is assumed to promote trust and cooperation.

Indeed, these themes closely align to the tenets of social identity theory (Tajfel and Turner, 1986). Specifically, people are more likely to cooperate with members of their social identity than with other individuals (Buchan, Brewer, Grimalda, Wilson, Fatas and Foddy, 2011). Consequently, individuals are more inclined to trust people who they conceptualize as members of their social identity or collective (Krueger, 2007).

6.3.3. Behaviors that exemplify trust

The third theme, broached by only two interviewees, revolved around management behaviors that exemplify trust. That is, as these executives emphasized, even trivial manifestations of support and credibility can promote trust.

These behaviors seemed to be classified into two constellations. First, some of the behaviors manifested goodwill and support in which managers offered unexpected rewards. Examples included "a happy hour although no alcohol" or "We also provide lunch three or four times a year". Second, some of the behaviors manifested expertise, to promote trust in the proficiency of management (e.g.,"Credibility to the middle management ranks"). Indeed, one of the executives highlighted the need to train and to recruit the best managers (i.e., "We have purged the middle management and we have hired good people to replace. Better and more expensive". Better trained middle management).

These insights from the interviewers align with past research. Consistent with attribution theory (Kelley, 1973),

when managers engage in helpful behaviors that are distinct rather than ubiquitous, they are perceived as supportive. This perception that managers specifically, and the organization in general, is supportive tends to foster positive emotions (Rhoades and Eisenberger, 2002). Indeed, many studies indicate that unexpected favorable events elicit these positive feelings (Heilman, Nakamoto and Rao, 2002), and such emotions have been shown to promote close, trusting relationships (Waugh and Fredrickson, 2006).

In addition to supportive behaviors, proficiency can also promote trust. That is, people tend to identify more closely with some person or community they perceive as effective (van Zomeren, Leach and Spears, 2010). This research implies that employees are more likely to identify with managers they regard as proficient, and this sense of identification translates to trust (Tajfel and Turner, 1986).

6.3.4. Evolution of comprehensive key performance indicators (KPIs)

In addition, executives were asked to delineate the practices they utilize to clarify the duties, obligations, and standards of individuals in the midst of strategic change. This question also uncovered three distinct themes: evolution of comprehensive key performance indicators (KPIs), alignment of strategy to duties, and engaged communication.

The first theme, evolution of comprehensive KPIs, was broached by 6 interviewees. According to these executives, the roles, responsibilities, targets, and expectations of employees should evolve gradually from discussions rather than be imposed on employees.

In particular, the procedures to construct KPIs should align to five principles. First, KPIs should be mutual rather than inflicted onto employees (e.g., "agreed KPIs"). Second, these KPIs should accommodate the distinct needs and characteristics of each person (e.g., "Set key performance targets […] that suit the individual as well as the organization"). Third, these KPIs should be refined over time (e.g., "It is updated"). Fourth, informal and formal feedback should be offered to foster a shared understanding of these KPIs (e.g., "Giving feedback … should be done both informally and formally"). Finally, KPIs should transcend overt tasks and entail behavioral expectations as well (e.g., "How people are expected to perform within their role also needs to be clear").

The recommendations of these executives are compatible with the determinants of ownership, delineated by Pierce, Kostova and Dirks (2001) and validated extensive-

ly (e.g., Pierce, O'Driscoll and Coghlan, 2004). According to this theory, when people feel they understand some change intimately, have been granted some choice about this change, and have even contributed to this development, they experience a sense of ownership. That is, they perceive this change as central to their identity, increasing their commitment to this development (O'Driscol, Pierce and Coghlan, 2006).

This evolution of comprehensive KPIs is likely to foster this sense of ownership. During this mutual development of KPIs, employees should develop a greater insight into the historical evolution of these strategic changes. Because these KPIs are mutually agreed, employees should also be granted a sense of choice and opportunity to contribute to these changes.

6.3.5. Alignment of strategies and duties

The second theme, alignment of strategy to duties, was discussed by 6 interviewees. According to these executives, employees should be granted opportunities to understand how the overarching strategic change translates to their specific responsibilities and duties.

The interviewees described four phases or objectives that are needed to convert strategies into duties. First, employees must understand the strategies and values that underpin the organization. The executives recognized that many employees do not appreciate this overarching strategy either because their attention is confined to their own roles (e.g., "People from different fields tend to only see their patch") or because they need to reconcile competing priorities. To clarify the overarching strategy, managers believed the mission, vision, and values must be succinct (e.g., "(a) more succinct mission (is) central to our organization"), conveyed with words that resonate with employees (e.g., "We contemporized the language with focus groups"), and be communicated throughout the organization (e.g., "cascades throughout the regions").

Second, managers conducted discussions with employees to identify the more immediate objectives that need to be achieved, as well as the concerns that need to be addressed, to implement this strategy. One manager, for instance, referred to an "Excel chart that displays this week, next week and emerging issues". This phase is intended to "break our initiatives down".

Third, managers apportion these objectives to individuals. The aim of this procedure is to ensure that "Everyone knows what they are responsible and accountable for". Finally, to clarify the standards that individuals are expected to observe, managers develop and document standardized procedures (e.g., "Clear policies and processes which are supported by process flow charts").

The benefits of these practices can be understood from the perspective of construal level theory (Trope, Liberman and Wakslak, 2007). According to this theory, individuals can either conceptualize activities, such as their work tasks, abstractly or concretely. That is, they can direct their attention to intangible patterns and regularities, called an abstract construal, or to specific, tangible features, called a concrete construal.

An emphasis on the overarching mission, vision, or values of the organization should elicit an abstract construal, in which individuals orient their attention to underlying patterns rather than specific details (Forster and Denzler, 2012). Indeed, past research confirms that references to values evoke this construal (Eyal, Sagristano, Trope, Liberman and Chaiken, 2009). Once an abstract construal is primed, individuals tend to think more flexibly. That is, they can more readily uncover a range of opportunities, tasks, and activities that could achieve some overarching purpose (for evidence, see Forster and Denzler, 2012). Consequently, an abstract construal, primed by allusions to the mission, vision, and values, might enable people to identify the responsibilities and duties they should achieve to fulfill this strategy.

6.3.6. Engaged communication

The final theme, engaged communication, was mentioned by four interviewees. These interviewers highlighted that communication about roles, responsibilities, duties, and standards should engage individuals. Rather than merely convey these standards in passive documents, managers referred to the importance of engaging people with more vivid media by "using stories and analogies". Furthermore, individuals should be granted opportunities to negotiate their role and responsibilities (e.g., "People get together and present and make their case then get endorsed or otherwise").

This reference to vivid stories and analogies is particularly apt, aligning closely to research in intuition and unconscious thinking. In particular, vivid depictions of some event have been shown to prime intuition and diminish the reliance of individuals on systematic cognitive deliberation (Lee, Amir and Ariely, 2009). That is, after they are exposed to vivid portrayals or pictures, to reach decisions, people trust their hunches, rather than, for example, count the benefits and drawbacks of each alternative (Lee et al., 2009).

Interestingly, when people depend on these intuitions, sometimes called unconscious thinking (Dijksterhuis,

2004), their decisions tend to be more astute – provided their experience in this matter is extensive (Dijksterhuis, Bos, van der Leij and van Baaren, 2009) and the alternatives vary on many ambiguous attributes (Dijksterhuis and Nordgren 2006; for conflicting results see Newell, Wong, Cheung and Rakow, 2008). Consequently, these individuals become more likely to reach decisions that generate the desired consequences. They can, for example, more readily decide which tasks to complete and how to complete these tasks. Therefore, they become more certain of their tasks, responsibilities, and duties.

7. Conclusion

Many scholars and practitioners bemoan the problems that unfold as organizations attempt to introduce strategic changes. This paper illustrates a paradox that may partly underlie these challenges. On the one hand, strategic changes can undermine the level of cooperation and obscure the duties and standards that employees must achieve. Specifically, strategic change can shift the distribution of power, provoking a competitive, instead of a cooperative, orientation in many employees (Maner and Mead, 2010). Furthermore, in the aftermath of strategic change, individuals are not certain whether duties, responsibilities, and standards they previously observed still apply.

On the other hand, during the execution of these strategic changes, cooperation and clarity of standards are especially important. Consistent with attachment theory, as this cooperation and clarity declines, individuals become concerned they may be rejected, rather than supported, by other people (Bartholomew and Horowitz, 1991). They feel too vigilant to explore future possibilities, diminishing their sense of meaning (Mikulincer et al., 2011). As their sense of meaning subsides, they seek certainty and closure (Van Tongreen and Green, 2010), decreasing their receptivity to change.

Study 1 uncovered results that vindicate these arguments. In this study, executives answered questions that assessed workplace cooperation, clarity of standards, meaning at work, impediments to strategic change, and firm performance. As predicted, workplace cooperation and clarity of standards were negatively associated with impediments to change, and this relationship was mediated by meaning at work. Furthermore, impediments to change were negatively related to firm performance.

Study 2 was conducted to uncover the practices and approaches that executives apply to foster both cooperation as well as clarity of duties and standards in the midst of change. To promote cooperation, executives suggested that managers should communicate often, justifying their changes as well as emphasizing the goals, values, practices, and challenges that everyone shares. Furthermore, they should furnish employees with many opportunities to provide feedback.

To clarify duties, responsibilities, and standards, managers need to communicate the mission, vision, and values as vividly as possible, with reference to stories and analogies. They should then collaborate with employees to formulate responsibilities and KPIs – responsibilities and KPIs that gradually evolve to accommodate the needs of individuals and the feedback they receive.

Taken together, these insights imply that managers should initially promulgate a vivid and shared vision of the future and then, over time, inspire employees to assume distinct responsibilities that align with their qualities and aspirations. Yet, further research is warranted to ascertain whether or not these recommended practices do indeed foster cooperation and clarity in the midst of strategic change.

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Leadership in healthcare sector
The Case of Branding High-End Private Healthcare Services & Economic, Legal, Marketing and Policy Concerns of Concierge Services in Hospitals

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Abstract

This paper explores two topics, both pertaining to new aspects of leadership in healthcare services. The first one deals with brand development and implementation in the high-end private healthcare sector. Concierge healthcare brands serve to differentiate an institution's services from those of the competition and provide the basis for patient preference and loyalty. To build a successful brand, each element of the luxury healthcare provider's marketing mix should be designed with a focus on patient experiences, emotional connections, and lifestyles. Moreover, high-end medicine practices need to take a longer-term approach to branding first developing a widely-accepted internal brand and then communicating it in a clear and consistent manner through all appropriate marketing platforms and activities. Second topic discusses economic, legal, marketing and policy concerns of concierge services in hospitals: everything has a price tag; from mobile phone service to every alcohol swab that is used in a medical office or hospital. As the United States tries to join Europe in a national health care system/tax, some people are willing to and have already started to pay for more care. With the United States being one of the economic powerhouses of the world, it is fascinating that we have only just joined our European cousins in a national health care system.

Keywords:

1. Branding high-end private healthcare services

1.1. Introduction

In contrast to public healthcare, which refers to state-funded and controlled health care services (Bennett 1992), private healthcare is provided on a "fee-for-service" basis and is available only to those able to pay for medical treatment themselves either through private insurance and/or out of their own pockets. In countries with a "two-tier" system, the existence of the public system guarantees the right to basic medical care for all residents (and, under certain circumstances, visitors and others); on the other hand, patients opting for private healthcare do so to enjoy increased access to and/or enhanced care (e.g., shorter waiting times, better facilities, elective procedures, etc.).

Private medicine providers driven by the profit motive and subject to market forces are turning to marketing as a way to appeal to larger numbers of potential customers, outdo the competition, and ensure financial success. Whether aiming at mainstream or high-end markets, developing and nurturing a unique and distinct brand represents a critical part of their marketing effort.

However, adopting a marketing approach and using standard marketing tools, including branding, may not be an easy choice for a medical provider; various ethical concerns may undermine such a strategy and attract criticism from both inside and outside the organization.For instance, private medicine has been accused of "exacerbat(ing) inequities and injustice" by depleting scarce health care resources and "erod(ing) professional ethics" (Donohue 2004). Although the concept of branding, in particular, has been increasingly employed bynon-business organizations, virtually every new branding effort in the not-for-profit sector is met with significant doubts and even outright opposition.

This paper focuses on the branding process as it applies to the case of a high-end private healthcare provider. More specifically, the paper first briefly reviews the marketing literature on branding; next, the basic steps in designing the branding process for a high-end private healthcare practice are discussed. Then, the paper suggests specific tactics that may help such institutions implement their desired branding concept in an effective way. Finally, a brief note on internal branding is included to underscore its importance in building an overall successful brand.

1.2. Branding fundamentals

A brand is a "name, term, sign, symbol or design, or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of other sellers" (American Marketing Association 1995).

According to Kotler and Gertner (2002), brands incite beliefs, evoke emotions, and prompt behaviors. Their purpose is two-fold: i) to serve as a "major tool to create product (or service) differentiation" and ii) to represent a promise of value.

Moreover, brands offer a reassurance of quality and "peace of mind" making purchasing decisions easier and less anxiety-ridden; they "frame" the user's experience with a product or service and may even enhance the satisfaction derived from it (DDB 1997).

Thus, a brand plays a fundamental role, especially in the case of complex products or services: consumers facing difficulties in evaluating this type of a product or service often decide whether to buy it or not based on brand appeal. The latter may be even more important when the positioning strategy of a product or service emphasizes the emotional dimension (Alon and Jaffe 2013), which is invariably the case when healthcare services are considered.

1.3. Private healthcare

Private healthcare providers offer medical services at a profit. Although they typically target individuals willing and able to pay through private funds and/or private insurance, they may also undertake medical work outsourced by the state as governments worldwide are pressed to cut costs and increase the quality of healthcare provided (Donohue 2004). In less developed countries, private medicine – in many instances – represents the only functioning system of healthcare (Mills et al. 2002).

The sector appears to be on the rise asaging and relatively well-off baby boomers in the developed world and, increasingly, in Big Emerging Markets (BEMs)seek more and better healthcare services. Private healthcare may

also be somewhat resistant to the current economic slowdownas increasing numbers of individuals of all ages are becoming more health conscious. The latter are likely to turn to the private sector for what they perceive to be better quality care, especially as public healthcare services continue deteriorating. Moreover, an increasing number of large employers opt for contracting directly or indirectly with private healthcare institutions in an effort to provide better healthcare to their valued employees whilestreamlining their healthcare costs and minimizing absenteeism and lost workdays (Donohue 2004). Finally, in an increasinglyintegrated global marketplace for healthcare services,characterized by rapid technological advancements (e.g., telemedicine) and rising patient mobility, private healthcare should continue benefitting from a steadily growing medical tourism industry, as well (Freire 2011).

Due to the profit motive, private healthcare is often more efficient than its public-funded and operated counterpart; it can also be more innovative. Nevertheless, like any other attempt at profitmaking in the public services (e.g., education, penal system), private involvement in healthcare is viewed with suspicion and even outright hostility. Critics emphasize its potential detrimental effect on the public healthcare system (i.e., the drain of human and other resources suffered by the latter) as well as the general erosion of ethical standards in the healthcare system to the extent that, for instance, the goal of providing medicine to all is subjugated to the profit motive (Donohue 2004).

While all private healthcare institutions aim at meeting increased consumer demand for expedient and better quality medical services, high-end private (also referred to as "luxury" or "concierge") medicine practices emphasize preventive care and other medical as well as non-medical services (e.g., lifestyle advice); they aspire to establish a close doctor-patient relationship and a comfortable environment for medical treatment, which are likely to improve the recovery process. To the extent that many of these "extra" services may be considered "elective" i.e., non-essential, high-end healthcare providers constitute prime targets for critics of the private care system.

1.4. Branding high-end private healthcare

Concierge medicine institutions position themselves by focusing on one or more of the following dimensions: brand, aesthetics, patient service, performance, pricing, and distribution; by doing so, they seek to transform the provision of primary healthcare into a unique and often authentic experience that alludes to a certain exclusive lifestyle.

To this end, luxury healthcare practices would have to develop and implement an effective marketing plan, which

resembles that of a high-end retailer. Branding plays a critical role in such a marketing effort; in fact, every aspect of the marketing plan should revolve around the desired branding concept in a way that helps distinguish the luxury care institution and its services from the rest.

Creating brand awareness is the fundamental first step in the branding process of any organization – thus, high-end healthcare providers should go beyond providing information about the existence of their brand; they should make sure that the public knows and recognizes their overall brand image i.e., the mental impression of their brand "personality" (Aacker 1997).

Ideally, a brand should be differentiated on the basis of the specific attributes that determine brand selection in the marketplace. Today, a relatively small but very lucrative global market segment consists of individualistic consumers seeking personally-meaningful imagery and emotion-rich purchases and consumption experiences (Atwal and Williams 2007). Therefore, luxury private medicine brands should, first and foremost, emphasize the uniqueness of the total experience offered in order to create sufficient differentiation and achieve a competitive edge.

Moreover, these consumers seek to get personally involved in the processes of both defining and creating value (Tsai 2005). Thus, unlike their counterparts marketing mainstream private healthcare services, luxury care providers are not just expected to "create" a service experience and simply pass it on to their patients; instead, they are required to interact with the latter in order to "co-create" (Pine and Gilmore 1998) a personalized healthcare experience. For instance, high-end healthcare patients could be encouraged to get personally involved in choosing the atmospherics of their hospitalization; moreover, under appropriate guidance, concierge health care providers may offer their patients the opportunity to imagine a new self-identity and immerse themselves in the design of specific aspects of their regimen (e.g., lifestyle, diet).

The specific design of the luxury medicine brand experience should involve the generation of a cohesive set of images and meanings consistent with the brand's positioning for each one of the numerous "touchpoints" at which patients may interact with the brand (Hogan et al. 2004).

1.5. Implementing high-end medicine branding

To successfully implement their branding campaign, concierge healthcare providers should ensure that the desired amount of brand awareness and type of brand association are passed on by means of the patient's contact with all brand elements. For instance, the institution's brand name and logo could be chosen to conjure up/reinforce the

desired user imagery: instead of simply alluding to service characteristics like flexibility, responsiveness, or accessibility, as the case may be for most mainstream healthcare practices, high-end providers' brand names could relate to the promise of establishing an exclusive, personal relationship for lifelong care. Additional brand associations could imply superior care quality, professional expertise, and innovativeness, which may also facilitate brand awareness.

Likewise, when shaping the total care experience, concierge medicine practices may offer patients the opportunity to learn more about their condition and how to properly manage it from a healthcare perspective. Thus, by encouraging the latter to "spend more time with the brand", they can grow their relationship and add to the patient's existing set of brand associations. In addition, through ongoing patient engagement initiatives that combine the discovery element with patient education, luxury healthcare institutions should be trying to familiarize existing and prospective patients with the holistic therapeutic experience and turn them into high-end care advocates (Atwal and Williams 2007).

Furthermore, concierge medicine practices should seek to establish networks of like-positioned institutions in healthcare and other related fields (e.g., hospitality, travel, education) to provide a wider assortment of related value-adding services and increased levels of place and time utility throughout the globe tomeet their patients' diverse needs without, however, compromising the exclusive nature of their practice.

Pricing exerts a strong influence in the way consumers of products or services perceive luxury brands. In the case of high-end healthcare providers, a comparatively low price could harm their brand value to the extent that targeted patients are willing to pay more motivated by e.g., their status-seeking needs. At the same time, well-informed, sophisticated patients should be given sufficient reason to justify the high price of the provided healthcare services – for example, by incorporating personalized and/or authentic aspects into the patient experience that generally enhance perceived value.

Marketing communications have a very powerful role to play in framing the brand experience. Thus, by designing and executing an appropriate promotional mix, a concierge medicine practice can properly emphasize the differentiated attributes and positive associations of its brand encouraging existing and prospective patients to focus exclusively on them. For instance, by playing up the theme of lifelong health, high-end private medicine institutions may attempt to further establish in their patients' minds

their major role as conduits of authentic healthcare culture/philosophy elevating their practices over and above those of mainstream medical providers.

In general, advertising, publicity and sponsorships – when used judiciously – can help increase brand awareness and reinforce the high-end healthcare brand mythology. Care nevertheless should be exercised in regards to both the extent to which they are used and the quality of related claims; luxury medicine practices should avoid over-exposure and strive, instead, to project an image of being sought after by interested patients as opposed to aggressively recruiting them.

Finally, high-end private healthcare institutions have to adapt to new technologies such as social media and mobile devices; through their use, they can refine their targeting and brand positioning processes as well as increase brand awareness. Equally important, these technologies can contribute to the development of the overall brand experience by e.g., improving overall brand aesthetics, while increasing interactivity and trust between high-end providers and their patients.

1.6. Internal branding

A prerequisite for achieving a successful branding effort in the case of any organization is the development of a powerful and widely appealing internal brand (Brown et al. 2011). In addition, building a strong internal brand helps generate "ownership" within the institution strengthening its internal culture and improving productivity.

To this end, luxury healthcare practices should first identify what their institution stands for and clearly communicate it to all internal audiences. Strong support for the institutional brand "personality" within the provider's organization, increases the likelihood that it will generate sustainable intellectual and emotional buy-in among patients and other external stakeholders as well.

2. Concierge services in hospitals

2.1. Concierge medicine defined

As with many countries in Europe, if a patient is willing to pay for a service, the wait is shorter and some believe that they will receive better care. This is where concierge medicine comes into play. For years there has been concierge medicine in the private setting, such as doctor's offices, which did not extend to the hospital. In recent years this has slowly changed.

Concierge medicine is defined as "pertaining to or being medical care for which the patient pays the doctor an annual fee for special or extra services". This type of service

has slowly been working its way into the hospitals in the United States.

2.2. Health care systems in Belgium, France, Germany, and Sweden

The models of care that are most often looked at are the health care systems in Belgium, France, Germany, and Sweden. There are varying levels of taxes, insurance and out of pocket expenses.

Belgium's system has been described as such, "its quality is largely down to its sponsorship by competing mutuals, and provisioned by a mixture of state and non-profit hospitals. Each mutual is funded by the state, the funding dependent on its membership numbers". Patients also, "pay and swipe a health card at the point of care. They are then reimbursed between 50 and 75% of the costs by their mutuelle/mutualiteit scheme" (Gold). Belgium's system allows for alternative treatments to be used and paid for.

France uses a two-tier system that also utilizes a card that carries information on the patient. This card is also used to pay for services rendered. The money that is paid is reimbursed and deposited a few days later. "Most French citizens belong to a mutual society (mutuelle) that tops up the reimbursement to 100%. The mutual also liaises with the state healthcare operation – the CPAM (caisses primaires d'assurance maladie) – on reimbursements" (Gold). French citizens also have the ability to purchase private insurance.

About 15% of the German population, "opt out of the state scheme for private health insurance, usually when they are younger, as premiums are lower". The way the taxes are set up, a percentage of a person's income in collected and placed into a sickness fund. "German hospitals operate under diverse ownership, with a mixture of state, private, mutual and friendly societies. Germans can visit any GP or specialist they wish – they can even walk into a specialist clinic off the street" (Gold).

Finally Sweden's system differs from much of Europe. It is "fully government funded and highly de-centralised. It is 70% funded by local taxes, with the Ministry of Health and Social Affairs establishing principles and guidelines for care at a national level" (Gold). Even though 97% of care is government funded there are times when a fee must be paid up front. There is also an option to cap fees for pharmaceuticals and general practice visits.

2.3. United States and concierge services

So those are just a few of the models that have been looked at in the United States. Now, the United States has created its own health care tax. The results of which are,

at times, already statistically significant. The United States government passed legislation that allows children between the ages of 18 and 26 to stay on their parent's health insurance. This law saw an overall percentage rise of 2.1 percentage points, from 70.7 in 2009 to 72.8% in 2010. This represents 500,000 more young adults with health insurance. "Uninsured rates for Hispanics (30.7%) and blacks (20.8%) are higher than for non-Hispanic whites (11.7%)" (USDHHS 2011).

All of this is good for the American population. With more people with access to healthcare our population will, theoretically, become healthier. This is where concierge medicine comes in. There are people in every society, especially the upper crust, who don't want to 'rub elbows' with those of a lower socioeconomic level. Since they have the bankbook to support it, they will pay to have immediate access to doctors and healthcare and in turn not carry health insurance, since they are paying out of pocket for care and/or for extra services.

"Such white-glove attention doesn't come cheap. It may cost as much as $30,000 a year out-of-pocket for unfettered access to physicians who limit the number of patients they take on". There are various companies that provide such services throughout the United State, not all cost $30,000 but can be more reasonable at, "$1,500 to $1,800 a year in membership fees for access to a primary-care doctor whose practice is generally limited to about 600 patients". If a patient/client needs to have access to emergency care there are "emergency physicians available around-the-clock and connects patients to a network of top doctors throughout the world, for fees ranging from $2,500 to $30,000 a year" (Ody 2012).

Hospitals have also started to participate in these same practices. There are not as many statistics on this aspect of concierge medicine. There are the news reports of A-list celebrities that donate several hundreds of thousands of dollars for elite care and there are hospitals that have a list of services that their concierge medical service offers. The particular celebrities that I am thinking of are Beyoncé and husband Jay-Z recently brought forth their new superstar in December 2011 but only after it was revealed that they donated over one million dollars for hospital renovations in order that Beyoncé's every material wish and need could be immediately attended to. Some hospitals, even teaching hospitals, will make sure that you are not treated by students of any kind. They will also make sure that you never have to be in an elevator with other patients, visitors or medical staff of the institution. Floors of the hospital will be cordoned off so that you don't have to be disturbed. These are just the services I've witnessed in my short time

in the medical field. There are also other services such as arranging travel accommodations, hotel stays for loved ones, and assistance with appointments (CCF 1997).

We have discussed some of the economic ramifications of concierge health services in the USA. Now, we turn our attention to the legal side of the equation. Like it or not, any professional service must consider the legal ramifications of that service.

Concierge services that are hospital based pave the road for personal and institutional liability in a variety of schema. These include ostensible agency, the corporate practice of medicine, contracts, kickbacks and medical malpractice. We will define and discuss each issue.

2.4. Ostensible agency

Ostensible agency is that part of law which holds one party liable for the acts of another even where there is a written agreement that there is no connection between the two. How can that be? The settled US law on this matter is that if it appears to a reasonable person that someone is working as an employee of a particular institution, then it is a reasonable thing to presume such a relationship. In effect this lets an aggrieved plaintiff sue an institution for the acts of those who appear to be its employees and/or acting in the institutions best interests. The reason this legal doctrine is relevant to this concierge practice is precisely because hospitals that have outsourced professional services in areas such as radiology, emergency room, laboratories and so on have been held liable for the misdeeds of those professionals. How can this be if the service is outsourced? Simple. Patients present themselves for services and are assisted by whomever it is on duty. That person wears a uniform or a lab coat bearing the facility's name and some sort of ID badge issued by the facility. The average person will legitimately assume that the person assisting them, is a hospital employee. So, where physicians and their practice team members are assisting their private patients in a hospital setting, one would reasonably presume that they are also hospital employees. Hospitals cannot have patients sign waivers to this effect. The best they can do as hospitals, is to have contractual agreements with the providers that permit a facility to seek subrogation on any indemnity claims paid on behalf of the providers. Even if everyone has different colored uniforms or lab coats etc. the fact remains that they have institution ID badges and access to the institution's supplies, computers, diagnostics etc. It is an extremely fine line. This will be particularly dramatic where there are no house staff/post graduate staff providing service to private patients.

Contracts govern the relationship between patient and provider and between provider and institution. The nature of concierge services is that people pay a premium so they don't have to wait or, more crassly, to rub shoulders with those they'd rather not encounter. Contracts need to expressly lay out mutual expectations and responses so that actual or perceived breaches of contract by provider or by patient can be readily addressed. This is true for the client (patient)/provider and for the provider/institution.

2.5. The corporate practice of medicine

The corporate practice of medicine is a bit dicey. Corporations are not allowed to practice medicine. How would they do this in the first place? Through the persona of their medical director who reviews, authorizes or denies claims made by providers on behalf of insureds. Insurance companies have been walking a very fine line in this regard for the past 25 years where patients are told what it is that the insurer will or will not pay for, where patients must have pre-authorization for hospital admission, where patients need to place the carrier on notice if they are en route to an emergency room, and where carriers direct the patient/insured to specific providers and/or institutions (usually in an effort to contain costs), where patients with pre-existing conditions are denied coverage, where there is an incentive for a patient to accept care from a trainee at a lesser cost than from a fully trained doctor who will charge a higher fee.

3. General discussion and conclusion

Over the past two decades, the concept of branding gained wide acceptance among service organizations. The main challenge in many of these institutions has been and continues to be how to build more value into their services in the face of increasing service commoditization, growing local and global competition, rapid technological innovation, and more sophisticated consumers. This paper explored brand development and implementation in the high-end private healthcare sector.

Concierge healthcare brands differentiate an institution's services from those of the competition and provide the basis for patient preference and loyalty; a powerful and compelling luxury medicine brand is imperative to the extent that patients tend to identify more with institutions they can trust and admire. To build such a successful brand, a high-end healthcare provider needs to take a longer-term, investment approach to branding that first seeks to develop an internal culture, where all stakeholders "live the brand" on a daily basis and communicate it in a clear and consistent manner through all appropriate marketing platforms and activities.

The brand building process requires the development of a coherent set of policies for each element of the healthcare provider's marketing mix. Patient experiences, emotional connections, and lifestyles – as opposed to simple service features and benefits – are critical differentiators in the case of concierge medicine practices, which cater to discriminating patients from a variety of backgrounds and reference points. The design and implementation of innovative healthcare service experiences offering personally-meaningful sensory, emotional, cognitive and relational value (Atwal and Alistair 2009) to patients, while allowing them to appreciate the provider's "story" should therefore be at the heart of every high-end branding campaign.

Let us now move on to the problem of concierge services in hospitals. Some years ago, the US Congress passed laws, commonly referred to as the Stark Laws named after the Bill's sponsor, that prohibit kickbacks and referral fees that occur when physicians and/or institutions preferentially refer patients for further and/or specific care. This also refers to monies or benefits received by providers and hospitals from products or manufacturer's representatives. The new area of law to be tested here is whether or not a provider should expect a fee from the hospital to whom he/she refers patients or whether the hospital levees a fee, an administrative fee for example, to accommodate this special group of patients.

Medical malpractice liability is our last legal area to be considered because the law here is well settled. Specifically, institutions are liable for the acts of those who are their employees whether those employees are actual or implicit. For example: a surgeon commits malpractice. She is sued. The plaintiff also sues the hospital because the hospital provided nurses, techs, support services, labs, surgical materials and, most importantly, because the institution initially and periodically credentialed the surgeon as fit for duty.

There are many choices that have to be made when it comes to healthcare, even more now that there is the added option of concierge medicine. As with various aspects of life, a person needs to make the best decision for him or herself. This is economics in its most basic form, if there is demand someone will supply the product.

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Leadership and work-life balance: Perceived Managerial Support as a Moderator between Burnout, Stress, Absenteeism and Employee Commitment

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Abstract

The purpose of this study was to examine the moderating effect of perceived managerial support on the relationship between burnout, stress and absenteeism on employee commitment. Questionnaire surveys were administered to employees in the banking institutions in Kenya with 333 questionnaires successively collected out of 380 send to 38 banking institutions. Hierarchical regression analysis was used to test the hypotheses and results show that burnout, stress, absenteeism has a negative effect on employee commitment. The results show that perceived managerial support moderated the relationships between burnout, stress, absenteeism and employee commitment, suggesting that perceived managerial support is always useful for mitigating the adverse effects of burnout, stress, and absenteeism on employee commitment. The present study had limitations in that data was collected from employees in the Banking institutions based in one region of the country which makes it difficult to conclude that the sample used a representative sample of the whole banking in Kenya. The findings of this study provide useful information for both practitioners and academics for the purpose of improving current policy on work-life balance.

Keywords: leadership, work-life balance, burnout, stress, absenteeism, perceived managerial support, employee commitment

1. Introduction

In recent years, several reforms in the banking sector in Kenya and around the world have considerably altered the work environment. To increase profitability and have competitive advantage organizations have streamlined their workforce considerably, which consequently eliminated a large proportion of their qualified personnel (Chênevert et al. 2013). This situation, coupled with the growing complexity of working environment and massive re-engineering of work processes, has imposed a work overload on employees in the banking sector (Chênevert et al. 2013). Employees currently are under constant pressure to meet their productivity goals while at the same time deliver quality services (Rod and Ashill 2013). To reduce to this pressure banks in Kenya have introduce work-life balance as interventions to help employees manage the competing demands of work and family lives while being productive at the work place. The essence of work life balance is to reduce job burnout, stress and absenteeism and increasing employee commitment in the banking institutions in Kenya. The negative implications of burnout and stress are often profound for both the front line employee in the banks as well as for the organization, and can involve substantial costs due to turnover, absenteeism, job dissatisfaction, lower organizational commitment and compromised job performance (Rod and Ashill 2013; Beauregard and Henry 2009).

In Kenya, the report by International Labor Organization's in 2010, found Kenya to have the highest prevalence of long working hours (more than 48 hours per week) affecting 50.9 per cent of workers compared to 18.1 per cent of employees working more than 48 hours per week in the US and 25.7 per cent in the UK (WWR 2011). The

Long working hours had contributed to increasingly high rates of work related conflict such as absenteeism, stress, burnout and sickness, which have a serious impact on employee's commitment and organizational performance (Spurgeon 2003). In the pursuit of improving employee commitment to, increasing productivity, reduce stress and absenteeism and enhancing profitability in the workplace, banks in Kenya have been evolving new ways and means in building psychological relationships with employees (Wang and Walumbwa 2007). Many organizations in this sector adopted work styles and organizational practices from developed countries. Employees are expected to work 24/7 × 365 days of the year. To prevent such a work style from affecting employees health, productivity, turn over and commitment, organization have decided to offer services such as flexible work arrangement, part time working, gymnasiums, day-care facilities, laundry facilities, canteen facilities to reduce on employee stress, burnout and absenteeism (Devi 2002).

A number of studies have reported that employees in banks especially front office experience a high level of job stress, burnout and absenteeism (Babakus et al. 2009; Choi, Cheong and Feinberg 2012). In the banks, job burnout can be caused by the consistent and typically overwhelming "negative" nature of interactions between employees and customers (Choi et al. 2012). Research on absenteeism has identified a set of factors that can explain absences from work, including professional burnout, the nature and requirements of the job, weak commitment to work, the unionization rate, and the feeling of inequity (Chênevert et al. 2013). Despite banks efforts to prevent job burnout, stress and absenteeism, employees in this institution are likely to face serious job burnout.

Many researchers (Rod and Ashill 2013; Choi et al. 2012; Ashill and Rod 2011) suggest that work-life balance practices can help to foster the employees 'quality of life by reducing stress and burnout, as a consequence, workers will be more satisfied, motivated and committed to their employers. This paper tries to fill this gap in the literature by focusing on how work life imbalances contribute to burnout, stress and absenteeism and there effect on employee commitment, it also examine on the how perceived managerial support moderates their relationship between burnout, stress and absenteeism. The study is based on the previous literature, for example the importance of perceived managerial support in moderating work stress, burnout and absenteeism and using such support in enhancement of organizational commitment (Duke et al. 2009; Rees and Freeman 2009; Choi et al. 2012; Wickramasinghe 2012). To achieve this objective, this paper provides a literature review and develops the research hypotheses and tests them using a survey of 205 employees in the banking institutions in Kenya.

2. Theoretical and conceptual framework

2.1. Theory and hypothesis

The relationship between, burnout, and stress and employee commitment is complex (Langballe et al. 2011). The theoretical view on, stress, burnout and absenteeism in this paper is based on Hobfoll's Conservation of Resources (COR) theory. According to the theory people strive to retain, protect and build resources (Hobfoll and Freedy 1993). If these resources are not utilized well it might lead to employee burnout, stress and eventually absenteeism, thus contributing to low employee commitment. The theory defines stress as a reaction to the environment in which there are perceived threats to one's resources. Burnout is described as a state of extreme resource depletion (Hobfoll and Shirom 2001; Langballe et al. 2011). According to the theory by Hobfoll, perceived managerial support and utilization of work-life balance can help to mitigate the adverse effects of stress and burnout by expanding the pool of resources available for employees and reinforcing other limited resources such as emotional resources.

Choi et al. (2012) concurred with Hobfoll's theory and suggested that the theory can help managers to influence burnout and stress by facilitating the prevention, management, and relief of stress and claimed that management support can service as an immediate buffer against not only stress but also its destructive consequences such as decreased employee commitment. Many scholars (e.g., Langballe et al. 2011; Choi et al. 2012) have linked COR theory with work life conflict, burnout, stress and absenteeism. Different genders may experience burnout and stress differently (Beauregard and Henry 2009). According to Stordeur, D'hoore, and Vandenberghe (2001) stress and burnout have been shown to reduce work performance among married women, and increase absenteeism, turnover and job dissatisfaction among single male (Chandola et al. 2004).

2.2. Concept of employee commitment

Employee commitment reflects a psychological state that characterizes the employees' relationship with the organization, which has implications for their decision to continue or discontinue membership in the organization. Allen and Meyer (1996) categorized commitment in three

dimensional concepts that include affective commitment, normative commitment and continuance commitment. Organizational commitment is a three-dimensional concept that includes affective commitment, normative commitment and continuance commitment (Allen and Meyer 1996).

Affective commitment represents the employee's attachment to and identification with an organization. Individuals with a high level of affective commitment continue to work for an organization because they want to (Allen 2001). Normative commitment refers to the moral obligation to continue working for the organization. Employees with a high level of normative commitment believe they have the duty and responsibility to continue working for their current employer. Finally, continuance commitment indicates the degree to which employees stay with an organization because the costs of leaving are too high (Konrad and Mangel 2000). Employees who are essentially bound to their organization on the basis of continuance commitment stay in their jobs because they feel that what they have invested in the organization (time, energy) would be "lost" if they left their current employer or, they assess their job options outside the organization as being limited.

2.3. Burnout and employee commitment

Burnout is a stress-related psychological syndrome in which exhaustion and disengagement may be considered, the core elements (Langballe et al. 2011; Peterson et al. 2008). The burnout process is assumed to start with feelings of exhaustion in response to prolonged exposure to stressful experiences at work (Langballe et al. 2011). People who are 'burned out' are not only exhausted but may also have lost their capacity for involvement in their work (Leiter 2008). A high level of job burnout causes employees to feel depressed and experience a sense of failure, fatigue, and a loss of motivation, which in turn can lead to a number of problems for the organization, including employee turnover, absenteeism, and reduced organizational commitment, morale, job satisfaction, and productivity (Choi et al. 2012). Schaufeli and Bakker (2004) asserted that job burnout (including emotional exhaustion and depersonalization) is an important predictor of turnover intentions for service organizations such as banks Research has linked burnout to lower levels of organizational effectiveness, job satisfaction and organizational commitment as well as to higher levels of absenteeism and turnover (Harrington and Ladge 2009; Beutell 2010; Choi et al. 2012). Therefore the following hypothesis was tested.

H_1: Burnout exerts a significant negative effect on employee commitment.

2.4. Stress and employee commitment

High job involvement may lead to increased stress, lack of job satisfaction, and reduced organizational commitment (McDonald and Bradley 2005). Job stress has been shown to be positively associated with absenteeism and turnover among clinicians more generally (Stordeur et al. 2001). Job stress is estimated to cost industry in the US more than $300 billion a year in related costs such as absenteeism and reduced productivity (Rosch 2003; APA 2010). In the US, more than half of adults report that family responsibilities are a source of stress to them and 55% indicated that they experienced low level of commitment in the past 3 months APA (2010). Grunfeld et al. (2004) in a rare study of job stress among cancer workers, they argued that a major source of work stress is work-family conflict coupled with heavy workload demands. These physical and psychological effects of stress can case detrimental changes in the behavior of employees. According to Roberg et al. (2005) stress-related behavioral changes may manifest as a lack of job involvement, absenteeism, and low level of organizational commitment. Therefore the following hypothesis is tested

H_2: Stress exerts a significant negative effect on employee commitment.

2.5. Absenteeism and employee commitment

Absenteeism could be a response to either exhaustion or low affective organizational commitment in the case of short-term episodes of absence, or it could be a consequence of psychosomatic complaints in the case of long-term episodes of absence. Based on Hobfoll's COR theory which depicts absence as a coping mechanism to deal with job strain a person whose energetic resources are depleted would certainly be prompted, at some point, to take some time off to recuperate, in the form of a short-term leave of absence. There is evidence that certain programs such as work-life balance increase employee commitment to the organization and reduce absenteeism and increase employee commitment (Hughes and Bozionelos 2007). Some previous studies have found certain facets of job flexibility, such as flexible work hours, to be positively associated with employee commitment (Salzstein et al. 2001), to decrease absenteeism and turnover (Milkman and Appelbaum, 2004), and to increase job satisfaction (Hill et al. 2001; Salzstein et al. 2001). In Auerbach's (1990) study of an American hospital's childcare program, absenteeism rates dropped from 6 to 1% among eligible parents following the introduction of the childcare center, whereas absenteeism rates for other employees remained steady at 4%. Therefore the following hypothesis was tested.

H_3: Absenteeism will exert a significant negative effect on employee commitment.

2.6. Moderating effect of perceived managerial support

Perceived managerial support describes the extent to which an employee's manager is sensitive to the employee's non-work responsibilities and is willing to accommodate those when conflicting work and non-work demands arise (Wickramasinghe 2012). In terms of the main effect, there is a direct relationship between perceived managerial support and job burnout, and in terms of the moderating effect, perceived managerial can indirectly mitigate the effects of stress absenteeism and burnout (Hsu 2011). Several researchers have investigated the moderating effect of perceived managerial support on Burnout, stress and absenteeism on employee commitment (Duke et al. 2009; Rees and Freeman 2009). Um and Harrison (1998) found that supervisor support, not individuals' coping skills, functions to moderate the relationship between job burnout and commitment. Therefore, perceived managerial support can be considered as a useful coping strategy for mitigating the adverse effects of job burnout on employees' work outcomes such as job satisfaction, organizational commitment, and turnover intentions. In Kenyan banks, the managers coach, monitor, and assess employees. Therefore, it is important for employees to perceive perceived managerial support (Choi et al. 2012). Muhammad and Hamdy (2005) found that perceived managerial support moderates the relationship between experienced burnout, stress, absenteeism and organizational commitment. This indicates that management support may increase employee commitment by mitigating the adverse effects of stress and burnout. Therefore, employees perceiving sufficient support from their supervisors or managers may continue working in banks even when they experience stress and burnout. In this regard, following hypothesis was tested.

H_{4a}: The relationship between burnout employee commitments will be moderated by perceived managerial support.

H_{4b}: The relationship between stress and employee commitment will be moderated by perceived managerial support.

H_{4c}: The relationship between absenteeism and employee commitment will moderated by perceived managerial support.

3. Methodology

3.1. Sample

Descriptive survey was conducted among 331 employees working in the 40 banking institutions in Kenya. Both electronic and paper version questionnaires where send to 390 employees, with 331 questionnaires returned successfully which represent 85.4 per cent of total questionnaires items. Attached to each questionnaire was a cover letter that explained the objective of the survey, assured respondents of the confidentiality of their responses, and informed them of the voluntary nature of participation in the survey. One week after the distribution of the questionnaires, a reminder was sent to respondents. Completed questionnaires were returned to a designated box in the human resource department and branch manager's offices. The survey instrument was pilot tested with a sample of employees in one of the banks. On the basis of feedback obtained from the pilot test, we revised a few of the scale items to ensure clarity.

From the study 44.4 per cent of the participants were female and 55.6 per cent were male. Majority of the respondent who participated in the study had a mean age of 30.37 years and an average organizational tenure of 4.4 years. The employees had average number of hours worked as 46.1 hours. Majority of the respondent (55 per cent) worked as lower cadre employees compared to (33 per cent) in middle management and (12 per cent) in top management. With respect to marital status, the study revealed that 57.5 per cent of respondent were married compared to 42.5 per cent who were not married. In terms of educational level, revealed that 5 (1.5 per cent) had secondary school certificate, 35 (10.5 per cent) had diploma, 166 (50 per cent) had bachelor's degrees while 125 (36.7 per cent) hand master's degree.

3.2. Measures

The scales used in this study consist of items measured on a 5-point Likert type scale with (1) representing (strongly disagrees) to (5) representing (strongly agree). A higher score indicates greater variable strength. The measures used in this study were adopted from other studies; thus, all questionnaire items were reworded to fit the Kenyan context.

Burnout: burnout was measure using the four items from Maslach et al. (1996). Example items included "working all day is really straining me". The Cronbach's alpha coefficient for this variable was 0.748.

Stress: stress was measured using the five items adopted from Lambert et al. (2006). Example of items included "I have constant time pressure due to heavy work load". The Cronbach's alpha coefficient for this variable was 0.894.

Absenteeism: Absenteeism was measure using the four items from Maslach et al. (1996) "sometimes I pretend to be unwell so that I can absent myself from work", is an example of the statements used in the questionnaire to elicit responses. Responses were reported on a five-point Likert scale from (1) strongly disagree to (5) strongly agree and

	Mean	SD	1	2	3	4	5	6	7
Burnout	2.8138	.80022	1						
Stress	2.6816	1.07421	.513**	1					
Absenteeism	1.8270	.69175	.198**	.283**	1				
Perceived managerial support	3.0864	.83428	-.177**	-.131*	.021	1			
Affective commitment	3.2525	.74406	.115*	.057	.052	.244**	1		
Continuance commitment	2.7896	.91742	.122*	.298**	.230**	.169**	.109*	1	
Normative commitment	2.7977	.83201	.068	.084	.137*	.390**	.415**	.289**	1
Employee commitment	3.0197	.67300	.039	.158**	.166**	.388**	.619**	.717**	.710**

Table 1. Mean, standard deviations, and correlations of the variables

Legend: **. correlation is significant at the 0.01 level (2-tailed); *. correlation is significant at the 0.05 level (2-tailed), SD – standard deviation

the Cronbach's alpha coefficient for this variable was 0.821.

Perceived managerial support had questionnaire items which were adapted from (Lambert, 2000). Ten items were measured on a five-point Likert type scale with (1) representing (not at all) to (5) all the times. Example of the item is "My supervisor is willing to make informal arrangements to help employees balance work and family/personal life". The Cronbach's alpha coefficient for this variable was 0.875.

Employee commitment consists of 13 questionnaire items. Three items measured affective commitment, another three measured normative commitment, and five measured continuance commitment. Respondent opinions were captured on 5-point Likert type scale with (1) representing (strongly disagrees) to (5) representing (strongly agree). Example of the item is "Even if it were to my advantage, I do not feel it would be right to leave my organization now". A higher scores represent greater employee commitment. The scale had Cronbach's alpha coefficient of 0.773.

3.3. Results

3.3.1. Hypothesis testing

Pearson correlation test was conducted to verify existence of relationship between perceived managerial support, burnout, stress absenteeism and employee commitment (affective, continuous and normative commitment). Means, standard deviations, and correlations for all variables appear in Table 1. Result in Table 2 indicated that burnout was significantly correlated with continuance commitment at (r = 0.122*, p < 0.001) and affective commitment (r = 0.115*, p < 0.001) but there was no correction with normative commitment (r = 0.068,

p < 0.001) and overall employee commitment (r = 0.039, p < 0.001). Stress was positively and significantly correlated with continuance commitment at (r = 0.298**, p < 0.001) and overall employee commitment (r = 0.158**, p < 0.001) but not correlated with affective commitment (r = 0.057, p < 0.001) and normative commitment (r = 0.084, p < 0.001). Absenteeism was positively and significantly correlated with continuance commitment (r = 0.230**, p < 0.001), normative commitment (r = 0.137*, p < 0.05) and overall employee commitment (r = 0.166**, p < 0.001).

	Unstandardized coefficients		Standardized coefficients
	B	*Std. error*	*Beta*
(Constant)	2.887	.207	
STEP 1			
Burnout	-.071	.080	-.084
Stress	.060	.063	.096
Absenteeism	-.012	.080	-.012
	r= .211 r² = .044 Δ r² = .036 **F change (3,327) = 5.065, p <.001**		
STEP 2: *Moderator*			
Perceived managerial support	-.637	.292	-.473
	r= .356 r² = .126 Δ r² = .116 **F change (4,326) = 11.799, p <.001**		
STEP 3: *Interactions*			
Burnout – perceived managerial support	.109	.105	.237
Stress – perceived managerial support	.112	.080	.248
Absenteeism – perceived managerial support	.232	.105	.363
	r= .408 r² = .167 Δ r² = .149 **F change (7,323) = 9.226, P <.001**		

Table 2. Results for hierarchical regression analysis

3.3.2. Testing the moderating effect of perceived managerial support

To test the moderating effects of perceived managerial support on the relationship between burnout, stress, absenteeism and employee commitment, a hierarchical regression analysis was conducted in this study. In order to test interaction effects, multiplicative terms were created for the standardized independent variables. Burnout, stress and absenteeism were entered in the first step then moderating variables (perceived managerial support) was added in the second step. The interaction terms obtained by multiplying the moderating variable (perceived managerial support) and burnout, stress and absenteeism was added in the last step as presented in Table 2.

Tables 2 present the results of results for hierarchical regression analysis. H_1, H_2 and H_3 assumed that burnout, stress and absenteeism will exert a significant negative effect on employee commitment. The results reported in Table 2 indicate that burnout and absenteeism had a significant negative effect on employee commitment ($\beta = -0.084$, $p < 0.001$) and ($\beta = -0.012$, $p < 0.001$) respectively. On the other hand, stress was not found to have any significant effect on employee commitment ($\beta = -0.096$, $p < 0.001$). Thus, H_1 was supported, while H_3 was supported by the findings of the study and H_2 supported. Finally, the results also indicate a significant moderating effect of perceived managerial support on relationship between burnout, stress and absenteeism on employee commitment ($\beta = -0.237$, $p < 0.001$), ($\beta = -0.248$, $p < 0.001$) and ($\beta = -0.363$, $p < 0.001$) respectively. Thus, H_{4a}, H_{4b}, and H_{4c} were supported by the findings of the study.

4. General discussion

4.1. Implications for theory and practice

Stress, burnout and absenteeism have negative effect on the organization (Babakus et al. 2009; Choi et al. 2012). Given that employees in the banking sector are likely to face a high level of burnout, stress and then absenteeism which has greater effect on their commitment. The study findings showed that two components (i.e. burnout and absenteeism) were negatively related to employee commitment. These results provide strong support for the argument that burnout and absenteeism is an antecedent of employee commitment (Chênevert et al. 2013). This implies that employees who experience burnout and absenteeism's can be expected to have low organizational commitment and have a higher propensi-

ty to leave the job. The results show that perceived managerial support had a positive moderating effect on the relationships between burnout, stress, absenteeism and employee commitment, suggesting that perceived managerial support is always useful for mitigating the adverse effects of burnout, stress, and absenteeism on employee commitment. Furthermore, the results indicate that perceived managerial support tends to moderate the effect of burnout, stress and absenteeism on employees commitment, and propensity to leave the job. This result is consistent with the findings of (Duke et al. 2009; Rees and Freeman 2009) who investigated the moderating effect of perceived managerial support on burnout, stress and absenteeism on employee commitment they found out that in deed perceived managerial support has moderating effect on employee commitment.

These findings make it necessary for managers in the banking sector to take specific actions to minimize the occurrence of burnout, stress and absenteeism. Managers should pay close attention to workplace factors commonly associated with experienced burnout (i.e., attempt to reduce the occurrence of work overload, work conflict, and role ambiguity and enhance worker autonomy and perceived equity of rewards). Managers should also apply a number of training programs (such as time management, conflict resolution, relaxation techniques) that provide employees with strategies to cope with stress.

4.2. Limitations of the study

This study has some limitations. First, we examined the effect of job burnout, stress and absenteeism in the context of banking sector by determining whether perceived managerial support would moderate the effects of burnout, stress and absenteeism on employee's commitment. This approach is narrow, and it is difficult to compare the study's results with the findings of previous empirical studies that have used many variables. A number of studies have emphasized the prevention and reduction of burnout, stress and absenteeism by mitigating the adverse effects of work stressors such as role conflicts, time, role ambiguities, and emotional labor (Harrington and Ladge 2009; Beutell 2010; Choi et al. 2012). Despite such efforts by banking institutions, employee commitment remains low. Second, this study used descriptive survey in its approach. In this regard, future research should employ a longitudinal method or comparative study to provide a better understanding of these effects over time. Finally, there may be other variables that can moderate the

effects of burnout, stress and absenteeism on employee commitment that were not used. For example, offering contusive working environments by providing employees with counseling services, child care facilities, gymnasium, which can help to mitigate the adverse effects of burnout, stress and absenteeism and increase employee commitment. Therefore, future research should continue to identify those moderating variables that can be effective in managing burnout, stress and absenteeism.

5. Conclusion

In conclusion, this study empirically confirms that perceived managerial support plays key moderating roles in increasing employee commitment and reducing on the effect of stress and burnout has on employees. This study therefore contributes to the existing literature. The results suggest management support is critical in mitigation of burnout, stress and absenteeism. Therefore, bank managers should make careful use of their perceived managerial role because it can increase employee commitment.

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Leadership in Cross functional teams Intellectual stimulation and charisma

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Abstract

Two surveys were employed, the Multifactor Leadership Questionnaire (MLQ-Form 5X) that was developed by Avolio and Bass (1985) and The Team Effectiveness Questionnaire developed by Gibson, Zellmer-Bruhn and Schwab (2003) to assist in measuring the effect of intellectual stimulation and charisma have on the effectiveness of a cross-functional team. With the assistance of a healthcare manufacture in Michigan over 100 surveys were deployed using SurveyMonkey and after verifying returned surveys there were 51 allowable surveys for use in the study. Conducting a correlation analysis through a quantifiable approach with the delivery of surveys using intellectual stimulation and charisma as independent variables and team effectiveness as the dependent variable produced results where intellectual stimulation had a positive correlation to a cross-functional team's effectiveness as displayed by the Pearson Correlation Coefficient of 0.678 and a strong relationship was made known for charisma with a Pearson Correlation Coefficient of 0.749 towards a cross-functional teams effectiveness. The importance of these findings begins with assisting organizations in the creation and use of cross-functional teams with utilizing organizational resources in a more proficient manner.

KEYWORDS: charismatic leadership, intellectual stimulation, multifactor leadership questionnaire, team effectiveness questionnaire

1. Introduction

The difference between cross-functional teams that perform and other groups that do not is a subject that not enough attention is devoted towards (Katzenbach and Smith 1993). Katzenbach and Smith suggest more attention should be devoted to understanding what differentiates various levels of cross-functional team performance, where and how cross-functional teams work best, and what top management can do to enhance their effectiveness.

The use of cross-functional teams in the workplace has become the norm as executives advocate teamwork. With the increase use of cross-functional teams a cross-functional teams cohesion is often based on a set of values that encourage listening and responding constructively to views expressed by other team members, providing support, and recognizing the interests and achievements of others (Katzenbach and Smith, 1993).

As Holland, Gaston and Gomes (2000) disclose almost 75 per cent of cross-functional team members are short for time and resources to fulfill project responsibilities and a key issue facing cross-functional, teams is the tension which exists between team goals and functional priorities. Holland et al. would further identify two-thirds of cross-functional team members faced personal goal conflicts, and 60 per cent of cross-functional teams lacked a clear responsibility and did not understand how to reconcile cross-functional team and functional priorities. If a cross-functional team is experiencing internal conflict there in itself provides a challenge for the cross-functional team as the essence of a cross-functional team is common commitment and a cross-functional team is a number of people with complementary skills who are committed to a common purpose, set of performance goals, and approach for which they hold themselves accountable (Katzenbach and Smith 1993).

As organizations continue to develop and use cross-functional teams to improve cross-functional team performance the organization must realize and understand leadership in cross-functional teams. Trent (1996) describes the importance of cross-functional team lead-

ership to bring together the knowledge, skills and abilities associated with in the cross-functional team make-up. Trent acknowledges the cross-functional team leader can affect a team's effort, cohesion, goal selection, and goal attainment. The direct relationship between leadership and cross-functional team performance, however, is not the only indicator of the importance of the cross-functional team leader. Trent suggests a strong relationship also exists between effective leaders and the team's organizational resources. Trent also suggests there is a direct correlation between highly effective leaders and cross-functional team member effort and acquiring the commitment and involvement of cross-functional team members is an important prerequisite for cross-functional team success.

2. Cross functional teams: report on research project

2.1. Major theoretical underpinnings

Organizations now emphasize the need for leaders to take on new roles of facilitating, coordinating, and orchestrating the work behaviors of others (Prati et al. 2003). Therefore associates are now functioning as a member of a cross-functional team and there has been a great amount of empirical work in the search process to uncover how the selection and socialization of group members, including leaders of the cross-functional team leaders influences the effectiveness of the cross-functional team. In this arena, ability and skill set of individual cross-functional team members' definitely play a role (2003).

Bolger (2001) references Bass (1985) as identifying three sub factors of transformational leadership that he labeled as charisma, personal consideration and intellectual stimulation.

2.2. Transformational Leadership

Having a central focus on charismatic leadership and intellectual stimulation it becomes important to reference transformational leadership, as both charismatic leadership and intellectual stimulation are considered to be dimensions of transformational leadership. Transformational leadership as Northouse (2010: 172) suggests is the "process whereby a person engages with others and creates a connection that raises the level of motivation and morality in both the leader and the follower"). Transformational leadership as prescribed by Bono and Judge (2004) includes elements of many other theoretical approaches to leadership.

Bono and Judge (2004) reference Bass (1985) for identifying intellectual stimulation as a dimension of trans-

formational leadership where intellectual stimulation as outlined by Bass (1985) and referenced by Bono and Judge (2004: 901) refers to leaders who challenge organizational norms, encourage divergent thinking, and who push followers to develop and innovate strategies. Another theoretical approach identified within transformational leadership is charismatic leadership and often referred as inspirational leadership. Bono and Judge identify inspirational motivation dimensions are highly correlated and sometimes form a measure of charisma. In studies associated with dimensions of transformational leadership, Bono and Judge reference Bono and Ilies (2002, 2003: 902) concerning the analyses of speeches and vision statements of two groups of leaders and discovered the use of positive emotion words were associated with ratings of charisma.

2.3. Charismatic leadership

According to Bass (1985: 664), charisma is the ability of individuals to arouse people and bring them to follow the leaders' mission and vision, personal consideration is the leader's ability of giving attention towards the follower's and intellectual stimulation is the ability of the leader to motivate the followers to think of innovative and extraordinary solutions to problems. Barbuto (2005) identifies charismatic leader with developing significant relationships with followers through the creation of trust, effort, and commitment. This concept is further enlarged with the findings of Weber (1947) as referenced by Barbuto (2005) where the description of charismatic leadership as stemming from subordinates or followers' perceptions that the leader is gifted with exceptional talents and skills.

If the charismatic leader is gifted as Barbuto (2005) suggests, Yukl (1999) proposes the follower is more susceptible if they feel insecure, or believe they are alienated, fearful about their economic security , lack self-esteem, and the follower has a weak self-identity. Yukl advises of the importance of contextual variables for charismatic leadership because attributions of exceptional ability for a leader seem to be rare and may be highly dependent upon characteristics of the situation and part of the situation is to develop trust between cross-functional team members. Webber (2001: 205) references Mayer et al. (1995) with defining trust as "the shared perception by the majority of team members that individuals in the team will perform particular actions important to its members and that individuals will recognize and protect the rights and interests of all the team members engaged in their joint endeavor". Creating trust as Webber (2001) identifies begins with the formation of the cross functional team and the leadership style placed into practice in regards to the building of positive relationships among cross functional team members and with the cross functional team leader.

Conger et al. (2000) suggest when followers of a charismatic leader perceive their leader is exhibiting charismatic leadership behaviors the followers will not only attribute charisma towards their leader, but the followers will also change their attitudes, values, and behaviors consistent with what the leader desires from their followers. Conger et al. suggest under charismatic leadership it is likely to discover positive follower effects of heightened reverence, trust, and satisfaction with the leader and these follower effects will be positively related to follower's sense of collective identity, perceived group performance, and feelings of empowerment.

In a study conducted by Rowold and Laukamp (2009: 605), they suggest the "leader aims at implementing the vision and therefore motivates the follower". To aid in the implementation of the vision the charismatic leader will undergo personal risks to motivate their followers by setting an example to follow. Followers of a charismatic leader are more likely to believe in the leader's vision if the leader engages in active, personal risks that demonstrate the outcomes. As a consequence of the charismatic leader's unconventional behavior and personal risk, the followers positively accept the leader's vision, develop trust and, ultimately, enhanced levels of motivation to achieve articulated goals.

Charismatic leaders as recognized by Boerner et al. (2008: 508), enhance follower identification with the leader, and followers are willing to engage in cross functional team activity because of their favorable perceptions of the leader, and charismatic leaders provide positive effects on followers' identification with their task and role, namely increased efficacy perceptions, intrinsic motivation, and willingness to sacrifice themselves to perform the task. Boerner et al. describe charismatic leadership as articulating a vision and a sense of mission, showing determination and communicating high expectations through encouraging high performance. The charismatic leader creates a high self-esteem in their followers through a program of mentorship, and coaching, and in turn followers identify with organizational goals. As a result of identifying with the organization followers are willing to invest considerable time and energy on behalf of the organization and will make personal sacrifices if necessary to accomplish organizational goals. Boerner et al. reference Deluga (1995) and Sosik (2005) by recognizing and proclaiming charismatic leadership is positively related to organizational performance and empirical studies have confirmed a positive relationship between charismatic leadership and followers'.

2.4. Intellectual Stimulation

Bass (1999) suggest intellectual stimulation begins when the leader helps followers to become more innovative and creative (p.11). Northouse (2010) would define intellectual stimulation in greater positions with intellectual stimulation to include the leader stimulates the follower not only to be innovative and creative as Bass (1999) suggested but to encourage the follower to challenge their own beliefs and values as well as those of the leader and the organization.

This type of leadership supports followers as the follower attempts new approaches and develops innovative methods of working with organizational issues (Northouse 2010). Intellectual stimulation encourages the follower to think things out on their own, and engage in careful problem solving (Northouse 2010: 179). Leaders who create intellectual stimulation constitute a social cue to positively encourage followers to explore new methods or pursue innovative ideas for problem solving approaches (Zhou et al. 2012). When leaders encourage followers to engage in problem solving activities, suggesting alternative approaches, this activity positively supports the follower in their quest to mentally grow through intellectual stimulation (2012). With intellectual stimulation leaders broaden followers' existing skill set, develop followers' problem solving skills and, as a byproduct, nurture followers' growth and achievement capabilities. Furthermore as Zhou et al. suggest intellectual stimulation supports an open and forward thinking strategy in the pursuit of goals furthering the follower's ability to tackle less routine tasks and challenges and therefore creating a stronger level of intellectual stimulation.

2.5. Measuring charismatic leadership and intellectual stimulation

Charismatic leadership and intellectual stimulation were measured with the assistance of the Multifactor Leadership Questionnaire (MLQ-Form 5X) as this questionnaire is a self-report measure that has 45 items designed to measure leadership. Included in Multifactor Leadership scale is the ability to measure intellectual stimulation and charismatic leadership principles. Within the Multifactor Leadership scale are 4 items that assesses subordinates' intellectual stimulation through the perception of degree to which the supervisor accepts their ideas and encourages the follower to challenge the status quo through the re-examination of critical responses will be used to measure intellectual stimulation and charismatic leadership will be measured through the use of a 12 item subscale that measures the leader's setting of high standards and orientation toward the future (Kanste et al. 2006). A Likert scale

consisting of a range from one to five was used to collect responses and the responses will be averaged to form a scale score. Bon and Ilies (2006) have found the Multifactor Leadership Questionnaire to be a reliable instrument and Kanste et al. (2006) declares the leadership subscales to be internally consistent with Cronbach's alpha having a greater than 0.70 outcome. To help facilitate the methodology with the Multifactor Leadership questionnaire the manual that explains in detail how to use and score the Multifactor Leadership questionnaire was used throughout the complete process of using, and analyzing results in the correct manner.

2.6. Team effectiveness and internal validity

Team effectiveness is designed for each team member to perceive its aptitude, or the aptitude of the other team members in relation to the overall team objective (Hexmoor and Beavers 2002). After four years of research design by Gibson, Zellmer-Bruhn, and Schwab (2003) the Team Effectiveness survey was deemed reliable to investigate the use of teams. Gibson et al. achieved confidence towards reliability with the coefficient alpha ranging from 0.70 – 0.94 for the subscales. Each subscale used a seven point Likert scale ranging from one as very inaccurate to seven as very accurate. The administration of the Team Effectiveness scale was conducted through the use of Fluid Surveys and delivered at the identical time with the Multifactor Leadership Questionnaire.

Threats to internal validity exist from the current formatting: Selection of the participants, location of those involved in the study and the sample size. Results may be affected from the convenience sample as participants were closely located near one another and the exchange of thoughts and opinions between participants exists and similar viewpoints of the participants may impact results. To control multiple regressions, tests were analyzed including the self-identified demographic characteristics at the beginning of the survey.

3. Methodology

3.1. Survey Collection

Collection of the first group of sent surveys resulted in a return rate of 34 percent, and after further investigation with correlation analysis IP address had to be matched up as not all participants filled out both surveys. Therefore those participants who only completed one survey were thrown out or not included in the process. Another challenge came forth was identified by participants using the same computer to participate with the completion of the survey, therefore since differing participants could not be identified those responses with identical IP addresses

were also excluded in the study leading to a further reduction in verifiable surveys. One IP address was identified four times as being used to complete the survey. This decision led to the accepted percentage of surveys of 14 percent after the elimination of duplicate IP address. Therefore another 100 surveys were deployed to a different random sample with in the same organization. This process included more detailed instructions and follow through for assurance the surveys were completed accurately. This second set of surveys resulted in a 37 percent of acceptance and generating a total of 51 surveys deemed acceptable and accomplishes the recommended amount of needed surveys as presented by Hair et al (2006). For all accepted surveys Excel was used to clean up the data through sorting and organizing data responses surveys that were accepted as

Data was collected through the response of participating in the answering of the Multifactor Leadership Questionnaire and the Team Effectiveness Questionnaire. As data was collected the information was transferred to SPSS a computer analysis program and SPSS is recognized to be a powerful and efficient data analysis program (Green andSalkind, 2007).

With the relationships offered by the independent variables, charisma and intellectual stimulation and the dependent variable, team effectiveness a correlation analysis was used with a summation of scales. Using the Multi Factor Leadership questionnaire created by Avolio and Bass and the Team Effectiveness scale developed by Gibson, Zellmer-Bruhn and Schwab the process of using a summation of scales was employed. As Hair et al. (2006: 103) suggest a summation of scales is a method of combining several variables that measure the same concept into a single variable in an attempt to increase reliability of the measurement, and the process of the summation of the separate variables created a total and then the total or average score is used in the analysis.

Using a correlation analysis as Hair et al. suggest is a basis for estimating all regression relationships. Hair et al. suggests with regression analysis, the correlations between the independent variables and the dependent variable provide the foundation for establishing the regression variate by approximating regression coefficients for each independent variable that maximizes the predicted outcome of the dependent variable (2006: 231).

3.2. Sample

A convenience sample was utilized for the study and included as participants were personnel who work for a manufacturer of health care products. Email addresses were selected randomly and provided through the Human

Resource department. Participants were from various groups of people, ages, occupation levels, job duties, and leadership experience. FluidSurveys was used to deliver the two different surveys to participants, the Multifactor Leadership Questionnaire (MLQ-Form 5X) created by Avolio and Bassand the Team Effectiveness scale developed by Gibson, Zellmer-Bruhn and Schwab. The first delivery of surveys accounted for 100 surveys being deployed to reach the goal of receiving a completion of 45 percent being returned. This is recommended by Hair, Black, Babin, Anderson and Tatham (2006). However, a second set of surveys were deployed to assist in achieving the needed amount of returned surveys.

3.3. Hypothesis

H1**:** Intellectual stimulation has a positive relationship on/with cross-functional team effectiveness.

H2: Charismatic leadership has a positive relationship with cross-functional team effectiveness.

Measure Pearson		Team	Charisma total	Intellectual stimulation total
Team	Pearson correlation	1	.749**	.678**
	sig. (2-tailed)		.000	.000
	N	51	51	51
Charisma total	Pearson correlation	.749**	1	.584**
	sig. (2-tailed)	.000		.000
	N	51	51	51
Intellectual stimulation total	Pearson correlation	.678**	.584**	1
	sig. (2-tailed)	.000	.000	
	N	51	51	51

Table 1. Summary of inter correlation, team effectiveness, charisma total and intellectual stimulation total

Legend: **. Correlation is significant at the 0.01 level (2-tailed)

4. Conclusion

The overall goal of this research was to extend the academic conversation by quantitatively examining leadership, as viewed from the perspective of the effects charisma and intellectual stimulation have on cross-functional team effectiveness.

With intellectual stimulation having a positive effect on the effectiveness of a cross-functional team there will be ample opportunity for an organization to improve relationships between followers and leaders, between the team members themselves and between team members and the organization. This study also proved that the formation of a cross-functional team could be enhanced to deliver proficient outcomes when a leader uses intellectual stimulation to build relationships with followers.

Charisma also proved positive results for enhancing cross-functional team effectiveness. This determination provides insight to the development of a cross-functional team and the leadership selected to lead it. Management needs to understand the whole person to achieve better fit to requirements and needs of cross-functional teams (Novakowski 2008).

With the 51 participants, there is no indication concerning titles or levels of worker placement by participants, therefore a participant maybe employed as a line worker, a secretary, entry level manager, middle level manager or even include the corporate executive. Suggested as another opportunity would be to use a quota sample to select participants from the same working levels to identify if the different employment groups or departments have the same views or not concerning charisma and intellectual stimulation on a cross-functional team's effectiveness.

The use of a quota sample is recommended for quota sampling, a standard method for selection according to setting quotas for participants on a range of demographic factors and ensures that the sample interviewed is representative of the population of interest. If using this method for future research, the study could unambiguously select participants from a preferred department or a preferred job level as quotas could be set with regard to a specific determination (Rubin et al. 2005).

Another consideration for future research would be to study personalities and if there is any relation to a specific personality type that has the ability to intellectually stimulate others. This is a concept that would also be available to determine in charisma is a gift or if an individual can learn charisma and how to use it to help a cross-functional team be effective or does a charismatic leader have stronger abilities to lead than another type of a leader?

This research has shown there is value in using assessments, at least for a leader to understand how to provide intellectual stimulation and how to lead a cross-functional team with using charisma to attract followers, when developing a cross-functional team. The investment by organizations to understand the individual motivations, and natural preferred operating style while performing in an assigned role has the potential to achieve greater individual performance, job satisfaction and overall team effectiveness (Novakowski 2008) therefore this

study does appear to have implications both for how team members should be selected to maximize team effectiveness and for the development of a theory of work-team performance (Barrick et al. 1998). The results suggest that organizations implement a program to increase the use of charismatic leadership and/or intellectual stimulation in cross-functional teams and this practice will increase the efficiencyof organizational resources. Moreover, with the use of cross-functional teams increasing as organizations design new methods and techniques to increase efficiency the organization must realize and

understand leadership in cross-functional teams. Trent (1996) recognizes the cross-functional team leader can affect a team's effectiveness and describes the importance of cross-functional team leadership to bring together the team members to generate a cross-functional team's effectiveness. The direct relationship between leadership and cross-functional team performance, however, is not the only indicator of the importance of the cross-functional team leader. Trent suggests a strong relationship also exists between effective leaders and the team's members.

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Appendix

Appendix: EFA: Global Mindset, Workforce Engagement and Leadership Dimensions Item Loadings (Exploratory Factor Analysis for Global Mindset, Workforce Engagement and Leadership Dimensions)

For use by Todd Terry only. Received from Mind Garden, Inc. on June 6, 2013

MLQ Multifactor Leadership Questionnaire Rater Form (5x-Short)

Name of Leader: _____ Date:_____

Organization ID #: _____ Leader ID #: _____

This questionnaire is to describe the leadership style of the above-mentioned individual as you perceive it. Please answer all items on this answer sheet. **If an item is irrelevant, or if you are unsure or do not know the answer, leave the answer blank.** Please answer this questionnaire anonymously.

IMPORTANT (necessary for processing): Which best describes you?

___ I am at a higher organizational level than the person I am rating.

___ The person I am rating is at my organizational level.

___ I am at a lower organizational level than the person I am rating.

___ I do not wish my organizational level to be known.

Forty-five descriptive statements are listed on the following pages. Judge how frequently each statement fits the person you are describing. Use the following rating scale:

0	1	2	3	4
				Not at all once in a while sometimes fairly often frequently, if not always

The person I am rating

1.	Provides me with assistance in exchange for my efforts	1	2	3	4
2.	Re-examines critical assumptions to question whether they are appropriate	1	2	3	4
3.	Fails to interfere until problems become serious	1	2	3	4
4.	Focuses attention on irregularities, mistakes, exceptions, and deviations from standards	1	2	3	4
5.	Avoids getting involved when important issues arise	1	2	3	4
6.	Talks about their most important values and beliefs	1	2	3	4
7.	Is absent when needed	1	2	3	4
8.	Seeks differing perspectives when solving prob	1	2	3	4
9.	Talks optimistically about the future	1	2	3	4
10.	Instills pride in me for being associated with him/her	1	2	3	4
11.	Discusses in specific terms who is responsible for achieving performance targets	1	2	3	4
12.	Waits for things to go wrong before taking action	1	2	3	4
13.	Talks enthusiastically about what needs to be accomplished.	1	2	3	4
14.	Specifies the importance of having a strong sense of purpose	1	2	3	4
15.	Spends time teaching and coaching	1	2	3	4

Not at all once in a while sometimes fairly often frequently, if not always

0	1	2	3	4

		1	2	3	4
16.	Makes clear what one can expect to receive when performance goals are achieved	1	2	3	4
17.	Shows that he/she is a firm believer in "If it ain't broke, don't fix it.	1	2	3	4
18.	Goes beyond self-interest for the good of the group	1	2	3	4
19.	Treats me as an individual rather than just as a member of a group	1	2	3	4
20.	Demonstrates that problems must become chronic before taking action	1	2	3	4
21.	Acts in ways that builds my respect	1	2	3	4
22.	Concentrates his/her full attention on dealing with mistakes, complaints, and failure	1	2	3	4
23.	Considers the moral and ethical consequences of decisions	1	2	3	4
24.	Keeps track of all mistakes	1	2	3	4
25.	Displays a sense of power and confidence	1	2	3	4
26.	Articulates a compelling vision of the future	1	2	3	4
27.	Directs my attention toward failures to meet standards	1	2	3	4
28.	Avoids making decisions	1	2	3	4
29.	Considers me as having different needs, abilities, and aspirations from others	1	2	3	4
30.	Gets me to look at problems from many different angles	1	2	3	4
31.	Helps me to develop my strengths	1	2	3	4
32.	Suggests new ways of looking at how to complete assignments	1	2	3	4
33.	Delays responding to urgent questions	1	2	3	4
34.	Emphasizes the importance of having a collective sense of mission	1	2	3	4
35.	Expresses satisfaction when I meet expectations	1	2	3	4
36.	Expresses confidence that goals will be achieved	1	2	3	4
37.	Is effective in meeting my job-related needs	1	2	3	4
38.	Uses methods of leadership that are satisfying	1	2	3	4
39.	Gets me to do more than I expected to do	1	2	3	4
40.	Is effective in representing me to higher authority	1	2	3	4
41.	Works with me in a satisfactory way	1	2	3	4
42.	Heightens my desire to succeed	1	2	3	4
43.	Is effective in meeting organizational requirements	1	2	3	4
44.	Increases my willingness to try harder	1	2	3	4
45.	Leads a group that is effective	1	2	3	4

Team Effectiveness Survey

Goals

1.	This team fulfills its mission	1 2 3 4 5 6 7
2.	This team accomplishes its objectives	1 2 3 4 5 6 7
3.	This team meets the requirements set for it	1 2 3 4 5 6 7
4.	This team achieves its goals	1 2 3 4 5 6 7
5.	This team serves the purpose it is intended to serve.	1 2 3 4 5 6 7

Customers

1.	This team's customers are satisfied	1 2 3 4 5 6 7
2.	This team's customers are happy with the team's performance	1 2 3 4 5 6 7
3.	This team is responsive to its customers	1 2 3 4 5 6 7
4.	This team fulfills the needs of its customers	1 2 3 4 5 6 7
5.	This team responds to external demands	1 2 3 4 5 6 7

Timelines

1.	This team meets its deadlines	1 2 3 4 5 6 7
2.	This team wastes time	1 2 3 4 5 6 7
3.	The team provides deliverables (e.g., products, or services) on	1 2 3 4 5 6 7
4.	This team is slow	1 2 3 4 5 6 7
5.	This team adheres to its schedule	1 2 3 4 5 6 7
6.	This team finishes its work in a reasonable amount of time	1 2 3 4 5 6

Quality

1.	This team has a low error rate	1 2 3 4 5 6 7
2.	This team does high quality work	1 2 3 4 5 6 7
3.	This team consistently provides high quality output	1 2 3 4 5 6 7
4.	This team is consistently error free	1 2 3 4 5 6 7
5.	This team needs to improve the quality of its work	1 2 3 4 5 6 7

Productivity

1.	This team uses too many resources	1 2 3 4 5 6 7
2.	This team is productive	1 2 3 4 5 6 7
3.	This team is wasteful	1 2 3 4 5 6 7
4.	Inputs used by this team are appropriate for the outputs achieved	1 2 3 4 5 6 7
5.	This team is efficient	1 2 3 4 5 6 7

Legend: 1 – very inaccurate, 2 – mostly inaccurate, 3 – slightly inaccurate, 4 – uncertain, 5 – slightly accurate, 6 – mostly accurate, 7 – very accurate

Temporal Differences in Perception Among Globally Dispersed Software Teams Implications for Leadership

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Abstract

This paper describes the results of a gap analysis study used to determine differences in temporal perceptions among globally dispersed software teams. Very few prior studies have focused on measuring such cultural differences and their impact on dispersed teams with the emphasis on the team level. A survey was issued to virtual teams working in four countries, (China, India, Ireland, and United States) consisting of 12 questions derived from four constructs (Future Orientation, Lateness Attitude, Sense of Urgency, Temporal Rigidity). There were a total of 92 subjects from one company. This study showed quantitative differences in perception among cultures corresponded to qualitative statements made by management concerning two countries. Limitation: one company and a small sample size. This research suggests that the instrument may be of value to management by identifying problems early.

Keywords: global teams, gap analysis, temporal differences, leadership

1. Introduction

Global software development is common business practice today, with companies developing software in multiple areas of the world to gain a competitive edge in the global economy by taking advantage of lower employee costs and a larger labor pool, and by being closer to markets they wish to enter (Carmel and Agarwal 2001). Avram (2007) report that there continues to be problems with the globalization of software development. The efficiency of global projects has been shown to decrease due to lower levels of communication and co-ordination activities (Herbsleb et al. 2001). Geographical distance impedes information transfer and trust, and increases the need for support staff (Hinds and Kiesler 1995; Jarvenpaa and Leidner 1999; Herbsleb and. Mockus 2003). Herbsleb and Mockus (2001) suggest that software development requires close cooperation of the team members, which is something that is difficult to obtain when the members have different cultural backgrounds. Research also shows that conflicts arise because cultures differ on such critical issues as the need for structure, observance of hierarchy, temporal perceptions, and communication practices (Jarvenpaa and Leidner 1999; Hofstede 1980, 2001; House et al. 2004).

Time perception has two extremes. The first time is linear where deadlines are firm and strict and people are punctual to meetings. The other extreme is time is elastic where deadlines are flexible and meeting times are advisory so people can arrive late. Linear time cultures view elastic as slow and inefficient. Elastic time cultures view linear as cold and rigid.

The temporal perceptions examined in this study are:

- Future orientation – a measure of the balance between current work that must be done and a belief that some of the current work prepares one for the future.

- Lateness attitude – a measure of how acceptable personal late behavior is and the acceptability of the late behavior of others.

- Sense of urgency – a measure of people's perception of the quick passage of time and the need to get something accomplished.

- Temporal rigidity – a measure of how willing a person or group of people is to change or adapt to new schedules.

The objective of this study is to investigate the impacts

that temporal perceptions play on the different cultures in a field study. It is expected that such differences will effect communication and coordination and lead to less effective globally distributed teams.

The literature review in the next section describes some of the problems of dispersed teams, the use of gap analysis, and our focus on cultural differences in temporal expectations. This is followed by the research questions and a presentation of the results.

2. Literature review

In today's business environment organizations are trying to be more efficient and cost centered. Thus, in this respect organizations are using globally distributed teams to reduce the time to market and control costs. However, globally disbursed teams have several obstacles to overcome, namely these teams are going to be from different cultures, some of which may be very monolithic in their societal makeup and therefore, may have little experience with outside cultures. The literature often mentions communication difficulties, trust issues, timing problems, language and cultural problems that arise within these globally dispersed teams though much of it is based on dispersed teams of students (Carmel and Agarwal 2001; Herbsleb et al. 2001; Jarvenpaa and Leidner 1999; Avram 2007; Dubé and Paré 2004; Borchers 2003; Damien and Zowghi 2003; MacGregor et al. 2005; Edwards and Sridhar 2005; Barkhi et al. 2006).

Working across dispersed locations leads to reductions of the situational knowledge people have about each other (Cramton 2002; Armstrong and Cole 2002; Mortensen and Hinds 2002). This in turn may affect how the teams communicate with other. Barkhi et al. (2006) suggest that collocated teams prefer to collaborate more with themselves than other (more dispersed) team members.

Cramton (2002) also notes that computer mediated communication is subject to time lags and possibly a disordering of messages. For example, failures of communication may be attributed to some negative aspect of the other group, a lack of ability or cooperation, when in fact it may only be due to failures of the communication system or some local condition such as a holiday. This reduced situational knowledge and problems of communication/miscommunication may lead one group to make negative attributions about another, which are attributed to cultural differences, i.e., the negative stereotyping that occurs by one group about another.

In summary, while much literature mentions cultural differences (Hofstede 1980; Avram 2007; Damien and

Zowghi 2003; Edwards and Sridhar 2005; Barkhi et al. 2006; Cramton 2001; Carmel 1999; Ardichvili and Kuchinke 2002), few prior studies have focused on measuring cultural differences and their impact on dispersed teams with the emphasis on the team level. The authors have the concern expressed earlier; current industry practice involves many small teams that are globally dispersed. Therefore, it is extremely difficult to obtain sufficient respondents in studies of dispersed teams to perform a team level analysis. A technique is then required which lends itself to individual level analysis but also allows the grouping of the data obtained by country of origin and the research question becomes; how do cultural differences affect the individuals on these teams? This research used a methodology called gap analysis, which appears to provide a solution to measuring perceptions in dispersed teams.

3. Methodology

3.1. Research motivation

This is a field study with a large international company that had globally dispersed software development teams. Corporate management had noted that there were problems involving temporal perceptions with the global teams and requested a way to quantify the differences. Their intent was to identify and use such a process to identify potential differences early so they could proactively correct or minimize the problems. Corporate management was aware that typical conflict resolution behaviors run a gambit of avoidance, accommodation, competition, collaboration and compromise. Additionally, conflict can result in communication and coordination difficulties, creating more conflict and therefore must be managed effectively, which is difficult to do over distances (Jarvenpaa et al. 1998; Turoff et al. 1993).

3.2. Research question

The overall guiding research question was how do temporal differences affect a dispersed team and in what way? Do differences in cultural time perceptions in members of a virtual team impact individual communication quality?

The concept of individual communication quality is how well the individual communicates with other members of the team (Cramton and Webber 2003). The supposition is that both perceived communication quality will be affected by cultural differences in temporal perception. This results in two hypotheses:

H_1: Do differences in cultural time perceptions among members of a virtual team impact individual communication quality?

H_2: Are the differences among cultures expressed in a gap analysis?

3.3. Research method

3.3.1. Measures and Instrumentation

Five constructs were measured in this study: four of them are temporal perception constructs – future orientation, lateness attitude, sense of urgency, temporal rigidity and individual communication quality. The constructs were multi-item scales drawn from previously validated measures and were adapted to relate specifically to the context of temporal perception. All items were assessed via a seven point Likert scale.

This section describes the research procedures used in this field study. The subjects were globally dispersed software development teams from a major international corporation. This was an ongoing project of unknown duration. The teams communicated primarily via instant messaging (IM) and e-mail. The locations of the teams were the USA, Ireland, India and China, which was based on where the desired expertise was available. One of the conditions of access to the subjects was strict anonymity; this prevented the researchers from asking the individuals their team and for the identification of their remote team. The survey was given mid to late in the project. It consisted of 64 questions:

- 12 demographic and general information questions
- 24 questions on temporal perceptions
- 28 questions concerning other items
- Time to complete the survey was 10-12 minutes.

3.3.2. Gap analysis

Gap analysis has a variety of meanings depending on the particular industry or field in which it is used. At various times gap analysis has been used in marketing (Parasuraman et al. 1985), strategic planning, (Cade 2003; Saunders and Yusuf 2004; Stevens 2003), business process reengineering (Jaun and Ou-Yang 2004), and as a technique to determine where the current level of competency is versus where you want to be (Malloch 2001). In this study gap analysis is used as described by Parasuraman et al. (1985) in the marketing arena. The marketing field was trying to define models of service quality, which proved difficult because it involved measuring performance rather than physical objects. Subjective performance is difficult to measure because it is influenced by the perceptions of those who are providing the service and those who obtained the

service. The key to the gap analysis concept is that there may be a difference in perception between what the provider thinks people want and what the people actually want. This difference or "gap" in perceptions can be measured and potentially reflects a problem area affecting the quality of the service. It was stated that this type of analysis allows flexibility in its use, but is also more scientifically rigorous (Parasuraman et al. 1985; Parasuraman et al. 1988). Gap analysis forces a difference if it exists, creating something, which is measurable, that one would normally not be able to obtain. This is important when dealing with subtle cultural differences within the context of team operations.

Brown and Swartz (1989) used gap analysis with the intent of providing more rigorous analysis, and arrived at the conclusion that the technique was a straightforward and appropriate way to identify inconsistencies between provider and client perceptions. This particular concept of gap analysis provides the basis for its use in the arena of globally dispersed teams for this research; it is a method for looking at the inconsistencies in perceptions between two groups of people. The key to gap analysis are the following concepts:

- There may be differences in perception between what the provider thinks people want and what the people actually want.
- This difference or "gap" in perceptions may reflect a problem area affecting the quality of the interaction.
- Gap analysis emphasizes a difference if it exists, creating something, which is measurable, that one would normally not be able to obtain.

The temporal perception constructs were measured using a survey. The future orientation items were initially taken from the GLOBE Study (House et al. 2004) but modified to fit the particular research situation. The questions for the other constructs were created through brainstorming by domain experts, both academic and industry, using literature to suggest situations. A series of pilot studies and a card sorting procedure were performed to ensure that respondents understood the items, to eliminate any items that had low correlations, and to gauge the length of time it would take to complete the survey. The final survey had three items for each construct, with each item having a 7-point Likert scale. Each item varied from 1 to 7 on a scale in which strongly disagree equaled 1 and strongly agree equaled 7. To calculate a gap each item is asked twice, once for the local team and once for the remote team. Sample items are presented below, and the calculation of the gap is discussed later below.

Future orientation construct:

- Members of my **local team** plan for future problems we might encounter;
- Members of my **remote team** plan for future problems we might encounter.

Lateness attitude construct:

- My **local team** members believe it is okay to be a few minutes late for a meeting;
- My **remote team** members believe it is okay to be a few minutes late for a meeting.

Sense of urgency construct:

- Members of my **local team** get very nervous if we start to fall behind;
- Members of my **remote team** get very nervous if we start to fall behind.

Temporal rigidity construct:

- Members of my **local team** get upset when meetings run past their end time;
- Members of my **remote team** get upset when meetings run past their end time.

As can be seen, the items were worded so only one word could be changed. The local and remote team questions were presented in their own section with a lead-in paragraph to set the scenario for the subject and to bring to their attention the switch in the point of view.

Gap analysis has a variety of meanings depending on the particular industry or field in which it is used. At various times gap analysis has been used in marketing (Parasuraman et al. 1985), strategic planning (Cade 2003; Saunders and Yusuf 2004; Stevens 2003), business process reengineering (Jaun and Ou-Yang 2004), and as a technique to determine where the current level of competency is versus where you want to be (Malloch 2001). In this study gap analysis is used as described by Parasuraman et al (1985) in the marketing arena. The marketing field was trying to define models of service quality, which proved difficult because it involved measuring performance rather than physical objects. Subjective performance is difficult to measure because it is influenced by the perceptions of those who are providing the service and those who obtained the service. The key to the gap analysis concept is that there may be a difference in perception between what the provider thinks people want and what the people actually want. This difference or "gap" in perceptions can be measured and potentially reflects a problem area affecting the quality of the service. It was stated that this type of analysis allows flexibility in its use, but is also more scientifically rigorous

(Parasuraman et al. 1985; Parasuraman et al. 1988). Gap analysis forces a difference if it exists, creating something, which is measurable, that one would normally not be able to obtain. This is important when dealing with subtle cultural differences within the context of team operations.

Brown and Swartz (1989) used gap analysis with the intent of providing more rigorous analysis, and arrived at the conclusion that the technique was a straightforward and appropriate way to identify inconsistencies between provider and client perceptions. This particular concept of gap analysis provides the basis for its use in the arena of globally dispersed teams for this research; it is a method for looking at the inconsistencies in perceptions between two groups of people.

The key to gap analysis are the following concepts:

- There may be differences in perception between what the provider thinks people want and what the people actually want;
- This difference or "gap" in perceptions may reflect a problem area affecting the quality of the interaction;
- Gap analysis emphasizes a difference if it exists, creating something, which is measurable, that one would normally not be able to obtain;
- In this study the gap is the difference between the local and remote teams;
- The key to gap analysis is the identification of a gap if it exists. The technique as described in the literature does not consider direction, solely the identification of the gap as an indicator of a possible problem. Therefore, a measure called gap magnitude was created, which is calculated as: gap magnitude = absolute value (local work location—remote work location).

3.3.3. Survey population

The study was carried out on virtual teams from a large multi-national corporation involved in software development and maintenance. Company respondents (Table 1) were comprised of individuals located in the United States, Ireland, India and China. Depending upon the particular aspect of the company project, their participation in the project lasted from a few weeks to several months. Team members are selected based on the required skills and availability of the individuals for the expected duration of the project. These members often communicated using computer mediated tools (IM and email) and conference calls during over-lapping work hours or extended workdays. Employees selected for the study were those that had worked recently in a dispersed effort.

Location	Number of subject
Dublin	20
China	36
USA	26
India	9
Other	1
Gender	
Female	27
Male	65
Age	
Less than 25	4
26-35	58
36-45	22
46-60	8
Over 60	0

Table 1. Company demographics

The surveys were distributed in July 2007 with company respondents totaling 92. The company informed the researchers that they had sent the survey link to 120 employees, for a response rate of 76.6%.

4. Results

4.1. Gaps for different country-to-country comparisons

The gap measured in this research is a team member's perception of the local team beliefs about time and the same individual's perception of the remote team's beliefs about time, with the local and remote teams representing different countries. Thus, a gap between people in different countries is interpreted as indicating that temporal perception differences exist between these two cultures. The size of the gap indicates how much of a difference there is. The following section looks at the gaps found for different country-to-country comparisons. It should be noted that because of the nature of team member distributions in the teams analyzed, the country-to-country comparisons are done with only a small number of individuals, making any generalizations from this analysis inadvisable.

4.2. Compare means and the gap magnitude

A two level compare means analysis was performed using local work location and remote work location. (In SPSS v13: Analysis, Compare means, Means, Dependent variables are the gap values, Independent layer #1 is work location, Layer #2 is remote location). This analysis was performed to discover if there was a significant difference in the way the groups responded to the temporal perception construct items by examining the absolute value of the calculated gap for each of these constructs. Table II shows the mean gaps for Future Orientation. These means of the gaps will be used later to calculate a measure referred to as Gap Magnitude. These means of the gaps are used to calculate a measure referred to as Gap Magnitude. The calculated Gap Magnitude is shown in the last column of each table. The calculation of the gap magnitude is discussed after describing the data in Table 2.

Local/remote	Ireland	China	USA	India
Ireland		0.89	0.31	-0.42
China	-0.08	-0.42	-0.36	
USA	0.0		1.67	
India	-0.11	-0.67	0.11	

Table 2. Future orientation means of gaps by location

The data in Table 2 shows the gap in average scores based on location. Two entries need to be explained. The entry for China–China and USA–USA is based on the respondents stating that they were located in China (or in the USA) and that their remote team was also in China (or the USA). These numbers are included for comparison. If large mean gaps are found within a country, then perhaps the assumption that the gaps are a cultural difference is wrong. However, the number of respondents that formed these within country gaps is low so that this assumption cannot be examined with the data at hand.

Next, the values in Table 2 can be looked at from two different viewpoints: the first as the gap in perception that an individual working in Ireland has between his or her personal beliefs about the local team and his or her beliefs about team members working in China. For this example, the gap is 0.89. The gap can be viewed from the opposite direction, as the gap in perception that an individual working in China has between his or her personal beliefs about the local team and his or her beliefs about team members working in Ireland. This gap in this case is -0.08. It is clear that these perceptions are not aligned with each other and could possibly be a source of misunderstanding.

The fact that there is a difference in measured perception depending on the location from which the gap is viewed, suggested that an aid to understanding this gap needed to be created. The key to gap analysis is the identification of a gap if it exists. The technique as described in the literature does not consider direction, solely the identification of the gap as an indicator of a possible problem. Therefore, a measure called Gap Magnitude was created,

which is calculated as:

Gap magnitude = absolute value
(local work location—remote work location).

The maximum possible value for the gap magnitude is six, (1 – 7 = -6 or 7 – 1 = 6). A gap magnitude value of zero means no gap exists in the individual's perception of the two teams, while a gap equal to the maximum of six represents the individual's perception of the local and remote teams is very different. How one uses this measure is explored next.

The basic premise of gap analysis is that gaps are a difference in perception, which could indicate a problem. The literature mentions that a small gap is most likely due to normal variations in responses. Gaps of other sizes are considered differences in perceptions, and this misalignment of perceptions could be an indication of a problem. The use of gap analysis in the literature has been oriented towards practitioners working with a firm to uncover problems, potential or existing. However, the literature does not give an analysis of what a gap of different sizes might mean.

4.2.1. Future orientation

The gap magnitude calculations for future orientation, based on the data in Table 2, are shown in Table 3. The gap magnitude for the Ireland–China for example is:

[0.89-(-0.08)] = 0.97.

Local/remote	Gap magnitude
Ireland–China	0.97
Ireland–USA	0.31
Ireland–India	0.31
USA–China	0.36

Table 3. Future orientation gap magnitude by location

The Gap Magnitudes for these country pairs are all relatively low. The gap magnitude between Ireland and the USA (0.31) is similar to that of USA–China (0.36), while the gap magnitude between Ireland and China is much higher, 0.97. This suggests that the Chinese and the Americans have similar perceptions of each other's beliefs in future orientation, whereas the perceptions of Ireland and the China are not in agreement.

The USA and Ireland are both Western-Anglo nations, which share the same heritage; therefore, it is unclear why such a difference exists. One possible explanation is that the US represents the home country of the corporation, and therefore, is held in higher esteem than Ireland by the Chinese, but this explanation does not work when it

is noted that most of the difference from Table 2 is in the Ireland–China cell, 0.89, not the China–Ireland cell, -0.08.

Another possible explanation is that team members from the USA would have most likely worked with and possibly grown up with, people from a larger number of different cultures. Even though Ireland has acted as a bridge between the USA and the rest of the world for a number of years, Ireland is still a fairly homogenous country. Only in the last ten years has Ireland's population been changed by large immigration. Thus, individuals in Ireland may be less familiar with multiple cultures than their American counterparts. This is a question to explore further through additional interviews. The next construct examined is lateness attitude shown in Table 4.

Local/remote	Ireland	China	USA	India
Ireland		-0.22	-0.97	-0.42
China	-0.33	-0.08	-0.38	
USA	0.16		-1.67	
India	-2.28	-0.17	0.44	

Table 4. Lateness attitude gap means by location

4.2.2. Lateness attitude

In Table 4, the gap magnitude values are also relatively low but the Ireland–India combination, stands out at 1.86. This indicates a source of concern especially since it aligns with a stated problem by Ireland management that finally led to the non-assignment of work tasks by Ireland to personnel in India. What is striking is that most of the contribution to the gap magnitude is from the Indian side. The Indians perceive themselves as having better attitudes towards project deadlines than the Irish. Note that a low score implies that the particular team location believes that other team has a more lax attitude towards lateness. This looks to be a universal issue as most scores are negative.

Local/remote	Gap magnitude
Ireland–China	0.11
Ireland–USA	1.13
Ireland–India	1.86
USA–China	0.38

Table 5. Lateness attitude gap magnitude by location

Using Table 5, the Ireland–USA gap magnitude of 1.13 is also of concern, as it is much higher than the remaining two locations. The caveat, that India had only nine respondents applies, but the USA had 25 respondents and Ireland had 30, therefore the size of the gap magnitude suggests a difference in the way Ireland and the USA perceive each other's perception of lateness. Again, much of the difference is from the Irish point of view, that is, a gap mean of

0.97, in Table 3. This perceptual difference is in line with statements from the Irish interviewees about the Americans.

Upper management on most projects resides in the USA. Therefore, Ireland may be in the position of the remote worker who needs to work harder and be early rather than on time in order to be seen in a positive light by a distant management. The gap magnitude size suggests that this difference in lateness attitude should be investigated as a potential problem across locations, as all remote locations are confronted with this reality. The next construct examined is sense of urgency, with the results shown in Table 6.

Local/remote	Ireland	China	USA	India
Ireland		0.0	0.58	1.08
China	-0.33	-0.08	-0.76	
USA	0.70		1.00	
India	0.00	0.08	0.44	

Table 6. Sense of urgency gap means by location

Local/remote	Gap magnitude
Ireland–China	0.33
Ireland–USA	0.12
Ireland–India	1.08
USA–China	0.76

Table 7. Sense of urgency gap magnitude by location

The gap magnitudes in Tables 6 and 7 are fairly low except for the Ireland-India gap magnitude which is 1.08. Given the size of this difference compared to the other values, further investigation of possible alignment problems is needed with respect to the Ireland–India team. Again, this result matches the statements by the Irish management that the India team did not sense the urgent needs of the project. The cause of this high gap magnitude is an Irish perception difference and not an Indian perception difference. Note that a high positive score in Table 7 means that the local team thinks that they are more temporally urgent than the remote team. When this gap is compared to the gap in lateness attitude, there is a conflict. The Indians perceive the Irish as being more lax with deadlines, yet the Irish perceive the Indians as not recognizing the urgency of meeting deadlines. As indicated earlier, the number of respondents from India was low and thus, this conflicting result suggests that they not be taken too seriously.

4.2.3. Temporal rigidity

The temporal rigidity gap means (Table 8) and gap magnitudes in Table 9 are again low with the Ireland–India gap magnitude being double the others. Unlike lateness attitude, it is India's perception of Ireland that makes the gap magnitude larger. India sees the Irish as less temporal-

ly rigid than the Indian team members. Note that a high positive score in Table 8 implies that the local team sees the remote team as less temporally rigid then they, themselves, are. This matches the lateness attitude differences. India sees the Irish as having a more lax attitude towards deadlines and not being as temporally rigid as the Indians. Again, it is not clear how much can be read into these differences because of an N of 9 for the Indian site. What is clear with the temporal rigidity gap magnitudes is that the perceptions of temporal rigidity from one culture to the other do not show large differences.

Local/remote	Ireland	China	USA	India
Ireland		0.0	-0.08	0.19
China	0.17	0.08	0.34	
USA	0.02		-0.58	
India	0.86	0.50	-0.67	

Table 8. Temporal rigidity gap means by location

Local/remote	Gap magnitude
Ireland–China	0.17
Ireland–USA	0.10
Ireland–India	0.67
USA–China	0.34

Table 9. Temporal rigidity gap magnitude by location

7. Conclusion and implications for theory and practice

We found that there were differences in the temporal perceptions of the respondents. This was most evident in for the constructs of lateness attitude and sense of urgency. This indicates that it is possible to quantifiably measure the differences in temporal perceptions Through the use of a small survey. These temporal differences correspond to those mention in the literature (Carmel and Agarwal 2001; Herbsleb and Moitra 2001; Hofstede 1980, 2001; Cramton and Webber 2003; Carmel and Tjia 2005). The survey could therefore provide a quick method for an organization to identify the possible temporal perception problems through the size of the gap magnitudes and then proactively address those areas through training or other methods.

This particular use of gap analysis is new, therefore it and the survey will require further investigation. It must be noted that while the results are not conclusive, as they are based on data from one company, they do suggest that the gap analysis survey and the resulting gap magnitudes may be useful for practitioners and companies as a me-

ans of discovering problems among dispersed teams and addressing them early. This could positively impact companies as they endeavor to reduce turnover and training costs.

The data for this study was collected from the field rather than via a laboratory study or a study on university students (Edwards and Sridhar 2005; Barkhi et al. 2006; Joshi 2004), this study therefore provides a basis for understanding work at companies engaged in globally dispersed development (Carmel 1999; Carmel 2006). For industry practitioners this research has shown quantitatively, that for work across time zones cultural differences do impact temporal perceptions.

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Facing the challenges in retail:
High Turnover Rate at Agata and Valentina What Should Leaders Focus On?

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Abstract

This is a primary sourced field-based case that depicts the challenges of dealing with high turnover by Human Resource Managers at Agata and Valentina, a family owned business of specialty foods in New York City. The firm has roughly 300 employees, including seasonal and temporary employees and many interns with continuous hiring, training, and orientation. With at least 5-6 interviews each day, training and orientations every week, there's lots of time and money invested in the employees that could be avoided with lower turnover. The case includes suggested solutions, based upon motivation theory, which cut across numerous human resource functions in the organization.

Keywords: turnover, compensation, motivation, leadership, case study

Retail is one of the toughest industries for Human Resources professionals, you can try changing, but in the end you have to do what works best for the company and what profits the company, therefore you can't restructure the system if it's not going to be profitable for the company.

Cariny Galindo
Human Resources Generalist
Agata and Valentina dba. JAV Foods Corp.

1. Introduction

Even though each retail industry differs as the products they offer differs, HR professionals seem to face similar challenges in each industry. Whether it is clothing industry, food industry, jewelry, accessories, cosmetics or any other industry; from high employee turnover, poor performance, lateness and absenteeism to seasonal issues, retailers must deal with them all. Human resource managers are not only responsible for recruiting and training anymore, instead they are strategic planners for their companies and they have to constantly wear different hats to handle different tasks. Human Resources Generalists are required more now, then the specialists. You can no more specialize in one HR task and be a specialist. Today, to be working in the HR industry, you must know how to do everything from compensation & benefits to recruiting – basically generalize in everything and be a HR Generalist.

One of the important roles of HR managers is managing employees to create a productive and motivated workforce. The retail industry poses particular HR challenges because employees deal directly with the customers. You must consider both short-term and long-term HR objectives when addressing these challenges. Since this industry is increasingly worried about customer service and want to provide the best of the service to its customers, HR professionals play a critical role in a retailer's ability to compete within the market. In most retail cases, just 2 to 3 negative shopping experiences will send a customer elsewhere forever, HR's has a responsibility with significance to impacting the company. The company's HR must adapt training, recruitment and retention practices to keep the employees and just be able to serve the best of service to the customers (Brunot et al.). In this era, Human Resources Managers are continually changing roles, where they have to take off one hat and put on another hat to solve issues in their companies on a daily basis.

2. Background

Agata and Valentina is a family owned business of specialty foods in the city of New York. It is owned and operated by an Italian family, established in 1993. First store which opened in 1993 is located in the Upper East Side, 77th Street and 1st Avenue, while the second store which was opened in 2012 is located in Greenwich Village —

64 University Place. The owners of this business, Joe and Agata Musco, both of Italian descents, grew up in the food industry. While Joe grew up in NYC, Agata grew up in Sicily; they began their career and worked their level up in the industry. This business was born out of a passion for fine foods, and their stores contain absolutely high class of foods and highest quality of products. The stores contain anything from authentic prepared foods, sushi, pastries, hand-made prepared foods, huge variety of high quality cheese, and a well reputed cappuccino department. Agata and Valentina provide their customers with the best and most unique specialty foods that come directly from the artisanal producers in Italy.

Agata and Valentina have a corporate office of 2 floors located in Upper East Side, just two blocks away from their first store in the Upper East Side. Their corporate office includes an HR department, finance department, accounting department, the buyers, IT department along with a receptionist and other executive team. They have roughly 300 employees at a time, including seasonal and temporary employees and many interns. There is continuous hiring, training, and orientations in the organization. With at least 5-6 interviews lined up each day, training and orientations every week, there's lots of time and money invested in the employees of retail industry than most people believe.

3. Story of High turnover at Agata and Valentina

Agata and Valentina has a Human Resources department that consists of 2 full time professionals, a Human Resources Generalist, and a Human Resources Specialist and few HR interns that help with the data entry, filing and organizing mostly. Basically, most of the important tasks including managing vacation and sick days, including other non-paid days off of an employee, new hire packets, termination letters, sourcing employees, interviewing potential candidates and providing new hires with orientation and store tour and many other day to day tasks. They also handle compensation and benefits, including coordinating with the payroll department, and store & department managers to keep in tact with employees. Because of downsizing at Agata and Valentina, all these tasks have to be handled by just two professionals.

The one big challenge that Human Resources professionals face in Agata and Valentina, as would any other retailer, is high employee turnover. Retail industry is notorious for having a high rate of employee turnover. This means that employees are constantly coming and going, which causes lots of time and money wasted in investing for interview and training. Staffing the sales floor traditionally has been a balancing act for retail HR. The long business hours, frequent promotional events and seasonal nature of the industry put staffing pressure on stores to meet customer service expectations yet respect payroll budgets. Since retail industry works upon flexible and constantly changing schedules, rather than fixed, static schedules, it causes employees to leave more frequently. Retail HR managers have trouble finding candidates that will be customer friendly and will mostly focus on customer service along with willingness to agree to irregular hours and holiday assignments. One bad hire can damage the reputation of the company. Retail HR also faces demographic challenges as competition increases the need to present an ethnically diverse workforce with whom customers can identify. In retail training, it must be taught that the employees' role is to have a good relationship with the customer and make the store to look good. The sales associate should handle the issues on the floor rather than going to their managers to resolve the issues, also, the training needs to teach them to greet, acknowledge and thank the customers. Management sets the example, but HR training builds the foundation. Product knowledge also has become a component of the customer-service equation and is increasing day by day (Brunot, n.d.). In retail HR plays a crucial role in determining the company's reputation and what customers think of it.

At Agata and Valentina, there is a constant coming and going of employees at the two stores, unlike the corporate office where it is easier to retain employees compared to the stores. There are many reasons behind the high turnover of the employees at Agata and Valentina. One of the main causes is that long working hours, along with inconsistent schedules and the requirement that employees must have open availability results in high turnover rate. Human Resources Generalist Agata and Valentina dba. JAV Foods Corp. Cariny Galindo states:

The candidates/employee's have to mention open availability in their job application to be considered and even later, their schedule needs to work around ours. However, sometimes if an employee is attending school or have some special scheduling needs, it may be possible for our company to accommodate to their needs – this mostly happens with highly possible candidates or for positions in demand.

Along with open availability and long hours, other causes that contribute to the high turnover are the way employees are sourced and the amount of work that is to be done by each employee. For the rate of pay employees are paid (mostly minimum wage), they are required/responsible for much more work. There's also a set of directions which the employees must follow, and may sometimes

be required to switch to additional duties when needed. When asked about a strategy that the firm might follow to overcome the challenge of turnovers, the HR Generalist at Agata and Valentina Galindo replies:

> *Retail is one of the toughest industries for Human Resources professionals, you can try changing, but in the end you have to do what works best for the company and what profits the company, therefore you can't restructure the system if it's not going to be profitable for the company. At the moment, what's working for the company is sourcing most of its employees from not-for-profit organizations, while some are being sourced from other resources, paying them minimum wage and having them show availability at opening and closing timings.*

> *This is a mid size organization, and there's only so much of the hourly rate that can be paid to the employee. There is no particular strategy that the company follows, except for the profit strategy.*

4. Sourcing and hiring process

At Agata and Valentina, employees are sourced from mostly not-for-profit organizations. The reason for doing this is that these organizations usually have candidates that are in real need of a job, and would usually accept minimum pay. These organizations also pre-screen the candidate before sending them for an interview with the HR specialist Ilham Kapadia, at Agata and Valentina. However, what this leads to is, time being wasted in interviewing a candidate that may probably have an inconsistent working history or may not be willing to open/ close the store. When not-for-profit organizations pre-screen these candidates, many a times they are not careful about following the guidelines of these two important factors that we are looking at in all candidates.

When a potential candidate comes in for an interview, they are interviewed by Ms. Kapadia where she asks them questions like: What are your previous experiences? Where do you see yourself five years from now? And what are your expectations of this job and what salary you desire? She also evaluates them on a candidate evaluation sheet which basically just rates each employee, on a scale of 1 to 5 on their ability and skills. Then, if they are suited for the job, they are then sent for a 2 hour try out at the store with the manager that they will be working with. What this does is give the candidate a feel of what the work and responsibilities will be like and gives the manager a feel of what this candidate will be able to bring to the organization and if they will or will not be able to handle the work, and it's amount.

CANDIDATE EVALUATION FORM

Candidate Name: Position:

Interviewer Name: Job #:

Interviewer Date:

Rating Scale 1-5: 1=Unsatisfactory 2=Below Average 3=Average 4=Above Average 5=Outstanding
Circle one choice only. Wrote NR if question is not applicable

Related Education/Training		**Comments** *Enter Comments*			
Degree/Certification	1	2	3	4	5
Coursework	1	2	3	4	5
Related Experience					
Companies/Products	1	2	3	4	5
Duration in job	1	2	3	4	5
Reason for leaving	1	2	3	4	5
Patents/Publications	1	2	3	4	5
Technical Ability					
Theoretical Knowledge	1	2	3	4	5
Practical Application	1	2	3	4	5
Overall Understanding	1	2	3	4	5
Communication Skills					
Clarity of Ideas	1	2	3	4	5
Professional Appearance	1	2	3	4	5
Direct Answers	1	2	3	4	5
Writing Ability	1	2	3	4	5
Drive/Problem Solving					
Innovative/Pioneer	1	2	3	4	5
Assertive/Driver	1	2	3	4	5
Accountable	1	2	3	4	5
Likes Challenges/Offered	1	2	3	4	5
Working with Others					
Peers/Management	1	2	3	4	5
Team Player	1	2	3	4	5
Interest in Company					
Researched Company	1	2	3	4	5
Motivated to work here	1	2	3	4	5
Fit to project/position	1	2	3	4	5
Overall rating	1	2	3	4	5

HOLD ☐   REJECT ☐   HOLD FILES ☐

Figure 1: Candidate Evaluation Form – Agata and Valentina – When a candidate comes for an interview, at Agata and Valentina, they are evaluated based on this evaluation form

After the department manager decides that they want to keep the candidate, the HR department, then calls them for an orientation on the closest Thursday. This way, employees also get training and a tour of the store and must now be able to understand what their responsibilities will be. When asked about what might be the reason some employees (new hires) resign or don't show up just after a day or some leave by lunchtime, Ms. Galindo replies:

To be honest, there is a lot of work that the candidate must do, and their pay is really less compared to what is offered by other competitors of Agata and Valentina. Therefore, we understand that some of them may be leaving after seeing a constant increase in the work load; some might be overwhelmed by the work by lunchtime that's why they decide not to come back. Some candidates must have also applied to many companies at a time, and they are probably (most likely) offered more pay to do similar work, that's why they decide to leave us and join them.

5. General discussion

5.1. Preliminary remarks

To retain employees in retail, there are many measures that can be taken. At Agata and Valentina, what needs to be done is offering employees more than minimum wage. If not a competitive pay, the employees must at least be given more hourly rate than the minimum since there is a huge amount of work that the employee is expected to finish. Since most of their employees are from not-for-profit organizations, sourcing candidates from places elsewhere than the not-for-profit organizations would help or change the candidate list at least. There is also a motivation factor involved in the high turnover rate. Employees' motivation towards their work is related to employee retention or turnover. According to Maslow's hierarchy of needs, self actualization is what a human being strives for, which in Human Resources means that each employee is looking for personal growth and appreciation (Stewart 2010). If the employee's work is not appreciated, they won't be motivated to work hard. This, eventually, will lead to termination of employment. However, if employees are encouraged and they are motivated to reach their own personal growth, they are more likely to stay at work and even willing to work harder.

5.2. Retaining employees

The best modern employers and organizations are beginning to learn at last: that sustainable success is built on a serious and compassionate commitment to helping people identify, pursue and reach their own personal unique potential.

Listening to the employee's challenges and helping them overcome their barriers is another way which can aid in employee retention. The people part of retail is not so much of a mystery though it looks like it. You have to set your employees up and listen to their challenges and try to eliminate their barriers. When this is done more than half of the mystery behind high turnover will solve by itself for the human resources management.

Planning work schedules more closely related to the employee's schedule would help them stay with the company longer. Sure, retail is not a career for most, but we can have flexible schedules to help employees go to school, conduct other activities as well as working. This creates an environment where the employee feels more comfortable with their job and happy. When the employee is happy, they are content with their work, and are more likely to stay for longer time.

Comparing salary information with other companies/competitors is another way which can help overcome the challenge of high turnover and instead help retain employees.

In retail, when your competitors offer a better pay than you, employees will most likely try to find an opportunity at their company and leave you as soon as they can. If you are able to offer a better pay to your employees or a better hourly rate you will be able to retain employees. Since you are spending a lot of time interviewing and training employee. However at Agata and Valentina, we do not do that, we are happier signing up for more interviews than being able to offer a higher pay because that is what the executive team wants. In any company, HR is just a team that suggests a training program, or a strategy etc but it is not the final decision maker, the final decision maker is either the department managers (because they will be the ones directly working with the employee) or the executive team.

At Agata and Valentina management expects workers to be aggressive, self-motivated and display independent work activity. Work should be as natural as play. Workers have the capacity for innovative critical thinking, yet their abilities are tend to be underused. Given the best possible conditions, supervisors accept that employees will figure out and acknowledge their responsibility to practice self-control in order to accomplish their objectives (Stewart 2010). Managers at this firm truly believe that this is the way that employees will self-actualize. Though what the HR managers at Agata and Valentina do not understand is that not all employees are alike.

Contrary to popular belief within the firm, many employees leave because of their relationship with their direct managers. Department managers sometimes also tend to be biased and harsh with some employees, which make them leave even before lunchtime. In this case, the firm could train managers to be less dictatorial to the new hires so that it is easier to retain employees. Employees stay with organizations that are satisfied with their jobs, enjoy their

work and the organization, are more loyal to this job and prioritize it. They only take pride in the company's success and think of their job as important when they are satisfied with the work they have to do. These kinds of employees are five times less likely to quit than employees who are not satisfied or given too much work to do. Engaged employees give their company crucial competitive advantages, including higher productivity and lower employee turnover (Allen 2008).

Satisfaction of the employee plays a key role in employee retention. According to Herzberg's motivation-hygiene theory, factors like challenging work, recognition, responsibility determine an employee's motivation towards it work, and factors like status, job security, salary, fringe benefits, work conditions determine if the employee will keep this job or leave (Riley 2005). According to Herzberg's two-factor theory of motivation, the worst of all motivators is an across-board salary increase. To inculcate higher motivation in workers, managers and leaders should focus on using the organizing and planning functions to encourage high morale and attending to the workers' attitudes *not* the work process (Riley 2005). Just like motivation factors are needed to see what motivates the employee for higher performance and satisfies them, hygiene factors are also needed to ensure that the employee is not dissatisfaction.

6. Conclusion

When you are managing Human Resources in a retail industry, there are many challenges that you will face. However, measures can be taken to avoid or solve these challenges. For example, high turnover can be solved by first finding out the causes behind it. In this case source

of employment is not-for-profit organizations, shelter homes and NGOs. Another cause is low pay rate – minimum wage paid when other competitors are paying better. This can be solved by changing the sources from which employees are hired, screening applications carefully, and comparing pay rate to that of the competitors, and offering better pay (Batt and Colvin 2011).

By understanding the reasons behind why employees leave, organizations can better retain existing workforce, and have a better future for the company by hiring new candidates in a way so that they don't leave. Usually low satisfaction makes the person start to dislike the company or the job and further leads to looking for better or attractive jobs with a better pay and/or environment. If administered correctly, exit interviews can provide a great resource to why employees leave. However, most employees are not always saying the truth in responses to their questions at the exit interview because they don't want to jeopardize any future references.

The most common reasons for why employees leave are better pay, better hours and better opportunity. However, these answers lead to many questions in many directions and signal deeper issues that the employers need to investigate and address further. Employers can get a better data by asking relevant questions and perhaps utilizing a neutral third party provider to conduct the interview. Contrary to what most organizations believe, employees often leave due to a bad relationship with manager or the way they are treated at the organization. Sometimes the employees are also worried about their pay but are unable to express it to the organization directly and end up quitting the job as soon as they see better opportunity (Sillitoe 2010).

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Authoritarian Leaders
Cultivate the Followers they Deserve
The Effect of Leadership Style on Decision Making

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Abstract

Recently, many scholars have championed the benefits of intuition on complex tasks, but have not uncovered the conditions under which intuition thrives. Furthermore, some research challenges the merits of intuition. Arguably, conditions or leaders that provoke negative emotions may impair intuition. To assess this possibility, 90 participants received 48 unique descriptions about 4 offices in sequence. Their task was to decide which office to choose. Before they completed this task, their capacity to regulate emotions was assessed. Furthermore, embedded in the instructions was information that primed the schema of either an authoritarian or collaborative leader. If exposed to authoritarian primes, participants were not as likely to choose the best office – the only office with a majority of positive attributes – unless they reported an ability to regulate their emotions rapidly. Accordingly, supportive leaders may be able to enhance the intuition and decision making of employees.

Keywords: decision making, emotional regulation, intuition, leadership, mood

1. Introduction

Some leaders demonstrate contempt towards their followers. They may assume their followers are incompetent or immoral, unworthy of trust or respect (Farh and Cheng 2000). They do not grant these individuals the right to reach decisions or to utilize their discretion (Tsui et al. 2004). Instead, these leaders impose tight constraints (Bass, 1990), monitor their followers vigilantly, and demand unmitigated obedience (Cheng et al. 2004).

Regrettably, these leaders are often oblivious to the appalling cycle of complications they provoke. Their authoritarian behavior may actually impair the decision making of their followers. The apparent incompetence of followers, therefore, could perhaps be imputed to the behavior of these leaders. This paper describes a study that confirms this possibility. Specifically, this paper demonstrates that authoritarian leaders might disrupt the ability of followers to solve problems intuitively, ultimately compromising the decision making capability and performance of these individuals.

2. Conceptual foundations and theories

2.1. The benefits of intuition

Many celebrated intellects in history, including eminent scientists, artists, writers, business leaders, and Nobel Laureates, have attributed their achievements and epiphanies to intuition (Gardner and Nemirovsky 1991; Policastro 1995). Indeed, almost everyone has experienced the fruits of intuition at some time – a powerful hunch that transpires effortlessly, unconsciously, and miraculously (Davidson 1995). Yet, until the last few decades, according to Dijksterhuis and Meurs (2005), many scientists regarded intuition as too ineffable to subject to the rigors of research.

Recent interest in intuition can be traced to models that differentiate two cognitive modes (e.g., Epstein 1994; Sloman 1996). In one mode, people deliberate consciously. They apply a sequence of logical rules and symbolic codes, such as numbers and words, to reach choices or to uncover

solutions (Stanovich and West 1998). In the other mode, people trust their instincts or intuitions (Stanovich and West 1998). In contrast to instincts that surface almost immediately (cf., Dijksterhuis 2004), intuitions are amorphous feelings, hunches, or impressions that transpire after some delay and guide the choices of individuals (Hodgkinson et al. 2008).

Beginning in the late 1980s and early 1990s, researchers began to accrue evidence that substantiated the benefits of intuition over deliberation (e.g., Bowers et al. 1990). In one illustrative study, conducted by Betsch, Plessner, Schweiren and Gütig (2001), participants watched advertisements. Embedded in these advertisements were numbers that indicated changes in the prices of various shares. Although unable to process this information consciously, participants could later differentiate thriving shares from declining shares, but could not articulate their rationale. This capacity was ascribed to intuition.

In contrast to intuition, deliberation was shown to impair some decisions. Wilson and colleagues showed that participants tend to choose unsuitable alternatives after they deliberate on their reasons or rationale (Wilson and Schooler 1991). If participants were instructed to justify their choices, for example, their evaluations of jams and other products or events diverged markedly from the assessments of experts (e.g., Wilson and Schooler 1991; for comparable results, see Halberstadt and Green 2008).

But perhaps the most compelling evidence can be distilled from the laboratory of Dijksterhuis and colleagues. In one study, conducted by Dijksterhuis (2004), participants received a series of 48 descriptions about 4 apartments. The descriptions appeared in random order. Only one of the apartments coincided with more positive descriptions than negative descriptions. After they were exposed to this information, to induce deliberation, some participants were granted three minutes to think carefully about which apartment they would choose. To prevent deliberation, other participants completed a distracting memory task during this three minute period. Finally, some participants were asked to indicate which apartment they would choose before this three minute period. If participants had completed the distracting memory task and, therefore, needed to depend on their intuition, they were more likely to choose the right apartment (Dijksterhuis 2004).

Since this time, the same result has been replicated in other contexts (Dijksterhuis et al. 2006). Furthermore, similar manipulations have been utilized to show that intuition can improve the accuracy of predictions about sporting contexts and other events, especially in experts

(Dijksterhuis et al. 2009; see also Pham et al. 2012). Finally, intuition has been shown to increase the likelihood that choices are consistent across time (Lee et al. 2009) and appreciated later (Dijksterhuis and van Olden 2006).

To explain these results, Dijksterhuis and colleagues developed unconscious thinking theory (Dijksterhuis and Nordgren 2006). According to this theory, unconscious processes can integrate vast arrays of information to generate an impression of each alternative, experienced as an intuition. The operations that underpin the formation of these intuitions, however, have not been characterized definitively, but several possibilities have been proposed and substantiated (e.g., Kuhl 2000). Dijksterhuis (2004), for example, demonstrated that unconscious operations collate, and ultimately integrate, information that overlaps conceptually or temporally (see also Bowers et al. 1990). Conscious deliberation, in contrast, confines attention to a subset of information only (Dijksterhuis and Nordgren 2006).

2.2. Limitations of unconscious thinking theory

This opus of studies indicates that intuition could be invaluable in the workplace. Increased use of intuition could diminish the likelihood that managers will regret or shift their choices erratically, increasing productivity and efficiency. Yet, before the merits of intuition are promulgated to workplaces, several caveats must be addressed.

First, scholars have not clearly characterized the conditions in which intuition tends to be invoked (for some exceptions, see Hogarth 2001). Admittedly, researchers have devised and implemented many protocols to prime intuition – such as the presentation of vivid images (Lee et al. 2009) and the instruction to recall memories in which intuition was effective (Lee et al. 2009). But these protocols cannot be readily generalized to the workplace environment. That is, these studies do not provide insight into how leaders can change behavior, practices, or policies to inspire their employees to utilize intuition.

Second, some researchers have uncovered results that challenge the merits of intuition (for a meta-analysis, see Acker 2008). In a series of careful studies, Newell, Wong, Cheung, and Rakow (2009), for example, did not replicate the finding that intuition facilitates the capacity of people to choose the best apartment. Huizenga, Wetzels, van Ravenzwaaij, and Wagenmakers (2012) demonstrated that conscious deliberation was more effective than intuition, at least when all the information about the alternatives was presented concurrently.

2.3. The role of mood and emotions

Arguably, research that explores the effect of mood or emotions on the benefits of intuition could resolve these concerns. Few studies into intuition have explored the role of emotional regulation. Yet, some research attests to the significance of mood or emotions.

First, while individuals experience negative emotions or moods, they seem reluctant to invoke their intuition (de Vries et al. 2009). These negative states are indicative of potential threats or problems, motivating people to consider matters carefully, systematically, and deliberately (Schwarz and Clore 1983). In one study, after watching a sad movie, if participants were instructed to trust their intuition rather than deliberate carefully, they were not as likely to perceive the item they chose as useful. In contrast, after watching a happy movie, the opposite pattern was observed (de Vries et al. 2009).

Second, while individuals experience these negative emotions or moods, their intuition seems to deteriorate (Baumann and Kuhl 2002; Isen 1999). They cannot, for example, as readily identify a word that is related to a triad of other words (Bolte et al. 2003), called the remote associates task – a task that has been shown to depend significantly on unconscious processing (Zhong et al. 2008). Indeed, central to personality systems interaction theory, developed by Kuhl (2000), and validated extensively (e.g., Baumann and Kuhl 2005), is the assumption that a decrease in negative affect activates a cognitive system called extension memory that underpins intuition (Hodgkinson et al. 2008).

These findings imply that leadership practices that evoke negative moods or emotions might impede intuition. Authoritarian or autocratic leaders may be especially likely to elicit negative moods or emotions (Bass, 1990). These leaders tend to dismiss the suggestions, preferences, requests, and feedback of their followers (Farh and Cheng 2000). Instead, they impose tight, but inconsistent, constraints, beliefs, and ideologies onto these followers (Tsui et al. 2004), responding angrily or aggressively when their demands are not fulfilled (Cheng et al. 2004).

Individuals are often unsure of whether or not they have fulfilled the expectations of these inconsistent but punitive leaders. They are, therefore, inclined to anticipate punishment, manifesting as anxiety and similar emotions (Higgins 1987). Indeed, research has shown that authoritarian, dogmatic, and autocratic leaders evoke negative emotions or moods in followers (for a review, see Bass 1990; Peters

1997). These leaders, therefore, are likely to deter or compromise the intuition of followers. Although extensive research has shown that such leaders impair the creativity of employees (e.g., Amabile et al. 2003), whether or not this style also compromises intuition has not been investigated explicitly.

This effect of negative emotions or mood could also explain the discrepancies between the results that were reported by Dijksterhuis (2004), Newell et al. (2008), and Huizenga et al. (2012). Conceivably, the conditions of these studies may have elicited different emotional states of participants, obscuring the benefits of intuition.

2.4. The current study

To explore whether authoritarian leaders do indeed impede intuition, in this study, participants completed a variant of the decision task, utilized by Dijksterhuis (2004), in which they needed to decide which of four office locations to choose. They were told the person who will evaluate the task demonstrates the characteristics of either an authoritarian leader or a collaborative leader – an instruction that was intended to prime one of these two schemas. Furthermore, to reinforce these primes, participants reminisced about either an authoritarian leader or a collaborative leader. The hypothesis was that participants should perform better on this task after the schema of a collaborative, rather than authoritarian leader, was primed.

Nevertheless, this pattern of observations could perhaps be ascribed to alternative explanations. For example, memories of authoritarian leader may be more vivid and, therefore, could distract attention. To verify the effect of authoritarian leaders can be ascribed to changes in mood or emotions, participants also completed a measure of action and state orientation (Kuhl 1994, 2000). Participants who exhibit an action orientation tend to override negative moods or emotions rapidly, effortlessly, and perhaps unconsciously (Koole and Jostmann 2004). They experience minimal negative affect, even in stressful circumstances (Rholes et al. 1989). Because they regulate negative emotions rapidly, their intuition should not be as vulnerable to authoritarian leaders.

In contrast, participants who exhibit a state orientation cannot shift their moods or emotions as readily (Kuhl 1994, 2000). After the schema of authoritarian leaders is primed, these participants should experience prolonged negative emotions. Consequently, this schema of authoritarian leaders should be more likely to impair intuition in these participants.

3. Method

3.1. Participants

The sample comprised 48 women and 42 men, with an average age of 36. Participants were recruited from social online networks, many of whom were associates of the first researcher or were contacts of these associates.

3.2. Materials

Participants completed the action control scale to gauge their capacity to regulate negative emotions (Kuhl 1994). Next, they read some instructions about the task they would need to complete next. Embedded in these instructions was the manipulation of leadership. Finally, participants completed a complex decision making task.

3.2.1. Action control scale

To measure the capacity of individuals to regulate negative emotions, rapidly and perhaps unconsciously, participants completed one dimension of the action control scale (Kuhl 1994): failure-oriented action orientation. This subscale comprises 12 items. Each item begins with a short scenario, depicting a stressful event, such as "When I have lost something that is very valuable to me and I can't find it anywhere". Next, two alternatives are presented. One of these alternatives epitomizes an action orientation, such as "I put it out of my mind after a little while". The other alternative epitomizes a state orientation, such as "I have a hard time concentrating on something else". The norms that were recommended by Kuhl (1994) were then utilized to divide the participants into two samples, depending on the number of times they chose the option that manifests an action orientation. In this sample, 42 participants were designated as action orientated and 37 participants were designated as state orientated. Both Kuhl (1994) and this study generated a Cronbach's alpha of .78 for this subscale.

3.2.2. Manipulation of leadership

The instructions that preceded the complex decision making task primed the schema of either an authoritarian leader or a collaborative leader. To prime the schema of an authoritarian leader, participants were informed "The experimenter who will be reviewing your work has considered which office locations are better or worse. The experimenter is not interested in what other people have to say about the office locations and just wants to see how good people are at the task". This depiction of authoritarian

leaders was distilled from materials that had been utilized in past studies to prime this leadership style (e.g., Heilman et al. 1984; Van Vugt et al. 2004).

To prime the schema of a collaborative leader, these instructions were inverted. Participants were told "The experimenter who will be reviewing your work has considered which office locations are better or worse with the help of the research team. The experimenter is very interested in what others believe is the best office location and wants to see what your answers are for the task".

Previous research has substantiated the assumption that lexical cues can indeed prime different leadership styles. In these studies, lexical cues primed responses and behaviors in participants that align to the purported leadership styles (Fraser and Lord 1988; Heilman et al. 1984; Shamir 1992).

To reinforce the manipulation, participants were also instructed to transcribe a previous experience with a leader. Specifically, they described an incident at work in which the leader was "pushy with their idea or not accepting of the suggestions or ideas of others" or "very collaborative in their approach or very accepting of the suggestions or ideas of others" to strengthen the authoritarian or collaborative prime respectively. The recollection of past events has been shown to evoke the same emotions and reactions to the actual incident, but with reduced intensity (Galinsky et al. 2003).

3.2.3. The complex decision task

Participants finally completed a complex decision task, modeled on the protocol that was developed and utilized by Dijksterhuis (2004), but adapted to a work setting. Specifically, participants were instructed to form an impression about four hypothetical work locations. They read 12 descriptions of each location in sequence, such as "Office location 3 is close to clients" or "Office location 1 is rather noisy", presented near the center a computer screen. Each description remained on the screen for four seconds. The order of these descriptions was generated randomly.

A pretest confirmed that some of the descriptions were perceived as favorable or positive and other descriptions were perceived as unfavorable or negative. The participants were exposed to four positive descriptions and eight negative descriptions of the first office, eight positive descriptions and four negative descriptions of the second office, as well as six positive descriptions and six negative descriptions of the other offices.

Before these descriptions were presented, participants

were told to form an impression of each office. After all 48 descriptions appeared, participants rated each office on a 10 point scale from *extremely negative* to *extremely positive*. If participants assigned the lowest rating to the first office and the highest rating to the second office, their response was designated as correct; otherwise, their response was designated as incorrect.

3.3. Procedure

Participants received an email, inviting participation. They were informed the study was designed to explore individual differences in decision making and could be accessed by activating a hyperlink. They were also instructed to complete the task in one session.

After they activated the hyperlink, participants first specified their gender and age before completing the action control scale. Next, they were randomly assigned to the one of the two conditions, in which they read instructions that primed the schema of an authoritarian leader or a collaborative leader. These instructions also emphasized they should form an impression of each office and told they will later be asked to select the best alternative – an instruction that has been shown to activate intuition (Bos et al. 2008). They were next prompted to recall an authoritarian or collaborative leader before completing the complex decision task. After completing these tasks, two manipulation checks were administered, in which participants were asked to rate the degree to which the experimenter seemed open to the ideas of other people as well as controlling on a 10 point scale. Finally, participants were encouraged to send the invitation to other people they know to create a snowball sample.

4. Results

The manipulation check showed the instructions did indeed depict either an authoritarian leader or a collaborative leader effectively. Relative to participants who read about the collaborative experimenter, participants who read about the authoritarian experimenter perceived this person as less open to the ideas of other people, $t(77)=3.067$, d=.33, $p<.01$ but more controlling, $t(77)=4.67$, d=.35, $p<.01$.

A 2×2 ANOVA was conducted to ascertain whether the proportion of correct responses depended on primed leadership style and emotional regulation. A logistic regression analysis, although applicable to dichotomous data, was not applied, because the Wald statistic can be biased when the sample is moderate in size. Furthermore, the data, although dichotomous, were derived from rating scales that were normally distributed. Hence, the latent distribution is

likely to be normally distributed as well (cf., Larson 2008; Lazarsfeld and Henry 1968).

The ANOVA revealed the main effects of leadership style, $F(1,75)=1.73$, $p=.192$, $\eta^2=.02$, and emotional regulation, $F(1,75)=.786$, $p=.378$, $\eta^2=.01$, were not significant. The interaction between leadership style and emotional regulation, however, was significant, $F(1,75)=4.88$, $p<.05$, $\eta^2=.06$. As Figure 1 shows, in participants who reported a state orientation, performance on the complex decision task was better when a collaborative leader, rather than an authoritarian leader, was primed. In participants who reported an action orientation, however, performance on the complex task was not as dependent upon the leadership style that was primed.
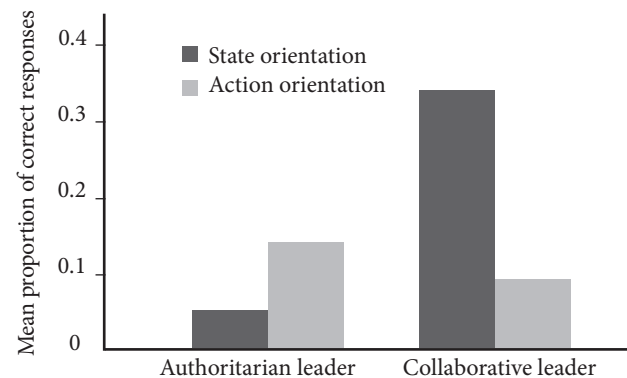

Figure 1. Mean proportion of correct responses as a function of leadership primes and level of action orientation

5. General discussion

Recently, many scholars have championed the merits of intuition (Dijksterhuis 2004). Yet, researchers have not characterized the conditions that prime intuition and have not always replicated the benefits of this mode (e.g., Huizenga et al. 2012; Newell et al. 2009). Many studies, however, indicate that negative moods or emotions are likely to prompt deliberation (cf., Schwarz and Clore 1983) and impede intuition (e.g., Bolte et al. 2003). Accordingly, relative to collaborative leaders, authoritarian leaders, who tend to elicit negative emotions in followers (Bass 1990), should compromise performance on tasks that demand intuition. This pattern of observations, if ascribed to the impact of leader on emotions or moods, should not extend to participants who regulate these feelings effectively.

The results support these arguments. When exposed to primes of authoritarian leaders rather than collaborative leaders, participants who reported a state orientation did not perform as well on the complex decision task. In

contrast, the performance of participants who reported an action orientation was not as susceptible to these primes.

These results validate that assumption that leaders or conditions that provoke negative emotions or moods should impede intuition (Bolte et al. 2003). Performance on tasks that demand intuition, such as decisions in which the alternatives differ on many ambiguous and subjective attributes (Dijksterhuis and van Olden 2006), should deteriorate.

However, before scholars advocate the benefits of intuition to work environments, two limitations of this study should be addressed. First, in this study, the mood and emotions of individuals were not measured. The assumption that authoritarian primes evoked negative moods and emotions, but only in participants who reported a state orientation, was not explicitly validated.

Nevertheless, to redress this limitation, future studies should abstain from explicit measures of affect, such as the PANAS (Watson et al. 1988). If authoritarian primes do indeed inhibit intuition, these measures may not be as useful. When intuition is inhibited, people are not as attuned to their emotional state (for the underlying mechanisms, see Kuhl 2000). Explicit measures, therefore, may not be valid. Instead, researchers should consider physiological measures as well as implicit measures, including the IPANAT (Quirin et al. 2009).

Second, in this study, the cognitive mode that individuals actually utilized was not monitored. Although participants cannot retain and memorize all 48 pieces of information about these offices consciously (Dijksterhuis 2004), they still may have deliberated to some extent when rating each apartment. Indeed, past research indicates that a blend of conscious deliberation, followed by unconscious processing, may optimize decisions (Nordgren et al. 2011). Conceivably, in this study, the authoritarian leaders may have impeded cognitive deliberation but not intuition. Future studies could utilize the process dissociation procedure to differentiate cognitive deliberation and intuition more precisely (cf., Damian and Sherman 2013).

Future research could also replicate this study with other measures of intuition. The task in which individuals need to evaluate shares that were embedded incidentally in advertisements may epitomize this criterion (cf., Betsch et al. 2001).

6. Conclusion

In conclusion, if leaders exhibit antipathy towards the ideas and suggestions of followers, imposing their demands and beliefs autocratically and dogmatically, they may impair the decision making and intuition of this person. The disdain these leaders feel, therefore, could be ascribed to their own behavior.

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