ACADEMY OF STRATEGIC AND ORGANIZATIONAL LEADERSHIP JOURNAL

An official Journal of the

Allied Academies, Inc.

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CONTENTS

LETTER FROM THE EDITOR

Welcome to the second issue of the *Academy of Strategic and Organizational Leadership Journal.* The Academy of Strategic and Organizational Leadership is an affiliate of the Allied Academies, Inc., a non profit association of scholars whose purpose is to encourage and support the advancement and exchange of knowledge, understanding and teaching throughout the world. The *ASOLJ* is a principal vehicle for achieving the objectives of the organization. The editorial mission of this journal is to publish empirical and theoretical manuscripts which advance the discipline, and applied, educational and pedagogic papers of practical value to practitioners and educators. We look forward to a long and successful career in publishing articles which will be of value to many scholars around the world.

The articles contained in this volume have been double blind refereed. The acceptance rate for manuscripts in this issue, 25%, conforms to our editorial policies.

We intend to foster a supportive, mentoring effort on the part of the referees which will result in encouraging and supporting writers. We welcome different viewpoints because in differences we find learning; in differences we develop understanding; in differences we gain knowledge and in differences we develop the discipline into a more comprehensive, less esoteric, and dynamic metier.

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MANUSCRIPTS

WORKPLACE VIOLENCE:
EARLY DETECTION AND INTERVENTION

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ABSTRACT

Identified by the National Institute for Occupational Health as a serious public health hazard, lethal violence is now the number one cause of death on the job for women and the number two cause of death on the job for men. The increased frequency and magnitude of workplace violence calls for organizational action to minimize violence, and its repercussions, in the workplace. This paper presents action plans to help prevent workplace violence, reduce the frequency of violent acts, and control the impact of violence through crisis management.

INTRODUCTION

Typically regarded as a phenomenon of large urban organizations, workplace violence has spread across our nation infecting large and small businesses alike. *The Panola Watchman*, a small town, bi-weekly newspaper, recently reported:

> *Robert Bonner, 33, was sentenced to a 12-year prison term Wednesday after pleading guilty to charges of aggravated kidnapping. At the time of the shooting, Bonner, who has been described as a disgruntled former [employee] of the plant, entered the facility's reception area and asked to speak to the plant manager. Shortly after entering the manager's office, Bonner shot personnel director Ernest McNeil once in the chest and another time in the leg before releasing the victim to seek medical attention. ("Bonner gets Twelve." 1997, p. A1)*

The site of this incident, Carthage Cup, Carthage, Texas, is a small rural community, home to approximately 6,500, and nestled in the piney-woods of East Texas. Such a setting is certainly not what one readily associates with workplace violence and begs the questions: Was this just a random act of violence or was this further evidence of a growing trend in American society?

According to recent figures from the National Institute for Occupational Health (NIOSH) and the Bureau of Labor, people at work are increasingly exposed to lethal violence. Homicide accounts for 17% of all deaths in the workplace (Braverman, M. & Braverman, S., 1994). In real terms, the statistics translate into an epidemic rate of lost lives. Compared with mortality rates from just a decade ago the magnitude of the problem is apparent:

Today more than 1,000 Americans are murdered on the job every year, 32% more than the annual average in the 80's. Increasingly, too, they die not at the hands of strangers but because their spouses or jilted lovers pursue their quarry to the worksite, or because disgruntled co-workers or customers want to settle a score. (Taufexis, 1994, p. 35)

To gain perspective on the seriousness of 1,000 workers murdered on the job each year, compare it to statistics for other fatal workplace accidents. According to Genasci (1994), NIOSH identifies workplace violence as a "serious public health hazard", and indeed, Labor Department research shows violence is now the number one cause of death on the job for women and the second for men, behind transportation accidents (p. 4B). The increasing magnitude and frequency of threats or actual violence indicates the need for organizational action plans to help prevent workplace violence, reduce the frequency of violent acts, and control the impact of violence through crisis management.

PREVENTION OF WORKPLACE VIOLENCE

Many firms have worked to develop a system of actions to control workplace violence. If prevention of workplace violence is not viewed as a priority by top management, there is little chance that it will be addressed properly. In fact, some organizations due to their size, location, or nature of business have been able to preserve a safe environment with very little effort. These organizations may be the least prepared when faced with the economic necessity of a downsizing or layoff. They will be unprepared to deal with the induced stress such an event will bring. In addition, these firms also may be ill prepared to recognize and deal with the changes or signals in an employee's behavior that are "red lights" to those trained in this area.

Therefore the first step a firm should take in preventing workplace violence is establishing that the prevention of violence is top priority. A worthwhile action plan would be to develop, review, and implement policies relating to prevention of violence in the workplace. Specific areas to be addressed should include proper prescreening, consistent enforcement of workplace rules, education of supervisors, the use of profiles, and the use of an Employee Assistant Program (EAP) or other medical care resources.

A practical way to reduce violent incidents in the workplace is to carefully control who is hired as new employees. Allcorn (1994) explains that a clear understanding of anger in the workplace can help resolve its causes. For example employee selection can be tailored to weed out prospective workers who tend to express anger in counterproductive ways (p. 25). Toufexis (1994) described how potentially beneficial screening would have been for one business:

Stricter screening of job applicants is the most obvious way to keep violence out of the workplace. The U.S. Postal Service, which in recent years has become the focus of several on-the-job massacres (34 employees gunned down since 1986),

did not spot a special designation on the military discharge of Thomas McIlvane,
a former clerk who killed four workers.... If followed up, it would have disclosed
that in a fit of anger he had run over a noncommissioned officer's car with a tank
(p. 36)

Preemployment screening and background verification can be provided through professional consulting organizations. These services can average $1000 per day, but with an estimated 30% of applicants supplying inaccurate or incomplete information it is important to verify. These organizations also perform various diagnostic tests. Tests directed at detecting drug use, assessing honesty, and indicating violent tendencies can be very beneficial in pre-employment screening.

The following are web sites and telephone numbers for two consulting organizations that could be of use in this area. In addition to administering the preemployment tests, MD Angus and Associates market certain nonrestricted tests to businesses to administer themselves.

Violence Prevention Resource Center	MD Angus and Associates
National Crisis Prevention Institute	www.psychtest.com
www.execpc.com	(604) 464-7919
(800) 558-8876	

A company that has established work rules sanctioning violent activity, clearly communicates the rules, and aggressively enforces these rules in a clear consistent and visible manner will decrease violent behavior. Work rules should be tailored to fit your organization's specific needs. Following are eight broad areas of prohibited actions that can be used as a framework for developing violence related work rules for your organization.

1)	Insubordinate Conduct
	a. Intentional disregard of instructions or responsibilities.
	b. Threatening physical harm toward another person.
2)	Property Damage and Loss
	a. Abuse or irresponsible destruction
3)	Theft: Company or individual property
4)	Weapons: Possession of illegal weapons or firearms
5)	False statements or claims
6)	Fighting: Threatening, participating or provoking
7)	Conduct
	a. Immoral or indecent
	b. Dangerous horseplay, scuffling, and wrestling.
	c. Harassment

8)	Safety: Failure to follow safety rules

Early intervention is always the preferred policy. When a troubled employee expresses anger in an inappropriate manner, it is imperative that this occurrence is dealt with immediately. If initial displays of anger are tolerated the inevitable outcome will be an increase in severity of behavior, especially if the source of stress remains unresolved in the employees life.

The next step is a supervisor education plan. This program should focus on training supervisors to detect the early warning signs of potentially violent behavior. Early intervention is a must to eliminate the potential escalation of violent employee behavior. Once a supervisor is trained to recognize and react to changes in his employees he will be alerted to respond. Supervisors will know the appropriate time in which to notify personnel department and seek counsel for a given situation. This training program should also equip the supervisor with the steps to be followed in response to an investigation of an incident of workplace violence. The best practice or key phase for any supervisor to remember when dealing with violence is to seek assistance. The basic steps to follow for dealing with an emergency are listed as follows:

1.	If needed, call for emergency service.
2.	Contact your supervisor
3.	Provide for immediate care for victims
4.	Secure the area
5.	Isolate any and all witnesses.

Studies have been conducted to try and identify which type of person, or what distinguishing characteristics could indicate who would be statistically prone to violence. As with all profiles it is extremely important not to categorize employees in an "at risk" group based on these traits. Even the value of such a profile is controversial.

Gathering data from several sources, Koch (1993) exposed the profile of the type of person most prone to on-the-job violence. Koch stressed that "while not every potential workplace attacker has every trait, many possess a combination of them." He described the profile of a potentially violent employee as:

SEX:	Male.
AGE:	35 or older.
PERSONALITY TRAITS:	An introvert who often is quick to anger.
MENTAL STATE:	Often suffers from paranoia or depression.
WORK LIFE:	Gets much of his self-esteem through his job. He often fears losing his job and feels

	he has no other option but to lash out at those he perceives to be responsible for his plight.
HOME LIFE:	Sometimes a private stressful situation--death of a parent, trouble with his spouse, financial problems--is carried over to the workplace, resulting in him taking out his frustration on co-workers.
WEAPONS:	Owns at least one weapon and often several. Sometimes displays a fascination for weaponry or may even flash a gun at work.
VIOLENT PAST:	Has a history of violence toward women, children or animals.
MILITARY:	Is a veteran of the armed forces.

Rather than concentrating on descriptive traits, others argue that it is far more productive to look at behavioral changes that have occurred recently as a more accurate indicator of a person at risk (Koch, 1993, p. 5C). Changed behavior is the key. A trained supervisor is the first line of defense to recognize and respond in an appropriate and timely manner.

Toufexis (1994) explained the twofold risk that relying on profiles carries. She stated, "people will be wrongly tagged as dangerous simply because they match the list, [and secondly] others will be mistakenly disregarded because they don't". More accurate predictors, she makes clear, would be a worker acting paranoid, depressed or suicidal, and continually filing unreasonable grievances and lawsuits (p. 35). There is not one single trait that all attackers have, but "of those who committed homicide at work, 99% preface the crime with a threat" (Voelkner, 1996).

Allcorn (1994) believed that through Employee Assistance Program (EAP) resources, workers can learn about their anger and how to cope with it. He also maintained that an organization must teach management styles that promote efforts to avoid anger, and manage it when it arises (p. 26). Barrier (1995) stated the benefits of the availability of EAP from the employee's perspective, "So frequently [in violent incidents] there's a contributory family situation--an emotional problem,... employees may feel more comfortable in such situations in turning to an EAP run by an outside firm because of the greater assurance that their problems will be treated confidentially" (p. 21). Baron (1994) suggested that "recognizing and providing help to employees under unusual stresses in their lives is as important as providing physical and

medical care.   More emphasis on psychological assistance is needed if for no other reason than, in the long run, it will save the corporation money and possibly save lives" (p. 30).

The use of Employee Assistance Programs (EAP) and medical care resources can help an employee that is at risk. Simply having an avenue established that a supervisor can direct a troubled employee to can be beneficial for a company in the event of an emotional ordeal for an employee. It is in the company's best interest to assist present employees in dealing with induced stress.   The following list of resources can be used as an aid for establishing an EAP.

Resource EAP, Inc.	LaMora Psychological Associates
www.resource-eap.com (800) 421-7327	www.cs.bc.edu (800) 498-8648
Managed Health Benefits www.mhbcorp.com (800) 852-2644	EAP Quality Assurance Consultants www.eapqac.com (905) 702-1380

REDUCING THE FREQUENCY

In the prevention of workplace violence, the use of prescreening, strict enforcement of work rules, increasing supervisor awareness, the use of profiles and employee assistance programs is a foundation. To build on this foundation all organizations can further seek to reduce the frequency of workplace violence through taking measures to ease the loss of a job, improve the present working environment, and install security devices.

It is impossible to point to one individual reason that there has been such a rapid increase in workplace violence. One explanation of why incidents of workplace violence seem to be multiplying is the influence of an increasingly violent society. Another contributing factor seems to be downsizing, or mass layoffs, in many companies. These mass layoffs have been observed to spark outbursts of violence. Kleinfeld and Uchitelle (1996) described the magnitude of the trend. "Since 1979, the first year for which figures are available, more than 43 million jobs have been extinguished in the United States." Heard (1994) emphasized that "...a chilling report released by the Bureau of Labor last month found that the workplace is the setting for nearly one million violent crimes a year." (p. 11) The on-the-job cost to United States businesses has been estimated at over $4 billion dollars annually.

Whenever an employee feels that his job is in jeopardy, there is naturally increased stress on that employee. When this threat of job loss is realized through layoffs or firings there is no guarantee how an employee may react.

A "downsized" worker can be characterized by grief, fear, anger, and confusion. If external circumstances, such as job loss, affect an already unstable individual, the results can lead to violence. History speaks for itself. It is apparent that the manifestation of workplace violence has been proportional to increased downsizing. It is also clear that downsizing is

phenomena that has not ended. Those employees who remain on the job are also vulnerable to emotional strains from the feeling of loss of co-workers, the guilt of retaining their jobs while others are let go, and stress from the subsequent increase in their own personal work load.

Kleinfeld and Uchitelle (1996) presented further repercussions of downsizing, citing a Times poll that showed "one in 10 adults--or about 19 million people acknowledged that a job loss in their household had precipitated a major crisis in their lives" (p. A1). With the statistical knowledge that a job loss will precipitate a number of major crises on an individual's life, it is incumbent on an organization to take measures to alleviate distress among employees. One of the fundamental tools to prepare a workforce for downsizing is honest communication of the event as early as possible. The organization should take every step possible to make the workforce realize the economic necessity of a downsizing. Outplacement services and a commitment to the retraining of downsized employees will go a long way toward smoothing this transition for employees.

Early retirement offerings and voluntary severance packages are tools that many organizations have utilized to control downsizing effects on the employees. Early retirement has the effect of maintaining a younger workforce while offsetting the impact to the older downsized worker with an attractive retirement package. The voluntary severance program will have the affect of inducing the marginal employees to exit. Managers must learn to recognize the potential emotional effects of corporate downsizing, layoffs and involuntary terminations of employment and make the commitment to relieve the impact on the workforce through the various measures discussed.

Downsizing is definitely one specific event that can trigger violence, but it is the day to day pressures that can also trigger violence. Maintaining a healthy work environment is one of the critical factors an employer can take to prevent the demonstration of violence. It is common sense that an unhealthy environment would be more susceptible to work related stress. Genasci (1994) reported the following:

> *And the profile of a typical company environment that breeds violence? There is an authoritarian style of management and usually a polarization between employees and managers... Often there are inconsistencies in policy and decision-making and no programs in place to deal with violence. Creativity and new ideas are discouraged. Finally, there are often environmental pressures including extreme heat, noise, poor ventilation, time pressures and tedious tasks (p. 4B).*

Business environments often contain numerous stressful factors. It is incumbent upon managers to recognize the warning signs and become active in developing a preventive remedy for their specific working environment.

Adverse environmental conditions are a fact of life for many manufacturing settings. It is contingent upon management to recognize the stress that working conditions add to their employees lives. Mitigation of this work induced stress can take many forms. Technicalities such as hearing protection can and should be provided. Adequate cooling and ventilation,

improved lighting, clean work areas are the basics to be addressed. It is possible that something as simple as a suggestion box can aid employees in feeling that they have an avenue to vent frustrations. The key is to establish a line of communication where employees feel they have a role in ongoing improvement.

A company's best source of information on what employees need is right at their finger tips...ask those who work there. Making appropriate changes can relieve many frustrations in the workplace. Changes that cannot be made should be communicated to employees.

Many organizations greatly increase their employees safety by implementing physical security measures. There are a wide variety of devices that limit access to the working environment. Passage keys, exterior cameras, and guard services are just a few. A security service can be employed to survey an organization's specific needs. The implementation of security measures can certainly reduce the external risks to employees. One of the most productive results of the installation of security devices or measures is the peace of mind the workers will feel from a secure workplace. The International Association of Professional Security Consultants (IAPSC) maintains a web site (www.iapsc.org) with a directory of registered experts in the security field. This listing gives both the expert's credentials and geographic location.

Baron (1994) proposed that violence takes many forms. He described the progression of violence as:

Level One
* Refuses to cooperate with immediate supervisor * Spreads rumors and gossip to harm others * Consistently argues with co-workers * Belligerent toward customer/clients * Constantly swears at others * Makes unwanted sexual comments
Level Two
* Argues increasingly with customers, vendors, co-workers   and management
* Refuses to obey company policies and procedures * Sabotages equipment and steals property for revenge * Verbalizes wishes to hurt co-workers and/or management * Sends sexual or violent notes to co-workers and/or management * Sees self as victimized by management (me against them)
Level Three
Frequent displays of intense anger resulting in:

* Recurrent suicidal threats
* Recurrent physical fights
* Destruction of property

* Utilization of weapons to harm others

* Commission of murder, rape, and/or arson

Remember one of the fundamental principles is early intervention. It is far easier to deal with an employee who is swearing at others than to face any of the level three occurrences.

Most modern organizations have adopted some form of progressive discipline to respond proactively with progressive discipline for work rule infractions. Following is an example of progressive discipline system from Texas Utilities Mining Company's Employee Handbook.

Step 1: Oral Reminder: The supervisor calls the employee into the office, discusses the offense, reminds the employee of the importance of the rule, and expresses confidence that this will be the last time they will need to discuss it.

Step 2: Written Reminder: If at any time within one year after Step 1 the employee's conduct is in violation of Company practices or rules, the supervisor calls the employee into the office and discusses the offense in a supportive but serious manner. After the meeting, the supervisor writes a memo to the employee which summarizes the conversation and confirms the employee's agreement to improve in the future.

Step 3: Decision-Making Leave: If at any time within one year after Step 2 the employee's conduct is in violation of Company practices or rules, the supervisor calls the employee into the office, discusses the offense, then advises the employee that he or she is not to come to work for a specific period of time, but that they will be paid for such time.

Step 4: Termination: If the employee decides to continue working for the organization, and another Incident which warrants discipline arises within one year from Step 3, the employee can be terminated.

The goal of any progressive discipline system is to curb prohibited actions at the lowest level of seriousness. The positive aspect of this type system is that it can reduce the necessity of dealing with the more severe conduct and discipline.

CONTROLLING THE IMPACT THROUGH CRISIS MANAGEMENT

One of the things that an organization hopes it does not have to face is a "crisis" situation. Littler, Mendelson, Fastiff, Tichy, and Mathiason (1994) found that no matter how effective the organization was at education for detecting early warning signs and prevention, there was no total guarantee against workplace violence. Some of the nation's most responsible employers, that have sophisticated procedures for preventing violence in the workplace, such as IBM, have nonetheless experienced occasional incidents of workplace violence (p. 53).

Baron (1994) suggests the following components for crisis management:

1. **Form a Crisis Management Team** with individuals from Human Resources, Legal, Security, and other departments. This team should include:

   a. Security personnel to handle immediate security needs such as evacuation or closing of the building.

   b. Emergency Medical procedures- who to contact, etc.

   c. Emergency Law Enforcement Procedures- whom to contact, etc.

   d. A professional trauma counselor.

2. **Establish a telephone team** from Human Resources to call family members and to notify employees of when to return to work, where to find help, etc.

3. **Establish a second source of communication**, if possible, in case the telephone system should be destroyed.

4. **Establish a plan** to provide information about trauma and post traumatic stress. Employees should be kept well informed on what the company is doing to help after a violent incident.

Trauma Plans, identifying all responsible individuals, should be provided to management and kept in more than one place. Important phone numbers should be made available to all supervisors and appropriate employees.

Emergency notification with specific steps to follow should be written down, laminated, and supplied to each supervisor to keep on their person. In the event of an emergency, most, if not all individuals, will react to the incident and invariably forget an important element of the trauma plan.

SUMMARY

It is clear that the incidence of workplace violence has become epidemic. Equally clear is that each organization has to have the resolve to deal with this issue in a preclusive way. There exist measures available to management that can effectively decrease the likelihood of a violent incident. One of the best deterrents is careful pre-employment screening. Training for supervisors in the early identification of problem employee situations is a vital component of any deterrent plan. The supervisor should feel he has real support from his management and know in advance the steps to take when a problem is recognized. Early identification and easy, non-punitive access to medical and mental health resources is needed. Companies should set up confidential counseling services for employees.

There needs to be clear consistent rules in place regarding behavior in the workplace with respect to harassment, threat of violence, and violent or disruptive behavior. Companies should treat employees as they want to be treated. Whenever a potentially emotional event such as downsizing, layoffs, and terminations are faced, a thoughtful, common sense policy should be in place to ease the situation. In addition, supervisors must be alert to possible contributory situations outside the workplace.

There are two fundamental principles that should be followed in preventing workplace violence. First, seek assistance. If your company has a human resources or employee relations department use them. If not, seek the assistance of a consulting organization. Second, early intervention is always recommended over allowing a situation to escalate to a higher level. Finally, management must recognize that no matter how well they have planned, there may be a violent incident in the future. Companies should have an emergency plan with procedures in place, and their supervisors must be trained to act in the proper manner should an incident occur.

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THE INFLUENCE OF FUNCTIONAL BACKGROUND ON CORPORATE STRATEGIC CHANGE IN THE CONTEXT OF CHIEF EXECUTIVE OFFICER SUCCESSION

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ABSTRACT

This research investigates the relationship between organizational outcomes and the organizational background of chief executive officer successors.

The association between organizational outcomes and the functional backgrounds of chief executive officers and their successors is tested. It is hypothesized successors with functional backgrounds similar to that of their predecessors can be expected to maintain patterns of behavior and organizational adaptation pursued by their predecessors. Alternatively, the replacement of a chief executive officer by a successor with a different functional background can be viewed as a sign of organizational change and adaptation.

The results reveal no significant difference in the degree of strategic change experienced by large corporations when the chief executive officer is replaced by a successor with a different functional background versus those that are replaced by a chief executive officer with a dissimilar functional background.

INTRODUCTION

An enduring question in organizational analysis concerns the effect of leadership on organizational outcomes. Some researchers assume leaders are a homogeneous group with regard to their influence (Gamson and Scotch, 1964; Eitzen and Yetman, 1972). Other researchers argue major corporations run themselves, with minimal influence of the chief executive officer (Hannan and Freeman, 1977; Mintzberg, 1979; Hall, 1977). Still other researchers (Smith, Carson, and Alexander, 1984; Gupta, 1984; Chaganti and Sambharya, 1987; Pfeffer and Davis-Blake, 1988) argue top leadership accounts for a significant difference in variability in organizational performance.

THE ROLE OF MANAGEMENT SUCCESSION

If leadership matters, then the transfer of authority, or succession, is an important event in an organization. For more than four decades executive succession has been an extensively studied area of research. Succession research has grown dramatically since the 1970s. Kesner and Sebora cite a 250 percent increase in the number of succession-related articles in academic journals from the 1970s to the 1990s and argue "there is little that we know conclusively, much that we do not know because of mixed results, and even more that we have not yet studied" (1994: 327).

A principal reason succession has remained such a rich area of academic inquiry is the acknowledgment the relationship between succession and organizational outcomes has proved elusive. Despite a steady stream of research, a consensus is still lacking. Scholars have concluded succession improves organizational performance (Guest, 1962; Helmich, 1974), reduces organizational performance (Gouldner, 1954; Grusky, 1964; Allen, Panian, & Lotz, 1979), and has no effect on organizational performance (Gamson & Scotch, 1964; Eitzen & Yetman, 1972).

THE IMPORTANCE OF THE CHIEF EXECUTIVE OFFICER

This research is concerned specifically with chief executive officer succession. Succession at this level is of particular importance for a variety of reasons. It is the chief executive officer who determines the central concept of a business (Lauenstein, 1980), controls and directs the organization toward its goals (Brady and Helmich, 1984), is responsible for organization/environment alignment (Daft, Sormunen, and Parks, 1988), and is ultimately responsible for action on, and reaction to, an organization's strategy (Dalton and Kesner, 1985).

Citing research in the strategic management literature (Hofer and Schendel, 1978; Porter, 1980), Smith and White (1987) argue strategic choice is fundamental to organizational adaptation and survival. The chief executive officer, as a member of the organization's dominant coalition (Cyert and March, 1963), is instrumental in formulating (Hofer and Schendel, 1978) and implementing (Galbraith and Nathanson, 1978) strategy. Thus the selection of the chief executive officer is of central importance to the organization's adaptation and survival (Gupta, 1984).

The CEO is chosen as the unit of analysis for this research. Renewed interest in selecting the CEO, rather than the top management team or dominant coalition (Wiersema and Bantel, 1997; Hambrick and Mason, 1984), has recently found expression in the literature. Daily and Johnson (1997) argue the role of the CEO is uniquely powerful among top management team members. Furthermore, Boeker (1997) argues relatively little is known about the influence of individual executives on strategic decision-making.

FUNCTIONAL BACKGROUND AS A DETERMINANT
OF MANAGEMENT BIAS AND ACTION

Conventional wisdom supports the notion of the universalistic manager, however the literature (Kotter, 1982; Gupta, 1984; Hambrick and Mason, 1984) demonstrates general managers tend to be functionally specialized. Furthermore, these managers bring to their positions attitudes, perspectives, and skills, that are in part, formed by their functional background (Dearborn and Simon, 1958; Hambrick and Mason, 1984; Datta and Guthrie, 1994). These attitudes, perspectives, and skills, in turn, can be expected to influence organizational outcomes (Gupta and Govindarajan, 1984; Wiersema and Bantel, 1992).

Research by Dearborn and Simon (1958) found managers suffer from limitations in the systematic processing of information. They discovered executives with different functional backgrounds have their perspectives formed, in part, by their functional experiences.

Over time, exposure to goals and rewards within a particular functional department shapes the manager's perspectives. Based on these repeated exposures, managers come to view broader organizational issues in the context of the belief structure of their functional work experience. Dearborn and Simon (1958) conclude the manner in which an executive

approaches a problem is biased by the executive's functional background, and this subsequently limits and defines the range of actions to be considered.

Hambrick and Mason (1984) view background characteristics as predictors of the assumptions a manager brings to bear on an administrative situation. They contend the top executive's functional background, in part, acts as a predictor of the executive's values, beliefs, and cognitive perspectives. Functional background, among other demographic variables, serves to differentiate executives in terms of executive choice and action and thus managers act in a manner consistent with their functional backgrounds (Hambrick and Mason, 1984). Consequently, it is expected chief executive officers with similar functional backgrounds will view organizational issues in a similar manner.

FUNCTIONAL BACKGROUND AND ORGANIZATIONAL CHANGE

The dominant coalition serves to preserve organizational values (Vancil, 1987), however it also can foster institutional inbreeding (Smith and White, 1987; Miller, 1991). Thus, the dominant coalition may seek chief executive officer successors that preserve the status quo. Smith and White (1987) theorize a manifestation of this phenomenon is the selection of chief executive officer successors with functional backgrounds similar to their predecessors. In addition, Smith and White (1987) predict the dominant coalition will seek to promote continuity in strategic direction. The results indicate the career specialization of the exiting chief executive officer is a predictor of the specialization of the successor, and that these career specializations tend to be the same.

Smith and White (1987) express concern that United States firms may need to demonstrate greater flexibility in the successor selection process. Nontraditional career backgrounds and institutional experiences may become more important in an increasingly complex competitive environment. This suggests successors with backgrounds similar to the departing chief executive officer may serve to constrain organizational change and adaptation. While Smith and White (1987) raise the concern that similarity of functional backgrounds of chief executive officers and their successors may be problematic, they do not test for the hypothesized performance effects.

MEASUREMENT PROBLEMS IN PREVIOUS RESEARCH

In the context of succession, measuring organizational outcomes has proved problematic. Most previous research has used performance-based measures, such as profitability and stock prices. A wide variety of factors that can influence organizational performance can conceal the real relationship between performance and succession (Weiner and Mahoney, 1981; Beatty and Zajac, 1987). In addition, performance-based measures of organizational performance as the dependent variable have been demonstrated to have both a cause and effect relationship with succession (Gamson and Scotch, 1964).

In an attempt to overcome the difficulties associated with profitability-based measures, more recent research has used stock prices as a proxy of investors' profitability expectations. Beatty and Zajac (1987) found a reduction in the value of the firm following the announcement of a pending succession. Reinganum (1985) found the stock price effect of succession is dependent upon the relationship among the size of the firm, the origin of the successor, and the disposition of the predecessor. Lubatkin, Chung, Rogers, and Owers (1989) found a favorable reaction by investors to be dependent upon the performance context and the nature of the succession event. It is apparent the research record concerning performance effects of succession for stock price changes is as mixed as it is for profitability-based measures of performance.

To avoid these problems, the present research is not concerned with performance-based measures of organizational performance, but rather with strategic change. Strategic change is less subject to influence by external factors than performance-based measures of organizational performance. For example, financial performance can be influenced by external factors such as general economic conditions, as it is by the effects of executive leadership (Lieberson and O'Connor, 1972). However, changes in corporate strategy are the direct result of top management action, most notably, the actions of the chief executive officer (Vancil, 1987). It is evident from the research record that different chief executive officers influence their organization's strategies in different ways (Wiersema, 1992).

At the corporate level, strategy determines what set of businesses the organization should compete in (Hofer and Schendel, 1979). Corporate strategy-related measures of organization outcomes have precedence in the succession literature. Virany, Tushman, and Romanelli (1992) found the positive influence of succession accentuated when accompanied by a strategic reorientation. Strategic reorientation was defined as the organization moving into or out of major product lines or markets. Miller (1993) found succession is associated with strategic change through an increase in competitive aggressiveness after the appointment of a new chief executive officer. Strategic change was defined as entering major new markets, introducing a significant new product, a major merger or acquisition, etc. Wiersema (1992) measured strategic change in terms of changes in the firm's specialization ratio. The specialization ratio is the proportion of the firm's annual revenues attributable to its largest business unit. In agreement with Hofer and Schendel's (1979) view of corporate strategy, a common theme among each of these measures of strategic change is the firm's movement into or out of a major product/market.

RESEARCH RATIONALE AND HYPOTHESIS

Only two studies have considered functional background in the context of management succession: Smith and White (1987) found the functional backgrounds of chief executive officers and their successors to be related; Datta and Guthrie (1994) found chief executive officer successors with technical functional backgrounds are associated with an organizational strategy of innovation.

Previous research has not investigated whether the relationship between functional backgrounds of chief executive officer successors and their predecessors influences organizational outcomes. In addition, the relationship between the functional background and corporate strategic change has not previously been investigated.

Replacement of a chief executive officer with a successor of similar functional background can be viewed as an affirmation of the status quo. Alternatively, selection of a chief executive officer who functional background differs from the predecessor's can be viewed as a break with the past and as a sign of organizational change and adaptation. This research empirically tests this hypothesis.

H0: There is no association between degree of strategic change and continuity of the functional background of chief executive officer successors and their predecessors.

H1:   *Chief executive officer successors whose functional background coincides with their predecessor's are associated with less strategic change, than when the functional backgrounds of successors and predecessors of the chief executive officers differ.*

METHOD

The research hypothesis was tested by a test of two independent means.   This straightforward statistical technique was used to determine whether the degree of strategic change was different when the functional backgrounds of chief executive officer successors   and their predecessors differed versus when they coincided.

Chief Executive Officer Functional Background and Origin of Successor data were gathered from the *Business Week* Corporate Elite (1991-1993), which lists the career specializations of the chief executive officers of the 1000 largest United States corporations.

Chief executive officer functional background is reported in the *Business Week* Corporate Elite (1991-1993). Ambiguity exists in certain cases, such as in listings of functional background as "management" or "administration."   Such cases are problematic since it is not clear whether the executives either do not possess a clearly defined functional background, or whether they truly do possess such a background, but have failed to divulge it.   As a result, cases listing administration or management as the career specialization were excluded from the sample.   Based on the foregoing, background similarity and difference is a binary variable.   Successors whose background is the same as their predecessor are coded as 0, and successors whose background is different are coded as 1.

Strategic change is based on Wiersema's (1992) measure.   Wiersema (1992) uses the specialization ratio to measure the percentage of annual sales attributable to the corporation's largest discrete product-market activity.   Wiersema (1992) argues, despite diversification efforts, most corporations maintain a core business from which a majority of overall sales are generated.   The degree of strategic change is measured by the percentage change in the specialization ratio over the period of five years pre-and-post-succession, with the year of succession serving as the midpoint year of the five year period. For example, if succession occurred in 1992, the degree of strategic change would be measured over the 1990-1994 period. Wiersema (1992) contends a five year period, pre-and-post-succession is sufficiently long to reflect shifts in corporate strategy. Utility and financial institutions were excluded from the sample due to regulatory restrictions on movement in and out of product-market activities.

Standard Industrial Codes (SIC) are used to identify the corporation's core business.   Standard Industrial Codes for core businesses, as well as relative sales figures for core business units, are available on Standard & Poor's COMPUSTAT.   The use of SICs as a measure of organizational strategy finds support in the succession literature.   Belkaoui and Pavlik (1993) used two digit Standard Industrial Codes to measure diversification strategy.   Wiersema and Bantel used 4 digit Standard Industrial Codes to measure shifts in corporate strategy.   Consistent with Wiersema and Bantel (1992), this research uses 4 digit Standard Industrial Codes, assuming that four digit codes are capable of detecting more subtle shifts in strategy than two digit codes.

Chief executive officer succession data are drawn from data available in the *Business Week* Corporate Elite (1991-1993).   The succession event will be identified by CEOs who held office in a given year, but did not hold office in the previous year.   The *Business Week* Corporate Elite (1991-1993) revealed 153 corporations experienced chief executive

officer succession between 1991 and 1993.   Elimination of cases representing utility and financial industries, as well as a small number of cases with incomplete data, left a sample of 93 firms.

RESULTS AND DISCUSSION

The degree of strategic change ranged from negative 100 percent (firms that divested their primary product/market activity to positive 133 percent (representing a significant expansion in the primary product/market activity).   The research results reveal no statistically significant (at the five percent level of confidence) association between chief executive officer successor and predecessor functional background similarity or difference and strategic change.   The results of this research suggest functional background, in the context of chief executive officer succession, does not have a significant influence on corporate strategic change.

Summary Statistics		
	Number of Cases	Range
Functional Background Similarity	46	-1.00, - 1.33
Functional Background Dissimilarity	47	-1.00, - 1.17
Mean Difference = -.0105		
Variances	T-value	2-tail Significance
Equal	-.18	.857
Unequal	-.18	.857

The importance of functional background assumed in shaping executive perceptions and belief structures (Dearborn and Simon, 1958; Hambrick and Mason, 1984) was instrumental in the theoretical development of the research hypotheses. However, the results do not support the contention that executive perceptions influence executive choice and action (Hambrick and Mason, 1984), and in turn, executive choice and action influence strategy (Mintzberg, 1990).

The research findings address Smith and White's (1987) concerns relating to institutional inbreeding.   Smith and White (1987) predicted the dominant coalition may seek to preserve the status quo in strategic direction through the selection of chief executive officer successors with career specializations similar to the predecessor's career specialization.   The results reveal strategic change is not influenced by the career specialization of the chief executive officer successor, thus, the earlier concerns of Smith and White (1987) appear unfounded.

Various arguments presented in the literature review can be offered in support of the research results, including leaders are a homogeneous group with regard to their leadership influence (Gamson and Scotch, 1964; Eitzen and Yetman, 1972); corporations are largely self-directed (Lieberson and O'Connor, 1972; Mintzberg, 1979; Hall, 1977); and organizational inertia constrains the influence of top management (Pfeffer, 1977; Hannan and Freeman, 1977).   Alternatively, the dominant coalition may possess the power to preserve continuity of strategic direction, regardless of the potential change in perceptions, cognitions, and assumptions that may accompany a new CEO with a functional background dissimilar to the predecessor CEO.

DIRECTIONS FOR FUTURE RESEARCH

One avenue of future research relates to the influence of background characteristics on the top management team or dominant coalition.   The inability of the chief executive officer, as a sole agent of change, to influence corporate outcomes has been argued by a number of researchers (Gamson and Scotch, 1964; Lieberson and O'Connor, 1972; Pfeffer, 1977).

Some   researchers (Virany, Tushman, and Romanelli, 1992; Norburn and Birley, 1988) maintain the top management team is a more useful unit of analysis.   In the context of succession, background characteristics of the chief executive officer, alone, may not have a significant influence on organizational outcomes.   Hence, the functional background characteristics of the top management team might be a better predictor of organizational outcomes.

An alternative argument is that a single background variable may be insufficient in overcoming organizational inertia. It is possible, functional background in conjunction with other demographic characteristics, may provide the necessary power to explain complex organizational phenomena, such as strategic choice and action.   It is suggested other career-related variables, such as industry and company experience, be incorporated in the model.   An expanded set of explanatory variables may provide the hypothesized linkage between CEO background characteristics and organizational change.   This research, while limited in scope and exploratory in nature, hopefully will generate interest and spark additional investigation into this area of inquiry.

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MANAGING HUMAN RESOURCES
IN SUPPORT OF A STRATEGY OF INNOVATION

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ABSTRACT

This paper explores the connection between human resources strategy and an organizational strategy of innovation. It begins by discussing the major aspects of an innovation strategy and how organizational culture is integral to the strategy. Typical innovative behaviors are presented along with ways human resource management can structure programs and policies to create an environment where these innovative behaviors are encouraged.

INTRODUCTION

Although always present, the need for a firm to sell unique and improved products has been highlighted by the advent of massive deregulation and globalization. Answering the challenge of these needs, firms are frequently following the organizational goal of creatively setting their products or services apart from those of their competitors. In order to achieve the desired sustained competitive advantage, more firms are adopting a strategy of innovation (Schuller, Galante & Jackson, 1987).

Innovation can be difficult to accomplish in an organization where established rules and regulations are enforced to assure that things are done consistently rather than creatively (Duncan, Ginter & Swayne, 1993). Therefore, a strategy of innovation must have human resource policies that both strategically and operationally support it. Organizations must design human resource functions which facilitate changes in the corporate culture and operations so that the organization can capitalize on each employee's potential (McManis & Liebman, 1988).

STRATEGIC ASPECTS OF INNOVATION

In today's business environment, organizations are interested in learning how to effectively manage the innovation process because of the link between innovation and gaining a sustained competitive advantage. A potent asset in today's world, intellectual assets should be used as intensively as possible. Therefore, managing intelligence becomes the new challenge for the organization and the human resource management department (Handy, 1995).

Innovation encompasses renewal, change and evolution. It involves destruction, creation, and the interplay among many chaotic forces which organizations naturally resist, yet require for success. Human resource management strategies and business strategies must be

integrated to ensure that corporate culture, working climate, and organization processes are conducive to innovation. Such integration has proven especially important when a firm must adapt to rapidly changing technology (Wickens, 199O).

A strong and proactive human resource management department helps assure that human resource management implications are integrated with business strategies. The human resource management department should be involved at the upper level of strategic planning and participate in organizational decision-making. Before human resource management issues can be adequately integrated with a firm's business strategies, the human resource management department must assume its strategic role and be recognized by management as an important contributor to the firm's overall success (Brown, 1991).

In order for an innovative strategy to be successful, an organization must create a method for integrating human resource policies and business strategies. Achieving competitive success through a strategy of innovation requires fundamentally altering perceptions about utilization of the workforce and the relationship between management and employees. The success of an innovative strategy can only be achieved by working with employees rather than limiting the scope of their activities. It is necessary to view the workforce as a source of strategic advantage, and not just a cost to be minimized or avoided. As many other strategies for competitive success have become less successful due to a changing environment, what remains as a crucial strategic factor is the organization's employees and how they work to support innovation (Pfeffer, 1995).

ORGANIZATIONAL CULTURE

An organization's culture must support the vision of the business. Culture provides stability to the organization because it is the values, norms and assumptions in which managers and employees make decisions. In a healthy organization, the business strategy is developed within the context of a mutually supporting culture and vision for the organization. In an unhealthy organization, the business strategy develops one agenda while the culture reinforces another (McManis & Liebman, 1988a).

A strong human resource management department can enable the organization's managers to instill the needed values within the firm. From a strategic vantage, the human resource management department must work to develop and sustain a culture which reflects and supports the core value of innovation. A strategy of innovation requires a corporate culture which values achievement, mutual support, flexible policies, and creative leadership. Instilling the desired company values and beliefs is essential to meeting the goals of improved innovation. Therefore, operational activities undertaken by the human resource management department must be preceded by a culture which encourages innovation (Vrakking, 199O).

INNOVATIVE BEHAVIOR

A study of what facilitates individual innovation is critical because the foundation of innovation is ideas, and people develop ideas. An innovator is someone who is willing to try

something new when the potential benefits and chances for success are great enough to assume the risk. When the organization cultivates the most talented employees, the creative efforts of every employee are also increased (Duncan, et al., 1993). Innovation not only includes the production of useful ideas, but also idea implementation. Thus, innovation is important not only in the invention of products, but in the expansion of ideas used in producing, marketing, financing, and managing all functional areas within an organization.

Managers who attempt to lead the innovative worker must understand that creative and innovative employees have certain needs that may differ from other employees. Innovators are generally self-motivated, are comfortable with risk, and thrive on ambiguity (Farnham, 1994). They constantly seek new challenges, and often become frustrated at what they perceive to be stagnation. Because these qualities are often deemed undesirable by management, the needs of innovative workers may provide special challenges to established rules and regulations. For this reason, the human resource management department must be attuned to these challenges or risk losing the innovative employee. It is important to identify and nurture those innovative employees who provide a steady flow of new ideas. Every employee has the capacity to be creative and innovative; however, employees will not act in creative ways when their ideas are constantly questioned or routinely rejected (Duncan, et al., 1993).

Typically, creative workers display social problems with which human resource managers must deal. Perhaps because of their high energy or dissatisfaction with the status quo, many top innovators are viewed by their co-workers as impatient, irrational, or even obnoxious (Peters & Waterman, 1982). Furthermore, it is commonplace for innovators to distance themselves from extrinsic controls and the overall corporate community. Frequently, these workers have had some prior negative experience with organizational constraints. Since these characteristics can drive a worker from a firm, managers must work to counter their negative impact (Amabile, 1983).

NURTURING INNOVATIVE BEHAVIOR

Working in conjunction with senior management, the human resource management department should develop policies and procedures which stimulate innovation. With both a sound vision established by strategic planning and a general understanding of creative employees, human resource managers can begin to implement operational tactics which influence the innovative output of workers. It is important to recognize that the activities of human resource managers do not cause creative work, but instead develop a setting in which innovative output is uninhibited and more likely to occur (Freedman, 1988).

Innovative workers take their cues from managers and the managers' reactions to their behavior or performance. Therefore, managers are a powerful source of both behavior reinforcement and work place trauma. Managerial support for innovation is positively related to innovative behavior. More importantly, the role expectations of a superior also influence individual innovative behavior. Human resource management staff must train and encourage managers to promote innovation in their employees. Only when this is accomplished will

employees readily proffer new ideas (Scott & Bruce, 1994). According to Farnham (1994, p. 96) there are general guidelines which help to nurture the innovative spirit:

1. **Accommodation**. Creative employees are harder to manage but they are worth the effort. Creative employees should be given time and resources to work on their ideas. Management should be aware of the differentiating characteristics or behavioral traits of the creative employee and learn to recognize them.

2. **Stimulation**. The creative employee needs stimulation such as seminars and breaks from day-to-day work. On many occasions, a quiet environment is a very effective stimulus; what is daydreaming to one person may be idea formulation for an innovative employee.

3. **Recognition and rewards**. The reward structure must be appropriate to develop an innovative spirit and not constrain risk-taking behaviors. This point will be discussed in more detail in the following section.

4. **Direction and Feedback**. The creative employee does not necessarily want "free reign" of the organization. The creative employee can exist with some structure, but often seeks more flexibility and the ability to follow his or her own agenda.

5. **Protection**. Smart managers will protect the creative employee from the natural envy and hostility of fellow employees . It is vital to avoid creating a privileged class.

When an organization implements a strategy of innovation, it must preserve its creative workers and the skills they possess. In some industries high turnover is essentially the norm, and turnover is often aggressively pursued as a tool for "weeding out" inferior workers. This tactic can be devastating to a company following an innovation strategy because of the tendency for innovative workers to challenge the established rules and guidelines. Creative workers, already sensitive to typical business controls, will not hesitate to leave a firm that readily uses such practices to remove employees (Vrakking, 199O).

Beyond seeking any one individual, the human resource management department must also look to develop the creative potential of the organization as a whole. The organization can generate new ideas by forming a diverse population of employees from different backgrounds.

Since it is rare for a single innovator to change a whole organization, staffing an organization with diverse people is a common tactic for developing "champions of change."

CONCLUSION

A strategy of innovation has become very popular for many organization in their bid for sustained competitive advantage. The human resource management department can play a large part in the success or failure of this strategy. The needs of innovative workers and the organizational requirements of businesses seeking to expand their creative potential demand that human resource managers undertake both strategic and operational activities to foster innovation. One of the critical components of a successful innovation strategy is an organizational culture that fosters innovation and creativity. Human resource management, along with the support of all management, must help to create this culture. After the appropriate culture has been created, it is the responsibility of human resource management to ensure that operational strategies support the innovative strategy.

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THE ENTREPRENEUR AND THE NATURAL ENVIRONMENT: THE CASE OF THE SUPERFUND LEGISLATION

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ABSTRACT

This paper argues that a need exists for a flexible environmental compliance program specifically developed for small commercial/industrial property owners. The entrepreneurially-oriented small commercial/industrial property owner is identified as the appropriate target market for early acceptance of an innovative voluntary environmental compliance program. Drawing on research from the fields of entrepreneurship, marketing and strategy, an approach to the development of such a program is suggested.

INTRODUCTION

An issue of current interest in organization studies is the debate between those organization researchers who would understand the environment from an organizational viewpoint, and those who would understand the organization from an environmental viewpoint (Shrivastava, 1994). Criticism leveled at the former group by the latter is that their concern with the environment is limited to issues that threaten the egocentric identity of the firm (Boje & Dennehy, 1993). The objectives of firms with an egocentric orientation are to protect their reputation; protect themselves from legal liability; improve cost effectiveness, safety and quality; and satisfy the sense of morality of corporate leaders (Post & Altman, 1994; Brown et. al, 1993). These objectives, according to critics, will result in policies, standards, and procedures for guarding the environment only when it is in the firm's self-interest. Conversely, what is needed are efforts to maintain, preserve, or restore the health of ecosystems (Purser, Park & Montuori, 1995).

A second issue of current interest to organization researchers (and the business community) is the need for greater attention to multidisciplinary approaches to problem-solving. This calling is particularly common to researchers seeking attention to environmental matters. The purpose of this paper is to illustrate how a multidisciplinary approach may be useful in developing sound, forward-looking environmental programs. The subject is the impact upon the small commercial/industrial property owner of existing environmental regulation implemented by the Superfund laws, which govern the generation, handling, treatment, storage and disposal of toxic waste.

** This manuscript is being republished because one of the authors' names was unintentionally omitted in the last issue. We regret the omission and any inconvenience that it may have caused.

Criticism leveled at the Superfund laws is based upon the commonly accepted view that existing remediation standards are both economically and logistically indefensible, resulting in the adoption of unethical and illegal behaviors by property owners wanting to avoid scrutiny by governmental oversight agencies (Biblow et al., 1996). These behaviors, borne of the standardized and centralized systems by which the Superfund laws are enforced, may be altered by the offer of a constructive voluntary environmental compliance program which small commercial/industrial property owners will want to be proactive in adopting.

By drawing from separate research streams in the entrepreneurial, strategy and marketing literatures for both theoretical underpinnings and practical application, a program is designed which is aimed at leading the way from compliance-oriented environmental management to proactive environmental management. The principal task is to design an innovative voluntary environmental compliance program that will be attractive to *entrepreneurially-oriented* commercial/industrial property owners. By identifying small *entrepreneurial* commercial/industrial property owners as an initial target market, a standard "product, price, place, and promotion" or "4P" marketing mix model can be used to provide a structure for determining how to position the program so that it will be perceived as an opportunity for competitive advantage.

In the following sections, the problems created by the Superfund legislation will be detailed and the position that a voluntary compliance program for small commercial/industrial property owners is an appropriate solution to these problems will be defended. Next, findings from extant research in entrepreneurship, marketing and strategy applicable to the design of the program will be reviewed. Table 1 provides some examples of contributions from the various literature streams. Following the discussion of relevant research underpinnings, their application to program design will be presented.

HISTORY AND DILEMMA OF THE SUPERFUND LAWS

From the onset of the Industrial Revolution, dumping toxic waste in commercial landfills and waterways was considered a practical and socially acceptable solution to growing waste management needs. By the latter part of the 1960s, however, the dangers inherent in this practice were becoming increasingly apparent. By the late 1970s, abuse of the environment had become cause for alarm.

Primarily in response to public outcry over the Love Canal crisis, the Resource Conservation and Recovery Act of 1976 (RCRA) and the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) were enacted. RCRA imposed "cradle to grave" responsibility upon waste generators, transporters, and persons involved in the treatment, storage, or disposal of hazardous waste. CERCLA, commonly referred to as the "Superfund" legislation, was enacted in 1980 and considerably fortified by the Superfund

Amendments and Reauthorization Act of 1986 (SARA). The avowed purpose of this legislation is to clean up contaminated property and to develop and enforce uniform standards for identifying, evaluating, using, handling, working with and disposing of hazardous substances.

Though well intended, existing environmental legislation has effected few positive results. Indeed, in its seventeen years, Superfund legislation has drawn severe and nearly universal criticism. It has been reproached for its exorbitant costs, the huge transaction fees paid to lawyers and consultants, and the minimal cleanup actually accomplished. To wit, the Superfund costs the government and the private sector $4.14 billion annually, 47% of which is unrelated to cleanup. For every dollar spent by corporations on Superfund activities, one-third is associated with legal expenses (GAO, 1995). Despite vast application of money, actual cleanup has been negligible. About 1,300 sites are currently listed on the National Priorities List (because they represent active danger to human health), and the number may eventually grow to 3,000 (Grumbly, 1995). The Superfund Reform Coalition reports that only 291 of the identified 1,300 national priority sites have been cleaned up to date.

Table 1: Literature Streams			
4P Model	**Entrepreneurship**	**Strategy**	**Marketing**
	Opportunity Recognition	Competitive Advantage	Target Identification
Product issue: identifying the core needs of the program participant	Feasibility & desirability e.g., Shapero, 1982 Perception of control e.g., Dutton, 1996	First-mover advantages e.g., Porter, 1980 Shrivastava, 1995a	
Price issue: justifying the costs of the program	Likelihood of gain e.g., Dutton, 1996 Perception of opportunity e.g., Lumpkin & Dess, 1994	Start-up costs e.g., Porter, 1980 Shrivastava, 1995a	Cost of time and effort, e.g., Keaveney, 1995 Shrum et al., 1995
Place issue: positioning the distribution system for the program	Personal control and innovation e.g., Huefner & Hunt, 1994	Strategic alliances e.g., Varadarajan & Cunningham, 1995	Demographics e.g., Coddington, 1993 Adrian & Dupree, 1994
Promotion issue: identifying ways to enhance the prestige and expand awareness of the program	Need for achievement, e.g., McClelland		Government contribution to marketing effort, e.g., Ottman, 1996

In addition to issues of cost, efficiency and effectiveness, the Superfund legislation has been vilified for the draconian hardships its strict liability standards have caused many small (and often blameless) property owners. Over one hundred thousand parties have been identified as

potentially responsible for Superfund site cleanup costs. Many of these are not Fortune 500 companies, but rather are small businesses (McKee, 1995). Compliance can mean financial ruin for small business owners who cannot afford attorneys to find other potentially responsible parties (PRPs) to share the cleanup cost burden. Even when shared, the huge costs associated with remedial investigation/feasibility studies (RIFS) that are mandated before cleanup can begin and the costs of the cleanup themselves may lead to financial ruin. In short, Superfund legislation has placed an inequitable burden upon small firms which do not have the magnitude of resources required to find responsible participants or to bear the full cost of compliance.

Because of the onerous burden that compliance may require, current laws provide disincentives to ethical behavior on the part of potentially affected parties. For want of a reasonable process to solve a manageable problem, such parties are encouraged to hide contamination conditions (that is, to do no cleanup at all), to hide the illicit waste (by disposing of it illegally), or even to hide from the law enforcers the fact that a proper cleanup has been accomplished (to avoid potential complications of the agency process).

Generally, the most cost-efficient approach available to a small business will be to hide rather than rectify problems, to do no cleanup at all. Today, it is not legal to clean up a site without notifying the U.S. Environmental Protection Agency (EPA) that a problem exists. Notification, however, results in one's having to follow prohibitively expensive protocols such as performing mandated RIFS, the cost of which can be greater than that of the actual cleanup. Moreover, cleanup costs are generally unduly onerous because of the current requirement that a cleanup be performed to a pristine-based or carcinogen-based rather than a risk-based standard. That is, regardless of the future use of the property -- be it industrial or residential -- current regulations demand that cleanup be undertaken to eliminate waste to the extent that groundwater is brought to a drinkable level. To avoid incurring this expense, owners behave so as to "maintain a low profile", hopefully avoiding involvement with the EPA.

An added inhibitor of open remediation is the private sector's fear of having property publicly listed as a Superfund site. At best, the market value of such a property will be substantially reduced. Worse, property which is contaminated cannot be financed or, in some instances, insured. Since an unresolvable liability issue under the Superfund laws would destroy the value of any parcel of real estate, developers are afraid to touch these "brownfields". Avoiding public disclosure of the condition or of unapproved remediation is clearly in the property owner's best interest.

Approved cleanup requires contaminated soil to be isolated, dug out, and shipped to a secure landfill, where it is put back into the ground or stored in drums. Even after hazardous material is shipped (legally) from an owner's property to a landfill, however, the owner of the property from which it was taken retains responsibility for any problem that may occur in connection with that soil in the future; actually, forever. Ergo, if one does not ship anything or report a spill, the risk of being held accountable for contamination, and concomitant expenditures of time and money, are substantially reduced.

On the other hand, when the EPA or a state Department of Environmental Conservation (DEC) does become aware of contamination at a site, there are no limits on what they can ask the

property owner to do. Failure to comply can result in the levy of heavy fines; continued resistance may lead to the property being listed as a Superfund site. The EPA or DEC could then impose and implement its own testing and cleanup program, and hold the owner responsible for all costs.

Responsible behavior by a property owner, short of self-incriminating and wastefully expensive confession to a prosecution-minded governmental agency, results in his or her criminalization under existing laws. While it is legal to ship regulated substances from one's own property, the property owner is legally bound to report the shipping. In doing so, a paper trail is created, potentially bringing the property owner to the attention of the governing agencies. Thus, fear of the consequences of subjecting oneself to the agency process provides an incentive to hide even proper cleanup. Responsible property owners who are proactive in implementing environmental compliance programs in which qualified inspectors investigate tenant practices to identify and correct environmental problems do not report problems they find or cleanup they accomplish to relevant government agencies; thus they break the law.

A CENTRALIZED AND STANDARDIZED SYSTEM

The lack of success in enforcement of the Superfund laws rests with the inherently unfair application of standard, one-size-fits-all solutions, implemented through central federal or state oversight, to widely disparate situations. Sites requiring cleanup differ in the wide variety of business uses to which they are put, as well as in site-specific physical characteristics. Each may result in vastly different means and levels of actual and potential contamination. The results of the Superfund laws' centralized and standardized approach have been the failure of both the technical (methods of cleanup) and administrative (agency oversight procedures) sides of the environmental program.

From the technical perspective, standardization cannot result in a fair system because the levels of cleanliness appropriate to particular sites are not uniform. Acceptable preventive activities (activities undertaken to maintain the integrity of property in the day-to-day operations of ongoing businesses) and remedial activities (activities undertaken to accomplish cleanup) are not commensurate with projected risk, or the likely impact to those groundwater resources recharging existing and future drinking water aquifers. It is neither necessary nor realistic to assume that every property needs to be cleaned to a drinkable level. The operative paradigm for cleanup of contaminated sites needs to move from "how to assure cleanup which brings groundwater to pristine levels" to "how much contamination can we safely leave in the ground."

The determination of appropriate requirements for maintenance and cleanup cannot be dealt with efficiently by a centralized administrative system because of the site-specific nature of such appraisals. For example, water travels following land contours, so that contaminated waste may not pose a problem directly below the spot where it is dumped but rather at some distance, even miles away. The way to maximize results from an environmental compliance program is for regional experts to make decisions based on regional area maps, a huge job that requires implementation and oversight at the local level.

The existing centralized system is equally ineffective from an administrative point of view. Agency understaffing and high employee turnover has led to haphazard oversight and long delays. As a result, the relationship between the government regulatory agencies and the community has become polarized and confrontational. The agencies are perceived to be inconsistent and unreasonable, contributing to the strategy of avoidance and delay on the part of the private sector. The decentralization of compliance programs is necessary to remedy these administrative problems.

Reform of the exclusive role of government in the oversight of environmental law compliance is appropriate, if not overdue. Government, business and environmental groups have come to agree that the complexity of environmental regulations has in many instances blocked or delayed the very environmental improvements those regulations were designed to foster, and has done so at needlessly high cost to individual businesses and regional economies.

A PROPOSED PROGRAM

Models of self-assessment programs for property owners already exist. One is the Risk Based Corrective Action program (RBCA), an alternative cleanup program limited to oil spills. Another is the U.S. EPA Environmental Leadership Program (ELP), a Federal pilot program which allows businesses to devise their own environmental management and compliance plans, rigorous plans which exceed existing environmental standards. Although the development of these plans takes a considerable amount of time, having a legally binding agreement in place with the EPA provides businesses with a competitive edge by saving even more time, as when, for example, manufacturing processes change and approval for new processes would otherwise have to be sought from the government.

The ELP offers a way out of the regulatory maze, but only for large companies, since it is only the largest companies which have the resources to develop their own unique plans. Therefore, although the basic principles are much the same, a different approach is needed to address the regulatory issues and costs faced by many smaller owners/operators of commercial and industrial properties.

It is proposed that a governmentally funded voluntary environmental compliance program be designed and developed that would (1) be available to small commercial/industrial property owners and operators who are the subject of regulation; (2) operate in a decentralized way, with the participation of private, certified third party providers instead of governmental employees; and (3) stipulate specific waste disposal methodology based on the specifics of site category rather than on overly broad and rigid requirements. The proposed program would incorporate a unified approach to environmental auditing, monitoring, reporting, permitting, pollution prevention, waste minimization, recycling, etc. The program would result in solutions tailored, implemented and evaluated for each commercial or industrial participant based on an inventory of commercial/industrial businesses identifying operations, typical material used and typical wastes generated. Written guides would be prepared for each participant. Inspection and compliance protocols including techniques of handling, storage and disposal of regulated and

non-regulated substances and best management practices would be pre-arranged with EPA and DEC. Oversight would be handled by properly licensed and bonded environmental consultants, much the way many municipalities today employ fire marshals and building inspectors. The program would thus have three components: technical (i.e., engineering solutions for maintenance and cleanup procedures), administrative (e.g., the practical details of costs, work duties, training, contracts with haulers, accounting, and general "hand holding" of participants) and regulatory/legal (e.g., third party certification and oversight mechanisms).

Such a program should make legal compliance easier and more agreeable than illegal and unethical "hiding" behaviors by allowing for the prevention and correction of environmental problems with a minimum of agency "red tape", thereby reducing and even eliminating incentives for illegal and unethical behavior. In short, a voluntary environmental compliance program would offer small commercial/industrial property owners an economic and viable solution to the legal and ethical quagmire that has been the result of the Superfund legislation.

"Opportunity" implies a positive future situation over which one feels a fair amount of control; "threat: a negative future situation over which one feels relatively little control (Fiol, 1995). A 1991 Booz-Allen & Hamilton survey (Newman, Breeden & Ware, 1991) showed that in most companies environmental policy is driven by threat rather than opportunity. This is not surprising. Research evidence has shown that managers are sensitive to threat, whereas they need to be convinced of the presence of opportunities (Jackson & Dutton, 1988). Moreover, people will risk more to avoid losing money than to gain it (Dutton & Jackson, 1987). In every industry there are "leaders" who tend to be more proactive – driven by opportunities rather than threats. These "leaders" can be described as having an "entrepreneurial orientation" (Lumpkin & Dess, 1966). Fitting the profile of key entrepreneurial characteristics, they are autonomous, innovative, risk taking, proactive, and competitively aggressive. Compared to perceptions of threat, when managers do perceive opportunity they tend to take more risks and are more committed to outcomes (Dutton & Jackson, 1987). Thus, it is seems reasonable to identify the entrepreneurially-oriented person as being most likely to embrace an innovative program, to perceive competitive advantage in participation, and to be willing to assume the potential risk of a new approach.

It is important to note that, though they often overlap, small business entities and entrepreneurial business entities are different. The following definitions (Carland et al., 1984, p.358) are useful in making the distinction between them: "A small business venture is any business that is independently owned and operated, not dominant in its field, and does not engage in any new marketing or innovative practices." An entrepreneurial venture is one in which "the principal goals … are profitability and growth and the business is characterized by innovative strategic practices."

Our concern is with the development of a voluntary environmental compliance program for *small* commercial/industrial property owners. It follows, then, that the *entrepreneurially-oriented* small property owner is an appropriate target audience. Therefore, the goal of program development should be *to maximize interest and participation of the entrepreneurially-oriented small commercial/industrial property owner.*

As stated previously, opportunity "implies a positive situation in which gain is likely and over which one has a fair amount of control" (Dutton & Jackson, 1987, p.81). In piquing the interest of the entrepreneurially-oriented commercial/industrial property owner, there is a need to assure that opportunity is recognized. In terms of program development, this means designing into the program attributes perceived to be associated with opportunity.

A considerable amount of interest and research has been devoted to the task of analyzing the components and decision-making implications of the categories of opportunities and threats (e.g., Mintzberg, Raisinghini & Theoret, 1976; Jackson & Dutton, 1988). According to Ajzen's theory of planned behavior (Ajzen, 1985, 1987), one key attitude that predicts intentions is "perceived behavioral control," which is the perceived ease or difficulty of performing a behavior, a perception based on both past experience and anticipated future obstacles. The notion of control is also evident in Shapero's (1982) model of the "entrepreneurial event", which posits that the choice of behavior depends on the "credibility" of the behavior, which in turn requires the perceptions of both feasibility and desirability.

The perceived feasibility of resolution increases interest in an issue (Dutton & Webster, 1988). Feasibility appears to be quite similar to Bandura's construct of self-efficacy (Krueger & Brazeal, 1994), the perception that one has the competence to be effective. Prior research has demonstrated an association between self-efficacy and perceptions of opportunity and threat (Krueger & Dickson, 1993). Self-efficacy has also been shown to be related to proactive behavior in general (Bandura & Wood, 1989) and to the development of entrepreneurial intentions and actions in particular (Boyd & Vozkis, 1994). Thus, one important predictor of entrepreneurial behavior is the degree to which the entrepreneurially-oriented person perceives a situation which is feasible.

The other component of credibility is desirability. This construct is most easily understood within the context of rewards, a topic that spans the history of management thought from the classical thinkers like Weber (1947) and Taylor (1911), with their emphasis on extrinsic rewards, through the behavioral thinkers, starting with Chester Barnard (1938), who gave primacy to the motivating potential of intrinsic rewards, and through the seminal work of James March and Herbert Simon (1958), who reasoned that limited intelligence, information, and time results in the tendency to make decisions based on a limited search for solutions. A fascinating implication of the ideas of March and Simon is that the best way to motivate people is to shape the premises of decisions. This emphasis on context rather than personal needs suggests that many subtle forms of motivation using both extrinsic (e.g., money) and intrinsic rewards (e.g., feelings of accomplishment) are needed to produce desired behavior.

The theory most pertinent to understanding the entrepreneurially-oriented individual is McClelland's Acquired Needs Theory, and in particular his "need for achievement" (McClelland et al., 1976). According to McClelland, people with a high "need for achievement" are striving for personal achievement as much as for the material rewards of success. They enjoy challenge and stimulation. However, since they want to succeed, they don't want to take on tasks that are too difficult. McClelland's theory often associates the achievement need with entrepreneurship.

Thus, for the entrepreneurially-oriented individual, perceived desirability requires the perception of a situation which offers both extrinsic and intrinsic rewards (Weisbord et al., 1995).

Shapero's concept of credibility seems to be analogous to Dutton's concept of opportunity. If we substitute Shapero's "feasibility" and "desirability" for, respectively, Dutton's "control" and "likelihood of gain", it follows that a "credible" situation is one that is perceived as an opportunity. Consequently, feasibility and desirability are critical to opportunity recognition. In addition, following Kreuger & Dickson (1993), both feasibility and desirability are antecedents of entrepreneurial potential. Thus, applying Kreuger & Dickson's (1993) model to our task (see Figure 1) suggests that the voluntary compliance program should be designed to maximize feasibility, i.e., perceptions of control, and to maximize desirability, i.e., the expectation of both extrinsic and intrinsic rewards.

Figure 1
Antecedents to Participation in Voluntary Environmental Compliance Program

Feasibility	+	Desirability	=>	Opportunity	=>	Participation
(control)		(extrinsic rewards)		Recognition		
		(intrinsic rewards)				
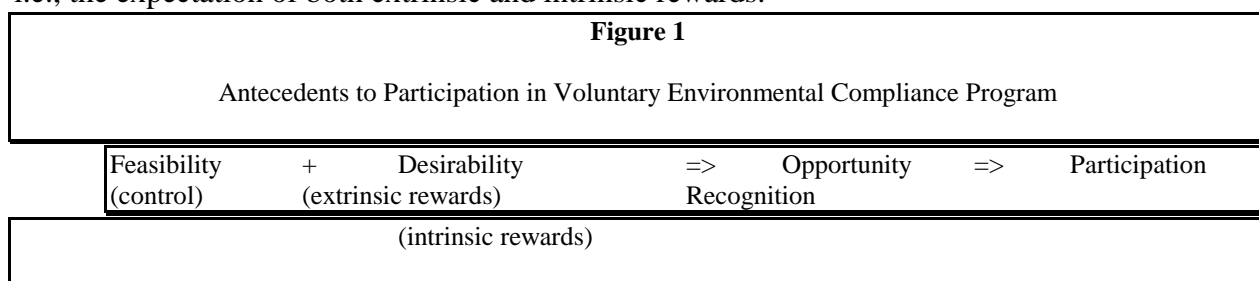
INCORPORATING OPPORTUNITY RECOGNITION INTO THE MARKETING MIX

A useful way to develop a voluntary environmental compliance program in a manner that will be most attractive to the entrepreneurially-oriented commercial/industrial property owner is to analyze the program in terms of a standard marketing mix. The concept of the marketing mix is considered to be the prime classification scheme in marketing (VanWaterschoot & Van den Bulte, 1992). Its four elements of product, price, place (distribution) and promotion each play a unique role in influencing product demand. The "4 Ps", as they are often called, are most commonly applied to the marketing of retail products targeted to the individual consumer. However, the same model can be used in marketing any product or service and any target market. In the case of the voluntary environmental compliance program, we are marketing a complex product to a commercial audience. In the following section, product, price, place, and promotion are defined and discussed in this context.

PRODUCT. In making product design decisions, it is not sufficient to view the product as simply an item or a set or features. Rather, product is described as a "set of benefits" (Shapiro, 1991), and as a "complex cluster of value satisfactions" (Levitt, 1991). The first step in creating this set of product elements is *identifying the buyer's "core needs",* that is, ascertaining what the buyer seeks from the product. Identification of buyer needs and wants is necessary prior to *design and development* of the product itself, which is the second step of the process. In this way, a clear profile of buyer benefits and satisfactions provides the underpinnings of product design. The final product, often referred to as the augmented product, consists of the *total mix of core product benefits and actual product features*. For example, in designing a typical retail product, the

augmented product meets buyer needs through package design, brand image, product features, and such additional benefits as training and service, to name just a few of the potential tangible and intangible "value satisfactions".

Numerous small commercial/industrial property owners lease property to tenant/operators -- from electronic manufacturers and defense contractors to everyday neighborhood businesses such as dry cleaners, printers and photographic processors -- who store, use and dispose of a variety of hazardous materials. According to Shrivastava (1995b), lower liabilities make a company a better credit risk and less vulnerable to litigation, both of which can be important sources of competitive advantage. This is particularly true in pollution intensive, energy intensive, and natural resource intensive industries. Core needs and desires of the entrepreneurially-oriented commercial/industrial property owner are therefore likely to include competitive advantage in the form of protection from the risks of noncompliance.

Core needs include the intrinsic rewards which the buyer seeks from the product. Among the characteristics of the entrepreneur, cognitive and emotional needs include a desire for recognition and prestige (Huefner & Hunt, 1994). Therefore, in addition to the easing of compliance burdens, the entrepreneurially-oriented commercial/ industrial property owner will also be expected to favor a program that provides the prestige associated with environmentally responsible behavior. The augmented product would consist of a proactive environmental compliance program plus ancillary features designed to minimize exposure to environmental liabilities and improve company image.

PRICE. Historically, price has been considered the most important factor in the buyer's decision-making process. The first-time buyer must be persuaded that the costs of purchase are worthwhile, given potential benefits. Benefits can be thought of in terms of two categories: performance and cost. The nature of the expected benefit is of major concern to the new buyer. According to Porter (1980), early buyers most often seek performance benefits, as cost advantage is insufficient to offset the uncertainty of a new product. Criteria suggested by Porter as germane to buyer receptivity include such aspects of the nature of the benefit as how large the performance advantage is for the particular buyer (differences in situations will create differences among buyers); how obvious the advantage is to the buyer; how pressing the need to improve along the dimension offered by the product is for the buyer; whether the advantage will improve the buyer's competitive advantage; and how price and/or cost sensitive the buyer is.

In addition, costs considered by the entrepreneurially-oriented commercial property owner in making judgments about the price-benefit trade-off of a voluntary environmental compliance program will include the monetary cost of administering the program, cost of time (Keaveney, 1995), inconvenience and cognitive effort (Shrum et al., 1995). Environmental tasks may incur monetary cost, due to the need for new designs, set-up costs, changeover from existing procedures, and personnel training (Shrivastava, 1995a). The cost of time and the cost of cognitive effort result from an initial lack of know-how and the requirements of the learning curve.

PLACE. The third element of the marketing mix, choice of distribution channel, has a significant influence on product positioning. The distribution channel will impute attributes (such

as status) to a product and, concomitantly, will affect which demographic and psychographic market segments are reached. For example, legal services advertised on television are apt to be seen as less high-brow than legal services attained by word-of-mouth reputation and are likely to appeal to a market that is less sophisticated about legal matters and also is seeking a lower price point.

When positioning environmentally, several demographic characteristics are noteworthy. One is income level; the higher the income level, the more likely it is for people to be well informed about environmental issues (Coddington, 1993). Moreover, individuals most dedicated to the environment tend to have a high level of education and be in the "baby-boomer" age bracket (Adrien & Dupree, 1994). Interestingly, the trait of locus of control, individuals' beliefs about their degree of control over events in their lives, has been linked to both environmental concern and entrepreneurial behavior. Research has demonstrated that managers with an internal locus of control believe in the controlling value of their own behavior (Govindarajan, 1989) and aggressively pursue both product and process innovations (Roth, 1995). The desire for personal control and for innovation are well documented needs of the entrepreneur (Heufner & Hunt, 1994). Research has also associated an internal locus of control with the propensity to engage in pro-environmental behavior (Shrum et al., 1995).

The entrepreneurially-oriented small commercial/industrial property owner will likely be most strongly attracted to an innovative program over which there appears to be opportunity for personal control. Indeed, programs that are designed to prescribe in detail and control tightly are "contra-entrepreneurial by their very nature" (Shapero, 1981, p.21). This suggests that an effective system of delivery will be one that assures the user of a good deal of participation and authority over program implementation. Additionally, given the prior identification of the entrepreneur's desire for recognition, the delivery system should be one that maximizes status and recognition for the participant.

PROMOTION. Promotion activities are communication efforts that aim at moving potential and current customers from unawareness, through knowledge, persuasion, and decision stages, to confirmation (Rogers, 1983). Typical promotion activities include advertising, personal selling, sales promotion, and public relations efforts. In considering promotion for the voluntary compliance program, our objectives are to enhance the image of the program, expand awareness of the program, and communicate issues which educate buyers about environmental responsibility. One strategy for accomplishing these goals is the formation of environmental strategic alliances.

Strategic alliances are a manifestation of interorganizational cooperation (Day, 1995). The formation of a strategic alliance "entails the pooling of skills and resources by the alliance partners, in order to achieve one or more goals linked the strategic objectives of the cooperating firms" (Varadarajan & Cunningham, 1995). These agreements include joint ventures, joint research and development agreements, technology exchange, direct investment, licensing, and a host of other arrangements. Many empirical studies have documented the dramatic growth of such alliances (Gulati, 1995).

The growing trend toward cooperation in environmental matters between industry, trade associations, regulatory bodies, and state and national legislatures (Dutton, 1996) highlights the recognition by traditionally adversarial groups that building relationships with key stakeholder groups is more effective than fighting. There is ample anecdotal evidence that private groups have joined with the government to create programs that help cooperating businesses take advantage of opportunities for new markets and gain access to new technologies and product ideas (e.g., Dutton, 1996; Ottman, 1996). Terms like "enviro-capitalists" (Anderson & Leal, 1997) and "market-based environmentalism" (Forbes, 1996) are used by those who argue that local, private initiatives can produce environmental solutions that are not only more creative but also more economical than government imposed mandates (Forbes, 1996).

According to Porter (1980), start-up costs are both tangible and intangible. Intangible costs create barriers to entry due to the difficulty of duplicating the favorable conditions represented by the costs within reasonable cost and time limits. One of the intangible costs applicable to small commercial property owners is firm image, and the environmental strategic alliance provides a vehicle which can enhance the reputation of the entrepreneurially-oriented small commercial property owner. In various state, county and industry programs, the U.S. Environmental Protection Agency has provided marketing and public relations support in the form of logos, stickers, and patches; government-sponsored ads in area newspapers and on TV and radio stations; and other marketing support to help partner companies garner public recognition for their efforts (Ottman, 1996). Indeed, promotion is an important function of environmental strategic alliances.

APPLICATION TO PROGRAM DESIGN

A successful program design should maximize opportunity recognition by enhancing the feasibility and desirability of the program. In the following section, suggestions are made for the development of a program that will both reduce regulatory burden and stimulate innovation. Table 2 provides a summary of the context-specific "4P" issues and the program elements that are recommended.

PRODUCT. The core needs of small commercial/industrial property owners include minimal exposure to liability, maximum competitive advantage, and enhanced company image. Limiting exposure to liability will be most successfully accomplished by clear prescriptive compliance procedures applicable to both preventive and remedial activities, for such a product will provide certainty of compliance to participants. As in the Environmental Leadership Program, participants may be allowed a limited period during which they may correct violations disclosed to the EPA and State DEC. Moreover, participants may be exempted from routine regulatory inspections at their facilities once acceptable self-inspection and third party oversight procedures are in place. Program benefits also may include a streamlined, consistent and expeditious permit application process.

The successful program would provide an important source of competitive advantage for participants through the opportunity afforded to help "shape industry structure" (Porter, 1980).

Early participants can be given the opportunity to work with regulatory agencies to set program standards, policies, methodologies, cost supports from government and other conditions of the program. In addition to providing the appealing possibilities of creativity and innovation, participants would be influencing development of a program with the greatest potential for yielding them a strong long-term position. Finally, an effective program should contribute to the development of an enhanced image and reputation for the environmentally responsible participant by including a vehicle for positive publicity. This matter will be discussed in more detail further on.

   PRICE. Both the monetary and non-monetary (such as time and effort) costs of the program will be of major concern to its early participants. The successful program may be expected to reduce a participant's operating costs by simplifying regulatory requirements, enabling the avoidance of bureaucratic effort and costly regulatory delays. In addition, program guidelines should promote ways for participants (and others) to use fewer dangerous materials, thereby limiting the need for future cleanup. (A certain amount of pollution control is simply a result of "good housekeeping", which will also serve to increase efficiency and save money.)

Table 2 Program Elements to Enhance Feasibility and Desirability	
4P Issues	Opportunity Recognition Ways to Enhance Feasibility and Desirability
Product issue: core needs	Provide clearly prescribed compliance procedures.
Minimize exposure to liability	Allow time to correct violations.
Competitive advantage	Exempt participants from routine regulatory agency inspection. Streamline permit application procedures.
Participant control	Include participants in program development.
Enhance company image	Provide marketing support and media exposure.
Price issue: costs	Simplify regulatory requirements.
Monetary costs	Minimize capital costs. Provide access to (better and cheaper) emerging technologies.
Cost of time and effort	Provide government subsidies. Provide training, administrative and technical support. Create sector-specific environmental assistance centers.
Place and promotion issue delivery system	Establish a separate, quasi-public agency for program development, administration, and promotion.
High participant control High status	Include representatives from government, industry, and environmental advocacy groups.
Promotion Issue	Publicize the program on a national level.
Program reputation	Publicize participating companies on a local level.
Firm reputation	Provide marketing support to participating companies

Program developers would be well advised to create and rely upon solutions that provide participants with access to better and cheaper emerging technologies for pollution prevention and environmental compliance. Expensive upgrades of existing technologies, requiring significant capital investments and adding to sunk costs, would generally be resisted by the small business entrepreneur. Government subsidies for early participants initially investing in necessary equipment may prove to be a valuable program catalyst.

Non-monetary costs include both the time necessary for program implementation and the time necessary for ongoing program procedures. Implementation time may be reduced by providing early on-site administrative and technical assistance and training. An effective program could establish centers offering sector-specific environmental assistance to participating businesses on an on-going basis. These centers could provide staff experts to answer questions on monitoring, reporting, dealing with vendors, and emerging technologies; and could generally educate property owners and their tenant operators regarding the many aspects of waste management.

PLACE AND PROMOTION: A voluntary environmental compliance program is, in essence, a service and its delivery system the service provider. The distributor by necessity will be the marketing agent for the program, and must therefore be responsible for its promotion. As effectively inseparable program aspects, they will be treated together.

The choice of delivery system for the program and the attendant methods of enhancing its public reputation as well as the status of participating firms represent critical success factors. The selected delivery system should promote participant control and confer prestige on participating property owners. Possible venues for distribution of a voluntary environmental compliance program could include regulatory agencies, third party oversight bodies, or a separate quasi-public agency established specifically for the purpose of working with early adopters. Of these, a separate agency established exclusively to develop, administer and promote a voluntary environmental compliance program is the most likely to confer the greatest strategic benefit as well as the greatest prestige to the program. In addition to representation from regulatory agencies, the agency's governing board should include small commercial/industrial property owners and environmental advocates.

By including representatives from each of these (often adversarial) groups, the agency would accomplish several objectives. First, it would increase the quality of decision-making by bringing all points of view to bear, thus providing more complete knowledge and information to the decision context. Second, it would increase cooperation among the various constituencies represented by increasing their understanding of differing points of view. Third, it would by providing the program participants with an active role in – and resulting sense of control over – the process by which they will be governed.

The agency would additionally provide an effective platform for reaching out to each of the stakeholder groups. The agency's effectiveness would be enhanced by its ability to facilitate interaction with the EPA and state DECs. The participation of representative parties actually

engaged in the program would provide credibility regarding costs and benefits with the larger community of potentially affected persons. The participation of an activist environmental group would assure that fundamental environmental concerns are being adequately addressed by the program. Finally, the status of the agency, its success, and the resulting status to be accorded its governing board would contribute to its ability to successfully publicize the program and the program participants.

CONCLUDING COMMENTS

Scholars, public officials and even environmentalists are questioning the effectiveness of traditional "command-and-control" regulatory approaches to improving environmental conditions (Reams, 1995). Dictation of standards and of procedures for their satisfaction by governmental "police" authorities no longer represents the sole acceptable approach. Many large companies are working with governmental agencies toward a more flexible system that sets the standards but lets the companies determine how best to comply with them (EPA, 1996).

In this paper, it is argued that a similar need exists for a flexible environmental compliance program specifically geared toward small commercial/industrial property owners. The entrepreneurially-oriented small commercial/industrial property owner is identified as the appropriate target market for early acceptance of an innovative voluntary environmental compliance program. Drawing on research from the fields of entrepreneurship, strategy, and marketing, an approach to the development of such a program is suggested.

Whether or not the program elements incorporated into the program design proposed herein are the most desirable can be debated. The objective of this paper is not to create the definitive model of a voluntary environmental compliance program; rather, it is to demonstrate the process by which such a model could be developed and, more generally, how a multidisciplinary approach can be useful for the development of environmental policy.

America has a long tradition of wealth creation through the production of goods and services without regard to the effects of production technology on the environment. For decades, however, the public has shown an increasing sensitivity to the protection of the ecosystem. The rising tide of concern about the environment has led to government intervention in the form of environmental regulations meant to repair damage caused by past transgressions and to prohibit future system debilitation. Unfortunately, the execution of these existing remedies has been seriously flawed. Federal, state and local governments, environmental advocates, and business leaders are all seeking ways to move industry "beyond compliance". This paper has attempted to demonstrate one way in which organizational research can help.

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THE ROLE OF ANTI-UNION EMPLOYEES
IN UNIONIZING CAMPAIGNS: A FIELD EXAMPLE

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ABSTRACT

The National Labor Relations Act, along with substantial academic and practitioner literature, addresses acceptable and prohibited management and union behaviors during a union organizing campaign. Anti-union employee activities have received little or no attention. We present evidence from a recent organizing attempt which points to such employee activities as potentially influential to certification election success or failure. Given documented union membership trends, industry and population shifts, and certain workforce changes, these activities may develop into a critical factor, hindering unions' attempts to expand.

INTRODUCTION

Section eight of the National Labor Relations Act addresses both acceptable and prohibited management and union behaviors. Not surprisingly, there has been a continual focus on these behaviors during the critical period between initial union organizing activity in a workplace and the union certification election. Academicians and practitioners alike have generated profuse literature on this topic, much of which centers on exactly what unions and management legally can and cannot do during an organizing campaign. To date, none of the literature addresses employees' independent activities during this period. We present evidence which points to such employee activities as potentially highly influential to certification election success or failure. Given declining union membership trends, industry and population shifts, and certain workforce changes, these activities may develop into a critical factor, hindering unions' attempts to expand.

UNION MEMBERSHIP TRENDS

The long-term decline in the U. S. workforce unionization percentage has been well-documented (e.g., Fiorito & Greer, 1982; Perkins, 1993). Although various structural shifts in the U. S. economy (e.g., fewer manufacturing jobs relative to those in the service sector; Deutsch, 1993) help explain such a decline, a major factor in this overall trend has been a declining rate of union success in certification elections. In 1950, unions were victorious in

74.5% of certification elections conducted by the National Labor Relations Board (NLRB); by 1975, this figure had fallen to less than 50% (Seeber & Cooke, 1983). Private-sector union membership declined from 22% to 12% of the U. S. non-agricultural work force between 1977 and 1991 (Perkins, 1993). Similarly, union membership as a percentage of the total workforce fell from 34% to 16% in the 25-year period from 1967 to 1992 (Berman, 1993).

Numerous studies have examined a wide variety of union certification election success predictors (e.g., Dickens, Wholey, & Robinson, 1987; Heneman & Sandver, 1983; Hirsch, 1980; Leigh, 1985; Peterson, Lee, & Finnegan, 1992; Seeber & Cooke, 1983). Of the variables included in these studies, two (management resistance and regionality) have received particular emphasis in union research.

MANAGEMENT RESISTANCE TO UNIONS

Although early research (Getman, Goldberg, & Herman, 1976) indicated that company anti-union campaigns had little effect on workers' certification election voting, numerous studies since then have established such resistance as an important determinant of election outcomes. Employers' direct efforts to avoid unionization, through legal or illegal means, significantly reduce the probability of union victory in certification elections (Cooke, 1985; Deutsch, 1993; Dickens, 1983; Lawler, 1984; Lawler & West, 1985; Peterson, Lee, & Finnegan, 1992; Seeber & Cooke, 1983). Myers (1992) suggested that small businesses can avoid the negative impact of unionization by training and educating supervisors in all aspects of employment relations, including hiring, promotions, discipline, raises, and terminations. An increasingly effective tactic, widely used by hospital management, involves using consultants to persuade employees not to support union activity (Imberman, 1993). While there is general agreement that management resistance is effective in countering union certification election success, regional effects on union victory are less clear.

REGIONALITY

Location, or regionality, is often mentioned as an influence on both unionizing probability and success. In truth, there has been considerable disagreement over these conclusions. This situation largely stems from conflicting views regarding the appropriateness of data set selection or the use of regionality proxy variables versus true regional measures. For example, Sandver (1982) took issue with what he viewed as other authors' overreliance on anecdotal evidence of South versus nonSouth differentials in certification election outcomes. He noted a further problem with using right-to-work (RTW) laws as a proxy for regionality -- only half the RTW states were southern states. Using selected southern and nonsouthern states, and controlling for industry mix and unit size, he found no regional differences in unionization probability or election outcomes. Becker and Delaney (1983) criticized Sandver's data set (NLRB certification election data) based on selection bias. Their research indicated a lower probability of southern companies having certification elections, but found no regional difference in election outcomes.

Although these issues remain unresolved, strong feelings persist that unionizing activity is more difficult in the South relative to other parts of the country (e.g., Sandver, 1982). Combining management resistance and regionality, Beadles (1993) found that southern companies resist unionization more aggressively than those in other areas. Taken with evidence (cited above) that management resistance negatively impacts union victory, we may begin seeing the "anecdotal" southern effect documented with more empirical evidence. Research will likely continue to focus on the South as both population and industry continue their southern migration.

ANTI-UNION EMPLOYEES' ROLES

"Employee participation" has become something of a buzzword. Used in both union and nonunion settings, participation is thought to increase employee satisfaction and productivity, at least under some circumstances (e.g., Miller & Monge, 1986; Vroom & Jago, 1988). As organizations strive to become more productive, maintain employee job satisfaction, and reduce turnover, participation is likely to become more important in retaining employee interest and involvement.

Union organizing movements may represent an arena ripe for employee involvement, but in a quite different way from helping a union gain support. Historically, the main actors in union organizing movements have been unions, pro-union employees, and management. The National Labor Relations Act outlines, to a great extent, what management and unions are permitted to do during a unionizing campaign. Furthermore, there has been prolific growth in practitioner literature concerning "do's and don'ts" for management developing tactical plans to combat efforts to unionize (e.g., American Organization of Nurse Executives, 1993). Surprisingly, however, there is a dearth of information regarding the rights of those individuals who oppose union representation. Anti-union employees have received little or no mention in National Labor Relations Board, academic, or practitioner literature. Management is hesitant to help such individuals for fear of unfair labor practice charges. Additionally, pro-union workers may see their anti-union coworkers as pawns of management. Uncertainty over their rights combined with peer pressure places severe stress on anti-union workers. The following field example illustrates anti-union employees' potential role in influencing unionization attempts.

FIELD EXAMPLE

A group of anti-union employees at a plant in the southern U. S. enlisted help from one of the authors during a recent union campaign. Our experience with this situation illustrates the potential importance of this type group, and suggests a participative role for them during attempts to unionize. Some months before the certification election, 60% of employees favored unionization. Among the remainder were some who had previous experience working in unionized plants and felt their unions had failed them in job and wage preservation. These employees were understandably very hesitant to again obligate themselves to union representation. Another contingent was so-called "traditional" southern non-union employees,

who had their beliefs about union representation disadvantages reinforced by their union-alienated coworkers.

The anti-union employees were uncertain as to what they could and could not do to voice their opinion during the campaign drive. A few of them became actively involved and decided to mount their own anti-union campaign.

After enlisting one of the authors' help as a consultant, they educated themselves about the proposed union. Through research, they learned that the union in question had three decertification elections being held during the same time period as the current certification election. Further, the union had averaged approximately a 2% raise for the last five years while the company involved had been averaging over 5%. Finally, some union staff members had been questioned about participation in contract fixing in the last five years. These facts, found by the anti-union employees in the *Wall Street Journal*, were taken to a local copy center, enlarged to poster size, and displayed in employee break areas where union propaganda was posted.

They also drafted a letter containing the following questions:

1. Can the union <u>guarantee</u> that it can negotiate higher wages?
2. What are the motives for individuals who want the union? Do they have a grievance or a grudge?
3. What are the union's regulations concerning its right to raise dues?
4. Where does the money for dues go? Who is accountable for the dues money?
5. How much are strike wages? When do they start? How long will strike wages last in a prolonged strike?
6. How much is the initiation fee?
7. Is the current raise the company has been giving any better or worse than the average for unionized counterparts? Will it even offset the union dues?
8. Is the union making accurate comparisons on their "fact" sheets? Can the facts be verified? Are the comparisons reasonable?
10. When does the union constitution allow for an escape clause? (Federal law requires at least once per year.)
11. How much experience do the pro-union employees have with a union?

These employees distributed copies of the letter to their peers at the plant entrance during shift changes.

This information gathering, analyzing, disseminating, and discussing resulted in a better-informed plant workforce who understood wage calculations, benefit assessment, and what the proposed union could and could not do for them. In the certification election, 67% voted against union representation. The anti-union employees had helped convince 27% of employees to change their minds and vote against union representation since the pre-certification poll. As this represents a single-case example, no causal link between these activities and the election outcome can be substantiated. This experience, however, indicates that the efficacy of such actions certainly warrants further investigation.

GUIDELINES FOR ANTI-UNION EMPLOYEES

This experience can provide guidelines for the types of information employees should be encouraged to explore. Employees should know that they have a right to request a copy of a proposed union's constitution to determine for themselves the terms of any potential agreement with that union. This is important since many do not realize that they are bound by law to this constitution if the proposed union is elected. Having a copy of the constitution also gives them a reference point to determine if the organizer may be overlooking any restrictions. When applicable, employees should also obtain a constitution copy from a local unit represented by the same union. These documents are matters of public record and should be available upon request. This will give employees a close approximation of actual wording and regulations they will be expected to follow. Most local constitutions are customized by region to reflect cultural needs and desires of other union employees in the regional local. In addition, employees need to find out the rules concerning when they can leave the union and when these opportunities will be made available to them. This information comes from the union constitution. Although federal law requires a minimum of one exit opportunity annually, the window of opportunity may be at an inopportune time.

In addition, employees should ask for the source(s) of the proposed union's wage comparisons. They also need to know the geographic location and skill level of comparison employees. (The proposed union in our example made wage comparisons between southern U. S. employees and British Columbia employees at similar jobs without any mention of cost of living differences.)

CONCLUSION

Continuing change in the U.S. workforce, population shifts, and growth in traditionally non-unionized sectors portend an uncertain future for union expansion. In areas of low union concentration but high growth, such as health care (nationally) and the South (generally), unions will likely redouble their organizing efforts. At the same time, management will almost certainly continue aggressive resistance, using consultants and other anti-union tactics. Our experience suggests anti-union employees as potentially powerful management allies. However, two cautions are in order. First, for any such _employee_ anti-union activities to prevail, there

must be no hint of control or domination by management. Additionally, such employee groups will only remain anti-union if the likely union conditions they discover through their research truly do not seem better than current conditions. Given these circumstances, an informed workforce can become management's best line of defense in a union campaign.

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SEARCHING FOR TRANSFORMATIONAL LEADERS:
AN INVESTIGATION OF FEMALE POLITICIANS'
LEADERSHIP STYLES

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ABSTRACT

This research investigates the leadership characteristics of 430 women legislators as well as the relationship between leadership style and extra effort, effectiveness, and satisfaction.   Overall, female politicians are more transformational than transactional in their leadership style.   This finding is compatible with previous transformational leadership research conducted in business.   Yet, contrary to previous studies, transformational political leaders in this study are dissatisfied with their leadership style.   This article speculates why this might be the case and calls for further research to help understand this contradiction.

INTRODUCTION

Vast changes in governmental structures and social upheavals over the past 100 years have been characterized by recognition of each individual's rights.   As a result, "the demands placed upon leaders . . . are much greater; old styles of giving orders and watching the troops fall in line no longer work.   Leaders who can truly lead become harder to find and to develop" (Clark & Clark, 1990, 15).

At the same time, American voters complain that legislatures, both federal and local, are marked more by partisanship and political gridlock than by progress on the problems facing society.   Polls reflect the public's dissatisfaction and the cry for real leadership.   The 104th Congress included a large number of freshmen, reflecting in part the voter's choice to change the status quo by not electing incumbents.

Americans seek leaders who will inspire and motivate them as well as get things done.   Americans want elected officials who are outstanding, rather than ordinary, leaders.   In the academic language of leadership, voters desire leaders who are not only transactional, but also transformational and agents of change.   Transformational political leaders transcend group politics and enable followers (constituents) to achieve more than they would have otherwise expected as a society.

Can women fulfill this call for transformational leadership in the political arena?   Evidence from recent leadership studies in business suggests that the answer may be yes.   In a meta-analysis of research on gender differences in leadership style, Eagly and Johnson (1990) found that women's leadership styles tend to be more democratic or participative and less autocratic or directive than men's styles.   Further, Korabik and Ayman (1987) found that femininity was significantly correlated with the use of an accommodative conflict resolution style, whereas masculinity was found to be significantly related to a competitive style of conflict resolution.   Finally, there is evidence that women politicians are seen by voters as change agents for addressing "years of scandals and inaction on domestic problems" (Burrell, 1994,   29).   However, are women

politicians employing the more effective transformational leadership style found in their business counterparts? The purpose of this study is to investigate the leadership characteristics of women in politics.

THE TRANSFORMATIONAL LEADERSHIP PARADIGM

Following the work of Downton (1973), Burns (1978) differentiated between the concepts of transactional and transformational leadership in his study of political leaders. Ordinary leadership is *transactional* in nature--leaders approach followers with an eye to *exchanging* one thing for another: jobs for votes, or subsidies for campaign contributions" (Burns, 1978, 4). In contrast, exceptional leadership is "the result of transforming leadership...a relationship of mutual stimulation and elevation" (Burns, 1978, 4).

Building on Burns' conceptualizations, Bass (1985; 1990) developed and refined (Bass & Avolio, 1988; 1990) a leadership model to study transactional and transformational leadership empirically. This model is comprised of three leadership style categories--transactional, transformational, and laissez-faire--with seven components.

Bass (1985) defines *transactional* leadership as behavior that: (a) recognizes what followers want to receive from their work, and attempts to see that they receive what they want if they perform to expectations; (b) exchanges rewards and promises of rewards for followers' efforts; and (c) is receptive to followers' immediate self-interests as long as they can be met by completing the assigned tasks. Transactional leadership is comprised of two components: contingent reward and management-by-exception.

When using contingent reward, the leader identifies the needs of the followers to see if those needs fit with the leader's expectations. Rewards are provided by the leader if followers have met agreed upon objectives. Management-by-exception can be active or passive. Leaders who arrange "to monitor errors and deviancies that need to be corrected" are viewed as actively using management-by-exception. On the other hand, leaders "who wait to be informed about errors and deviancies before taking action" are exercising passive management-by-exception (Bass, 1990, 324). Effective transactional leadership is positively associated with the expected effort of followers as well as a sense of effectiveness and satisfaction on the part of the leader.

The *transformational* leader encourages followers to achieve more than they planned. Transformational leadership: (a) increases followers' levels of awareness concerning the significance and merit of accomplishing specific outcomes and the techniques for achieving them; (b) engages followers to surpass their own self-interests for the good of the group, department, or organization; and (c) changes followers' need levels on Maslow's hierarchy or expands the needs and wants of followers. This "newer paradigm adds transformational leadership to previous transactional leadership models" (Bass & Avolio, 1990, 16), not replacing transactional leadership, but augmenting it with transformational factors to reach the goals of the organization and its members.

Transformational leadership involves the use of four transformational components: charisma, inspiration, intellectual stimulation, and individualized consideration. Charisma is found in the interaction between the leader's attributes and the values, needs, beliefs and perceptions of followers. Inspiration occurs when the leader voices shared goals and priorities as well as engages the followers' interest in the successful attainment of objectives. Intellectual stimulation encourages followers to think creatively, fostering problem solving and innovative reasoning. Individualized consideration occurs when the leader (a) delegates projects to followers to foster learning experiences, and (b) mentors followers individually.

Transformational leaders, according to previous research, report a higher satisfaction with their leadership style when compared to transactional leaders (Bass & Avolio, 1990).

Laissez-faire is the absence of leadership.   Generally, this type of "avoiding" leadership is without transactions or agreements between leaders and followers. This style of leadership is indicative of non-leadership and/or the lack of interventions between leader and subordinates.   Laissez-faire leaders make "no attempt to motivate followers or to recognize and satisfy their needs" (Bass & Avolio, 1990, 20).   Laissez-faire leadership is negatively correlated with extra effort, effectiveness, and satisfaction.

WOMEN AS TRANSFORMATIONAL LEADERS

Research shows that today's women business leaders exhibit transformational leadership qualities.   Astin and Leland (1992) conducted research on women in key leadership roles and concluded that, even though these women leaders came from varied backgrounds and experiences, they described how they led using similar themes.   For example, these leaders placed emphasis on motivating and influencing others rather than exerting position power; placed importance on listening to, and empowering followers; sought creative and group solutions to problems; and used friendships, informal networks and conferences to achieve results (Astin & Leland, 1992).

Rosener (1990; 1995) found, in a study of male and female business leaders, that men are more likely than women to describe themselves in ways that characterize transactional leadership.   That is, men view job performance as a series of transactions with subordinates--enhancing rewards for service rendered or punishment for inadequate performance.   The men are also more likely than their female counterparts to use power that comes from their organizational position and formal authority.   Women respondents, on the other hand, described themselves in ways that characterize transformational leadership--getting subordinates to transform their own self-interest into the interest of the group through concern for a broader goal.   Moreover, women "ascribe their power to personal characteristics like charisma, interpersonal skills, hard work, or personal contacts rather than to organizational stature" (Rosener, 1990, 120).

Both Bass and Burns felt that organizational change is an outcome of transformational leadership.   Thus, if change is to occur in the political arena, political leaders need to utilize transformational leadership behaviors.   The purpose of this research, then, is to explore whether women political leaders are transformational or transactional in their leadership style. In addition, this research looks at whether transformational leadership, when compared to transactional leadership, is more strongly associated with a perception by the leader of:

> a)   increased effort from those they lead;
> b)   increased effectiveness, and
> c)   increased satisfaction with their own leadership style.

As predicted by previous research, women who are transformational leaders, when compared with women who are transactional leaders, will feel that those they lead put forth increased   effort, believe their leadership to be more effective, and have increased satisfaction in their leadership abilities.

THE STUDY

This research explored the leadership characteristics of American women state legislators serving in 1993-94 using the behavioral descriptions associated with transactional, transformational, and laissez-faire leadership categories developed by Bass and Avolio (1990). In addition, we investigated whether the transformational leadership of these politicians was more highly correlated with extra effort, effectiveness, and satisfaction than the dimensions of transactional and laissez-faire leadership.

Copies of the Multifactor Leadership Questionnaire were mailed to all 1,517 American women legislators listed by the 1993 National Women's Political Caucus. We received 428 usable returns, resulting in a 28 percent response rate.

THE MULTIFACTOR LEADERSHIP QUESTIONNAIRE

The Multifactor Leadership Questionnaire (MLQ) (Bass, 1985; Bass & Avolio, 1990) was used to collect the leadership data because it is a well-established scale that has validity across business and industry. Self-rater forms were filled out by each leader in order to establish leadership style. The MLQ measures transactional, transformational, and laissez-faire leadership by using 78 Likert-scale items to indicate the frequency with which each respondent believed she displays a specific behavior (See Exhibit 1 for sample items). In addition, nine additional items on the MLQ measure outcome variables of extra effort, effectiveness, and satisfaction using a Likert-type scale.

Bass and Avolio (1990) reported internal consistency reliabilities for each scale of previous versions of the MLQ with Cronbach alphas that ranged from .77 to .95. Six-month test-retest reliabilities were computed for the MLQ using a sample of 193 followers rating 33 middle- to upper-level managers in a Fortune 500 firm and the results ranged from .52 to .82.

To determine how valid the MLQ is for measuring the leadership attributes of these politicians, a Cronbach's alpha reliability analysis was performed on all individual leadership variables in this study, resulting in a .79 alpha reliability coefficient.

EXHIBIT 1
SAMPLE ITEMS ON LEADERSHIP SCALE

Transformational

"I take a stand on difficult issues."
"I display a sense of power and confidence."
"I articulate a compelling vision of the future for those I lead."

Transactional

"I give those I lead what they want in exchange for their support."
"I spend my time looking to 'put out fires'."

> "I show that I am a firm believer in 'If it ain't broke, don't fix it'."
>
> Laissez-faire
>
> > "I resist expressing my views on important issues."
> > "I avoid making decisions."
> > "I delay responding to urgent questions."

THE ANALYSIS

Responses on the individual behavior questions were summed to determine overall scores on the three dimensions of leadership for each legislator. In this way, the respondents were categorized as transactional, transformational, or laissez-faire. The individual leadership profiles were aggregated to form a leadership profile of all participating legislators. Regression techniques were employed to determine the leadership style for the aggregate sample and to determine whether levels of extra effort, effectiveness, and satisfaction could be predicted by leadership style.

RESULTS AND DISCUSSION

Means and standard deviations for the three leadership categories and the seven leadership components are presented in Table 1. Table 2 provides illustrations of mean scores for individual women politicians. Correlations, means and standard deviations for the leadership categories and outcome variables are presented in Table 3.

As a whole, this group of American political women is more transformational than transactional in their leadership styles (Table 1). Overall, women politicians describe their leadership behaviors as transformational ($\_$ = 3.68), although they do possess some transactional qualities ($\_$ = 1.47). The laissez-faire leadership style was rarely demonstrated by the women in this study ($\_$ = 0.55). This finding supports previous research on the leadership styles of women in business (Astin & Leland, 1992; Rosener, 1990).

Also of interest was how the respondents' answers were aggregated into the individual components that comprise the three leadership styles, presented in Table 1 in descending order of influence. Notice that the first five characteristics are the components of transformational leadership. These are followed by the three components of transactional leadership. The lowest score in this organizational leadership profile is for laissez-faire component.

TABLE 1 LEADER FACTOR MEAN SCORES FOR AMERICAN WOMEN POLITICIANS (n = 428)		
Leadership Factors	Mean Score	Standard Deviation
Transformational Leadership	3.68	.44

Idealized Influence	3.36	.50
Inspirational Leadership	3.30	.52
Individualized Consideration	3.23	.60
Intellectual Stimulation	3.16	.53
Attributed Charisma	3.13	.46
Transactional Leadership	1.47	.49
Contingent Reward	2.36	.86
Management-By-Exception Active	1.29	.62
Management-By-Exception Passive	.77	.50
Laissez-faire	.55	.46

KEY: 0 = Not at all
           1 = Once in awhile
           2 = Sometimes
           3 = Fairly often
           4 = Frequently, if not always		

The leadership style of women legislators can be described as primarily one of idealized influence. That is, they felt they led by having a vision and sense of mission.   In addition, they frequently/fairly often used inspirational leadership techniques along with individualized consideration, intellectual stimulation, and charisma.   In comparison to the transformational component means and standard deviations, the contingent reward variable had a lower mean ($\_$ = 2.358) and a higher standard deviation (0.86) indicating wide variation in the use of this transactional leadership component across the sample.   In addition, these women used active management-by-exception only once in awhile ($\_$ = 1.293)   and rarely employed passive management-by-exception ($\_$ = 0.768).

Although the mean scores of this group indicate that these politicians predominately employ a transformational leadership style, individual scores were quite varied.   Table 2 displays three individual profiles showing the diversity among the group.   It is important to note that, although the entire sample projected a strong transformational profile, there were women in this sample who demonstrated predominately transactional or laissez-faire leadership styles.

TABLE 2 LEADER FACTOR MEAN SCORES OF INDIVIDUAL WOMEN POLITICIANS			
Variables	Leader 1	Leader 2	Leader 3
Transformational	4.00	1.16	2.88
Transactional	2.15	1.14	.77
Laissez-faire	.75	2.50	.75
Extra Effort	4.00	.00	1.67

Effectiveness	4.00	4.00	.00
Satisfaction	2.00	1.00	.50

PERCEPTIONS OF EXTRA EFFORT, EFFECTIVENESS, AND SATISFACTION

The women in this sample felt their leadership induced extra effort (_ = 3.10) in those they lead and that their leadership was effective (_ = 2.63). Yet, they were dissatisfied with their leadership styles (_ = 1.55), as shown in Table 3.

TABLE 3 CORRELATION OF LEADERSHIP WITH OUTCOMES OF EXTRA EFFORT, EFFECTIVENESS, AND SATISFACTION								
	TFSCOR	TASCOR	LF	EE	EFF	SAT	MEAN	s.d.
TFSCOR	1.00	.31****	-.33****	.75****	.31****	.03	3.68	.44
TASCOR		1.00	.30****	.34****	.14***	.07	1.47	.49
LF			1.00	-.14**	-.19****	.07	.59	.46
EE				1.00	.38****	.06	3.10	.89
EFF					1.00	.10*	2.63	.78
SAT						1.00	1.55	.93

KEY: TFSCOR   = Transformational Leadership   ****   P =   .000
            TASCOR = Transactional Leadership   ***   P =   .003
            LF   =   Laissez-faire Leadership   **   P =   .004
            EE   =   Extra Effort   *   P =   .05
            EFF   =   Effectiveness
            SAT   =   Satisfaction   (n = 428)

To see whether the outcome variables were significantly correlated with any of the three leadership styles, a multiple regression analysis was performed on this data. As illustrated in Table 4, all three leadership styles (transformational, transactional, and laissez-faire) are significant predictors of extra effort, with transformational leadership as the strongest predictor. Effectiveness was predicted only by laissez-faire leadership; however, this statistically significant predictor explains only two percent of the variance (R^2 = .02). Yet, when all three leadership variables were used as predictors for satisfaction, no statistically significant relationships were found. This is an interesting finding in that it is contradictory with previous transformational leadership studies (Bass & Avolio, 1990; Rosener, 1990; 1995). Previous research found that women who perceived their leadership as transformational are also satisfied with their leadership style. However, that is not the case for these women legislators.

TABLE 4 REGRESSION RESULTS

(n=428)			
Variables in the Leadership Equation Explaining Satisfaction No Variables Entered/removed for this block PIN = .05 Limits Reached			
Variables in the Leadership Equation Explaining Effectiveness			
Variables in Equation	*B*	*P Value*	*R^2*
Laissez-faire Leadership	.18	.02	.02
(Constant)	2.03	.00	
Variables not in Equation	Beta In	P Value	
Transformational Leadership	-.05	.38	
Transactional Leadership	.06	.27	
Variables in the Leadership Equation Explaining Extra Effort			
Variable	*B*	*P Value*	*R^2*
Transformational Leadership	1.51	.00	
Transactional Leadership	.14	.04	.58
Laissez-faire Leadership	.16	.03	
(Constant)	-2.76	.00	

There are four potential reasons for this contradictory finding. First, while women are not more likely than men to underrate their skills on measures related to effective leadership (Van Velsor, Taylor, & Leslie, 1993), they are less likely to value their success (Bass, Krusall, & Alexander, 1971; Rosen, Jerdee & Prestwich, 1975). Second, because committee assignments are not completely within the control of individual legislators (Dolan & Ford, 1995), women legislators may feel that they are used as token members on committees or are placed on unpopular committees (Burrell, 1994; McGlen & O'Connor, 1995). This may contribute to their sense of dissatisfaction with their leadership effectiveness.

Third, women traditionally run for office after having worked in other careers and developed their leadership styles in those careers. They may be having difficulty in transferring their leadership skills to the political arena and this may be causing their dissatisfaction. Finally, these political leaders' lack of satisfaction may reflect their awareness of the voting public's general dissatisfaction with the political process. Therefore, while constituents may support and admire their individual legislators, they are simultaneously critical of and unsupportive of the governmental officials in general.

SUMMARY AND IMPLICATIONS

This study provides a starting point for future research by assessing the leadership styles of women in politics and the outcomes that they perceive as resulting from those styles. Overall, this study found that women politicians in aggregate possess a higher degree of transformational leadership than transactional leadership qualities. In addition, transformational

leadership qualities are more strongly associated with perceived effectiveness and extra effort.   However, contrary to this study's proposition and previous research, transformational leadership qualities were not more strongly associated with increased satisfaction on the part of these leaders.

Potential dangers of women state legislators being dissatisfied with their leadership are that they may be more likely to:

allow themselves to accept the status quo instead of advocating change,

become disillusioned with the political environment,

not seek higher office, and/or

leave office or political service.

If this dissatisfaction is causing a loss of some of our best leaders, further research might help strengthen female political leaders.   Research should continue as to why transformational women politicians are dissatisfied with their leadership outcomes despite perceiving themselves as effective.   Interviews with women politicians may provide more insight into sources of dissatisfaction.

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Authors' Note

U.S. WORK TEAMS AND DEMOGRAPHIC FACTORS: AN EMPIRICAL EXPLORATION

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ABSTRACT

Scholars agree that while effective teamwork is important to organizations, this effectiveness is complicated by the diversity of the members involved. A survey was conducted of a large Mid-South firm to examine the relationship between specific demographic factors of team members and their perceptions of appropriate team size, their propensity to volunteer for groups, their feelings of group dependability, their comfort with group communication, their perceptions of work group effectiveness, and their personal work satisfaction through participation in work groups. Several mean responses to the variables differed according to demographic factors of gender, culture, classification (hourly vs. salaried) and size of work team. The statistical findings are discussed in light of literature on team effectiveness.

INTRODUCTION

Although it has been recognized that the workforce is becoming more diverse (Cox, Lobel, & McLeod, 1991; Fine, 1996; Jamieson & O'Mara, 1991) , empirical explorations of the effects of diversity in organizations are seemingly absent (Cox, et al., 1991), keeping knowledge about diversity in organizational life at a minimal level (Fine, 1996). While the workforce displays greater diversity, one of the leading strategies being increasingly used by U.S. corporations to gain a competitive advantage is the use of teams (Bergmann & DeMeuse, 1996; Dumaine, 1994; McCann & Buckner, 1994; Osterman, 1993). Up to 70 percent of U.S. companies are utilizing the team concept (Bergmann & DeMeuse, 1996). While the composition and perspectives of workforce members are evolving and mirroring the shifts in society (Jamieson & O'Mara, 1991), the dynamics of a diverse workforce are especially evident when put into work teams (Mills, 1984).

The coupling of the diverse workforce with the team concept makes it of utmost importance to consider demographic factors of these diverse workers who are expected to work effectively and efficiently in work teams throughout American organizations. Examining the perceptions of a diverse workforce with regard to use and effectiveness of work teams will allow a better understanding of differing perceptions of such things as appropriate team size, propensity to volunteer for groups, feelings of group dependability, comfort with group communication, perceptions of overall work group effectiveness, and personal work satisfaction through

participation in work groups. Only a few studies have previously examined the demographics of work team members as influencing perceptions of group effectiveness (e.g., Donnelly & Kezsbom, 1994; Frost, 1994); those who acknowledge that teams and effective teamwork are important to the studied organizations have concluded that effectiveness is complicated by the diversity of the members involved (Donnelly & Kezsbom, 1994).

THE U.S. WORK TEAM CONCEPT

Although "no great poem has ever been written by a team, few paradigm-shattering scientific theories are group products, and there are not many group-composed symphonic scores," (Hackman, 1990, xiii) work teams are found at all levels of U.S organizations. Many people believe teams are rooted in the American tradition and that a fundamental collectivism exists in everyone, starting with the family. Teams have been popular in the American sports tradition, and they are playing an increasingly important part in U.S. businesses. Along with the belief that people are predisposed to congregate in groups (Bettenhausen, 1991), Durkheim proposed the notion that people are essentially social creatures (Wren, 1994).

U.S. businesses started using work teams in the 1980s when companies such as the automotive industry began trying to combat the Japanese competitiveness (Dumaine, 1994) and to emulate their success in productivity. Several researchers cite cases in which American businesses have benefited from the use of formal teams (Dumaine, 1994, 1991; Hardaker & Ward, 1987; Schilder, 1992). Zajonc's study (1965) concluded that the presence of others increased arousal and enhanced the performance of simple, well-learned tasks while impairing the performance of complex, unmastered skills. Other researchers describe this phenomenon, social facilitation, as referring simply to what occurs when the presence of others results in improved individual performance of a task (Schnake, 1991). Along with this theory, several advantages to forming teams may be identified. For example, with more than one person working toward a common end, more information and experience are brought into the accomplishment of the goal. A group can allocate resources more effectively than can one individual (Manz & Sims, 1987), especially if the task is a large one. Hackman (1990) lists benefits associated with group work: more resources are available, a greater diversity of perspectives exists, and group members will stimulate one another. Another benefit of groups is that participation increases acceptance. Thus, by having more people involved in tasks, especially involving decision-making, more people are likely to accept a solution derived by a group than by an individual. In some circumstances, groups may be an advantage to a company because they are more willing to take risks than would an individual. Diverse individuals participating in the team will also contribute to team work by bringing in differing perspectives.

While heterogeneity of abilities and experiences positively affect group performance, the group size can be essential in accomplishing the goals. The group should be large enough to accomplish the work, but not too large as to cause a loss of coordination. Furthermore, if a group is too large, individuals may participate less (Levine & Moreland, 1990). A large group size may also facilitate the individualistic notion of anonymity and may foster social loafing.

Congruent with the Ringelmann effect, defined as the tendency for groups to become less effective as they increase in size (Forsyth, 1990), Wagner (1995) found support for the hypothesis that the size of the group would influence cooperation; small groups cooperated more than larger groups.

Groups should also be composed of people who are willing to work in groups. While an individualistic society fosters self-interests, the individual joining the work team should be willing to contribute to group goals. Accordingly, Jin's study (1993) found that morale and performance of voluntarily formed work teams was higher than assigned work teams. Thus, managers would be well advised to permit employees to volunteer for work groups in which they are interested or for those in which they feel they can make a meaningful contribution.

The group itself may set expectations for each member's contribution to the group goals, and perceptions of the dependability of group members may affect perceptions of personal work satisfaction as well as group effectiveness. An atmosphere of communication, not only inside the group but among different groups, must also exist to enhance coordination toward the organizational goals.

Although benefits of using work teams exist, when used in the U.S., work teams also have several problems. For example, Dumaine (1994) states that the main problem with teams is that they are often put into effect by themselves, when other organizational changes are most likely needed at the same time. Gordon (1994) adds several possible disadvantages of work groups, including personality conflicts obstructing productivity, lack of personal accountability, unclear roles or direction, too many meetings and too little action, compromises as solutions which are often mediocre answers to the problem, loss of sight of the big picture, and the confining of creative and independent individuals. Despite these acknowledged problems associated with teams, the fact remains that U.S. firms are coming to rely increasingly on them to compete effectively in a global economy.

PURPOSE AND PROCEDURES

The main purpose of this study is to determine from an exploratory empirical investigation the relationship between specific demographic factors of team members and their perceptions of appropriate team size, their propensity to volunteer for groups, their feelings of group dependability, their comfort with group communication, their perceptions of work group effectiveness, and their personal work satisfaction through participation in work groups.

To conduct this analysis, a survey instrument was designed and distributed to employees of a large manufacturing facility. Employees were asked to indicate on a five-point scale with five representing a positive perception (such as fully agree) and 1 representing a negative perception (such as fully disagree) their perception of various aspects of team use and effectiveness. Frequencies and percentages were calculated for demographic factors. Statistical analysis was run using SPSS, Version 6.1.2.

The Mid-South plant surveyed employs 1,634 and conducts business both domestically and internationally. About 33% of employees are female; 9% are classified as salaried, while

91% are hourly. Of the 1,634 employees, the largest number (69%) is African American; 30% are White U.S. Americans; the remaining 1% are of other cultural backgrounds. The targeted sample size of 550 represents 34% of the total employees. The number of usable responses was 246, representing about 15% of the total population. All included respondents indicated that they had resided in the U.S. for ten or more years.

Of the 238 respondents indicating their classification, 161 (68%) were hourly employees and 77 (32%) were salaried. Of the 239 indicating their gender, 90 (38%) were female and 147 (62%) were male. Table 1 shows additional demographic information regarding respondents' age, culture, and typical size of their work team.

Table 1 Demographic Information of Respondents		
Age	Frequency	Percentage
Under 25	14	5.9%
25 - 39	86	36.1%
40 - 54	112	47.1%
55 and above	26	10.9%
Total	238	100.0%
Culture		
African American	128	53.6%
White U.S. American	105	43.9%
Other	6	2.4%
Total	239	99.9%
Size of work teams		
fewer than 5	57	24.1%
5 - 9	114	48.2%
10 - 14	29	12.2%
15 - 19	9	3.8%
20 and above	28	11.8%
Total	237	100.1%

RESULTS

Mean responses to the questions related to the use and effectiveness of work teams were calculated and are shown in Table 2.

Before investigating the difference between mean responses according to demographic factors, an examination of the simple correlations between demographic variables and specific variables was conducted (Table 3).

Table 2 **Use and Effectiveness of Work Teams in the U.S.** Mean Responses	
Question	Mean*
Indicate the extent to which your personal work satisfaction has been affected through your participation in work teams.	4.24
Indicate how comfortable you feel in openly communicating with other groups.	4.24
In my experience with work groups, most members are usually dependable and accomplish their share of the work.	4.11
The size of the work team I am involved with is appropriate for the type of task that is being accomplished.	2.56
Indicate your overall perceptions of the effectiveness of work groups in this organization.	2.19
When participating in a work group, I usually volunteer (or feel honored to be selected) to be a part of the team.	1.38
Indicate how comfortable you feel in openly communicating with your group.	1.38
* Based on a five-point scale, with five representing a positive perception (i.e., Fully Agree) and one representing a negative perception (i.e., Fully Disagree)	

By examining the correlation matrix, an overview of the associations between variables is apparent. For instance, a significant correlation exists between respondents' gender and how comfortable they feel openly communicating within and with other groups. Furthermore, gender is significantly related to the extent to which personal work satisfaction has been affected through participation in work teams. Respondents' culture is significantly related to perceptions of other group members' dependability in the group as well as to overall perception of effectiveness

of work groups in the organization. Whether or not the respondent is hourly or salaried (classification) is related to several factors: perceptions of other group members' dependability in the group, comfort with openly communicating within and with other groups, overall perception of effectiveness of work groups, and the extent to which personal work satisfaction has been affected through participation in work teams. Typical size of the respondents' work team is also significantly related to factors including perceptions of other groups members' dependability in the group, overall perception of effectiveness of work groups, and the extent to which personal work satisfaction has been enhanced through participation in work teams.

	age	gender	culture	classftn	size	v1	v2	v3	v4	v5	v6
Table 3 **Intercorrelations of Examined Variables**											
age	1.00										
gender	.45	1.00									
culture	.00*	.93	1.00								
classftn	.157	.01*	.00*	1.00							
size	.00*	.22	.00*	.00*	1.00						
v1	.23	.49	.01*	.59	.60	1.00					
v2	.96	.59	.53	.43	.42	.00*	1.00				
v3	.13	.45	.00*	.01*	.00*	.00*	.00*	1.00			
v4	.48	.01*	.48	.01*	.73	.00*	.00*	.00*	1.00		
v5	.19	.89	.02*	.00*	.01*	.00*	.00*	.00*	.00*	1.00	
v6	.22	.04*	.22	.00*	.01*	.00*	.00*	.00*	.00*	.00*	1.00

* p<.05
v1 = perception of appropriately sized work team   *v4 = comfort level communicating within and with other groups*
v2 = usually volunteer for a team   *v5 = overall perception of group effectiveness*
v3 = team members are usually dependable   *v6= personal work satisfaction*

To further examine the associations that were demonstrated through correlations, simple ANOVAs were also conducted to examine the difference between mean responses to the variables according to the relevant demographic factors. Table 4 shows results of the ANOVA analyses.

As shown in Table 4, several mean responses to the variables differed according to demographic factors of gender, culture, classification (hourly vs. salaried) and size of work team. For instance, with regard to gender, males and females responded differently to how

comfortable they feel in openly communicating within and with other groups. Specifically, males indicated that they generally feel more comfortable (mean response of 8.30 on the combined 5-point scales) than females (mean response of 7.30). Perhaps this is due to the fact that the studied organization consists of more males than females, and those of the same gender often feel more comfortable communicating with each other (Tannen, 1990).

With regard to perceptions of other group members' dependability, culture and classification were significant factors in responses. Specifically, African American respondents and hourly employees indicated the belief that other group members are more dependable (mean of 3.93 and 3.79 on a 5-point scale) than did White U. S. American respondents (mean of 3.54) or salaried employees (mean of 3.42). These results are consistent with past research indicating that groups of people from collectivistic cultural traditions (such as African Americans) display more cooperative behavior than do those from individualistic cultural traditions (such as White U.S. Americans) (Cox, et al., 1991). Hence, perceptual differences about work groups, as seen here, may be partially explained by using cultural differences of individualism and collectivism. In fact, Wagner and Moch (1986) suggest that more research using the cultural difference variable of individualism/collectivism would definitely contribute to management models such as team building.

	Table 4 Demographic Factors and Work Team Perceptions ANOVA Results									
	Age		Gender		Culture		Classification		Size of Team	
	F	p-value	F	p-value	F	p-value	F	p-value	F	p-value
v1	.04	.99	.08	.78	1.92	.06	.00	.99	.63	.64
v2	1.20	.31	.66	.42	.40	.69	.18	.67	.48	.75
v3	.64	.59	.37	.54	3.21	.00*	6.14	.01*	1.62	.17
v4	.19	.90	15.11	.00*	.75	.45	6.81	.01*	.18	.95
v5	1.99	.12	.67	.41	1.76	.08	14.16	.00*	1.39	.24
v6	.17	.92	2.29	.13	1.54	.13	6.13	.01*	2.75	.03*

$p < .05$
v1 = perception of appropriately sized work team   *v4 = comfort level communicating within and with other groups*
v2 = usually volunteer for a team   *v5 = overall perception of group effectiveness*
v3 = team members are usually dependable   *v6 = personal work satisfaction*

Respondents' classification (hourly vs. salaried) played a role in perceptions of several factors related to use and effectiveness of work teams. Specifically, classification influenced responses to how comfortable respondents feel openly communicating within and with other groups, overall perception of effectiveness of work groups, and personal work satisfaction. In fact, salaried workers indicated greater comfort in communicating within and with other groups than did hourly employees (means of 8.32 and 7.64 on the combined 5-point scales of

communicating within groups and with other groups), whereas, hourly workers indicated higher overall perceptions of work group effectiveness (hourly mean: 3.76; salaried mean: 3.26 on a 5-point scale) and higher levels of personal work satisfaction (hourly mean: 3.82; salaried mean: 3.51). These differences may corroborate past findings where the most significant differences found in perceptions of teams were found between management and non-management people (Frost, 1994).

Size of the respondents' work team also played a role in responses to personal work satisfaction. Those respondents in work teams with 20 or more members indicated a greater personal work satisfaction (mean of 4.19 on a 5-point scale) than did those respondents who participate on teams with five to nine members (mean of 3.59). This finding is surprising in light of the fact that several researchers have identified the most optimal team size as consisting of five to eight members (Daft, 1994; Logan, 1993).

CONCLUSIONS AND RECOMMENDATIONS

Changes are occurring within organizations to adopt work teams, including new technologies designed for teams, management styles shifting to emphasis of the collective over the individual, and redesigning of jobs to take advantage of group benefits. However, these changes need to be made with an awareness of the diversity of the workers involved. Understanding the perceptions of a diverse workforce with regard to work teams will allow scholars and practitioners to better utilize the diverse workforce in a team environment and boost worker satisfaction as well as increase productivity.

Since training in group dynamics determines the success of work teams (Debs, 1991; Keller, 1992; McGarry, 1994), companies should sponsor programs to train employees to work cooperatively. Diversity training is a natural first step in this training process to encourage team participation. Case studies and role playing have been found to be useful in sensitizing employees to the values and work habits and preferences of people from other cultures (Schreider, 1996).

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SUPPORTIVE WORK ENVIRONMENT IN HIGHER EDUCATION: A GENDER AND POSITION ANALYSIS

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ABSTRACT

As the number of working women continues to increase in the American workplace, many organizations have implemented "family friendly" work policies.   Much of the research on the implementation and effects of these policies has focused on the corporate setting.   This study takes a different approach by looking at the needs and priorities for work and family in   higher education.   A gender and position analysis was conducted to determine the most critical needs and priorities in the academic setting.   The results reflect that female staff workers needed a more supportive work environment, i.e.,   one that   encompasses good communication feedback, greater autonomy in decision making, and a supervisor's sensitivity to family issues.

INTRODUCTION

America's work environment is in the midst of substantial changes, and so too are its workers.   With the average worker spending more than 40 hours a week on the job (Hochschild, 1997),   today's   employees seek new ways to balance their home and work responsibilities.   Job stress has increased as organizations continue to downsize, technology expands the amount of information for decision making, and team interaction is becoming the standard approach to work (Crouter and Manke, 1994).   The carry-over of job stress to family relationships is more evident in dual-earner households.   Based on these many reasons, it   has become increasingly important that the employee be viewed within the context of their family/community systems and their employment systems (Williams & MacDermid, 1994).

"Family friendly" is a term commonly applied to those employers who attempt to assist their employees in coping with the demands of both work and home.   Galinsky (1990) groups work family policies and programs in five categories: (1) time policies (2) leave policies (3) benefits   (4) dependent care policies, and (5)   educational and wellness services. Common family friendly assistance has often been limited to part-time work, family leaves, job sharing, and flextime (Raabe, 1996); however, employees no longer limit their needs to these kinds of concrete benefits.   In a broader sense, Ferber and O'Farrell (1991) viewed employer support as an "understanding environment" more than merely a host of program options. Solomon's (1994) interviews with corporate experts in work/family issues add credence to this concept of a supportive work environment. Solomon found   that both employers and employees felt that flexible arrangements coupled with an understanding supervisor make the biggest difference as people juggle work and home/life commitments.

While there are a handful of visionary and innovative corporate organizations with new programs addressing work/family issues, real systemic change is rare. Those companies that have adopted beneficial work characteristics, like autonomy and control over work schedules to improve work/family situation, are rare (Galinsky, Bond & Friedman, 1996). The norm still includes expectations that employees be at the workplace from 8 to 5 with little or no communication with or interference from home. Shellenbarger (1993) noted that only a few major corporate employers have adopted substantively new policies and programs, and an even smaller number are actually trying to change the deep-rooted American management culture that grew out of the predominantly white male workforce of the 1950s. The notion of a supportive work environment begins with the elimination of outdated management stereotypes and behaviors, which conform to the traditional view of work and family as distinct and separate spheres. While many organizations may offer resources and referrals for dependent care or flextime, few have looked deeper into management training to change negative stereotypes and behaviors toward employees experiencing work/family conflict. Employers who make the attempt to listen to their workers through the use of information-gathering tools have been found to be more responsive to helping employees balance their work/home responsibilities (Morgan & Milliken, 1992).

PURPOSE OF THE STUDY

Much of the research on work-family issues has involved corporate settings, but few studies have examined how these issues have been addressed by public higher education institutions. Whereas, corporations have made some advances, higher education institutions are slower to implement work family policies. Typical of most academic environments is a slow, detailed process to institute policy changes that begin with a thorough assessment of the potential costs to the institution given limited state-supported budgets. Nationwide, public colleges and universities are faced with declining budget support, increased public demands for more accountability, and increased competition for students. At the same time, many institutions are witnessing an increase in female faculty and administrators (American Council on Education, 1995), a growth in the married couples who desire faculty positions at the same institution, and an increase in the number of families with child care needs. Job stress, spousal accommodation policies, and rising childcare costs for workers are just a few work family issues that continue to be voiced in the academic community .

The purpose of this study was to examine work-family needs and priorities in a higher education setting and to determine the effects of gender and position in supportive work environments. While the work-family issues have been examined in the corporate setting, there has been minimal research on how these issues affect employees in public educational institutions. Yet, with the great number of workers employed in academia, it is important to examine the needs, priorities and issues in balancing work and family issues. By analyzing workers' needs and priorities in the academic setting, the general understanding of work and family relationships can be expanded.

LITERATURE REVIEW

Gender has long been recognized as a critical element in the study of work and family (Thompson & Walker, 1989). Although women involved in dual-earner marriages have begun to experience somewhat of a more egalitarian sharing of domestic responsibilities (Lindsay, 1997), even those who are employed outside the home continue to assume primary responsibilities for family life. Thus, working women tend to struggle more than men with balancing the responsibilities of work and family (Galinsky, Bond & Friedman, 1996). One of women's most pressing home responsibilities is childcare, even

though men are increasing   the amount of time spent with their   children (Daly, 1996).   In reality fathers have been shown to spend only an average of 5.5 hours a week with their children compared to 19.5 spent with mothers (Barnett & Baruch, 1987).   For men, time spent with the family has often been considered   to be a costly expense and the lack of available time to spend with families has been a situation beyond their control.   Some companies have begun to accommodate the needs of fathers by implementing changes like paid paternity leave (Walt, 1997), but for most fathers, these options do not exist.

The American population as a whole is finding balancing work and family more difficult today than in decades past. Juliet Schor, a Harvard economics professor, reports that 75% of married Americans have spouses who also work, that the average American is today working 163 more days a year than in 1970, and that 42% of those working have children under the age of eighteen (Hymowitz, 1997).   Family commitments now include elder-care as well as the more traditional child-care burdens (Frone & Yardley, 1996).   Others have suggested that unpaid work is divided systematically by gender (Thompson & Walker, 1989) and it is women who bear its greatest load.   Hochschild (1989, 1992) has described this situation as a "timebind," explaining that when women come home, they begin their "second shift" of work where men do not.   For example, Galinsky et al. (1996) reported in their study that only 11% of employed men were in charge of cooking compared to 83% of employed women.   This balancing act couples go through as they make work/family decisions illuminates the continuation of the traditional ways in which couples construct gender in their marriages (Zvonkovic, Greaves, Schmiege & Hall, 1996) with women often suffering greater negative effects from their heavier responsibilities.   In a survey of 2,958 wage and salaried workers (Galinsky, Bond & Friedman, 1996), 48% of mothers reported feeling tired in the morning and 30% of these same respondents often felt drained by their job, as compared to only 23% of fathers who felt tired in the morning and 35% of them who reported feeling drained.

The effect of job stress among dual-income couples transitions to the home setting.   With two jobs in a household,   job stress is likely to transition into at-home conversations and job stress may vary by gender and job position.   For example, Crouter and Manke's (1994) study found that blue collar women involved in innovative, team-participative work experienced work family conflicts due to the level of commitment and involvement to the job that runs counter to traditional definitions of women's roles.   Additionally, their job stress increased because their work provided more of a challenge, skill development, and satisfaction that their husbands' work was not providing.

Gender may also play a critical role in the context of supportive work environment as men and women tend to differ on their beliefs about who should be included in their personal informal and formal support networks and what role these networks play (Googins, 1991).   While men identified   their spouses as the most valuable member of   an informal network, women instead   relied on a broader field of support, including their spouses, women friends, and family members. Overall, when married employees assess their satisfaction with the family/work balance, men are found to be significantly happier with their circumstances than are women (Ezra & Deckman, 1996).

Research has also found social class (defined by income and job position)   to be a moderating variable in division of labor (Nichols, Wanamaker & Deringer, 1995; Perry-Jenkins & Folk, 1994).   Prior studies have found evidence that social class may moderate associations such as division of labor, perceptions of equity, and marital relationships (Ferree, 1987, 1990; Komarovsky, 1962).   A qualitative study by Hochschild and Machung (1989) revealed that expectations regarding men's level of involvement in housework and what is perceived as equitable vary by social class as well as by gender.   Perry-Jenkins and Folk (1994) found social class to moderate the linkages between the division of feminine household tasks, perceptions of equity, and assessments of the marital relationship.   Specifically, wives' class level was the most influential variable in

determining division of household tasks; working-class wives did significantly more household work than did middle-class wives.   Shellenbarger (1992) found that most available work/family policies primarily benefited professional workers, while the blue-collar employee is mostly   untouched by this trend.   Ironically,   while studies have supported the fact that the working class (especially women) report significantly greater needs (Nichols, Wanamaker, Deringer, 1995), jobs are often structured so that this group of workers has the least flexibility to access the resources (e.g. workshops, counseling, fitness programs, etc.) that could help them balance their home/work obligations.   As others have pointed out, the spillover between work and family is particularly crucial for lower-income,   female employees because problems of integrating work and family lives still fall more heavily on women than on men (Bromet, Dew & Parkinson, 1990; Dalton & Mesch, 1990).   There is some suggestion that work roles which reduce job stress for middle-income families may indeed do just the opposite for employees in lower-income families (Weigel , Berger, Cook, & DelCampo, 1995).

Coupled together, gender and position appear to be powerful variables to consider when analyzing work/family needs and priorities (Nichols, Wanamaker & Deringer, 1995).   While family-friendly policies have obvious benefits for employees, a family-friendly work environment can also lead to employer benefits.   For example, employers may witness reductions in turnover and absenteeism (Ezra & Deckman, 1996) and an improvement in employees' attitudes and performance   (Galinsky, Bond & Friedman, 1996).

METHODOLOGY

The target population was all full-time, on-campus employees of   a medium-sized, state-supported university. This study focused on   1,942 individuals who held faculty or staff positions.   The entire population was surveyed, and a return rate of 62% resulted (n=1,198).   Because 59 respondents did not identify their gender, these responses were dropped from the analysis and the demographic information was compiled on 1,139 subjects included in the study.   The sample consisted of slightly more males (51%) than females (49%).   Nearly two-thirds of the sample were staff, while one-third were faculty; however, only 12% of female respondents were faculty, while 26% of male respondents were faculty.   A slightly higher percentage of staff respondents were female (38%) than were male (23%).   The majority of respondents were between the ages of 36-45 followed by employees in the 46-55 age group and workers 26-35 years of age.   In general, female respondents were slightly younger than male respondents.

As might be expected with a university population, the educational level was high with the largest overall percentage holding a doctorate degree.   By gender, however, men held higher levels of education than women.   For example, 24% of men but only 7% of women held doctoral degrees.   This was followed by bachelor's and master's degrees.   Three-fourths of the respondents reported being married followed by single (11%) or divorced (9%).   Six percent of the sample was childless, while the remainder had children.   The majority of respondents had personal income levels ranging from $15,000 to $30,000 per year, with men more likely to have higher personal levels of income than women.   This was especially true for income levels of $45,000 and above.   Type of position was assessed as "faculty," "staff," or "other/exempt."   Using Collins' (1988) definitions, working class (staff) was defined as "order takers" and middle class (faculty and exempt) as "order givers."   Job autonomy and control were the focus in differentiating these two groups.

A researcher-designed questionnaire included questions in three formats: a predetermined assessment list of work/family needs, an open-ended question on most pressing work/family needs, and work/family priorities.   For both the needs assessment and priorities sections, questions were divided into ten broad areas including supportive work environment,

fitness and recreation, medical information, financial/employment, counseling services, stress management services, community or campus activities, parenting information, housing/home services, and dependent care services.

The first section of the questionnaire consisted of sixty items that assessed a wide range of work/family needs. The items included were generated from previous literature and grouped into the ten broad areas listed above. Responses for each item were given on a three-point scale with 0 representing "not a need," 1 an "anticipated need," and 2 a "current need." The second section allowed respondents to address their most pressing work/family needs in their own voice. This open-ended item asked, "What are the three most pressing needs facing you as a university employee as you try to juggle the responsibilities of your personal life with those of your job?" The third section asked to what extent the respondent felt these were issues the university should address. Respondents used the same ten broad areas listed above but were also given the opportunity to write in other needs. Ratings were provided on a Likert scale including "no priority," low priority," "medium priority," and "high priority."

Data were collected using a mail survey. Dillman's (1978) procedures were utilized for both the instrument development and mail procedures. Survey questionnaires, cover letter, and return envelopes were distributed through intra-university mail. A postcard reminder was sent one week later. At the end of two weeks, a second letter and replacement questionnaire were sent to all non-respondents. Two weeks later a final mailing was made, complete with questionnaire, cover letter, and return envelope. The final response rate was 62%.

Validity was established from these sections using both literature and a panel of experts. The instrument was pilot tested to university employees at a nearby land grant university. Based upon feedback, changes were made to the survey instrument. For the needs assessment section, ten scales were computed, and Cronbach's reliability was calculated for each using the study sample. Reliability coefficients ranged from .77 to .92.

Data were analyzed using frequencies, means, factor analysis, and multivariate analysis of variance (MANOVA). In determining the needs of university employees, means were computed for each individual needs assessment item, and, in addition, standardized scales were created for each of the ten categories. Work/family priorities were analyzed by computing frequencies and mean responses on the ten work/family areas. From these findings, further analysis was deemed necessary on the supportive work environment items. A factor analysis was conducted on the eight supportive work environment needs items. This factor analysis was coupled with a qualitative assessment of several open-ended questions. Finally, supportive work environment was analyzed from the standpoint of gender and position using a MANOVA.

RESULTS

Work/Family Needs and Priorities

Table 1 presents the mean scale scores for ten work/family areas for the total sample. The greatest need was found in the area of medical information (m=.98) followed by supportive work environment (m=.89), fitness/recreation (m=.85), and financial management and employment assistance (m=.71). The lowest need was found in the areas of housing/home services (m=.21), counseling services (m=.27), parenting information (m=.35), and dependent care services (m=.35).

TABLE 1:
BALANCING WORK AND FAMILY: NEEDS AND PRIORITIES

	Needs Assessment[1]		Priorities[2]	
(n=1198)				
Work/Family Issues	Mean(m)	SD	Mean (m)	SD
Medical Information Services	.98	.69	1.99	.88
Supportive Work Environment	.89	.64	2.57	.78
Fitness/Recreation	.85	.73	1.87	.90
Financial Management & Employment	.71	.61	1.72	.89
Stress Management Services	.65	.72	1.82	.92
Community/Campus Activities	.46	.52	1.41	.84
Dependent Care Services	.35	.56	1.82	1.00
Parent Information	.35	.62	1.36	.91
Counseling Services	.27	.48	1.82	.91
Housing/Home Services	.21	.39	1.35	.92

Note: [1]Needs Scale Range: 0=not a need; 1=anticipated need; 2=current need.

[2]Priorities Scale Range: 0=not a priority; 1=low priority; 2=medium priority; 3=high priority.

Slight differences were found when respondents were asked what issues the university should be addressing to help employees balance their work and family lives.   Supportive work environment was the highest priority (m= 2.57), with stress management (m=1.82), dependent care services (m=1.82), and counseling services (m=1.82) closely following (see Table 2). The lowest priorities were housing/home services, parenting information, and community/campus activities.

Supportive Work Environment

Supportive work environment surfaced as the highest priority that the university should be addressing.   Overall, 71% of respondents reported it as a high priority, 19% as a medium priority, 5% as a low priority, and 5% as not a priority. The researchers desired to know more about what respondents were saying when they rated their needs and priorities high on supportive work environment.   Therefore, further analysis of this area was deemed necessary.

The needs assessment category of supportive work environment consisted of eight items.   Table 2 presents the mean responses for each of the eight assessment items.   Overwhelmingly communication and feedback on the job were rated as the greatest need (m=1.30).   The opportunity for decision-making and a supervisor's sensitivity to family issues followed with means of 1.08 and 1.03 respectively.   Juggling family emergencies and work, flextime, and family leave received mid-range ratings.   The lowest perceived work environment needs were leave without pay and job sharing.

TABLE 2		
MEANS FOR SUPPORTIVE WORK ENVIRONMENT NEEDS		
Supportive Work Environment Need	Mean	SD
Communication/feedback on the job	1.30	.89
Opportunity for decision-making regarding work	1.08	.91
Supervisor sensitivity to family issues	1.03	.92
Juggling family emergencies and work	.97	.89
Flex time	.97	.89
Family leave policy	.80	.84
Leave without pay	.56	.74

Job sharing	.52	.76
Note: Scale range 0=no need; 1=anticipated need; 2=current need; Overall scale mean .89		

To further analyze these eight assessment needs, a factor analysis was computed. Two factors emerged, accounting for 69% of the variance (See Table 3). The first factor included work context factors dealing with interpersonal relationships and job autonomy. The three items with the highest loadings in Factor 1 address interpersonal aspects of supervisor sensitivity, communication/feedback, and shared decision making. The remaining two items more directly related to work autonomy and control in managing family emergencies and flextime. The second factor consisting of work structural policies accounted for the remaining 14% of the variance. Two items with highest loading were job sharing and leave with pay (See Table 3). Here again, the data supports the greater necessity for workplace attitudinal changes rather than the more often seen structural (i.e., work policies) ones.

TABLE 3		
FACTOR LOADINGS FOR SUPPORT WORK ENVIRONMENT NEEDS		
Item	Relations/Control	Structural
Supervisor sensitivity	**.82**	.22
Communication/feedback on the job	**.81**	.08
Juggling family emergencies and work	**.77**	.32
Opportunity for decision-making regarding work	**.76**	.25
Flex time	**.66**	.42
Job sharing	.18	**.85**
Leave without pay	.17	**.82**
Family leave policy	.44	**.67**
Note: Factor 1 accounted for 55% of the variance; Factor 2 accounted for 14% of the variance.		

Analysis by Gender and Position

Previous research has indicated differences in balancing work and family by several variables including gender and position (the nature or type of work). To test for the potential effects of these variables on supportive work environment, the sample was divided into four groups to analyze priorities: female staff, female faculty, male staff, and male faculty. Using these four groups, further analyses were computed to give additional interpretation to the data.

Table 1 indicates that **s**upportive work environment was the highest priority for all four groups. Upon further examination, female faculty rated this priority highest with a mean of 2.75 followed closely by female staff (m=2.69). Men, although identifying supportive work environment as their highest priority, reported slightly lower means with male staff reporting a mean of 2.49 and male faculty with the lowest mean of 2.44.

To analyze difference by gender and position on these two needs scales, a MANOVA was computed. The highest order effect, that is the interaction of gender and position was found to be significant $F(2,992)=3.37$, $p<.05$. Because the main effect of gender by position was significant, separate univariate F tests were computed to help determine which variables contributed to the overall differences. Results indicated that the effect of gender and position was significant for relations/control needs $F(2,992)=6.70$, $p<.05$, but not for structural needs $F(2,992)=2.86$, $p=.09$. Female faculty reported a greater need than did male faculty. But, among all workers female staff report a stronger need for relations/control, a supportive work dimension, than did the other three categories of workers—female faculty, male faculty, and male staff.

DISCUSSION

The issue of organizational culture, specifically a supportive work environment and medical information, surfaced as both needs and priorities for university employees to balance work and family. Medical information is a logical necessity for any individual or family due to the life-long requirement for the service and the increasingly high costs of health care. Employers can discover from the responses of the university workers in this study that the existence of a health care plan is considered important to employees as they attempt to balance their work and family lives. Also, the nature of the available services (e.g., health benefit choices, leave sharing, illness prevention) can empower employees to more successfully balance these conflicting responsibilities. Unfortunately, despite this knowledge, medical coverage is a costly benefit for employers purchased within the parameters determined by a company's financial resources, sometimes providing universities with a limited opportunity to make changes that could benefit workers.

In this study, however, a supportive work environment was identified as the number one priority to be addressed by the university with ninety percent of respondents considering it important enough to list it as a high or medium priority. The fact that supportive work environment surfaced as both a need and high priority was intriguing to the researchers. "Having support from my supervisor," "better communication," and "good work support and atmosphere" were all chosen as important to workers. In contrast to the costly nature of medical coverage and other structural family policies, work context factors appear to have a greater potential to bring about a more family-friendly environment at a very low cost requiring attitudinal changes in the workplace rather than an outlay of funds. Developing this kind of work environment was characterized by a strong need for better communication and feedback, a chance to make decisions, and a work environment where supervisors demonstrate sensitivity to family issues.

A great deal of focus has often been centered by employers on the difficulties and costs associated with job sharing, family leaves, and flextime. In this study, however, respondents indicated that these work structural characteristics (policies) were much less important than attitudinal changes in supervisory staff and a more receptive organizational climate. Training supervisory personnel about how better to communicate with workers on both job and home issues is clearly indicated. These responses also reflect a call for more job flexibility and decision making on the job. When the data was analyzed so that gender and position were isolated as variables, it soon became clear that supportive work environment is a priority for both men and women regardless of position. It appears that for women staffers, the most pressing work/family needs are supervisor sensitivity to family issues, communication, feedback, and opportunities for decision-making. Structural work/family requirements such as job sharing and leave without pay were less likely to be influenced by the combinations of gender and position, but were found to be more of a need for all women.

From the analysis of qualitative data on supportive work environment, clear differences between faculty and staff emerged. Communication/feedback on the job, opportunities for decision making, and need for flextime were issues which surfaced more clearly among staff. However, supervisor sensitivity emerged as a salient issue among both faculty and staff. Comments included reference to a lack of understanding on the part of supervisors regarding life beyond work. Others indicated that there was "not enough emphasis on importance of allowing time for family." Employees, both staff and faculty, indicated a lack of support for those individuals trying to find a balance between work and home. Recent news articles and interviews with business executives have emphasized this point. In a NPR interview (1997), Randall Tobias, CEO of Eli Lilly emphasized that the most difficult aspect of implementing work-family programs is the challenge of

organizational culture. Among managers, long held behaviors about the way businesses are run are difficult to change even if policies are in place. Attitudes and acceptance of work-family programs must be viewed as an effective means of recruiting and retaining productive employees.

SUMMARY/CONCLUSIONS

The gender research in the corporate setting certainly can apply to women in academic settings although the work environments and organizational cultures do differ. For females, attaining a faculty or administrative position in higher education is just as difficult and stressful as climbing the corporate ladder and facing the glass-ceiling. The workplace is changing, however, and today's college campuses are witnessing a rapid growth in the number of female faculty and academic administrators. The American Council on Education (1995) reports that women account for 16% of the executive positions in higher education, and that the number of female faculty has doubled since 1975 (ACE, 1995). Females also dominate the clerical and secretarial staff, and while job stress in these occupations comes in different forms, it is the lack of a supportive work environment that is common need and priority for both female staff and faculty.

Unlike the corporate world, public education has been slower to implement family friendly policies that assist workers. Low salaries and medical benefits were cited as needs by the majority of the workforce, but it was the supportive work dimensions that also emerged as a critical need and priority . Communication and feeling that supervisors are understanding about work/family conflicts were reported by both men and women as pivotal to developing a family-friendly work environment, while the supportive work policies such as family leave policy, leave without pay, and job sharing were seen as of considerably lesser importance. It is likely that since these policies are in place, increased effort must now focus on the implementation of the policies by caring and sensitive supervisors and an organizational culture that views these policies as necessary for recruitment and retention of workers. These attitudinal changes may be more difficult and slower to change than the policies that drive them.

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MEETING THE TRAINING NEEDS OF MANAGERS IN A GLOBAL ECONOMY: AN EXPLORATORY STUDY

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ABSTRACT

This study examines upper management level training practices for one specific industry with companies operating multinationally. Implementing company strategies was the top goal of training with experience based strategies being the most utilized. There is a noticeable lack of intercultural awareness training, preparation for international assignment, and ethics and social responsibility. There also appears to be a heavy cost to the companies from failed expatriate assignments. In response to the high cost of failures, some companies have created a small cadres of expatriates who have been successful in one sojourn and made them permanent citizens of the world moving them from one country to another. Other companies are simply hiring in-country nationals to fill their management needs. However, if this study of one multinational industry is an indication of common practice, a reprioritization of training practices could reduce the cost of failure, meet the company's strategic goals, and create a more multinational culture. Implications of the training priorities are explored with emerging trends noted.

INTRODUCTION

Today's businesses, regardless of size, are increasingly operating in a global economy. Are training and preparation reflecting that reality? Failure of performance of expatriates is common. Today some multinationals recognize that there is an opportunity to derive tangible benefits from cultural differences by using diversity strategically. This suggests that certain types of preparation for global management would be desirable. (See especially Chapter 3 in Hoecklin, 1994.) How is the preparation for upper level management for global assignments being met? What is being done to improve the success rate of expatriates and to use diversity strategically?

In 1988, an estimated 60,000 American nationals were working overseas as expatriate managers (Volard, Francis, & Wagner, 1988). A 1987 McKinsey & Company report showed that America's most profitable mid-size companies increased their overseas production at an annual rate of 20% between 1981 and 1986 (Reich, 1990). But disturbing results were emerging. A 1986 survey of 80 U.S. corporations reported from 10 % to 40 % recall of personnel assigned overseas due to failure of performance (Murray & Murray, 1986). The cost of each recall is in the $50,000 to $150,000 range (Black & Mendenhall, 1990) or as high as a

million dollars per person (Shumsky, 1992). The failure rates for London 18%, Brussels 27%, Tokyo 36%, and Saudi Arabia 68% have been attributed to cultural differences (Caudron, 1991). Yet, less than 30% of multinational companies were providing any special preparation to managers for adapting their management style to different cultural norms (Schwind, 1985; Tung, 1981). When Haslberger and Stroh (1992) surveyed 24 multinational publicly held corporations, 54% of the companies did not have a program to develop potential expatriates. Moreover, half did not assess a person's suitability for the expatriate assignment as part of the hiring process. This is not an uncommon occurrence (Saari, Johnson, McLaughlin, & Zimmerle, 1988).

Yet strong forces are at work calling for managers who are able to be effective in diverse groups with potentially different cultural norms. Some of the pressures are: increased involvement of American companies in international trade; the growth in foreign buy-outs of American companies; the unleashing of joint ventures and alliances between different companies and countries (Enderwick & Barber, 1992; Torrington & Holden, 1992); the opening up of new markets in the Eastern Bloc; the challenge in the European community to become one unified trading force; countries and companies wanting to get inside trade areas as quickly as possible to be local; NAFTA; and the increasing push within organizations all over the world for learning how to manage diversity. Furthermore, there is increased recognition of the importance of intercultural training for managers (Adler, 1983; Earley, 1987; Simons, Vazquez, & Harris, 1993). There is also an increasing emphasis in the 90's for the global manager (Bartlett & Ghoshal, 1992; Dumaine, 1995; Howard, 1992; Rhinesmith, 1992), the international manager (Hofstede, 1993; Rothwell, 1992) and the transnational manager, defined by Henry Wendt (1993) as those "regarding the entire globe as a single theater of operation." The work forces of countries will become increasingly diversified as the European trade model develops requiring strategic planning (Boyett & Conn, 1991; Jackson & Associates, 1992; Loden & Rosener, 1991).

These force changes in the way American companies are undertaking the development of upper management. Increasingly, top executives are becoming directly involved in the development of management talent (Bares & Banks, 1985). Further, management development is increasingly being seen as a strategy to improve organizational effectiveness and competitiveness (Bolt, 1985, 1987; Hoecklin, 1994).

At the upper levels of management, training or staff development courses have traditionally been broadened to include strategic planning, decision making, public policy and government relations, and ethics and social responsibility (Eurich, 1985; Saari et al., 1988). Increasingly, there is demand for courses in leadership, communication skills, culture building and organization development, managing human performance, implementation of business strategies specific to the organization, productivity improvement, new information technology, financial management, and worldwide business issues including "thinking globally and acting locally" (Bares & Banks, 1985; Bolt, 1987; Das, 1993; Howard, 1992; Saari et al., 1988).

Programs which are custom designed and/or developed under the direction of the company's own internal human resource staff are reported to represent the fastest growing segment of management training (Bares & Banks, 1985; Bolt, 1987; Saari et al., 1988). Such

in-house executive development programs are being consciously designed to assist senior executives in implementing corporate strategies (Bolt, 1987; Fresina, 1988; Keys & Wolfe, 1988), and they are increasingly experience-based (McCauley, 1986; Zetlin, 1993). While the original purpose for in-house learning was to meet the corporate needs not being met by proprietary schools (Nash & Hawthorne, 1987), companies now realize that in-house management development programs have a culture building effect which may be even more important than the cognitive effect (Bolt, 1987; Cohn, 1988; Saari et al., 1988).

Research documents the need for successful managers to possess many categories of skills and abilities. The cost of failed expatriate assignments is clearly indicating the need for additional preparation. What, then, are the appropriate competencies and how should those competencies be developed for success in a multicultural environment? A recent survey of British and Irish multinational companies suggest language training is vital (Scullion, 1992). Further requisites are professional and managerial skills; personal and social skills; cross-cultural multidimensional, cultural adaptability, cultural sensitivity, and international skills; and spouse and family qualities (Adler, 1983; Howard, 1992; Rothwell, 1992). These competencies become additive to those skills identified as important for effective management within the U.S.A. This makes cross-cultural management a highly complex function.

In spite of evidence that cultural differences do affect the manager's job (Tung, 1981), there is evidence of a definite lack of intercultural training being provided for managers in America (Schwind, 1985). Schwind reported only 2% of the companies surveyed conducted courses beyond language training for expatriate managers.

While cross-industry studies have documented these trends, there is not a current comprehensive examination to date which shows how any one industry is dealing with the issue of multicultural training for expatriates. This research study was undertaken to identify the extent of these trends in upper management development programs in one specific industrial sector of 150 of the companies who manufacture and/or distribute heavy-duty machinery, parts, and equipment. The companies employed 1,000 or more employees, had sales of $1 million or more, and have subsidiaries in other countries. Such a focused study should allow us to see if the generalized findings existent to date from sampling across industries (Fresina, 1988; Saari et al., 1988) are relevant. In addition, allowing us to explore the implications for companies operating in the interface between global and regional dynamics in this rapidly changing world.

METHODOLOGY

This study of practices of large multinational manufacturers surveyed 27 manufacturers and/or distributors of heavy-duty parts and equipment located in the USA in the early 1990s. The companies represented Standard Industrial Classification (SIC) codes 3711, 3713, 3714, 3715, 3531, 3532. Only those companies within these SIC Codes which employed 1,000 or more and had annual gross sales of $1 million or more were considered a part of the population. Twenty-six of the companies queried were multinational representing locations on every

continent. Following the written survey, 13 of the multinational companies were personally interviewed by telephone.

The study examined the role of the top management, the goal of human resource development, strategies for development, and the extent of preparation for global/multicultural management.

FINDINGS

Companies were asked to rank their goals for developing upper managers (with the number one indicating the most important). *Implementing company strategies* had a mean rank of 2.28 (Table 1). The second ranked goal was *organizational development* with a mean response of 2.95. *Improving management skills* and *individual development* are ranked third and fourth with *succession planning* being fifth.

Table 1
Company Goals for Developing Upper Level Managers
Measured by Ranked Responses Per Category

Company goals	Mean	Median	Mode	Standard Deviation
Implementing company strategies	2.28	2.00	2.00	1.53
Organizational development	2.95	3.00	3.00	1.96
Improving management skills	3.12	3.00	4.00	1.71
Individual development	3.32	3.00	1.00	1.86
Succession planning	3.48	3.00	1.00	2.39
Building corporate culture	4.67	5.00	5.00	1.94
Broadening personal perspectives to global issues	5.58	5.50	9.00	2.64
Communicating company information	5.64	5.00	5.00	1.95
Providing company overview	5.90	6.00	5.00	1.52

Note.   Ordered from highest to lowest mean ranking.

1 = most important; 9 = least important.

(When asked whether the respondents expected the strategic importance of management training to increase or decrease, 24 of the 27 companies indicated that there would be an increase in strategic importance.)

When respondents to this survey were asked to rank strategies the company found most effective for developing upper managers (Table 2), experience-based strategies were favored above external seminars and conferences, in-house seminars and conferences, college management programs, advanced degree/certification programs, or assessment centers. Table 2 shows the mean response for each strategy ranked from highest to lowest.

Table 2
Effective Strategies for Developing Upper Managers
Measured by Ranked Responses Per Category

Strategy for developing upper managers	Mean	Median	Mode	Standard Deviation
Development assignments	2.24	2.00	1.00	1.33
On-the-job coaching/training	2.83	3.00	1.00	1.58
Cross functional job rotation	2.95	2.00	2.00	1.99
Mentoring programs	3.55	2.00	1.00	2.84
External seminars and conferences	4.25	4.00	5.00	1.71
In-house seminars and conferences	4.70	5.00	5.00	1.95
College management programs	4.92	5.50	6.00	1.98
International job rotations	5.00	4.00	2.00	3.27
Advanced degree/certification programs	6.08	6.00	5.00	2.39
Assessment centers	8.17	10.00	10.00	3.25

Note. Ordered from highest to lowest mean ranking.

1 = most important; 11 = least important.

Clearly, experience-based strategies of developmental assignments, on-the-job coaching/training, cross functional job rotations, and mentoring programs are seen to be the most effective.

In personal interviews, respondents indicated greater trust in hands-on than in class-based training programs. The primary objective of developmental assignments appeared to be the personal development of potential executives, or succession planning. Developmental assignments were reportedly used at mid-management to both identify high potential managers and to fill in the developmental needs as well as to validate the choice of those who were identified.

Along with reliance on experience-based programs, the survey indicated an increase in the use of in-house developed programs for preparing upper level managers. Eighty percent of the companies responding predicted that their companies would be using the same or more in-house programs during the next five years.

This increase of in-house developed programs for this sub-segment of industrial companies would appear to confirm results reported in other industrial sectors (Bares & Banks, 1985; Bolt, 1987; Saari et al., 1988).

In response to the questions, "Does top management play any role?" and "What role do they take?," only one company reported that their top management played but a limited role. In the rest, executives were playing an active role, consistent with the research (Bolt, 1985, 1987; Derr, Jones, & Toomey, 1988).

When asked to predict the degree of involvement during the next five years by top executives, only one company indicated an expectation of reduced involvement from their top executives, while 7 companies indicated they expected to see the same involvement and 16 companies predicted increased involvement.

While 26 out of the 27 companies surveyed in this study and all of the companies personally interviewed were multinational, there were conflicting degrees of commitment about the importance of special training for upper managers who were being sent on international assignments. The training goal *broadening personal perspectives to global issues* received a mean rank of 5.58 out of 9 among companies' goals for developing managers (Table 1). *International job rotation* was low on the mean strategy ranking (see Table 2). When companies were questioned about training programs that included subjects reflecting an international focus (Table 3), intercultural awareness was a topic covered in only 3 of the 27 companies tying for the least number of companies covering a topic noted. An additional 7 planned to add it and 3 planned to increase it. *Competition in worldwide environment* was included by 12 companies out of 27 at about 17th on the list. As far as the topic of *preparation for international assignment*, ranked 25 out of 27 topics, only 5 covered that with 3 companies planning to add it. *Implementing corporate philosophy and vision* came in at number 19 with *ethics and social responsibility* at number 22.

SUMMARY AND OBSERVATIONS

This unique study of one industry based within the United States but with international offices tended to confirm, within an industry, studies which have previously been done across industries in the U.S. The major goal of developing upper managers is to implement company strategies, and the major way this is done is with experientially based training. Top management does seem to be very involved in the training and development of upper level managers. However, the emphasis on in-house seminars and conferences does not appear to be as highly valued in this industry as literature has indicated it is across industries (Bares & Banks, 1985; Bolt, 1987; Saari et al., 1988). And while experiential based training is perceived important, international job rotation does not appear to be viewed as an effective strategy for developing upper managers, at least compared with most other available strategies.

Research validates the importance of multicultural preparation for the successful manager be it expatriate or local. Yet cross-cultural management issues appear to have a low level of importance in this industry.

Table 3			
Topics for Management Development Programs by Frequency of Companies Including Topic in Training and Number Intending to Add and or Increase Coverage			
Program topic	No. covering currently	No. planning to add	No. planning to increase
1. Management skills	23		13
2. Skills in supervising human performance	21	1	14
3. Team building	21	2	13
4. Communication skills	20	2	8
5. Leadership	20	3	11
6. Total quality management	19	5	14
7. Improving productivity	18	2	9
8. Sales and marketing	16		7
9. MIS/computer related skills	15	2	5
10. Financial management	15	6	6
11. Management of change	15	7	8
12. Customer relations/service	14	4	9
13. Employee-labor relations	13	1	4
14. Developing and implementing strategies	13	7	7
15. Personal growth needs	12	1	4
16. Building organizational culture	12	2	8
17. Competition in worldwide environment	12	6	11
18. Technical skills in new methods	12	3	11
19. Implementing corporate philosophy and vision	9	4	9
20. Influence and power skills	8	7	4
21. Conflict management	8	6	5
22. Ethics and social responsibility	8	5	6
23. Creativity, innovation, entrepreneurship	7	6	5
24. Disease prevention/wellness	7	6	5
25. Preparation for international assignment	5	3	2
26. Intercultural awareness	3	7	3
27. Governmental regulations	3	1	2

While American companies are continuing to expand to international locations, they do not appear to be providing multicultural training for expatriate managers. The increasing reliance by

multinational companies on local nationals rather than expatriates may well impact a globally operating business's ability or desire to use cultural diversity strategically at home.

That companies based in the U.S. are expanding to locations around the world is a growing phenomena. That many of these companies are sending managers to these foreign locations as expatriates is also a growing reality, as is the fact that many of these sojourn experiences fail resulting in an enormous financial loss. While some companies are choosing to solve this problem by hiring in-country nationals, a growing body of research is showing that there are ways to increase the success of the expatriate experience. The following observations/recommendations are offered:

(1) Make global awareness and cross-cultural training integral to all management development programs. John Child, a British management theorist, has concluded that organizations in different countries around the world are becoming more and more alike, but that the behavior of people within those organizations is maintaining its cultural specificity (Adler, 1983). This theory has been validated by researchers like Geert Hofstede (1993) whose research found that there are differences in the behavior of employees from different cultures working within the same multinational organization. Culture was found to explain more of the nonrandom variance in attitudes and behaviors than did any of the competing variables, including the employee's profession, level within the organization hierarchy, and his or her specific job, age, and gender (Adler, 1983).

Hofstede's study confirmed that few American-based companies are providing special cross-cultural readiness for this multicultural environment. The easiest and least expensive way to introduce such programs could be to use cultural differences within the organization to increase awareness of cross-cultural implications and global dynamics.

(2) Build strategically on a company's own diverse workforce to enhance its ability to lead and manage globally. Such a strategy may call for a shift to a diversity mindset requiring creativity and leadership (Jackson & Associates, 1992, p. 234).

*(3) International preparation should be experiential, participative, and interactive and include (a) raising awareness of the existence of cultural differences and their impact on business outcomes, (b) exploring how personal attitudes are shaped, (c) providing factual knowledge and practical information about the target country, (d) building skills in such areas as language, nonverbal communication, cultural stress management, and adjustment and adaptation skills (*Callahan, 1989). Cross-cultural learning, international seminars in foreign locations, and international job rotation/projects should be worked into early upper level management training and should not be reserved just for top executives.

(4) Ethics, values, and the corporate philosophy and vision must be seen as being a topic of number one importance from which all other topics would follow. A business must be clear what it is about in order to effectively operate locally or globally. Industries and companies operating globally should work with the government to establish an international forum to carve out ethical guidelines for doing business in the international/global economy. Issues such as child labor, "inadequate" wages, and hazardous products or processes should be worked out. Leadership is called for. This process would also help local and national companies to clarify

their ethics and values. Such Principles of Global Ethics (see http://www.ethics.ubc.ca/papers/invited/colero.html) might include global justice, society before self, environmental stewardship, interdependence and responsibility for the whole, and reverence for place need to be developed. What would encourage U.S. expatriates to be trained in global ethics if company ethics and values are not high on the training list?

(5) Some companies are forging new directions and may, because of size and impact, exercise a leadership role for setting new international standards for globalizing while promoting ethics and values. Nike is known for bringing its standards with it. It manufactures in countries for distribution in the world maintaining high standards for pollution and ecology regardless of the host countries' ostensibly accepted standards. Proctor & Gamble is known for producing in the host country only what the people will use with local employment opportunities. Amway is almost single handedly instilling the entrepreneurial value system in the Third World and developing economies. Such companies may rely on a permanent rotating cadre of top level global managers and families who rotate from country to country and do not plan on coming back to the U.S. to live…permanent citizens of the world.

Since this was a limited study of a specific industry subsegment, further research should be undertaken to identify the broad applicability of these guidelines. Further research is needed to determine the whole area of really what is needed and then what works in such training. In conclusion, if this one industry's practices are any indication, U.S. companies are not as a whole responding to the global economy by training managers for international/global assignments; nor are they using this as an opportunity to become more culturally literate with the national diversity/gender issues; nor are they using this as an opportunity to clarify and promote their own company ethics and values. The opportunity to derive tangible benefits from cultural differences by strategically utilizing diversity is virtually still an untapped resource.

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