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# JOURNAL OF ORGANIZATIONAL CULTURE, COMMUNICATIONS AND CONFLICT

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## LETTER FROM THE EDITORS

Welcome to the *Journal of Organizational Culture, Communications and Conflict*. Our mission is to publish empirical and theoretical manuscripts which advance knowledge and teaching in the areas of organizational culture, organizational communication, conflict and conflict resolution. We hope that the *Journal* will prove to be of value to the many communications 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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# CULTURE AN OVERUSED TERM AND INTERNATIONAL JOINT VENTURES: A REVIEW OF THE LITERATURE AND A CASE STUDY

**Bonita B. Barger, Tennessee Technological University**

## ABSTRACT

*AOL TIME WARNER, Compac and HP, Enron and Anderson, and September 11, 2001. What do all of these have in common? A confluence of culture. Today, culture is an overused to term. What is culture? This literature review of culture and the accompanying exploratory case study of a newly formed international joint venture provide definition and boundaries for the discussion of culture and the role of culture in alliances. We have seen that the concepts of national and organizational culture play an increasingly dominant role as businesses manage in a global arena. Cross national and cultural research linking management practices to cultural differences and providing viable plans and strategies for successful management are in their infancy.*

*Key Words: Culture, Strategic Alliances, International Joint Venture, Literature Review of Culture*

## INTRODUCTION

As we approach the next century, a major issue facing business corporations is their ability to compete in a global marketplace. Expansion into global markets is creating tremendous change in how corporations do business. The old paradigms of organizational structure, management, and competition are no longer functional, given the nature of pressures created by globalization. The opening of the communist bloc countries, GATT, NAFTA, and September 11, 2001, have created new business opportunities. Innovative approaches and strategies are needed in this changing global environment of opportunities.

In order to adapt to a changing global economy, many corporations are forming cooperative business ventures that use the resources of two or more companies. These new ventures, called strategic alliances, are a type of cooperative agreement that has become increasingly popular. Strategic alliances vary in organizational structure, type, and purpose. They are seen as ways to increase resources, learning opportunities, and market share.

International joint ventures (IJV), one type of strategic alliance, are business enterprises owned by two or more companies that share resources and skills (Pekar & Allio, 1994). These enterprises have been increasingly used to create cross-border or cross-national cooperative business ventures (Geringer & Woodcock, 1989). International joint ventures, legal entities with one partner

firm outside of the country where the joint venture resides, are widely used as a means of direct foreign investment (Inkpen & Beamish, 1997). Numerous websites such as <http://jvseek.com>-Joint Venture Opportunities present the potential investor with opportunities for co-development projects ranging from 250 thousand to 1 billion in Asia, America, Africa and Europe, are updated daily.

Although, international joint ventures are increasingly popular with “the number of cross-border deals in 2000 over 4 times the number in 1997: 9200 transactions vs. 2100 (Levy, 2001), their success rate is low. Estimates suggest as high as 60% of all alliances end in failure (Harrigan, 1988; Parkhe, 1991; Cullen, 2002). Numerous articles such as “New Opportunities versus Old Mistakes” (Fasol, 1999) highlight the benefits and risks of strategic alliances.

The impact of globalization and creating ventures across national boundaries requires an understanding of culture. This is especially true in the management of IVJs. It is conjectured that national origin and organizational culture play a significant role in the successful management of IVJs (Cyr, 1994). It is also hypothesized that culture can influence the timing of entry of ventures, their investment preferences, and performance (Li, Lam, & Qian, 2001). The bringing together of two established parent corporate cultures with different beliefs, values, and norms located in a country with a different national origin from one of the parent cultures is bound to create tension, misunderstandings, and opportunities for learning.

To re-explore the overused term of culture further in alliances, a brief overview of how scholars have defined culture over time is given. In addition, a review of the literature highlights national and organizational culture. International joint ventures and the role of culture are revisited from the literature. Case study findings from an IVJ is highlighted to explore the role of culture in one newly formed joint venture.

## CULTURE DEFINED

In order to understand the role of culture in IVJ's, consider how culture has been defined. The word culture holds multiple meanings from its Latin roots of “tilling the soil” to the Western usage of being civilized or “cultured” in the arts, music, or finer features of life. Hofstede (1991) refers to these traditional definitions as *culture one*. Sociologists and anthropologists such as Kluckhohn define culture in terms of patterns. Kluckhohn (1951) states that: “Culture consists in patterned ways of thinking, feeling and reacting, acquired and transmitted mainly by symbols, constituting the distinctive achievements of human groups, including their embodiments in artifacts; the essential core of culture consists of traditional (i.e., historically derived and selected) ideas and especially their attached values” (p. 86).

Hofstede (1991) extends this definition by purporting that culture is learned from one's social environment and is not genetic. He defines this as *culture two*, using an analogy from current computer technology, stating culture is: “patterns of thinking, feeling, and acting mental programs, or . . . ‘software of the mind’ (p. 4). Culture is always a collective phenomenon . . . the collective

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programming of the mind which distinguishes the members of one group or category from people from another” (p. 5).

Deal and Kennedy (1982) defined culture as the *Webster's New Collegiate Dictionary* defines it: “The integrated patterns of human behavior that includes thought, speech, action, and artifacts, and depends on man’s capacity for learning and transmitting knowledge to succeeding generations” (p. 4). Kotter and Heskett (1992) defined culture as the *American Heritage Dictionary* defines it: “The totality of socially transmitted behavior patterns, arts, beliefs, institutions, and all other products of human work and thought characteristic of a community or population” (p. 4).

In comparison, Schein (1992), defines the culture of a group as: “a pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid, and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems” (p. 12).

Schein (1994) contends that once these cultural assumptions exist, they function to provide meaning to events, make life predictable, and reduce anxiety. Thus, culture provides meaning and reduces anxiety. Schein (1992) highlights that not every collection of people develop a culture and that enough of a shared history is required for culture to occur (p. 15).

These definitions, while reflecting some differences in terms and perspectives, are united by common themes. The common themes imply a collection of patterns, beliefs, and behaviors that are created and transmitted. Words and concepts such as feeling, thinking, acting, perceiving, and reacting collectively, appear to connect all the definitions that have evolved over time.

## LITERATURE REVIEW

The focus of this section is two-fold. First, a literature review of culture is presented as it relates to management in cross-cultural settings. This review is not comprehensive. Rather, it is intended to present a beginning foundation. Second, the concept of culture will be revisited further from the perspective of national origin and organizations, as presented by Hofstede and Schein. Third, the concept of culture as it relates to international joint ventures will be explored from a brief review of literature and findings from a case study of one new venture.

## CROSS-CULTURAL AND NATIONAL RESEARCH

“Understanding cultural environments is critical to the success of an organization’s operations...” (DeCenzo & Robbins, 2002, p.6). An examination of twenty-four leading management journals during the decade of the 1970s showed that “less than 5% (4.2%) of research articles focused on organizational behavior issues from a cross-cultural or international perspective” (Adler & Bartholomew, 1992, p. 552). A more recent review of 28,707 articles from October 1985

to September 1990 found that the concept of culture was included 70.6% of the time and that culture “made a difference to the issues studied” (Adler & Bartholomew, 1992, p. 558).

Culture is important and makes a difference in the management of cross-cultural alliances. What follows are four cross-national and cultural studies that asked questions and assessed management variables that may impact successful alliance formation.

England (1975) conducted a study of individual managers’ personal values to understand their work behaviors in Japan, the U.S., Korea, India, and Australia over a ten-year period. Values related to decision-making, managerial success, and organizational context were examined. The findings showed that values relate to how managers behave on the job, are stable over time, and vary by context (i.e., labor unions vs. others). Similarities and differences were found within and between cultures. Japanese managers were found to have the most homogeneous values of the five cultures examined (England, 1975).

Hofstede (1980) conducted a five-year study sampling IBM employees in forty countries between 1968 and 1972. Power distance, uncertainty avoidance, individualism, and masculinity were identified as cultural dimensions. Organizations were found to be culture bound (Hofstede, 1980).

Heller, Wilpert, Docherty, Fourcade, Fokking, Mays, Roig, Weinshall, and t’Hooft (1981) studied eight countries over a four-year period. The objectives of Heller et al. (1981) were to shed light on decision-making processes, participation, and power sharing, and to link with other research on employee participation, which was the current controversial debate at that time. The assumption that successful managers do not use the same method of decision-making in all circumstances was tested. Across all cultures examined, there were high average employee participation levels, employees described more participation than their managers allowed, successful managers varied decision-making methods to fit the situation, and participation increased in larger work groups and environments of uncertainty (Heller et al., 1981).

Hickson, McMillan and Associates (1981) collected data in the 1960s and 1970s from ten countries. The research tested the general hypothesis that relationships between structural characteristics of work organizations and variables of organization context will be stable across societies. They found that organizational size and parent company size positively correlated with formalization (the extent to which rules, procedures, communications, and instructions are written) and specialization (degree to which activities are divided into mutually exclusive sets) (Hickson & McMillan, 1981). Thus, the larger the organization, the more likely that practices and policies will be written and work activities will be divided among employees.

These cross-national studies of the past two decades present findings that enhance the understanding of cross-national management between countries and cultures. The findings that organizations are culture bound (Hofstede, 1981) and will demonstrate cultural dimensions of power distance, uncertainty avoidance, individualism, and masculinity; that their size will determine the extent of formalization and specialization (Hickson & McMillan, 1981); that managers’ values will drive how they behave on the job (England, 1975); and that successful managers do not use the same

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method of decision making in all circumstances with participation increasing in larger work groups and environments of uncertainty (Heller et al., 1981) have potential application to the management of new alliances. They serve as guideposts for the understanding and exploration of current practices and policies in new alliances.

## CROSS-NATIONAL AND ORGANIZATIONAL RESEARCH

The concept of culture is explored further by revisiting the work of Hofstede (1980, 1991) on national and organizational culture and Schein (1992) on organizational culture.

National culture impacts how people think, feel, and act in work-related situations (Hofstede, 1980). In the classic *Culture's Consequences and Cultures and Organizations*, Hofstede (1980, 1991) presents four main dimensions of culture related to work values: power distance, uncertainty avoidance, individualism/collectivism, and masculinity/femininity.

Hofstede (1991) defines organizational culture as “the collective programming of the mind which distinguishes the members of one organization from another” (p. 180). Organizations are culture bound (Hofstede, 1980). Organizations have roots bound in rituals, myths, fairy tales, stories, and ceremonies (Bolman & Deal, 1991). Organizations are comprised of individuals with differing values. Value differences or incongruencies are often minimized through the human resource management process of selection, recruitment, and performance appraisal. Thus, individual values often reflect the organization's values and the founder's beliefs. These individual values are invisible. They are translated and become visible through organizational norms or ways of doing things. These organizational norms form the foundation for decision-making and the organization's structure and processes for managing human capital. The structures and processes become mechanisms for self-fulfilling prophecies of the individual's perception of reality and reinforce the values of the organization.

Schein (1994) expanded the definition of culture and organizational culture to the global organization. He stated five distinct cultures functioning in the global arena (i.e., country, industry, organizational, organization subcultures, and professional/functional cultures). Country cultures have shared assumptions based on national and ethnic origins. Industry cultures have shared assumptions based on technological and social histories of the industry. Organizational cultures have shared assumptions based on a given organization's own history, while organizational subcultures have shared assumptions based on occupational and sub-group histories. These sub-group histories may be functional, geographically isolated groups, or shared tasks. Professional and functional cultures have shared assumptions based on specifics as they relate to a special function or occupation. Schein (1992) states that all of these cultures are underpinned by levels. The levels that exist within culture are artifacts, values/beliefs, and assumptions.

In general, Schein (1992) contends “culture is deep, wide, and complex” (p. 143). He states that culture is the shared learning of a given group (Schein, 1992). Cultures are comprised of

different levels or “the degree to which cultural phenomenon is visible to the observer” (Schein, 1992, p. 16). A group’s culture is a set of shared assumptions (Schein, 1992) that are invisible at the surface. These assumptions are supported by espoused values and beliefs in the form of strategies, goals, and philosophies (Schein, 1992, p. 17). On the surface level, they are manifested by artifacts. Artifacts are the visible representations of the organization, such as clothing, physical structure, language, technology, and products (Schein, 1992).

The concept of organizations having or being cultures has received much publication within the past thirty years. The concept gained public attention in 1982 following the publication of *Corporate Cultures* by Deal and Kennedy. Yet in reviewing the literature on organizational cultures, Bolman and Deal (1991) contend that applying culture to organizations is not new. “Several decades ago, Arnold (1938) and Barnard (1938) moved us below the conscious level of organizations to capture a deeper, more powerful force in everyday life. Selznick (1957) and others continued the tradition, but their work failed to capture the full attention of modern theorists or managers, who for many years continued to emphasize the rational properties of organizations” (Bolman & Deal, 1991, p. 267-268). Hofstede (1980) contends that organizations are culture bound. Organizational cultures are composed of structures and processes that become self-fulfilling prophecies of the individuals’ perception of reality and reinforce the values of the organization (Hofstede, 1980, 1991).

## **INTERNATIONAL JOINT VENTURES AND THE ROLE OF CULTURE**

The purpose of this section is to explore the concept of culture in international joint ventures. This will be approached by a brief review of literature that relates directly to this topic. In addition, the findings on the role of culture from an explanatory case study of a newly formed venture between a Japanese and American manufacturing firm will be presented.

The role of national origin as it relates to management practices is well documented in the literature. Hofstede (1980, 1991) illuminates the importance of national origin and links it to work-related situations. As we have seen, the concept of culture in organizations is not new. Authors such as Schein (1992) and Deal and Kennedy (1982) have explored the concepts inherent in the topic. The current research findings of Pothukuchi (2002) highlights the differences in national and organizational culture with international joint venture performance.

“IJVs engage at least three organizations-the IJV and parent firms-that serve as potential sources of identity” (Salk & Shenkar, 2001, p. 162). In bringing together two organizational cultures to form a third culture, as in the case of IVJs, the new venture can take on characteristics of one of its parent cultures, or create a unique culture, bringing together elements of both parent cultures (Hofstede, 1991). Schein (1992) contends that “. . . some recent data on joint ventures between parent companies from different countries show that sometimes the new group forms

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because one culture comes to dominant the other, or a new group fails to form because neither set of cultural assumptions gives way” (Salk, 1992, p. 96).

“IJVs reside at the confluence of different cultures, including national, corporate, and occupations” (Salk & Shenkar, 2001, p. 163). This confluence of cultures involves the transfer of individuals. By transferring individuals, there is a transfer of organizational and national cultures. The coming together of individuals with different organizational values, history, myths, and beliefs creates opportunities for conflict in customs, use of time, management approaches, language, and ways of working.

“The cultural differences inherent in all forms of international strategic alliances operate at all levels of culture, especially the national, business and organizational levels” (Cullen, 2002, p. 381). The coming together of these cultures involves the transfer of work-related behaviors. These behaviors are influenced by the organizational culture’s values, norms, and beliefs. The bringing together of individuals with differences can generate an “us-and-them” situation, leading to conflict and destructive forces that can lead to alliance tension and potential failure.

Current research explores Hofstede’s uncertainty avoidance dimension of the investor’s culture to cultural distance. “The results show that an investor’s cultural aversion to risk may be more influential in explaining the propensity for firms from certain countries to engage in JVs, rather than other cultural factors” (Fisher & Ranasinghe, 2003).

In addition, the literature also suggests ways of dealing with these potential conflicts and destructive forces. Cultural synergy is one way of producing cooperation and collaboration when managing the impact of such cultural diversity (Moran & Harris, 1981; Adler, 1986). “Cultural synergy is an approach to managing the impact of cultural diversity, and allows organizations to solve problems effectively when working within cross-cultural environments” (Adler, 1986, p. 95). Cultural synergy offers a systematic problem-solving approach involving situation description, cultural interpretation, and cultural creativity as a means of working through cultural diversity (Adler, 1986). The literature also recommends creating a cultural profile (Slowinski, 1992), developing a clear vision and norms while acknowledging culture exists and managing it (Slowinski, 1992; Walters, Peters, & Dess, 1994) as strategies for successfully blending cultures.

In general, the literature on IJVs addresses the importance of culture; discusses issues associated with the evaluation, compatibility, and matching of cultures prior to formation of the venture; and addresses principles and approaches for blending cultures as the venture is formed.

## **A CASE STUDY**

### **Background**

The organization chosen for the study was the joint-venture of an American and Japanese company. Joint ventures may be described as the off spring of two parents. The use of marriage as

a metaphor for the joining or union of two companies to form a joint-venture is not uncommon in the literature (Lorange, Roos, & Bronn, 1992). The new venture or child embodies the characteristics and features of the parent firms. The parent firm's relationship and responsibilities vary with the new venture based on agreements and contracts cemented in law and good faith.

In order to understand any child or venture, it is helpful to understand the parent cultures. A brief introduction to both parent firms will be presented followed by background on the venture under study and methodology. All companies will remain anonymous with simple fictitious names used that are not meant to represent any existing firms.

### **American Parent**

American Parent is 75 years old with its headquarters located in the United States and is engaged in the design and manufacture of industrial products. Since its birth, it has grown and thrived on one central tenet: serve customers by building high-quality, technically advanced products. This tradition impacts how American Parent treats people, the communities it touches, and its customers.

American Parent is a global company with more than one-half of their operations outside the United States. They are proud of their 25,000 employees and their growing strategic partnerships with strong companies throughout the world. In 1994, five key objectives drove the company. These were a competitive advantage, return on equity, profitable growth, responsible citizenship, and outstanding people. Although the first three objectives clearly address the business focus of the company, there is strong recognition that community and people are the sustaining force as highlighted by responsible citizenship and outstanding people.

### **Japanese Parent**

Japanese Parent has a 70-year history with its roots in Japan. It is also a multinational corporation of more than 180 companies with 36,000 employees worldwide. Throughout its history, Japanese Parent has acquired a large base of technological expertise through manufacturing. Based on current and future projected market demand and with the assistance of technological breakthroughs, Japanese Parent is expanding its capabilities and shifting from hardware to software. These changes have enabled the company to move into such new areas as electronics, robotics, and plastics.

Although the Japanese Parent has expanded to meet the global marketplace in the delivery of products and technologies, they continue to operate as a responsible corporate citizen. They proudly state the establishment of "green funds" to support a wide range of community programs and global environment protection. In addition, they support and encourage their staff's participation in humanitarian projects around the globe.

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Although the parent firms speak different national languages, the words they use to describe themselves, their vision and direction are similar. They are also similar in history, size and attention to quality. This commitment to product quality, innovation, people and social responsibility are strong elements that create a natural foundation for marriage and the birth of new ventures.

### **Ventures – American and Japanese**

In 1993, the two parent firms gave birth to their ideas through the formation of twin ventures. The parents entered a unique business agreement, not creating one alliance, but two separate ventures named American Venture and Japanese Venture, located in American and Japan respectively. The purpose of these dual joint ventures as stated in the contract was to "produce world-class (products) for each of the parties." The venture under study was located in the United States and will be referred to as Venture C.

The methodology used in this study is a descriptive case study approach. This is appropriate when limited information is known about an area of study, for theory development and for study of new phenomena (Borg & Gall, 1989). The case study approach supports exploration. It provides rich subjective data that can aid in theory building and empirically testable hypotheses (Borg & Gall, 1989). As a qualitative researcher, I studied processes rather than products, exploring how people make sense of their experiences and their worlds in a new joint venture.

Parkhe (1993) states that current research in International Joint Ventures has not joined to form a theoretical structure. Past research is heavily biased towards multivariate statistical studies that provide hard data derived from large-scale studies with little research having been done employing qualitative or case study methods. Parkhe (1993) proposes a case study methodology when studying unobservable human processes involved in alliance behavior such as learning and presents a multimethod, eclectic program to international joint venture theory development employing multiple data collection methods.

Multiple sources were used to secure data including intercompany documentation, observation, and interviews. As such, I was able to triangulate as a means of developing converging lines of inquiry and identify any elements that were incongruent. Seven informants were interviewed. They provided perceptions and thoughts about the role of culture in the new alliance. The presentation of findings are intermingled with references to the literature that support or contest the findings. Select informant statements are highlighted with quotation marks supporting and enhancing emerging themes. These excerpts offer vivid descriptions of the employees' perspectives. They allow the reader to make personal judgments, interpretations, and generalizations to other alliances, settings and culture.

### **Role of Culture in a Newly Formed Venture**

The role of culture was seen as “big,” “major,” and “key” by employees at Venture C. Venture employees captured the essence of the definitions used by scholars to describe the impact of culture. Culture was a determinant of “what people think, expect . . . [is the basis for how] they make their decisions and judgments.” Corporate culture was seen as beneficial. “It allows us to converse with others without having to explain everything.”

Clearly, employees drew lines between national and corporate culture in their discussion of culture. Several employees highlighted the two types of culture by stating the differences and influence they had during the start-up phase. One employee clearly stated it as: “You have to know each other’s culture. Living in the daily life, they need the American culture. For this business, I don’t care about the American culture – I care about the business culture. Then I have to eat and go shop and learn about the American culture. It’s important to learn the American culture for my living, but for the business, it’s company culture.”

Although the partners are from different national cultures, employees would frequently discuss the differences between Parent corporate cultures versus national origin differences between the American and Japanese cultures. Statements comparing and contrasting Parent culture were made based on work practices. One employee compared the differences, highlighting the business planning process: “There is a major difference in the way Parent B approaches business planning than Parent A. Parent A does some planning; if conditions change, they adjust. For Parent B, they plan everything up front, walk down and don’t deviate. There is considerable tension as the joint venture has begun operating as Parent A operates.”

Another employee clearly highlighted the differences between national origin and corporate culture by talking about the opportunity to influence through work: “People who have come over see it as exciting. They are not coming to change America. Work cultures are different. This is a place to create something unique. They feel that they have an opportunity and a right to influence that culture.”

Culture creation, shaping, and changing is documented in the literature. Symbolic artifacts, stories, and rituals are used to shape, change, manipulate, and control culture (Deal & Kennedy, 1982). As Venture C is evolving, employees are forming and influencing the creation of its culture bound to and unique from its Parents. The vision, mission statements, and uniforms are visible signs of the blending of the two corporate cultures. An employee stated other non-visible influencers that could impact the emerging culture are the hiring of competent employees and an open, participative system.

The influence of corporate culture versus national culture in joint ventures was found by Cyr (1994) as well. This is interesting, as the literature previously focused heavily on national cultures (Hofstede, 1980, 1991). Cyr (1994) addresses this and suggests that the “diversity related to national

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culture may be moderated by complementary and convergence of the corporate culture and strategic orientation of the parents” (p. 449).

Another possible explanation for the stated influence of corporate culture versus national culture is the basic element of time. Employees spend over one-third of their day in the work culture, while their families spend significantly more time in the national culture of the host country. Time spent and familiarity (or lack of familiarity) of the culture in which one works or lives influences individual perceptions.

The successful blending of cultures was seen as one of the critical success or potential failure factors related to human resource management in Venture C. Issues such as cultural incompatibility, lack of trust, negative group dynamics, and personality differences were areas that could negatively impact the blending of the two corporate cultures. While focusing on common goals, “realizing we are on the same boat,” understanding differences, and dealing with incompatibilities when they arise versus ignoring them were voiced as means of overcoming potential conflict areas.

The successful blending of cultures depends on people. Self-education and specialized training in culture sensitivity for Venture employees is another means of enhancing the blending of cultures. Austin (1990) contends that this area of Human Resource Management is generally neglected in international firms. Cross-cultural training is one area that deserves more attention. “Cultural preparation is preventive medicine; taking it ahead of time can prevent many serious mistakes later. Japanese companies reportedly give special preparation to managers going abroad. During the year before going abroad, they are trained in the language, culture, and business practices of the country. Upon arrival there, the managers are assigned mentors to help them understand the local situation and resolve any problems. In evaluating a manager’s performance, the first year in the country is considered one of learning about the local business environment. Cultural competence is learnable” (Austin, 1990, p. 354)

In general, parent corporate cultures were frequently voiced as influencing the start-up of Venture C. This is interesting, given the focus in the literature on the importance of national origin and the difficulties in bridging cultural differences. It is conjectured that during start-up periods, parent work practices are often more predominate and apparent in everyday activities than national origin differences. This focus on “how we do our work” versus “how you do your work” may account for corporate cultures differences being highlighted above national cultural differences. In addition, the resolution of cultural differences, be they corporate or national, were seen as essential for the success of Human Resource Management in the new venture.

## SUMMARY

The purpose of this review is to revisit and provide definition and boundaries for the discussion of national and organizational culture and the role of culture international joint ventures.

In addition, it provides findings from an exploratory case study of one newly formed venture to enhance the understanding and bringing together of two organizational cultures in IJVs.

It is not intended to be an exhaustive review. It does not address specific issues and points of disagreement in the literature such as the definition of culture, how to measure culture, or if organizations “have or are” cultures. Rather, it provides a general view of culture and the role of culture in international joint ventures.

The concepts of national origin and cultures will play an increasingly dominant role as businesses manage in a global arena. Cross national and cultural researching linking management practices to cultural differences and providing viable plans and strategies for successful management is in its infancy. Further research and learning are required to bridge this knowledge gap.

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# **A CALL FOR STUDYING REORGANIZATIONS AT THE MICRO-LEVEL**

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## **ABSTRACT**

*The research analyzing corporate reorganizations at the micro-level is in short supply. Micro-level reorganizations are reorganizations that are not corporate-wide in nature. These micro-level restructures occur at the functional unit level within a corporate governance structure (including departments/divisions and processes). Micro-level research is recommended in five contexts: 1.) the volume and importance of micro-level reorganizations 2.) the nature of the drivers that cause micro-level reorganizations 3.) the motivations of managers who cause and implement micro-level reorganizations and what happens to those managers following the reorganizations 4.) the abilities of those instituting the micro-level changes 5.) the success of micro-level reorganizations as they relate to the type of reorganization, effects on work activities, reasons for and methods of implementation.*

## **INTRODUCTION**

Could it be that in our exuberance to understand and support corporate reorganizations, that we have let the media influence our research? Could our studies have diverted attention from the crucial areas which could enable overall firm success resulting from reorganizational events? Even if reorganizations are corporate-wide, the execution of such a reorganization is at the departmental level. In addition, department level reorganizations apart from corporate-wide events occur with a frequency and with such impact to corporate effectiveness and efficiency, that study should be devoted to reorganizations at the micro-level.

## **MICRO-LEVEL REORGANIZATIONS ARE THE UNANALYZED KEY**

Corporate reorganizations have been in vogue for the past 15 plus years. Media attention has made reorganizations primary events executives examine for productivity gains. Despite the level of reorganizational activity and the impact reorganizations have caused upon human lives and company profits, few studies have not been done on one of the most crucial areas of reorganizational efforts - the effects of reorganizations at the micro-level. The micro-level of reorganization applies to reorganizational efforts which are not corporate-wide in nature. Rather, these micro-level restructures are at the functional unit level within a corporate governance structure (including

departments and processes within a company). These functional units conduct reorganizational activity apart from corporate-wide efforts and are the instruments of implementing corporate-wide reorganizational activities. Micro-level reorganizations include events which are as simple as realigning who reports to whom (structural only), to the complex reorganizations which are done in conjunction with system and process changes (reengineering) and those associated with eliminating organizations and downsizing sections of a company.

Corporate-wide (macro-level) reorganization efforts often include multiple micro-level reorganizations within the umbrella of corporate-wide change efforts. However, the micro-level reorganization can occur independent from executive level corporate-wide change interventions. At the macro-firm level a host of studies have been conducted analyzing corporate restructures. These studies review theoretical understandings as diverse as Darwinistic evolutionary theories applied to corporate-wide reorganizations (White, Marin, Brazeal and Friedman, 1997) and Kleiner's thesis that change agents from the fourth through eighth century were no different than the corporate change agents of today (Kleiner, 1996). The research level devoted to these types of corporate change efforts has been impressive.

Upon the development of the reorganization craze it was immediately recognized that from a business, HR, and interpersonal level the causes, processes and effects of corporate-wide reorganizations needed to be understood and advice provided to corporate executives. Research now needs to be directed toward micro-level reorganizations, both for understanding their importance, and how such reorganizations can be made more effective.

### **THE LITERATURE IS SILENT ABOUT THE MOST IMPORTANT AREA OF CORPORATE REORGANIZATIONS**

Volumes of material have been generated on the macro-level, corporate-wide, reorganization experience. It has been demonstrated that many of these company-wide reorganizations have not provided anticipated benefits. Too many reorganizational efforts have had adverse consequences on many firms (Morden, 1997; Buhner, Rasheed & Rosenstein, 1997). Morden (1997), for example, found that many firms change their focus from long-run improvement and begin to focus on short-term stock gains. The AMA conducted two studies which found that approximately half of the companies that downsized as a part of reorganizational activity experienced constant or decreased profits and productivity (Mabert and Schmenner, 1997). Beer and Nohria (2000) found that 70% of change efforts end in failure. Kotter's (2003) estimate puts the failure rate closer to 85%. Much research has been conducted on the effects of company-wide reorganizations. Studies have reviewed impacts on those who are impacted by reorganization, and how they react to change (Barrett, 2004; Caldwell, Herold & Fedor, 2004; War, Jackson & Banks, 1998). Likewise, studies have looked at those whose job changed, how they need to manage their careers, and the emotional impacts of organizational change (Hiatt & Creasy, 2003; Nutt & Backoff, 1977; Travaglione & Cross, 2006;

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Ebadan & Winstanley, 1997). The impacts to morale has been given strong review denoting both negative (Mishra, Sprietzer & Msihra, 1998; Howard & Frink, 1996; Cohen, Birkin, Cohen, Garfield & Webb, 2006) and positive impacts to morale (Wolfram-Cox, 1997). In addition, Agocs (1997) studied those who oppose reorganizations and those who instigate reorganizations.

Research has been done to understand the reasons corporate-wide reorganizations are undertaken (Crosby & Johnson, 2005; Singh, 1997; Tourtellot, 2004) and the after-effects of reorganizing: both negative and positive (Mabert & Schmenner, 1997). Studies have been conducted to provide advice and aids to managers and executives who choose to undergo company-wide reorganizations (Wanberg & Banas, 2000; Gilmore, Shea & Useem, 1977; Poole, 1998; Sastry, 1997). The stream of macro-level research has aided practitioners in their efforts. This type of work at the micro-level could further support sound business practices.

It is at the micro-level that the greatest importance of reorganizational effects are felt. Some research has been done regarding reorganizations at the micro-level (that is: reorganizations within departments/divisions and the processes of companies) (Lotz & Donald, 2006; Belasen, DiPadova & Fortunato, 1996). Likewise, studies such as Wolfram-Cox (1997) and Howard & Frink (1996) review micro-level reorganizations in that they focus on a plant (Wolfram-Cox) or a unit of a larger organization (Howard & Frink, 1996). But, even these works do not look at the micro-level implications or how to improve reorganizations via micro-level activities. Thus, they miss the important implications that can be applied to micro-level sub-organizations within a firm. Usually, what little research that has been done at the micro-level tends to not hold the central focus of the studies (Belasen, DiPadova & Fortunato, 1996; Bonvillian, 1997). Often these micro-level studies have been conducted only in the context of an overarching company-wide culture change. The emphasis of these studies are toward macro-level learnings. Thus, the body of research has an important hole regarding the understanding and provision of tools for micro-level managers. In fact, most of the research that has been done is, in large part, dated (most having been done in the mid 1990s). New studies need to enlarge and update our understanding of micro-level reorganizations.

### **WHY DO MICRO-LEVEL REORGANIZATIONS OCCUR?**

It is probable that the micro-level organizational change activities are more numerous than anyone imagined. This is especially true when we include them as the instrument of corporate-wide reorganization. The need for research in this area thus is correspondingly great. The originating force for a micro-level reorganization could be from an observed need from the responsible manager or from higher levels in the organization. The demand for micro-level change could be from external competitive forces or from internal pressures. In any case, it is important that reorganizations be based on sound business reasoning rather than corporate political motivations.

Unfortunately, micro-level reorganizations may often occur for the wrong reasons. Some reorganizations may occur simply to enhance the careers of certain managers who are seeking

recognition within their companies. Likewise, reorganizations may be enacted to enable political power play. Trade press publications advise readers that they should involve themselves in reorganizational activities to enable exposure and power accumulation (Wakin, 1985; Knowdell, 1998; Harrington and Shepard, 1996; Vitiello, 1990). Even publications slated for governmental managers set forth the need to seek exposure and obtain power through involvement in reorganizational efforts (Anonymous 1998). Scholarly articles also position power and visibility as career and change agent enhancement techniques (Schein, 1985; Messmer, 1998; Brousseau, Driver, Eneroth and Larsson, 1996; Pearse, and Bear, 1998). Messmer's list (1998) of the top ten career catalysts position increased visibility techniques as six of the ten best methods of obtaining promotion. Upper management prior to authorizing a reorganizational activity need to ensure the goals, of the reorganization, are aligned with corporate goals.

A simplistic view that the world's business climate has changed, and therefore businesses must reorganize does not provide a basis for a specific change at the micro-level. Not only are all businesses different, so that actions must be looked at on an individual case basis, but the nature of the micro-level at which reorganizations are applied must be examined to determine relevance, need, and the likely success of the reorganization to that sub-unit. Study is needed to accurately understand why micro-level reorganizations occur and principles need to be developed to aid executives in proper support or hindrance of micro-level efforts.

### **THE IMPORTANCE OF MICRO-LEVEL REORGANIZATIONS**

It is at the micro-level where the goals of the corporation are achieved or not achieved. Success or failure of a large culture change will occur at the micro-level, or at a minimum, the sum of micro-level organizational changes. Sanchez and Heene (1997) talk of a process focus of examining reorganizations. Their analysis broached the reorganization question from issues of feedback loops and systems (systems defined not in terms of computer systems but as company infrastructure system interplay/process/inter-departmental relationships) as represented by the micro-levels within a company. This examination of the effectiveness of reorganizations should be extended to a review of the changes at the micro-level, internally, and as these changes affect the system as a whole.

When micro-level changes are implemented it needs to become standard procedure for organizations to develop and monitor feedback systems in such a way to determine if the changes have helped or hindered operations (Liebeskind, 1998). In other words, do the systems and system interfaces continue to interrelate such that the company is more efficient rather than being detrimental to the total organization? Liebeskind's (1998) study relative to reengineering a R&D organization found that metrics are the key to measuring success. Likewise, the study found that impacts on total organization strategic purpose and effectiveness is of primary importance to a

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reengineering effort in the micro-level of a corporation (in this study R&D was the area of micro-level reorganization analyzed).

There is a distinct gap in the literature concerning the need for companies to focus more on the departmental or interdepartmental level rather than at the broad company level because the analysis is often too complex if taken too broadly. Likewise, the literature has gaps regarding the impact of merging units and closing work centers. Little focus is given to the “how to” for the micro-level manager. Rather than keeping plans at the “40,000 foot level” companies need to focus on the benefits and details of micro-level reorganizations (Filipczak, 1998). An understanding and focus upon micro-level reorganizations would aid companies in their quest to improve the effectiveness of firm output. This micro-focus would also be useful in reorganizations conducted where job functions shift, in terms of, reporting structure or realignment of work duties. The micro-level focus enables the firm to handle the “devil in the detail.”

Impact studies with micro-level emphasis needs to be conducted on a two-fold basis. First, the systems approach needs to be undertaken where the sum of micro-level reorganizations is modeled to determine the success of company-wide reorganizations. This modeling should focus upon the crucial feedback loops and communications paths that exist before and after reorganizations. Second, studies need to be conducted analyzing the frequency of single micro-level unit reorganizations which are badly executed; such that they alone are responsible for the lack of success of company-wide reorganization efforts. Volberda (1996) asserts that too much change creates poor organizational effectiveness and leads to unhealthy chaos. It is also proposed that unsuccessful corporate-wide reorganizations may have many successful and beneficial micro-level changes, but one sub-unit experiencing a poor micro-level reorganization at a crucial juncture in the company’s process can ruin total company reorganizational efforts. The importance of this point needs to be understood prior to the application of both macro and micro-level reorganization.

Examination of micro-level reorganizations will bring a fresh dimension to the field of organizational change. Several problem areas for consideration come to light when the focus is shifted from the corporate view to the micro-level view. These areas of consideration call for research as to frequency and impact. This paper proposes several areas where detailed study needs to be performed at the micro level in order to accurately grasp the complete impact restructuring has had, and is having, upon corporate life and firm success.

### **THE MANAGERS WHO INSTITUTE REORGANIZATIONS MUST BE MANAGED**

The first avenue for consideration is the manager who designs or is impacted by reorganization. Some study has been done regarding the effects of reorganizations upon managers. Initially, many managers function in a hyper-effective manner. This hyper-effectiveness helps in the short-run but there are questions regarding long-run sustainability of hyper-effectiveness following reorganizations (Belasen, et.al., 1996). Bealsen’s study however was conducted among working

MBA students who are performing in order to obtain promotion. Hyper-effectiveness has not been demonstrated among employees who are not promotion candidates. Other studies have reviewed the middle manager's capabilities and the effects on middle managers who are reorganized (those who are fired and those who stayed) (Mabert & Rogers, 1997; Gilmore, Shea & Unseem, 1997). Recently, Balogun, Gleadle, Hailey & Hugh (2005) and Pascale & Sternin (2005) examined managerial capabilities to handle change across departmental borders. However, several other avenues still need review, these include: first, the manager in terms of his/her capabilities to design an effective reorganization, and second, the resultant work effectiveness of unit reorganizations. Several dimensions need to be considered regarding the manager, who initiates, leads or implements a micro-level reorganization.

The second area of concern is the manager who uses a reorganization to satisfy non-company motives/agendas. Those managers, who undertake reorganizations, whether advocating or implementing them, are often placed in positions of exposure to higher levels of management. An exploration by this author of this phenomenon was done via a survey of 112 telecommunications managers who had participated in leading reorganizational efforts. This study was conducted via a survey where 236 telecommunications managers, from AT&T, BellSouth, SBC, Verizon, Nortel and Lucent were asked to fill out the survey if they had participated in a reorganizational effort within their company. 46% of the respondents were at the executive level. Other levels including manager, individual contributor and supervisor were represented in generally equal proportions. The participants filled out an on-line survey. The results were analyzed using SPSS.

The findings demonstrated that 77.7% of such managers acknowledged ulterior motivations including: desire for promotion (16%), greater visibility in the company (17%), desire to gain power (25%), desire to gain control (30.4%), other ulterior reasons (20.5%). The research indicated that, with high frequency, reorganizations are being undertaken for the purpose of enhancing the career of the manager rather than for the effective running of the business.

It is possible for a manager to make a career out of reorganizing each divisional unit that they are assigned. Thus, the frequency of managers undertaking reorganizational action in each organization they manage, needs review. The question to resolve here is, "Do some managers view their job solely as reorganizing each micro-level unit the manager is assigned to manage?" Several other key questions need to be studied regarding the managers who conduct reorganizations. Are there managers who are making a career of reorganizations and who actually can not manage an organization on a day-to-day basis? Similarly, do managers who conduct reorganizations obtain promotions faster? What are the implications to organizations that are reorganized by this type of manager (are they positive or negative)? The research conducted by this author indicated a direct correlation between the presence of ulterior motives and the belief by the manager involved that unit performance decreased following the reorganization. The study also showed that 18% of those who participated in developing a reorganizational event were promoted within 18 months.

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Many companies allow, or actively encourage, managers to take new job assignments within the company every 18 months. Brousseau, et al. (1996) call this the transitory career concept. Do some managers take advantage of this transitory corporate plan in order to reorganize each unit they are placed in to gain upper management exposure? Likewise, are the results of these reorganizations ever tied to the manager who implemented the reorganization, or does the manager move on too quickly to be held accountable for the results?

Human resource professionals and executive level managers need to ensure that career advancement does not occur because an individual was visible due to reorganizing part of the company, without determining that the reorganization actually benefited the company. Cripe (1993) estimates that at least 40% of change agents fail to provide positive results from reorganization efforts. A key to success here is knowing the real reason each reorganization (micro or macro) is being conducted. Controls need to be developed by human resource personnel and upper management if the above suspected actions (reorganizations for recognition or career advancement, etc.) are occurring within organizations, or are likely to occur. The study conducted found correlation at the .01 level between managers who professed to having ulterior motivations with the managers beliefs that the results of the reorganization harmed the company in terms of: quality, cost position, effectiveness of internal communications and organizational effectiveness. The study also demonstrated a correlation at the .01 level between managers wishing they had made different decisions and the presence in the manager of ulterior motives.

The third area where study is needed relates to those who utilize reorganizations as political power grabs. Many corporate changes are simply restructuring of the workers not of the work. Many of these changes are done in the name of efficiency, but are often reversed or restructured again several months later. Are these restructuring activities done solely for power, and if so what is the impact on the company from managers who are interested in obtaining power in this manner? Would companies be better off if upper management placed more emphasis on the work being done efficiently rather than focusing on who reports to whom?

Similarly, comparisons should be made between companies where organizational alignment is rarely changed verses companies where a great deal of alignment change occurs. Organizational efficiency should be compared between these types of companies to see if a correlation can be demonstrated between efficiency and stability.

Organizational behavior analysis should also be done to determine the impact of these types of changes on the workers affected by organizational realignment. How, for instance, is morale and job satisfaction affected and how do these types of changes affect real and expected career management?

The fourth area surrounds the capabilities of those managers conducting organizational changes at the micro-level. With corporate managerial procedures such that managers may only spend 18 to 36 months on any single job (Brousseau, et al., 1996), it is questionable whether such a manager can effectively organize or implement an effective reorganization. The abbreviated time

on the job limits the manager's ability to know what the work tasks are and what the work-flows are/or and should be. Perkins and Roa (1990) found that managerial experience was a key factor in the ability of a manager to be able to make "soft" decisions (decisions where one can not actually know all relevant facts). An interesting study would be a correlation between how long after a manager takes control of an organization till the manager reorganizes and the effectiveness of the reorganization in terms of effective work and work-flow. Likewise, a review of effectiveness correlated to how long the manager has been in control prior to the implemented reorganization needs to be conducted. It is asserted that managerial knowledge and experience is critical to successful reorganizational efforts.

Likewise, many reengineering teams lack the base of knowledge to successfully achieve their charter of reengineering. Since teams often do not know all the work that is being done, it is likely that some important task will be omitted from the reorganized process. Thus, when change is done it is crucial that processes are created whereby important tasks left undone can be engineered into the restructured system. Often those who were on the reorganization team are so sick of reengineering after it is done they do not want to fix the problems. They want to go do something else.

When the value of a manager's career path only involves reorganizing, and is not around their capabilities to manage, one has to question the manager's worth to the organization. Again, this can only be analyzed at the micro-level because too many extraneous factors combine for measurement at the macro-level to be accurate. The measure of company success should not be whether the manager progressed up the corporate ladder but rather the post-reorganization efficiency of the micro-level organizations. It is possible that people who can not, or have not managed an organization successfully, can design an organization that is to be managed effectively but is this the norm? Some companies have introduced process engineers into their companies whose first job with the company is process engineering. Can such a novice effectively create a workable process and engineer a micro-level organization or process when the new process engineer does not (and can not in a short period of time) understand the whole process? Correlations between management ability, measured by time as a manager without reorganizing, and success of the reorganization, measured by how long till the reorganized structure is reorganized again, would be useful. Perhaps some organizations, in order to be nimble need constant change, but perhaps not. Study is needed to determine this rather than simply assuming its validity. This type of research would aid organizational theorists in recommending policies regarding how long managers should stay on a job prior to changing jobs and starting reorganizational efforts. Studies of this nature may properly frame the question of "managers as change agents" and help to determine the promotability of managers. Fundamentally, managers should not be rewarded for implementing reorganizational activity without measuring the results of the reorganization in terms of firm efficiency. The manager who reorganizes must take accountability for results.

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## **THE RESULTS OF THE MICRO-LEVEL REORGANIZATION MUST BE EVALUATED**

The second avenue needing review, in terms of micro-level reorganizations, regards the work effectiveness and efficiency that is done in the unit prior to and following the reorganization. Already mentioned was the problem with those reorganizing not having the knowledge regarding what important tasks need to be kept. This problem is in part, as mentioned, due to the fact that no person or group usually knows all the tasks and, in part due to many within the organization doing important tasks that have never been communicated to anyone. Even if asked, those performing tasks may not remember what the tasks are, because the tasks have become so natural that the person forgets that they are done. But some of these tasks may be critical at the micro-level and ultimately, to company-wide organizational effectiveness and efficiency. In reorganizations and reengineering efforts where people are reassigned or downsized, important knowledge bases can sometimes become lost resources. Once this knowledge base leaves the department or company, there is often a loss of skills to operate efficiently.

Some study has been done in this area. Malbert & Schmenner, (1997) for instance, reviewed the problem in terms of rehire, but they advocated against rehiring. These authors missed the point however, in that, companies rehire because the reorganization failed at the micro-level. Perhaps if the companies had reorganized correctly, rehiring would not have been necessary. It would be interesting to discover the correlation between companies whose reorganizations were considered effective, measured against rehiring needs. It may be that those who experience poor restructures rehired more often. Correspondingly, noting the capabilities of the persons who were the leaders (in terms of length of time in the job as manager of the unit) of the micro-level reorganizations and the necessity of rehiring would be interesting. It is hypothesized that a strong correlation may be found. The work of micro-level organizations should be examined in terms of the volume of work carried on by workers and managers following a reorganizing effort in terms of the short and long run effects. Mentioned previously was Bealasen, Benke, DiPadova and Fortunato (1996) finding that managers were hyper-effective following a reorganization. They found managers exhibited stronger participative skills following such restructures. Beyond the potential flaw that they only studied MBA students, their study was also a self-evaluation by the managers (bias). There is value in this type of study however. This study needs to be extended to analyze the long-term effects upon managers who have the job of managing after the reorganization and the long term impact on the organization when the manager leaves the organization and is replaced by a manager who did not go through the reorganization. Will the new manager be hyper-effective? This type of study should question the long-term sustainability of hyper-effectiveness. Again, this aspect of sustained hyper-effectiveness needs to be studied in terms of a manager who stays for a long time managing the unit and in terms of managers who succeed the initial hyper-effective manager.

Companies undertake reorganizations without fundamental regard for evaluation. It is not standard practice for a company prior to a reorganization to measure group effectiveness and then

following the reorganization to follow-up with another review of unit effectiveness and efficiency. Why do companies not take such obvious measures? People do not want to be demonstrated as failing. But it is incumbent upon upper management to force such controls and measures. Insisting on such measures would enable a firm to know which managers were truly effective. Such a system would encourage managers to ensure the effectiveness and efficiency of their efforts. It would also enable a company to take follow-up measures in a timely fashion. Prior to authorizing reorganizations, management should require departments to measure current effectiveness and use these same measures following the reorganization to validate success.

### **MICRO-LEVEL SHOULD BE THE FOCUS - CONCLUSION**

In theory, reorganizations provide a company with a chance to revamp the way they do business. Such reorganizations on a macro scale allow the company to change paradigms, such that, the company can cease from using a 1950's command and control organizational structure to a model of an empowered workforce. Likewise, reorganization can allow a company to review its business processes, systems, and work policies. Changing into a new work paradigm could allow the company to be more competitive. To the same degree, reorganizations at the micro-level can, in theory, allow the departmental organization the ability to fine tune processes, people, and work to make the organization more functionally efficient and responsive to the company's needs. The "rubber meets the road" however, in the determination of why the reorganization is being done, the process followed in conducting the reorganization and the results of the reorganization. All of these areas need to be examined more closely. Thus, do micro-level reorganizations accomplish the results that business leaders desire? If they do not succeed at the micro-level, the suggestion here is that the effectiveness and efficiency of the entire reorganization may be questionable. Research, therefore, in the realm of micro-level reorganizational efforts would provide industry and academia a more precise view of the significant issues related to re-organizations.

Studies need to be conducted on the micro-level in five contexts. The first context relates to the volume and importance of the micro-level reorganization. The second context provides a focus upon the nature of the drivers that cause micro-level reorganizations. The third context revolves around the motivations of managers who cause and implement micro-level reorganizations and what happens to those managers following the reorganizations. The fourth area analyzes the abilities of those instituting the micro-level changes. The fifth area specifies the success of micro-level reorganizations as they relate to the type of reorganization, the effects on work activities, the reasons for individual reorganizations and the methods of implementing the reorganizations.

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# THE EXTENT OF GIFT AUTHORSHIPS IN BUSINESS JOURNALS

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## ABSTRACT

*The faculty at 15 AACSB accredited colleges of business who had co-authored published articles in business journals were surveyed for their views on: 1) the impact of AACSB on faculty scholarly efforts, 2) the preferred order of author listing on a published article, and 3) whether they had worked with co-authors who did not deserve an authorship position on a published work. Of the 181 respondents, 63.8% indicated that the AACSB has had a significant or very significant effect on faculty publishing efforts. Sixty seven percent (67%) responded that the author who had done the most work on a publication should be accorded the first author position on an article. Of major significance is that 41% reported working with a co-author who had performed very little work and 10.5% reported working with a co-author who had done no work on a published article.*

## INTRODUCTION

During the past 50 years there has been a very significant increase in the level of multiple authorship in business journal articles. During the 1960's the vast majority of business journal articles were authored by a single author. By 2000 the percentages of both two authored articles and in many instances those having three or more authors per article had exceeded the percentage of sole author articles in business journals (Manton & English, 2006).

Why has this occurred? During this period university missions have evolved to incorporate a stronger commitment to research and scholarly pursuits. Also accreditation agencies have increased pressure for faculty to make scholarly contributions in their standards. With this increased pressure, faculty have also been exposed to significant increases in the expansion of knowledge within their disciplines as well as advances in technology and means to analyze data. To successfully publish an article in a business journal many faculty have had to join with other faculty who have (Schroeder, Langrehr, & Floyd, 1995):

1. *knowledge in the same discipline;*
2. *knowledge in a related business discipline;*
3. *knowledge of a discipline external to business;*

4. *statistical or math knowledge;*
5. *knowledge of the computer or software;*
6. *knowledge of publication skills in order to successfully publish an article.*

The foregoing reasons for co-authorship would most likely result in higher quality research projects. There is, however, another possibility for the high level of multiple authorship in business journal articles. This is the possibility of the existence of "gift" authorships. This would occur when an author would afford an undeserving faculty member an undeserved authorship position. The incidence of such authorships is relatively high in medical journals and the occurrence of undeserved authorships in medicine has been well documented. The International Committee of Medical Journal Editors has developed guidelines for appropriately identifying authors. These are (Bennett and Taylor, 2003):

1. *Substantial contribution to the conception and design of a study; or acquisition of data; or interpretation of data;*
2. *Drafting manuscript or critically revising it for important intellectual content;*
3. *Giving the final approval of the version of the manuscript to be published.*

Business journals have no universal criteria for identifying the ordering of authors. There is no general definition of what is expected to identify an author and, for the most part, it is left to the authors to identify the co-authors and to list the order of their inclusion. Are the pressures to publish in business schools resulting in improper inclusion of co-authors who have contributed little or nothing to a published work?

"Gift" authorships are intellectually dishonest, deceptive, and cause dilution of credit for the research endeavor. Such activity may result in unfair and undeserved rewards from faculty performance evaluation procedures and may cause morale problems among faculty. Additionally reports to accrediting agencies concerning faculty research production would not be accurate. And finally, the academic journals would not be identifying authors correctly. With the rapid increase in co-authorships in business journal articles, the extent of undeserved authorships in business journals should be studied.

### **PURPOSE OF THE STUDY**

The main purpose of the study was to determine the extent of "gift" co-authorships - authorship positions which were granted to individuals who had performed either very little or no work on a published article. The reasons for co-authorships was also to be determined. In addition, the impact of AACSB-International on research endeavors of business faculty was to be determined as well as the preferred arrangement of listing co-authors on a published work.

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## RESEARCH QUESTIONS

The following research questions were sought to be answered by the current study:

1. *What is the impact of the AACSB-International upon research and publication efforts?*
2. *What is the preferred arrangement for co-author listing on publications?*
3. *What are the major reasons for co-authorship arrangements?*
4. *What is the extent of co-authorship arrangements with co-authors who have done very little work on a published article?*
5. *What is the extent of co-authorship arrangements with co-authors who have done no work on a published article?*

## PROCEDURE

All of the AACSB accredited colleges of business were reviewed and those colleges with fewer than 100 faculty members and without a doctoral program were selected. These colleges were selected because they would have been the schools most likely to seek AACSB accreditation during the past 20 or 25 years, a period which witnessed a much stronger emphasis on faculty scholarly endeavors. Larger schools with doctoral programs would have had a strong research mission prior to this time. There were 234 such colleges. It was decided that half of the colleges would be requested to participate in the survey. The 234 colleges were arranged alphabetically and a coin was tossed to determine which of the colleges would be sent a letter requesting participation in the survey. A head would mean that the first college would be selected and all odd numbered colleges after that. With a tail, the second college and all subsequent even numbered colleges would be included. A head was observed which resulted in selecting colleges # 1, # 3, #5, and so forth.

A letter including copies of the letter to be sent to the faculty and a copy of the questionnaire was sent to the deans of the 117 selected colleges of business requesting their participation. The deans were asked whether they would be willing to request their faculty participation in the study. They were asked to indicate their agreement to participate or not by means of an addressed post card which they would return to the researchers. Of agreed to participate, they were asked to deliver the questionnaire, the cover letter, and an addressed return envelope to the tenured and tenure track faculty in the college through the college mail distribution system. If they agreed to participate, they were asked to indicate the number of tenured and tenure track faculty, including department chairs/heads, in the college.

The questionnaire included 15 questions which could be answered in 4 or 5 minutes. There were three demographic questions asking gender, academic rank, and whether they were tenured or tenure track. They were asked their preference for order of author names on a published article. The respondents were asked to indicate their view on the impact of the AACSB on faculty publication

efforts. They were asked for the number of articles on which they were the sole author and then the number of articles on which they were a co-author. If they indicated no co-author work they were asked to stop and to return the questionnaire. The faculty involved in co-authored publications were then asked seven questions about their co-authoring arrangements. The main questions relating to the study purpose were:

1. *As a co-author have you ever worked with a co-author who did very little work on a published article?*
2. *As a co-author have you ever worked with a co-author who did no work on a published article?*

### **RESULTS OF THE STUDY**

Of the 117 colleges of business only 17 returned the post card with 15 indicating they would participate. Some respondents were not the deans of the college. Each of the schools responding "yes" indicated the number of tenured and tenure track faculty at their school. That number (plus five) of cover letters with questionnaires and return envelopes were packaged and mailed to the person signing the post card.

The 15 schools indicated a total of 924 tenured and tenure track faculty. There were 185 respondents for a response rate of 20%. Due to the nature of the survey, it is felt that this represents a higher percentage of the population to be studied than indicated by this number. Since it is a study of authorship, faculty who have not published would not have participated. Also since it is a study of co-authorship, perhaps some of those faculty who have only published articles on their own may not have participated. Of the 185 respondents, 181 indicated that they had co-authored journal articles. Only four faculty indicated that they were sole authors and they did not respond further to the questions dealing with co-authorship.

Seventy-eight or 42 % of the 185 respondents were full professors. Fifty-seven (30.8%) were associate professors, while 48 (26.0%) held the rank of assistant professor.

Two respondents did not indicate their rank. One-hundred thirty or 70.3 % of the respondents reported having tenure, while fifty-three or 28.7 % indicate that they are on tenure track status.

The 185 respondents were generally representative of the recognized business disciplines - see Table 1.

Of major interest was the perceived effect of the AACSB - International on business faculty research and publication activities. Table 2 indicates the responses of all 185 faculty members. About 87% of the respondents answered that the AACSB has had an impact of faculty publishing activities, with about 64% indicating significant or very significant impact. Only 7.6% felt there was no impact on research efforts from the AACSB and 5.4% were undecided on the issue.

Specialization	N	Percentage
Management(HR, O.B, P.M., Str.M.)	47	25.4
Accounting	26	14.1
Finance	21	11.4
Economics	28	15.1
Marketing	24	3.0
MIS	22	11.9
Statistics/ QM	6	3.2
Other (law, entrepreneurship, hospital management)	11	5.9
Total	185	100.0

AACSB Influence	N	Percentage
Very Significant	37	20.0
Significant	81	43.8
Somewhat	43	23.2
Not at all	14	7.6
Undecided	10	5.4
Total	185	100.0

As previously indicated four of the respondents were authors who had not been involved in a co-authored publication. They did not respond to the questions dealing with co-authors. The first question of the 181 co-authors dealt with the preferred listing of authors on a published article. Table 3 indicates the responses. One-hundred and twenty-one or about 67% indicated that the author who had done the most work on the research effort should be listed first. The next highest arrangement selected was an "alphabetical listing" which was identified by 29 or 16%. Third was "person conceptualizing the research first" with 18 or about 10% selecting this choice.

Table 4 indicates the co-authorship team composition of the discipline or skills of the co-authors who have joined together to publish an article. An overwhelming majority - 172 of the 181 (95%) - of the co-authors report co-authoring an article with someone from the same business academic discipline. One-hundred and twenty or 66.3% state that they have worked with an author from a business discipline, but one which differs from theirs. Seventy eight or 43% needed to add math skills to their research effort by adding a co-author who possessed such skills. Sixty or fully

one-third of the co-authors report writing with authors who are from disciplines external to business. This reflects the AACSB efforts for interdisciplinary research endeavors on the part of business faculty. Thirty-five percent indicate that they have worked with co-authors who have research documentation and/or publication skills. Only about 23% report needed to add co-authors who have computer, software, or programming skills. These would seem to be valid reasons for co-authoring articles and should result in higher quality publications.

Listing Order	N	Percentage
Most work first	121	66.9
Alphabetical listing	29	16.0
Person conceptualizing research first	18	9.9
Most senior member first	2	1.1
Other reasons	9	5.0
No response	2	1.1
Total	181	100.0

Reasons	N	Percentage
Co-author in the same discipline	172	95.0
Co-author-other business field	120	66.3
Specialist in math/statistics	78	43.1
Specialist in research documentation	64	35.4
Specialist in a field outside of business	60	33.1
Specialist in computer/software	41	22.7

The primary purpose of the study was to determine the extent of undeserved co-authorships in business journals. How extensive are "guest" or "gift" authorships which are given gratuitously to undeserving authors for aid in career progression or are given as the result of authors not carrying out their responsibility on a project and not being removed for authorship? Table 5 reflects undeserved co-authorships. Seventy-four or about 41% indicated that they have worked with co-authors who have performed "very little" work on a published journal article. And 19 or 10.5% of the respondents indicated that they have co-authors identified on articles who actually performed no work.

Level of work	Responses					
	Yes	%	No	%	No Response	%
Very little work	74	40.9	19	10.5	106	58.6
No work	161	89.0	1	0.5	1	0.5

## CONCLUSIONS

A survey of 15 colleges of business including 924 tenure and tenure track business faculty was conducted to determine the impact of the AACSB-International on the publication efforts of faculty, the preferred arrangement of authors on journal articles, and the reasons for co-authoring an article. The main purpose of the study was to determine the level of undeserved co-authorships. Such authorships would be unethical and would represent a breach of integrity.

The majority (63.8%) of the 185 respondents indicated that the AACSB-International has had a significant impact on their publication efforts. Of these, twenty percent state that the impact of AACSB has been very significant. The form of co-authorship preferred by the majority of the respondents (64%) was that the author doing the most work should be listed first in the list of authors. A distant second was for the alphabetical listing of authors at 16%.

Most of the 181 co-author respondents (95%) report working with authors in the same business business discipline. Two-thirds state that they have worked with authors from a business discipline other than their own. More than 40% of the co-authors report needing to add a person who has mathematics or statistics skills. Over one-third of the faculty researchers indicate that they have worked with another faculty member who has significant knowledge of publication processes or research report documentation in order to get published. Another one-third of the co-authors indicate that they have worked with an author who is outside the business field.

The main purpose of the study was to determine the extent of undeserving co-authorships in business journals. "Gift" authorships are inappropriate and indeed are probably unethical. They are deemed to be a breach of integrity by the AACSB-International. An extremely high percentage (40.9%) of respondents indicated that they have worked with an author who did "very little" work on a published work. And further, over 10% indicated that they had a co-author who actually performed no work on a published article. This would seem to represent a serious indictment of the manner which authors are identified on published business journal articles. What might be the impact of this practice? First, undeserved promotions, awards of tenure and merit pay increases may result with the adverse effects on faculty morale. Second, accreditation reports - both for regional accreditation and for AACSB accreditation would be overstated and would contain exaggerated or even fraudulent claims of faculty authorship participation. Recent standard changes of accreditation agencies call for universities to be completely accurate and honest in their reports and "gift"

authorships would not reflect accurately faculty participation in scholarly endeavors. And finally, the journals themselves would not be accurately identifying the authors in their published journal articles. It would seem that journal editors would have a responsibility to accurately present to the public those who are responsible for the research work, the methodology, and the conclusions of any published work.

It would seem that college of business and universities need to address the issue of multiple authorships to assure integrity in appropriately identifying co-authors. An approach similar to that taken by the medical field would seem appropriate. A forum of college deans with representation from the AACSB-International and the editors of business journals could develop guidelines for appropriate and accurate authorship identification.

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# POPULATION, EMPLOYMENT, AND MARITAL STATUS TRENDS: PREDICTING THE NUMBER OF WOMEN IN MANAGERIAL POSITIONS

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## ABSTRACT

*There is much interest in the "glass ceiling" limiting advancement of women in top management and numerous studies have attempted to explain this trend. Possible explanations include discrimination, differing qualities, attitudes, or gender-specific management styles, and even the availability of women within organizations for upward mobility. Studies have cited the dual role of women as employees and as primary family caregivers as a potential reason for women's failure to reach top management positions.*

*The objective of this paper is to provide an empirical analysis on women in upper management positions by examining whether number of employed women in the workforce, the educational attainment of these women, and their marital status can be used to derive an effective statistical model to predict the presence of women in upper levels of organizational administration and also to and compare a similar statistical model for men in upper management positions.*

*Using regression analysis, results indicate single females in the U.S. population is not a predictor of women in top management, but being widowed, separated, married and/or divorced (but not single) does affect the number of women in upper-level positions. The number of women attaining four-year degrees has more than doubled in the past twenty years and this growth would suggest a corresponding increase in female managers. The regression analysis supports this conclusion. Implications and areas for future research are also considered.*

## INTRODUCTION

Numerous studies have attempted to explain the greater male representation of men in top management positions within the United States and authors have presented various reasons ranging from differing levels of commitment to discrimination. Regardless of reason, the number of women in top management positions, unfortunately, has not increased significantly. Women's share of professional jobs increased only 0.7% between 1996 and 2002. In addition, women's share of managerial positions in 60 countries range between 20% to 40% indicating women are markedly under represented in top management compared to their overall share of employment ("The Glass

Ceiling...,” 2004; and the Bureau of Labor Statistics at <http://www.bls.gov/cps/wlf-databook2005.htm>). Hymowitz (2006) agrees that while women hold many entry-level and middle managers, they remain scarce at the top.

The objective of this paper is to provide an empirical analysis of women in upper management positions by examining whether the total number of employed women, their education levels, and marital status can be used to derive an effective statistical model. The resulting model is compared to and also to a similar statistical model for men in upper management positions.

### **EMPLOYMENT OF WOMEN AND DIVERSITY**

To understand why there are so few women in upper management, it is important to begin with an understanding of how the ranks of upper management are traditionally filled. These jobs are largely based on socialization into the corporate culture. Socialization is the act of training a person to fit into a particular culture or environment. In this case, the environment in question is the corporate culture. The culture of a corporation consists of the system of shared values and beliefs that guide employee behavior. The founder of a corporation traditionally establishes the corporate culture and with upper management, reward systems, rules, policies, and procedures, maintains this culture (Thomsen, 2004; Srinivasan, 2003; Harris & Ogbonna, 1999; Quick, 1992).

Men founded most of the large companies during an era when few women were in the workforce. Examples included IBM, founded by Charles Flint in 1911; DuPont Corporation, founded by E. I. DuPont in 1834; and Procter and Gamble started by William Procter and James Gamble in 1837. The first members of upper management were men and the established reward systems, rules, policies, and procedures supporting the corporate culture were masculine. To also ensure reinforcement of the corporate culture, formal and informal training programs were developed to socialize men. Women entered the workforce en masse following World War II. This illustrates why, historically, men have dominated management positions. However, can the lack of women in upper management be explained solely by the lack of women’s participation in the workplace? but Daily (1995) found a strong relationship between CEO characteristics and board of director composition. Thus CEOs tend to hire board members who share similar characteristics – including gender, age, background, and experience.

Since the 1980’s, leadership research has concentrated on personal attributes considered essential for success as chief executive officer of large corporations (Ocasio & Kim, 1999). These traits include leadership abilities, high levels of education and training, and functional expertise (usually financial, marketing, or operational). The requirements all describe a certain competency or working knowledge required for performance (Cooper, 2000; and Jordan & Schrader, 2003). Still other competencies include creativity, innovation, continual learning, flexibility, strategic thinking, vision, conflict management skills, integrity, decisiveness, problem-solving skills, technical credibility, human resource management skills, influencing, and negotiating (Jordan & Schrader, 2003). Interestingly these competencies are not personality traits related to likeability but are traits

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linked to specific job performance skills and activities. Competency is often cited as the critical factor determining a CEO's success. However, are these competencies objectively measured during the lifelong career of CEOs climbing the corporate ladder? Or, could it be as the CEO-to-be develops a reputation for competency, it creates a halo effect?

Research about CEO selection in the United States indicates executives with financial backgrounds were successful in gaining control of the highest levels of corporate power as early as the 1960s (Hayes & Abernathy, 1980). This rise of finance personnel, it is argued, led to a transformation in corporate governance that reflected a strong finance focus (Ocasio & Kim, 1999). However, the decade of the 1980's saw the destruction of corporate financial institutions. Mergers, acquisitions, leveraged buy-outs, restructurings, bankruptcies, and hostile takeovers were prevalent. This chaotic period in corporate governance saw the emergence of the role of the CEO as a leader, a catalyst for change, and a strategic visionary. Leadership research grew during this time and CEO selection was frequently studied (Paul, Costley, Howell, & Dorfman, 2002; and Judge, Bono, Ilies, & Gerhardt, 2002).

Many agree the lack of diversity itself, not individual traits, perpetuates the lack of diversity in top management. Diversity is defined as differences in the most literal form of the word but the term, according to Kahn (2002) has been transformed into a strategic direction where differences are valued. Differences can be associated with age, physical appearance, culture, job function or experience, disability, ethnicity, personal style, gender, and religion. Organizations focusing on diversity expect to increase their market share, productivity, creativity, and effectiveness and they recruit with a diversity focus. Kahn (2002) reports minorities represented only 7.6 percent of the American workforce some fifty years ago and that this percentage more than doubled by 2000 to 16 percent and will probably surpass 30 percent by the year 2020. Like minorities, the presence of women in the labor force is growing. If Bureau of Labor Statistics projections are accurate, women will represent almost 62 percent of the labor force by the year 2015. The future of the American economy will be dependent on the inclusiveness of women and minorities.

Heffernan (2002) notes one in four women earn more than their spouse earns and control about 80% of household spending. Using their own resources, women make up 47% of investors. Women purchase 81% of all products and services, 75% of over-the-counter medications, make 81% of retail purchases and buy 82% of all groceries. Women sign 80% of all checks written in the U.S. and account for 40% of business travelers. Women influence 85% of all automobile purchases and 51% of all travel and electronic purchases. They head 40% of U.S. households with incomes over \$600,000 and own 66% of all home-based businesses. Finally, since 1964, women have constantly been the majority of voters in the U.S from 1964 to present day.

If leaders are too similar, they will not create fresh thinking ("What Directors Think," 2002). Diversity must include individuals with different backgrounds and different opinions, which are both important and necessary, within organizations. Strauss (2002) reports that more than three decades after diversity became a buzzword in the upper ranks of corporate America, top management

remains full of aging white men. For example, women hold only 1,584 (14 percent) of the 11,500 *Fortune 1,000* board of director seats. The make-up and mindset of leadership hinders diversity.

Yet, Probert (2005) in her study of gender and unequal outcomes in academic careers found discrimination or bias in appointments and promotions were not significant in explaining men's domination in senior levels of leadership. Controversy remains over traits or discrimination as reasons for the lack of women in top management. Yet, could the real reason be based solely on the number or percentage of women in the workplace alone? Is it possible there are few women in upper management because fewer women are available in the workplace? This line of reasoning leads us to the following hypothesis:

*H<sub>1</sub>: The number of total females and the number of employed females influence the number of women in management.*

### **MARITAL STATUS AND EMPLOYMENT**

The gender model suggests the dearth of women in management positions is due to attitudinal variations. The gender model contends women are less committed because they are socialized to put family before career (Dodd-McCue & Wright, 1996), and the marital status of women may explain their lack of top management participation. Researchers have found evidence that this may be true even though gender roles have changed over the years. For example, even though Glass (1992) found attitudinal differences between homemakers and women who work full-time have diverged significantly over the past twenty years, a study of gender equity in the leisure services field found that some women still feel a promotion would cause too much family stress and conflict with their home lives (Shinew & Arnold, 1998). Other studies have concluded women are less committed to organizations when compared to men (Dodd-McCue & Wright, 1996). Probert (2005) in her study of academic careers found demographic changes, including high rates of separation and divorce and the impact of older children's needs, were reasons for women's failure to progress in their careers.

In her ten-year retrospective of women and work, MacRae (2005) cited the glass ceiling along with childcare and family concerns, as the key issues surrounding women and work. Williams (2004) found many women never get near the top management glass ceiling because of the "maternal wall," which is a gender bias, well documented demographically by the dearth of mothers in upper-level jobs. In her study of the academic profession, she found employers misuse demographics and engage in "statistical discrimination" or "descriptive stereotyping" when they assume women will confirm to a typical stereotype of a mother reducing their working hours after they marry and have children. She argues these employers are using "cognitive bias" by allowing such stereotypes to shape their perceptions as well as hiring and promotion decisions. Hewlett (2002) argued the widespread business belief that a woman who is accommodating to her family is no longer choosing to be a serious managerial contender is wrong. He further stated top

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management must work to change the corporate culture's erroneous belief. The issue of the influence of marital or family status leads to the second hypothesis:

*H<sub>2</sub>: Whether females are married, single, or separated influences the number of women in management.*

### **EDUCATION LEVELS AND EMPLOYMENT**

Another explanation offered for the lack of women in top management is workplace discrimination. Numerous discrimination studies have publicized the earnings gap between females and their male counterparts. A 1986 *Wall Street Journal* article first used the phrase "glass ceiling" to describe the invisible barrier that prevents women from reaching top management positions (Hymowitz & Schellhardt, 1986). Arfken, Bellar, and Helms (1998 & 2004) cited glass ceilings as the reason for limited participation by women on boards of directors. The limited numbers of women CEOs running companies and/or serving on boards may be due in part, to "glass walls" in organizations that restrict women to certain fields and positions, like human resources and other staff duties that are often "dead-end" paths lacking upward mobility. Goodman, Fields, and Blum (2003) suggest that removing the glass ceiling may make good business sense and could eliminate the higher turnover and disillusionment among capable women.

Since widespread acknowledgement that workplace glass ceilings exist, businesses have made efforts to eliminate discrimination through affirmative action and diversity programs. Despite the efforts made by government and private industry, many argue the glass ceiling still exists due to discrimination. Meyerson and Fletcher (2000) argue that discrimination is so deeply embedded in organizational life as to be virtually indiscernible. Noonan and Corcoran (2004) too found multiple glass ceilings exist in the workplace.

In addition, opinions are mixed on whether work socialization, such as training and mentoring, actually has an affect on the number of women in upper management positions. Organizations have worked diligently over the past decades to restructure their formal training programs and a number of new businesses have been established to support this need for change.

Katz (2001) suggests a third level of glass ceiling exists, known as "Alice in Wonderland." She argues that due to the lack of women in top management ranks, women are more isolated and find they are judged by different standards than men in senior-level positions. Why do these glass ceilings still exist? Is it related to women's educational background? In current settings, the number of females seeking college degrees is equal to and often exceeds males enrolled in similar programs (Hymowitz, 2006). Yet in the past, men were often more highly educated. This leads to the third hypothesis:

*H<sub>3</sub>: The education level of females influences the number of women in management.*

## METHODOLOGY

This study uses a cross section of national economic time series data compiled from <http://www.economagic.com>. This methodology, using longitudinal data, was used successfully by Reid, Miller, and Kerr (2004) in their 10-year study of sex-based glass ceilings in U.S. state level bureaucracies. Maume (2004) also suggests issues like the glass ceiling must be investigated with longitudinal data.

The sample size of the study is 252 months based on the most recent data available from the period January 1982 to December 2002. In some cases, data was not available for the entire period for each variable. Separate multiple regression analyses were performed for male and female executives and correlation matrices were computed using the SPSS-X statistical package for the social sciences.

### Females

The regression model correlation and analysis of variance for females are shown in Tables 1, 2, and 3. The number of women in managerial positions (EXEC-F) is the dependent variable. The independent variables are: (1) female population (POP-F), (2) females employed full-time (FT-F), (3) female high school graduates, no college, 25 years and over (HSDNC-F), (4) female college graduates, 25 years and over (CD-F), (5) single females in the population (SINGLE-F), (6) married females in the population (MARRIED-F), and (7) separated, divorced or widowed females in the population (SEP-F).

Coefficients(a)						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5,151.552	1,978.183		2.604	0.010
	FT-F	0.108	0.021	0.287	5.092	0.000
	HSDNC-F	-0.152	0.062	-0.037	-2.439	0.016
	CD-F	0.561	0.047	0.932	11.995	0.000
	SINGLE-F	-0.116	0.056	-0.162	-2.076	0.040
	MARRIED-F	-0.172	0.041	-0.245	-4.250	0.000
	SEP-F	0.190	0.060	0.180	3.161	0.002

a. Dependent Variable: EXEC-F

Table 1 - Regression Model (Female)						
Excluded Variables(b)						
Model		Beta In	t	Sig.	Partial Correlation	Collinearity Statistics Tolerance
1	POP-F	31.757	0.798	0.426	0.071	0.000
a. Predictors in the Model: (Constant), SEP-F, HSDNC-F, FT-F, MARRIED-F, CD-F, SINGLE-F						
b. Dependent Variable: EXEC-F						
EXEC-F	women in managerial positions					
POP-F	female population					
FT-F	females employed full-time					
HSDNC-F	female high school graduates, no college, 25 years and over					
CD-F	single females in the population					
MARRIED-F	married females in the population					
SEP-F	separated, divorced or widowed females in the population					
SINGLE-F	single females in the population					

Table 2 - Correlation Matrix (Female)									
		EXEC-F	POP-F	FT-F	HSDNC-F	CD-F	SINGLE-F	MARRIED-F	SEP-F
EXEC-F	Pearson	1	.988(**)	.983(**)	.074	.983(**)	.982(**)	.968(**)	.985(**)
	Sig. (2-tailed)		.000	.000	.402	.000	.000	.000	.000
	N	252	252	252	132	132	252	252	252
POP-F	Pearson	.988(**)	1	.975(**)	.046	.975(**)	.995(**)	.988(**)	.989(**)
	Sig. (2-tailed)	.000		.000	.599	.000	.000	.000	.000
	N	252	252	252	132	132	252	252	252
FT-F	Pearson	.983(**)	.975(**)	1	.098	.954(**)	.966(**)	.960(**)	.973(**)
	Sig. (2-tailed)	.000	.000		.263	.000	.000	.000	.000
	N	252	252	252	132	132	252	252	252
HSDNC-F	Pearson	.074	.046	.098	1	.106	.057	.046	.026
	Sig. (2-tailed)	.402	.599	.263		.228	.513	.600	.763
	N	132	132	132	132	132	132	132	132
CD-F	Pearson	.983(**)	.975(**)	.954(**)	.106	1	.976(**)	.948(**)	.953(**)
	Sig. (2-tailed)	.000	.000	.000	.228		.000	.000	.000
	N	132	132	132	132	132	132	132	132
SINGLE-F	Pearson	.982(**)	.995(**)	.966(**)	.057	.976(**)	1	.976(**)	.978(**)
	Sig. (2-tailed)	.000	.000	.000	.513	.000		.000	.000
	N	252	252	252	132	132	252	252	252

		EXEC-F	POP-F	FT-F	HSDNC-F	CD-F	SINGLE-F	MARRIED-F	SEP-F
MARRIED-F	Pearson	.968(**)	.988(**)	.960(**)	.046	.948(**)	.976(**)	1	.961(**)
	Sig. (2-tailed)	.000	.000	.000	.600	.000	.000		.000
	N	252	252	252	132	132	252	252	252
SEP-F	Pearson	.985(**)	.989(**)	.973(**)	.026	.953(**)	.978(**)	.961(**)	1
	Sig. (2-tailed)	.000	.000	.000	.763	.000	.000	.000	
	N	252	252	252	132	132	252	252	252

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

EXEC-F women in managerial positions  
 POP-F female population  
 FT-F females employed full-time  
 HSDNC-F female high school graduates, no college, 25 years and over  
 CD-F single females in the population  
 MARRIED-F married females in the population  
 SEP-F separated, divorced or widowed females in the population  
 SINGLE-F single females in the population

<b>ANOVA(b)</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	153,799,447.071	6	25,633,241.179	774.001	0.000
	Residual	4,139,728.808	125	33,117.830		
	Total	157,939,175.879	131			

a. Predictors: (Constant), SEP-F, HSDNC-F, FT-F, MARRIED-F, CD-F, SINGLE-F

EXEC-F women in managerial positions  
 POP-F female population  
 FT-F females employed full-time  
 HSDNC-F female high school graduates, no college, 25 years and over  
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 SEP-F separated, divorced or widowed females in the population  
 SINGLE-F single females in the population

Given the regression analysis in Table 1 with a ninety-nine percent confidence level and an alpha of 0.005, the statistically significant variables were females employed full time (FT-F), females with a college degree (CD-F), married females in the population (MARRIED-F) and separated, divorced, or widowed females in the population (SEP-F). At a 92% confidence level,

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with an alpha of 0.040, female high school graduates with no college age 25 and over enters the equation (HSDNC-F) as a statistically significant variable as does single females (SINGLE-F). Since this paper addresses confirmatory analysis rather than model building, all the independent variables except females in the population (FEMPOP-F) are included in the regression equation because they appear to have an association with the dependent variable. The Standard Error of the regression analysis is 181.983. The adjusted Coefficient of Determination is 97.3%.

### **Males**

The regression model, correlation matrix, and analysis of variance for male executives are shown in Tables 4, 5, and 6. The number of males in managerial positions (EXEC-M) is the dependent variable. The independent variables are: (1) males in the population (POP-M), (2) males employed full-time (FT-M), (3) male high school graduates, no college, 25 years and over (HSDNC-M), (4) male college graduates, 25 years and over (CD-M), (5) single males in the population (SINGLE-M), (6) married males in the population (MARRIED-M), and (7) separated, divorced or widowed males in the population (SEP-M).

A ninety percent confidence level with an alpha of 0.05, the regression model contains the statistically significant variables of males with college degrees and single males in the population. Since this paper addresses confirmatory analysis rather than model building, all independent variables except males in the total population are included in the regression equation because they appear to have an association with the dependent variable. The Standard Error of the regression analysis is 911.016. The adjusted Coefficient of Determination is 41.9%.

## **DISCUSSION**

This study examined the influence of the total number of females and the number of full-time employed females on the number of women in management. It was expected that since the number of women in the United States population and the number of women who work full-time has increased, these variables would predict the number of female top managers. However, the regression analysis found only the number of full-time employed women to be positively related to the number of women in management whereas the female population in general was found to be statistically insignificant in predicting the number of women in management. This outcome was not expected because as the number of women in the United States rises, one expects, a priori, the number of female top managers to rise. The number of women working full-time does have a positive relationship with the number of women in management. In comparison, the number of full-time employed men shows a positive relationship with the number of men in management and similarly the male population was found to be statistically insignificant as a predictor for the number of men in management.

<b>Table 4 - Regression Model (Male)</b>						
<b>Coefficients(a)</b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-7,598.379	10,677.372		-0.712	0.478
	FT-M	0.055	0.080	0.147	0.688	0.493
	HSDNC-M	0.400	0.332	0.154	1.205	0.230
	CD-M	0.722	0.329	0.936	2.190	0.030
	SINGLE-M	-0.504	0.222	-0.680	-2.277	0.025
	MARRIED-M	0.158	0.235	0.183	0.675	0.501
	SEP-M	-0.073	0.350	-0.064	-0.209	0.835
a. Dependent Variable: EXEC-M						
<b>Excluded Variables(b)</b>						
Model		Beta In	t	Sig.	Partial Correlation	Collinearity Statistics
						Tolerance
1	POP-M	-116.738	-0.253	0.800	-0.023	0.000
a. Predictors in the Model: (Constant), SEP-M, HSDNC-M, MARRIED-M, FT-M, SINGLE-M, CD-M						
b. Dependent Variable: EXEC-M						
EXEC-M	women in managerial positions					
POP-M	female population					
FT-M	females employed full-time					
HSDNC-M	female high school graduates, no college, 25 years and over					
CD-M	single females in the population					
MARRIED-M	married females in the population					
SEP-M	separated, divorced or widowed females in the population					

<b>Table 5 - Correlation Matrix (Male)</b>									
		EXEC-M	POP-M	FT-M	HSDNC-M	CD-M	SINGLE-M	MARRIED-M	SEP-M
EXEC-M	Pearson Correlation	1	.866(**)	.857(**)	.528(**)	.638(**)	.853(**)	.865(**)	.338(**)
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000
	N	252	252	252	132	132	252	252	252
POP-M	Pearson Correlation	.866(**)	1	.948(**)	.727(**)	.985(**)	.995(**)	.993(**)	.371(**)
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000	.000
	N	252	252	252	132	132	252	252	252

**Table 5 - Correlation Matrix (Male)**

		EXEC-M	POP-M	FT-M	HSDNC-M	CD-M	SINGLE-M	MARRIED-M	SEP-M
FT-M	Pearson Correlation	.857(**)	.948(**)	1	.831(**)	.919(**)	.938(**)	.942(**)	.394(**)
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000	.000
	N	252	252	252	132	132	252	252	252
HSDNC-M	Pearson Correlation	.528(**)	.727(**)	.831(**)	1	.722(**)	.729(**)	.658(**)	.764(**)
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000	.000
	N	132	132	132	132	132	132	132	132
CD-M	Pearson Correlation	.638(**)	.985(**)	.919(**)	.722(**)	1	.969(**)	.964(**)	.968(**)
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000	.000
	N	132	132	132	132	132	132	132	132
SINGLE-M	Pearson Correlation	.853(**)	.995(**)	.938(**)	.729(**)	.969(**)	1	.980(**)	.364(**)
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000	.000
	N	252	252	252	132	132	252	252	252
MARRIED-M	Pearson Correlation	.865(**)	.993(**)	.942(**)	.658(**)	.964(**)	.980(**)	1	.370(**)
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000		.000
	N	252	252	252	132	132	252	252	252
SEP-M	Pearson Correlation	.338(**)	.371(**)	.394(**)	.764(**)	.968(**)	.364(**)	.370(**)	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	
	N	252	252	252	132	132	252	252	252

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

EXEC-M            women in managerial positions  
POP-M             female population  
FT-M                females employed full-time  
HSDNC-M         female high school graduates, no college, 25 years and over  
CD-M                single females in the population  
MARRIED-M        married females in the population  
SEP-M               separated, divorced or widowed females in the population

This study also sought to examine the affects of marital status on women in management. As previously mentioned, the gender model posits that married women are less likely to be top managers than single women are. The regression analysis shows the numbers of single females does not significantly affect women in management; however, widowed, separated, or divorced females, as well as being a married female does affect the dependent variable. Based on the regression equation, the relationship between marriage and women managers is negative. This was expected because married women who have a family tend to focus more on their family than their career. This supports traditional beliefs and stereotypes that women bear more of the household and childcare responsibilities.

Table 6 - Analysis of Variance (Male)						
ANOVA(b)						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	83,548,016.168	6	13,924,669.361	16.778	0.000
	Residual	103,743,677.559	125	829,949.420		
	Total	187,291,693.727	131			
a. Predictors: (Constant), SEP-M, HSDNC-M, MARRIED-M, FT-M, SINGLE-M, CD-M						
b. Dependent Variable: EXEC-M						
EXEC-M	women in managerial positions					
POP-M	female population					
FT-M	females employed full-time					
HSDNC-M	female high school graduates, no college, 25 years and over					
CD-M	single females in the population					
MARRIED-M	married females in the population					
SEP-M	separated, divorced or widowed females in the population					

However, other categories of marital status were also found to be negatively correlated with top management leadership, perhaps implying that relationships in general are a hindrance to career aspirations. Even though marital status indicators were not found to be statistically significant, both married and single variables including family, number of children, or head of household may be more indicative of the family pressures causing women to shy away from increased work responsibilities, at least in some stage of their family life cycle. In comparison, the regression analysis of males shows a positive relationship between top management participation and marital status (including and also being widowed, separated, or divorced). This result was expected because society views married men as being more stable; therefore, they would also be viewed more positively in the workplace when being considered for upper-level management positions.

Lastly, this study sought to identify the effect education levels have had on the presence of women in top management. Given the growth in the number of women attaining four-year degrees, researchers expected the increase in qualified women to be reflected in an increase in female top managers. The regression analysis supports this conclusion. In fact, the most statistically significant variable was educational level. The number of females with college degrees appears to be a strong predictor of the number of females in top management as it had the largest standardized beta of the coefficients. In addition, the regression analysis for males indicates males with a college degree are a good predictor of men in management. This outcome was expected because the number of women and men with college degrees has become more equal during the years; therefore, similar results should be seen for both men and women with college degrees. It also supports the importance of higher education for job progression.

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## AREAS FOR FUTURE RESEARCH

Future research is needed to define even stronger relationships using more extensive data sets for covering longer periods of time. Future research may involve testing, to see the effects of the independent variables on different levels of women in middle and upper-level management. Future research is also needed to address structural characteristics and organizational practices that may create opportunities for women to attain and remain in top management positions.

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# DEVELOPING AN EFFECTIVE COMPANY POLICY FOR EMPLOYEE INTERNET AND EMAIL USE

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## ABSTRACT

*This paper provides the necessary organizational steps to develop an effective employee Internet and email policy. First, we examine the growth in personal use of the Internet and email in the workplace. Second, we will explain the potential liability of both the employee and employer. Third, we will discuss whether employer monitoring of employee Internet and email use is effective. Fourth, we will examine the need to develop an organizational culture of responsible employee Internet and email use. Finally, we will look at the required elements of an effective company policy governing Internet and email usage.*

*Recent surveys have shown that most employees use their work email for personal use and over a third of workers admit that they regularly surf the Internet while at work. The problem of improper Internet use exposes both the employer and employee to significant liability. Developing an organizational culture that supports responsible Internet and email use is essential to reducing this liability and increasing employee productivity. Building such an organizational culture includes employee involvement in developing a policy and communication of that policy to all employees. This research concludes that a successful company policy should provide for responsible personal use of the Internet and email in the workplace.*

## INTRODUCTION

According to a recent survey by the American Management Association (AMA), more than 75 percent of U.S. companies monitor their employees' Internet connections. Of the companies who do monitor their employees, more than 80 percent inform their employees that their Internet use is being tracked and emails monitored. However, despite this increase in the number of companies that monitor employee communications, personal use of the Internet and email in the workplace has continued to increase (American Management Associations, 2005).

Of the employees who access the Internet more than 60 percent admit that they use the Internet while at work for personal reasons (Websense, 2006). The most common personal uses of the Internet in the workplace include on-line shopping, banking, checking stock prices, watching sporting events, playing on-line poker, listening to Internet radio, booking travel, and accessing

pornography sites. In the latter case, over 70 percent of the access to Internet pornography occurs during the 9 to 5 workday (Websense, 2006).

The problem of improper Internet and email use exposes both the employer and employee to significant liability. This may include lawsuits for sexual harassment, creating a hostile work environment, and violations of copyright laws. Of the companies surveyed in 2005 by the AMA, 26 percent responded that they had fired employees for improper Internet use and another 25 percent had fired employees for inappropriate email use. One in 20 companies surveyed stated they have been the potential target of a lawsuit based on inappropriate email use. Clearly, the inappropriate use of the Internet and email is a growing problem.

### **HOW SERIOUS IS THE PROBLEM OF PERSONAL USE?**

Make no mistake, email and the Internet have improved organizational efficiency, productivity, and growth. Email and the Internet have improved communication between employees and interaction with customers, helped expand the ability to research the market and competitors, and established marketing channels and brand names on a global basis. However, at the same time this technology has provided great benefits to employers, the problem with employee abuse of email and the Internet has continued to grow. How serious a problem is this abuse to employers? Is monitoring of employees necessary? Can this problem be solved to increase employee efficiency, reduce company liability and at the same time respect employee privacy?

Whether the employer is public or private, the type of work, and whether the employer has an Internet policy, affects the degree of employee personal use. It is evident that the abuse is not limited to the private sector. While there is less personal Internet and email use by public employees, the problem is still significant. When the U.S. Treasury Department monitored Internal Revenue Service employees, it found that 51 percent of the time an employee was online was for personal use. Further, some NASA employees were found to be regularly visiting the Penthouse Internet site (Taylor, 2001).

Employee abuse of the Internet and email also results in significant lost productivity. At least one study found that one-third of work time is spent on non-work related matters, much of this being personal use of email and the Internet (IDC, 1998). Another study showed that employees surf the Internet 220 hours per year for non-business use (Carswell, 2001). Even use of Internet radio is highest during the typical workday, a finding only possible if a significant number of employees are listening to the radio via their computer in the workplace (Arbitron, 2004).

Internationally, the degree of personal use of the Internet and email are similar to the United States. In Canada, personal use of email and the Internet are even more prevalent during work hours than in the United States. One study found that 86 percent of Canadians send personal emails while at work and 32 percent conduct personal online banking during work hours (Reid, 2000). A study by the Cranfield School of Management in Great Britain in 2002 found that 30 percent of small and medium businesses were losing a day of work each week due to employee Internet and email use.

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## LIABILITY FOR PERSONAL INTERNET AND EMAIL USE

Clearly, there are an increasing number of cases involving employee abuse of both the Internet and email. In 2000, Dow Chemical Company fired 39 employees and disciplined 200 others at its Midland, Michigan plant for abuse of email. The abuse included off color jokes, pictures of naked women and depiction of sex acts. In 1999, The New York Times fired 23 employees for sending obscene emails, Xerox fired 40 employees for “inappropriate” use of the Internet (Faltermayer, 2000), and Compaq fired 20 employees for logging onto pornography sites (Siegel, 2001). Merck, Chevron, and Boeing and most other major corporations have had various problems related to email and Internet abuse (DiSabatino, 2000; The ePolicy Institute, 2001; Kelly, 1999).

The legal problems are not very different on an international level. Thirty-two employees of Orange-PLC, a subsidiary of France Telecom SA, were fired in the United Kingdom for distributing pornography on the Internet. Numerous attorneys were disciplined in the London law firm of Norton Rose for distributing via email a sexually explicit email from an attorney to his girlfriend. The email was eventually forwarded through millions of email systems around the world (Woods, 2000).

The potential liability comes in various forms. The most prevalent and greatest financial liability for companies is with regard to email abuse rather than inappropriate access to the Internet. This is because email abuse has resulted in numerous companies being sued for sexual harassment (Schween v. Anheuser-Busch, Inc., 1998; Trout v. City of Akron, 1998; Harley v. McCoach, 1996), and for allowing a hostile work environment. Chevron paid \$2.2 million based on a sexual harassment suit regarding jokes sent through email (Feminist Majority Foundation, 1995). In a case involving Dow Chemical, employees were fired for distributing emails with attachments that included pornography (Weiss, 2000). In a similar case, Microsoft settled a \$2.2 million sexual harassment lawsuit when four female employees sued over pornographic pictures sent between employees on the company's system (IndustryWeek Magazine, 2000).

A number of lawsuits have also been filed on the grounds of racial harassment (Curtis v. Dimaio, 1999; Daniels v. WorldCom Corp., 1998). In Owens v. Morgan Stanley & Co., Inc., the court found that a racist joke sent on the company's email constituted sufficient grounds to allow the plaintiffs to proceed with a \$60 million lawsuit (Owens v. Morgan Stanley & Co., Inc. 1997). The parties settled out of court.

Lawsuits are only part of the costs of employee abuse of the Internet and email. Ten percent of employees admit their work suffers because of their Internet use and another 13 percent admit they cannot stay focused on their work (Fickenscher, 2000). At least one projection during the 2001 NCAA basketball tournament was that employers lost \$400 million in lost productivity because of employees checking tournament scores on the Internet (Auman, 2001). Another report notes that 60 percent of online purchases occur during the workday (Hyman, 2002). Internetsense estimates that US employers lose more than \$85 billion from employee Internet use unrelated to the workplace

(Websense, 2006). Another company, AceSpy, states that Internet surfing may even be considered an addictive distraction (Acespy, 2006).

Other potential problems for employers include employees engaging in defamation on the Internet or through email, transmitting protected company information or trade secrets, cyberstalking (defined by *Black's Law Dictionary* as "threatening, harassing, or annoying someone through multiple email messages), interfering with company electronic communications by clogging the network, and causing spyware to enter company network systems. Many companies block access to certain sites solely to prevent spyware and cookies from entering their network systems. For example, Blue Bell Creameries in Brenham, Texas, blocks access to certain Internet locations that may contain spyware (Amour, 2006). File sharing is also a significant problem. According to research by Trusecure in 2004, 45 percent of files downloaded through the P2P network Kazaa contain "planted viruses, back doors, and Trojans (Kotadia, 2004)."

### EXPECTATIONS OF PRIVACY

There is a mistaken belief on the part of many employees that email messages are private (Krasny & Meade, 2001). This may be carried over from the "historical" belief that a written letter, placed in an envelope, may only be opened by the intended recipient. Obviously, this is a misplaced trust in the privacy of written letters. Likewise, many employees believe that their employer does not have the right to monitor their phone calls. This mistaken belief is often inaccurately based on the Electronic Communications Privacy Act of 1986. As discussed below, the Act has many exceptions that allow employer monitoring than protection of privacy for the employee. In the case of email communications, clearly, there are not real protections of privacy since the vehicle of transmission, the World Wide Internet, extends the opportunity for hundreds of millions of people around the world to access an email. An employee may mistakenly believe that the route of an email sent to another employee in a building directly across the street literally crosses the street. In fact, that email may be routed through millions of different channels around the world until it enters the building next door.

There is also a mistaken belief by many employees that once an email message is deleted, it is gone forever, when in fact the message remains and can be resurrected with various software. This ability to recover deleted emails is used often when the emails are sought as evidence in a lawsuit. According to an American Management Association survey, 20 percent of the companies surveyed have had employee emails subpoenaed (AMA and The ePolicy Institute Research, 2005). Those who have a greater understanding of technology recognize that the employers can easily monitor their communications and hence have less expectations of privacy. In a survey of more than 1,000 technical professionals few were "overly concerned" with employer monitoring of their Internet use (Internet World, 2001). These "technical" employees realize that what is communicated on the Internet really is not private and that a number of individuals and institutions can monitor their electronic communications.

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There is also clear legal authority to allow employers to review email and Internet use to protect the business from its inappropriate use. In fact, there has been long standing legal precedent that it is not an invasion of privacy to monitor employee communications but an appropriate business practice to ensure quality control and customer service (Simmons v. Southwestern Bell Tel. Co., 1979).

In *Smyth v. The Pillsbury Company*, 1996, an employee was fired for inappropriate comments on the email system regarding the company's sales management, emailing his supervisor to "kill the backstabbing bastards". The court found that even though the company had stated that all email would be confidential and privileged the employee did not have a reasonable expectation of privacy. The court noted that the company's interest in prohibiting such offensive behavior on the email outweighed any employee interest of privacy.

In *Shoars v. Epsom America, Inc.*, 1994, a trainer who instructed employees that their email messages were confidential was fired for insubordination when she found that her supervisor was intercepting her email messages and she demanded they be confidential. The court found no reasonable expectation of privacy.

In fact, even if employees are given a password, courts have found that there is no reasonable expectation of privacy. In *McLaren v. Microsoft Corporation*, 1999, the court found there was no expectation of privacy when the employee was given a password and stored email in "personal" folders on the company's computer.

While it is clear that there are few protections for employee privacy in the United States (Privacy Rights Clearinghouse, 2006), this is not the case in other countries. Many other countries give workers greater rights in the workplace, including a greater expectation of employee privacy. Canada may be the best example. In Canada, an employer cannot monitor an employee's activity without proper notice. In fact, Canadian employees have a reasonable expectation of privacy when using either the Internet or email even if they do so on company time and are using a computer owned by the employer (Morgan, 1999).

There have been a number of legislative attempts to require employers to give notice to employees when they are monitoring their communications. In July 2000, the Notice of Electronic Monitoring Act (NEMA) was introduced in both houses of Congress by Senator Charles E. Schumer (D-N.Y.) and Representatives Charles Canady (R-Fla.) and Bob Barr (R.-Ga.) (HR 4908). The overriding policy of this legislation was to require employers to notify employees when their email, Internet surfing, computer keystrokes or telephone calls were being monitored (Disabatino, 2000). Senator Schumer in introducing the bill noted, "We would never stand for it if an employer steamed open an employee's mail, read it and put it back. It is the same thing with an employee's email." However, many critics pointed out that if the mail is business related, the firm can legally open the mail without the employee's knowledge even if the letter is addressed to the employee.

NEMA would have required companies to provide annual notices to their employees that their email and computer use was being monitored and to notify employees how reports would be

gathered and how the information would be used. This bill failed in the House of Representatives in 2000; however, it raised the issues regarding monitoring of email to a public debate.

At the state level, numerous bills similar to NEMA have been introduced. However, only a few state legislatures have enacted laws requiring employers to inform their employees when they are monitoring email and Internet use. One example, Connecticut, requires an employer to give written notice prior to any monitoring of electronic communications (Public Act No. 98-142). However, the law also provides that prior notice does not need to be given if the employer believes that employees are violating the law, violating the legal rights of the employer or the employer's employees, or creating a hostile work environment.

The Connecticut statute requires notice by private employers to be similar to that of many Connecticut public employers. For example, the Connecticut State University system gives the following notice to employees: "The Connecticut State University System information technology infrastructure includes a telephone system, a communications network, Internet access, computer servers and computer workstations. Information related to the usage of this infrastructure is collected and logged. All users of these devices are hereby advised and notified that these devices produce data and report related to information stored, sent and retrieved for the purposes of recording usage and utilization (Eastern Connecticut State University memorandum, 2000)."

While legislation similar to that in Connecticut has been introduced in Georgia, Arkansas, and California, none has been enacted to date.

### **IS MONITORING EFFECTIVE?**

While most employees believe that it is acceptable for an employer to monitor their Internet and email access if they have notice (Martin, 1997), monitoring of employee behavior should be limited to the specific issues created by email and the Internet within the specific workplace.

The Electronic Communications Privacy Act of 1986 provides employers a number of exceptions that allow for the monitoring of employee communications. These include the provider exception, the ordinary course of business exception and the consent exception. In fact, these exceptions are so broad that they arguably create more rights for employer monitoring than protection of employee privacy.

With regard to the provider exception, if the employer provides the email service through a company owned system then the employer can monitor its use (Brown, 1999). In fact, while most companies own the computer terminals, they do not own the "system". If they do own the network, then this exception applies.

The ordinary business exception allows businesses to monitor business communications but not personal communications. Clearly, this serves to insure that the employees are acting in the best interest and manner of the business when dealing with customers, suppliers and other business contacts. However, it does not allow for monitoring of "personal" communications.

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Finally, the consent exception is perhaps the most relevant, particularly if the company is developing an email policy. If the employer's policy states it will monitor all employees' communications and this policy is disseminated to employees, then there is an implied consent on the part of the employee to the monitoring (DiLuzio, 2000). This opens the door for monitoring of all employee communications, both business and personal, because the employee has given their consent, although in most cases it is "implied" consent.

With regard to telephone conversations, in some states, such as California, the employee has to be told the call is being recorded (California Public Utilities Commission General Order 107-B). Moreover, this is a standard policy notice to employees within many companies. With regard to phone calls, employers often use devices known as pen registers to monitor the phone numbers employees dial and the length of each call.

Monitoring employee Internet and email use is actually easier for an employer than the monitoring of voice communications. Initially, Internet filtering developed in the mid- 1990's was designed to prevent children from accessing offensive material in schools and libraries. Now the most prevalent use of such technology is to prevent similar access to certain Internet sites in the workplace. More than 40 companies now sell software to help employers monitor employee use. These various software programs not only monitor but also can generate reports of Internet and email use based on the needs of the employer.

These programs can monitor, filter, and block both inbound and outbound email. Technology is available at very reasonable costs for virtually any type of screening. For example, content filtering has become very common to prevent the disgruntled employee from giving away company secrets or sabotaging a company network prior to leaving the firm (Segarnick, 2001). Software can monitor employee log-on and log-off times, track Internet sites accessed, limit the use of browsers, block access to sites with various content such as pornography, and even remotely shutdown systems which access unauthorized sites or material. Different access can be allowed for individual employees and usage can be tracked to individual workstations.

Monitoring and blocking certain Internet sites alone is not sufficient to protect the employer. Between three and five million Internet sites are established or renamed each week. Therefore, content filtering is also necessary since it can prohibit access to "banned" sites or search through files as they are downloaded to see if they contain prohibited material.

Software can track and filter virtually anything, including employee access to pornography, hate/racism, sport, gambling, religion, weapons, entertainment news, shopping, chat rooms, and personal banking. The issue is not having the ability to monitor or block employee abuse. The issue is whether such surveillance protects the employer from employee abuse of email and the Internet, increases productivity, prevents potential lawsuits against the employer by other employees, and benefits the long-term goals of the employer.

## **BUILDING AN ORGANIZATIONAL CULTURE OF RESPONSIBLE USE**

An effective company policy requires providing a balance protecting the interests of the employer in reducing liability and improving employee productivity while at the same time respecting employee privacy (Ciocchett, 2001). Creating this balance can be difficult in the workplace (Samuels & Gregory, 2001). The best way to solve the problem of balancing the needs of the employer with the employees' concerns is to involve the employees in developing a workplace monitoring policy. Allowing employees to participate in establishing an Internet policy creates a better working environment (Levy, 1994). This is more than simply informing them that there is a policy, but getting them involved in its very development and implementation. It also requires a "broad" involvement, not solely involving the "technical" staff, but rather a range of the corporation's employees (Electronic Frontiers Australia Inc., 2000).

Employee involvement in developing a policy will help raise specific issues with regard to what is acceptable use and monitoring. Employees have issues of fairness regarding who is monitored and to what degree. They also want to know who receives the reports of email and Internet use. For example, perhaps an employee is searching the Internet for information regarding a serious medical condition and they wish to keep the illness confidential. There is also employee concern that constant monitoring of work performance may create unnecessary stress. This can actually lead to stress related illnesses or, in some cases, injury in the workplace.

With regard to the employer's involvement in developing a policy, employers should not base their policies on "ownership" rights of the computer and email account. While it may be the basis for "legal" rights, a negotiated policy serving the interests of both employers and employees must be based on more than simply what an employer is legally allowed to do.

While it may seem at first glance that banning all personal email and Internet use during the workday may improve employee productivity, in fact, that may not be the case. In some cases personal use during the workday, if used responsibly, may be beneficial to the employer. For example, if an employee is allowed to bank online it may prevent the employee from leaving work during the workday to drive to the bank. In addition, employees who are expected to work longer hours and overtime are more likely to do so if they can resolve some of their personal issues via email during the workday. Allowing employees to use email and the Internet can build trust and a greater commitment by the employee to the employer. Building trust with employees is a key to productivity. Intrusive monitoring can destroy that trust.

## **NECESSARY ELEMENTS OF AN EFFECTIVE INTERNET AND EMAIL POLICY**

In 2003, the American Management Association found that that less than half of the companies surveyed had a formal email policy in place. In fact, a company may be negligent for not developing a policy governing Internet and email usage. For example, a sexual harassment or a hostile work environment lawsuit based on improper email abuse may have more grounds for

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success if the corporation has no email use policy. In addition, without a clear policy in place, discipline of employees who abuse email and Internet access becomes more difficult (Electronic Frontiers Australia Inc., 2000).

While there are many models of Internet and email policies to examine, every policy should contain the following concepts:

1. Employees shall not use the Internet or email in any manner that may harm the business interests of the employer, subject the employer to liability or be offensive to other employees.
2. Employees may use the Internet and email for reasonable limited personal use providing such use does not interfere with job performance or employee productivity.
3. Employee personal email shall include a disclaimer that the views expressed therein are not the views, representations, or position of the company.
4. Employees shall not send, retrieve, or archive any material that may be considered discriminatory, harassment, or creates a hostile work environment.
5. Employees shall post no junk mail or spam.
6. Employees shall not access, attach, or store any information that may compromise the bandwidth of the employer's system.
7. Employees acknowledge the employer has the right and does monitor both Internet and email use.
8. Employees acknowledge that the employer has the right to keep and store any information resulting from this monitoring.
9. Employees acknowledge the employer has the right to block access and filter any material that the employer determines to be inappropriate, offensive or a threat to the security of the employer Internet and email system.
10. Employer shall consent to employees the right to store personal information in "personal" files provided said files do not violate any provisions of this Internet and email policy.
11. Employee agrees that the employer may access any email or computer storage file, including personal files, to protect the interests of the employer.
12. Employer shall disclose to all employees the extent of monitoring, the type of reports, the level of detail, and who will receive these reports.
13. Employer shall disclose to all employees who is responsible for enforcement of email and Internet policy, clarifying interpretation of policy, granting employee use exceptions, and resolving disputes.
14. Employer shall disclose to all employees the penalties for violation of the Internet and email acceptable use policy.

15. Employer and employees shall establish a procedure for both parties involvement in design and implementation of the company's Internet and email policy, including a system for continual evaluation of that policy and procedure for making changes to it as necessary.

### CONCLUSION

Improper Internet and email use creates considerable liability for both employers and employees including lawsuits, lost productivity, and other potential problems such as defamation and transmitting company information or trade secrets. To decrease liability, employers must develop an organizational culture that supports responsible Internet and email use. This should include employee involvement in developing an Internet and email policy, communication of the policy to all employees, and an understanding by employees of potential liability for abuse of the policy. This is critical in gaining employee trust in the company and commitment to the company policy. The commitment from the employee to the employer is a key to productivity.

The policy should be tailored to the specific workplace environment and should not be based on what the employer can do to restrict access; but rather, what is in the best interests of both employer and employees. A successful company policy should provide for the responsible use of the Internet and email while allowing for some personal use, which can be beneficial for the employer and employee.

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# **SELECTING A BETTER CARROT: ORGANIZATIONAL LEARNING, FORMAL REWARDS AND CULTURE -- A BEHAVIORAL PERSPECTIVE**

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## **ABSTRACT**

*A behavioral understanding of the complex interactions of culture, rewards and individual performance is critical in business. The role of compensation and rewards in their various forms influence employee behaviors and the influencers of and rewards. Part of managing organizational culture, is to understand how to change it when required. Mastery of the behavioral component of firm management is crucial. Formal compensation systems and the organizational culture are not two independent events but rather two interrelated systems that interact to effect organizational behavior.*

## **INTRODUCTION**

B. F. Skinner (1969) in *Contingencies of Reinforcement: A Theoretical Analysis* says, “No one works on Monday morning because he is reinforced by a paycheck on Friday afternoon”. Organizations spend a large portion of their budget in the area of employee compensation in an effort to attract, maintain, and, to some extent, motivate employees in an effort to promote employee learning. In the contemporary business environment the ancient “carrot and stick” approach takes on new meaning as managers learn new and innovative ways to stimulate performance through reward and compensation.

The purpose of this article is to put forth a behavioral understanding of culture as a repository of organizational learning that is rooted in behavioral theory. The article explains the complex interactions of culture, formal rewards, and individual performance as an integral part of the organizational learning process. An explanation of these behaviors is best afforded by studying the contingencies which generate them. Thus, we explore the organization, the organism of the individual within the organization, the effective methods of compensatory motivation, and the organization’s sometimes seismic cultural shifts that must occur to make these changes embraced and effective.

Although formal compensation systems at times lead to increases in employee performance, the process is inefficient and often misunderstood. The design and development of a more effective and efficient compensation system requires an understanding of its impact on individual performance and the role of organizational culture as a mediator in motivating it. From this perspective the annual reward and compensation system is viewed as a means to influence the organizational culture, which in turn influences individual performance (Kerr and Slocum, 1987, (p.18); Cummings, 1984. Most individual rewards are administered on an annual basis, and, in the case of promotions may involve many years between rewards. The reward is too far removed in terms of time and number of responses in order to reinforce the desired behavior. In summary, the individual rewards are administered using reinforcement schedules, which at best will yield wide variations in behavior and in practice often have little direct impact on behavior.

This perspective blends the concept of the behaviorist approach toward organizational culture with other areas of scholarly literature on reward and motivation in the workplace. The challenge of examining this confluence of interdisciplinary information significantly changes the issues of debate in regard to compensation and provides a more realistic approach to employee motivation. The manager's primary responsibility becomes one of managing the culture, which in turn manages the individual employee's behavior. Culture is a repository for organizational learning and is a major component of institutional memory. Therefore organizational culture has a significant impact on organizational learning (Rodriguez, Perez, and Pardo del Val, 2003).

### **ORGANIZATIONAL CULTURE AND INDIVIDUAL PERFORMANCE**

The conceptualization of culture within the context of an organization is primarily adapted from the field of anthropology and sociology. Culture has typically been defined as the traditional ideas and values of a group of people. In other words, a group of people will develop a system of shared values that guides the activities of its members (Berg, 1985; Cullen, 1999; Deal and Kennedy, 1982; Moran and Volkwein, 1992; Peters and Waterman, 1982; Popper and Lipshitz, 2000; Schwartz and Davis, 1981; Trice and Beyer, 1993). S. A. Sackmann identifies these approaches as using a holistic perspective or a cognitive perspective, both of which describe the internal state of culture members (1991).

Not all cultures agree on what is good, what is normal, and how things "should be done." An unknown Russian once made this observation when he compared the culture of the U.S. and its government, to that of the Soviet Union and its government:

*Every culture has its distinctive and normal system of government. Yours is democracy, moderated by corruption. Ours is totalitarianism, moderated by assassination. (QuotationsPage.com)*

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In contemporary business, we would hope that an organizations culture does not include a mainstreaming of such drastic actions as cataloged by the nameless Russian. However, in their study of culture, neither anthropologists nor managers directly view the cognitive constructs of ideas and values. Instead, they view the behaviors of the group being studied (e.g., how they live, child-rearing customs, relations with each other). Sackmann (1991) identified an alternate method to the study of organization culture in the managerial literature identified as the variable approach, which focused on the expressions of culture. The primary emphasis is on the expressions of culture in the form of “verbal and physical behaviors or practices, of artifacts and of the underlying meanings.” This approach relies heavily on the use of symbols as manifestations of the culture (Sackmann, 1991). Jaonne Martin (1992), in *Cultures in Organizations: Three Perspectives*, argues that current approaches to understanding culture are inadequate. Barney (1986) suggests the literature is wrought with many different and competing definitions of organizational culture.

Behavior is shaped and determined by the consequences of that behavior (Skinner, 1969). Simply stated, behavior that is reinforced by a desirable consequence is likely to be repeated. Conversely, behavior resulting in undesirable consequences will be weakened. Learning theory is clear that for a consequence to be reinforcing (either strengthening or weakening behavior) it must be viewed by the individual as contingent upon the occurrence of the particular behavior (Bandura, 1969).

Organizational culture can be defined simply as a set of contingencies of reinforcement applicable to members of an organization who share a common knowledge. Organizational learning is the addition or change to the shared common knowledge. Contingencies of reinforcement are an interaction between the organism and its environment. This interrelationship has three components: "(1) the occasion upon which a response occurs, (2) the response itself, and (3) the reinforcing consequences" (Skinner, 1969, p. 7).

Individual learning, or the acquisition of knowledge, occurs through voluntary behavior or operant conditioning. Organizational learning is the accumulation of shared knowledge. Operant conditioning is the process by which behavior is modified by manipulation of the contingencies of the behavior (Bushman, Fowler, and Debnath, 1988; Organ and Hamner, 1982; Skinner, 1971; Skinner, 1969). Behavior becomes an operant when reinforcement is made contingent on its occurrence. "The culture continuously monitors behavior and offers timely rewards through the members of the organization who mete out rewards and sanctions" (Bushman & Fowler, 1987, pp. 33-34). Future rewards tend to be administered to members of a culture on a variable ratio reinforcement schedule and sanctions tend to be administered on a continuous reinforcement schedule. Thus, future behavior is determined by the consequences of an operant. Organizational culture is the repository of organizational learning and serves as the institutional memory. The creation and transfer of knowledge is a critical component of organization culture (Rodriguez, Perez, and Pardo del Val, 2003). The challenge is to understand its operant complexity

## CREATION OF KNOWLEDGE

For an organizational compensation program to effectively stimulate and reward changes in performance in the short term, and to maintain those changes, imbedding them and cementing them into the corporate culture, can only function through the creation of knowledge. We know that organizational learning is directly related to the acquisition of knowledge (Rodriguez, Perez, and Pardo del Val, 2003). Knowledge assumes basically two forms, private and public knowledge (Skinner, 1957). Private knowledge is gained by the individual through direct experience with the contingencies of reinforcement. In the case of compensation, knowledge is gained through the financial reward for performing a certain task or reaching an objective. The knowledge in this situation is learned through trial and error, and the behavior is referred to as contingency-shaped behavior. The use of private knowledge is well documented in Ferster's and Skinner's book *Schedules of Reinforcement* (1957). The amount of research with rats, pigeons and sophomore psychology students documenting the effectiveness of contingency-shaped behavior and the creation of private knowledge is a bit overwhelming. The success of documenting the effectiveness of private knowledge through operant conditioning has tended to dominate the thinking of the behaviorist as the technology of behavior. Operant conditioning has shown the ability to alter the consequences, and thus the behavior, of individuals. The objective, thus, of a plan to use monetary rewards to alter behavior (such as turning a mediocre salesman into a star salesman), is oftentimes achieved by finding and using the right "carrot" for the job. Behaviorists' efforts to apply the research findings within organizations have met with more limited success (Reppucci and Saunders, 1974; Yukl, Luthans, and Pursell, 1976; Yukl and Luthans, 1975; Yukl, Wexley and Seymore, 1972). Various behavior modification programs were applied during the 1970's with some level of success, but more recently these programs have been abandoned due their lack of cost effectiveness (Ayllon and Kolko, 1982; Hamner and Hamner, 1986). The use of private knowledge as a means of organizational change suffers the primary limitation of lacking the capacity to shape the behaviors of large groups of people. The problem with using private knowledge to shape the behavior of a group of employees is similar to asking a psychologist to condition twenty rats to perform different behaviors while they are all in the same cage. The other problem, of course, is that rats are rats and not people. Rats are known for having only one use for a food pellet. They eat them. People, on the other hand, if rewarded with money, may spend it on necessities like food, medical care and shelter, or may use it for any number of luxuries or non-essential activities. Thus, perhaps in this instance, testing rats may not provide a meaningful outcome.

The response of behavior analysts has been to seek a clearer understanding of rule-governed behavior (Lowe, Beasty, and Bentall, 1983; Hayes, 1987). Research in the area of rule-governed behavior has proven more difficult than with private knowledge as complex forms of rule-governed behavior are limited to *Homo sapiens*. The complex language skills involving the use of symbolic meaning are different from the so-called animal languages and are primary factors which allow the

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development of public knowledge and institutional memory (Dobzhansky and Boesiger, 1983; Jung, von Franz, Henderson, Jacobi, and Jaffe, 1981).

Public knowledge takes the form of rules that are gleaned from the contingencies of reinforcement. The rules specify the occasions, responses, and consequences of the behavior. The resulting behaviors are referred to as rule-governed behavior. The fact that people talk to themselves and to others and that they are changed by these interactions is not a particularly new insight into human behavior (Hayes, 1987; Skinner, 1957). In essence, the individual does not have to experience the contingencies of reinforcement directly but may have his or her behavior shaped by various rules that govern behaviors. Public knowledge, which yields rule-governed behavior, is the substance of organization culture. The creation of public knowledge is organizational learning while the culture serves as the primary repository of organizational learning.

An example which illustrates this dichotomy of knowledge is when an individual in a strange city attempts to locate his destination by wandering around until he ultimately stumbles on the desired location. The next trip to the location will probably take less time and be more direct because he has experienced the consequences associated with alternate routes. This illustrates private knowledge, which in common parlance is often referred to as "flying by the seat of one's pants." On the other hand, if the stranger uses a map to find his location he is using public knowledge, wherein those who previously experienced the contingencies of reinforcement directly set forth the rules.

The rules of public knowledge are of two basic types: *mands* and *tacts*. A *mand*, derived from the word *command*, is a rule which specifies the desired behavior and the consequence. The consequences are arranged by the person issuing the command. Formal policies and procedures are *mands*, as are formal communications between a manager and subordinate. *Mands*, by their very nature, are often aversive and imply some negative consequence if the employee fails to comply in a manner judged appropriate by the individual who issued the *mand*. Research indicates aversive conditioning needs to be on a continuous schedule of reinforcement to be effective. This is a challenging task for a manager with twenty subordinates (Arvey and Ivancevich, 1980). Popper and Lipshitz, 1980, recognized leadership as one channel that influences organizational learning by controlling bonuses, letters of appreciation, promotion, attractive assignments, allocation of resources, and punishment—briefly, the entire repertoire of managers' behavior that can be included under the heading "positive and negative reinforcements.

A *tact* is a rule which specifies contingencies of reinforcement and is derived from past observations of behaviors and consequences. The individual expressing the *tact* does not control the consequences that result from the behavior. The consequences are administered by the wider, impersonal environment. "We tend to follow a rule because previous behavior in response to similar stimuli has been reinforced" (Skinner, 1969, p. 148).

The following example is used to illustrate the distinction between *mands* and *tacts*. "Do not argue with the Boss" is an example of a *tact* when the specified behavior will be reinforced by consequences, which do not result from action, taken by the advisor. When following previous

advice has resulted in desirable consequences, we tend to continue to follow the advice. "Do not argue with boss" is a mand when the issuer controls certain consequences. For example, if a boss tells a subordinate, "Do not argue with me," the aversive consequences for the noncompliance have been arranged by the boss.

*"When maxims, rules, and laws are advice, the governed behavior is reinforced by consequences which might have shaped the same behavior directly in the absence of maxims, rules, and laws. When they are commands, they are effective only because special reinforcements have been made contingent on them" (Skinner, 1969, p. 148).*

Skinner saw practical advantages to rule-governed behavior. In his work *About Behaviorism* (1974) he points to several important issues, including: (1) Rules can be learned more quickly than the behavior shaped by the contingencies that the rules describe. (2) Rules make it easier to profit from similarities between contingencies. (3) Rules are particularly valuable when contingencies are complex or unclear. The culture of an organization is dynamic as organizational learning occurs.

### **TRANSFER OF KNOWLEDGE**

Past discussions of corporate culture have often centered on discussions of values, symbols, rituals, heroes, storytellers, and gatekeepers (Deal and Kennedy, 1982; Martin, 1992; Moran and Volkwein, 1992; Peters and Waterman, 1982; Sackmann, 1991). Values often function as tacts because they constitute public knowledge and communicate the contingencies of reinforcement. For example, "The customer is always right," is a tact that implies certain positive consequences will occur to the individual by following the advice. Symbols and rituals are forms of converting private knowledge to public knowledge and are the means for expressing tacts. Ceremonies often function as one means to codify knowledge (i.e. merge formal rewards and culture) or show that change is occurring (Bushardt and Fowler, 1987). For instance, each fall many universities have a faculty convocation. Research and teaching awards are presented, with the tact being, "This is the behavior we value and reward." The ceremony of anointing an individual as employee of the month with a designated parking space communicates the tact, "This employee's behavior is the one that will be rewarded in our culture." To the extent this public knowledge is accepted by members of the organization, organization learning occurs.

Heroes are the recipients of organizational rewards or citations. "Heroes serve as beacons for younger members and communicate those behaviors that are valued in the organization" (Bushardt and Fowler, 1987, p. 34). The ability to derive tacts from private knowledge and from the observation of others is a special talent. Although one may respond to the contingencies of reinforcement, some individuals are more effective in deriving rules which can be expressed in the form of tacts, thereby serving as a catalyst for organizational learning. The storyteller is an

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individual who has the ability to express the rules that govern the contingencies of reinforcement. The storyteller communicates the organization's values to others serving the dual role of cultural repository and disseminator of knowledge, thereby, facilitating the organizational learning process. Similarly, gatekeepers monitor and affect information flows and in the process either hinder or facilitate organizational learning. Secretarial staff often functions in a gatekeeper role releasing information in part or not at all.

A strong culture is one characterized by a series of facts that are consistent, noncontradictory, and generally known by members of the organization. The reinforcers are administered informally by members of the organization. Aversive consequences will tend to be administered consistently and after each breach of a given tact. Positive consequences, on the other hand, are likely to follow a variable reinforcement schedule. The primary impetus of behavioral control is likely to be positive reinforcement with a minimal use of aversive contingencies. A result of these qualities is a strong culture capable of rapid organizational learning.

### **FORMAL COMPENSATION SYSTEMS AND INDIVIDUAL PERFORMANCE**

The formal compensation system has become extremely broad as employers experiment with new rewards with the hope of increasing employee performance. The traditional formal compensation systems represent a crude attempt to facilitate organizational learning through individual performance requirements. This process can be quite expensive if misapplied or applied without achieving the desired results. Organizational learning methods should be used to make compensation system stimuli more effective. However, the dissimilarities in organizations makes the learning challenging as there is no clear-cut syllabi to follow.

Cullen (1999) argued for rethinking the HR function in order to more effectively support organizational learning. His discussion of how these rewards directly impact individual behavior illustrates the futility of using them to motivate sustained high levels of employee performance. The primary usefulness of formal rewards is as a means to shape the culture because they are generally ineffective from an operant perspective.

The rewards offered in a compensation system include two broad categories: systems rewards and individual rewards (Bushman and Fowler, 1982; Katz and Kahn, 1976).

*SYSTEM REWARDS:* Systems rewards are those granted to all members of an organization and are contingent solely on continued membership in the organization. Common forms of systems rewards are life, health, and dental insurance. Other forms are club memberships, pensions, athletic programs, subsidized cafeterias, Christmas turkeys, uniform allowances, and many others

To the extent a particular system reward is valued by an employee, it tends to motivate the employee to perform at some level high enough to avoid discharge. The process is explained through avoidance conditioning, where in order to avoid losing these benefits he or she must perform at some minimum level to retain employment. Systems rewards provide little incentive to encourage individuals to perform at their full potential. A laboratory experiment that illustrates the

concept occurs when a rat is placed in a cage where the bottom floor conducts electricity. If the rat does not pull the lever ten times in a five-minute period, it receives an electric shock. (This is a painful experience for the rat, which is much like learning that you will not be receiving a check from your employer in the future.) Not surprisingly, most rats quickly develop a behavioral pattern of pulling the lever a minimum number of times, usually ten to fifteen times every five minutes, to avoid the shock.

Kerr (1975) pointed to numerous examples "of reward systems that are fouled up in that behaviors which are rewarded are those which the rewarder is trying to discourage, while the behavior he desires is not being rewarded at all" (p. 769). Organizations typically desire to reward high levels of performance, but more often reward only membership. In essence, the organization is rewarding employees to perform at some minimum level of performance necessary to maintain membership, rather than the high level of performance desired. A more accurate description may be rewarding membership, while hoping for performance and receiving neither.

Avoidance conditioning motivates the level of performance necessary to avoid losing the benefit only to the extent the individual values the reward. For example, if an organization provides a single system reward in the form of maternity benefits, this benefit is unlikely to motivate the single male employee to perform at the minimum level necessary to maintain membership. This represents an extreme example since the systems rewards are usually offered in a total package consisting of many systems rewards. The point is that some of the rewards that organizations purchase for an employee have no impact on membership or performance motivation, due to their limited value to a particular employee.

A number of approaches have been suggested to increase the membership motivation of these rewards, such as the cafeteria approach and the life style packages approach. These methods are likely to encourage employees to maintain the minimum level of performance necessary to avoid discharge. For those employees already performing at or above this level, these approaches will not alter their behavior. Systems rewards do not motivate and sustain individual performance at the high levels organizations desire (Bushardt and Fowler, 1987; Bushardt, Fowler and Debnath, 1988; Katz and Kahn 1976).

*INDIVIDUAL REWARDS:* Individual rewards are those that are separately determined for each employee based on the level of performance exhibited by the employee. Common individual rewards are merit pay, promotions, awards, incentive pay, and profit sharing. These rewards can and do encourage higher levels of performance, but their impact varies greatly. Some rewards can encourage and sustain higher levels of performance, but nowhere near their potential levels. While other individual rewards encourage high levels of performance, they tend to do so on an intermittent basis. Two factors inhibiting the effectiveness of these rewards are the schedules of positive reinforcement utilized and the measurement of performance.

*SCHEDULES OF POSITIVE REINFORCEMENT:* Most individual rewards are administered on a fixed interval (FI) reinforcement schedule, a fixed ratio (FR) reinforcement schedule, or a tandem schedule created by combining the two. A tandem schedule would tend to

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be the case in regard to merit raises, awards, promotions, and profit sharing. Research findings indicate that the FI and FR reinforcement schedules are characterized by large variations in behavior. When these ratios are expanded, i.e., the number of required responses increases or the length of time required expands, the behavioral pattern will begin a process of extinction. In other words, the rewards cease to be associated with the desired behavioral response.

In practice, few managers will observe the wide swings associated with the use of these reinforcement schedules since the time and number of responses to receive these rewards has rendered their direct impact on behavior meaningless. One example, which occurs in industrial settings and illustrates the wide swings in behavior, is in the use of sales contests where individual salespeople must reach a sales goal of X dollars in a set time period. For a more detailed discussion on reinforcement schedules and organizational rewards, see Bushardt, Fowler and Debnath (1988), "Sales Force Motivation: A Theoretical Analysis" in *Human Relations*.

### **MEASUREMENT OF PERFORMANCE**

A critical component of reinforcement theory involves the measurement of behavior that is to be reinforced. Current performance appraisal methods are wholly inadequate in behavior measurement for effective behavioral conditioning. The failure results from lack of specificity of behavior, which is compounded by the time span and lack of sufficient and objective observation of behavioral responses. The number of desired behavioral responses for even the simplest jobs is so large that we are unable to specify all desired responses and managers are physically unable to invest the time necessary for appropriate observation. Today's performance appraisal instruments in the hands of a behaviorist are akin to giving the great painting masters a house painting brush and a bucket of paint. They are inadequate for purposes of direct conditioning of behavior.

The use of rate payment plans and commissions probably represent our best attempts at direct conditioning. In these applications, measurement of behavior is usually handled effectively. Most of the plans involve a continuous reinforcement schedule, which is noted for quickly establishing behavior, or a small fixed ratio schedule. The behavioral pattern tends to be consistent over a narrow range for each individual. Of particular note is that the level of performance is seldom at the higher levels of which the individual is capable (Bushardt, Fowler, and Debnath, 1988).

Two conclusions arise from the discussion of formal compensation systems and individual behavior. First, formal compensation systems generally lack the capacity to directly reinforce individual performance using a variable ratio reinforcement schedule, which is necessary for high levels of sustained performance. Secondly, it is unlikely that these formal compensation systems can be redesigned and administered to achieve this goal. Because some organizations do achieve consistently high levels of performance from employees, the contingencies of reinforcement must be arranged by alternate sources to the formal compensation system. In short, human operant behavior tends to be relatively insensitive to changing contingencies relative to other animals (Ader and Tatum, 1961; Harzem, Lowe, and Bagshaw, 1978; Hayes, Brownstein, Zettle, Rosenfarb and

Korn, 1986a; Leander, Lippman and Meyer, 1968; Lowe, Harzem and Hughes, 1978; Matthews, Shimoff, Catania, and Sagvolden, 1977; Shimoff, Catania and Matthews, 1981, Weiner, 1964, 1969). On the other hand, humans tend to be highly sensitive to instructional control through rule-governed behavior, which is the substance of organizational culture (see Baron and Galizio, 1983, Hayes, 1987, and Meichenbaum, 1977, for a detailed discussion). The organizational culture is a major factor in arranging the contingencies of reinforcement for individuals within an organization and is the primary means of behavioral control within an organization. While organizational culture is not under the direct control of managers, the formal reward can be an important element in influencing the culture and hence organizational learning, as changes in culture are the manifestation of learning. The primary thesis of this article is that managers should utilize formal rewards to shape the culture, as formal rewards are inadequate for effective control of individual behavior. The manager's job is less about attempting to manage the individual through direct conditioning as it is to manage the culture, which manages the individual more effectively.

### CONCLUSION

Formal compensation systems and the organizational culture are not two independent events but rather two interrelated systems that interact to effect organizational learning. The formal compensation system impacts directly on individual performance primarily through private knowledge and more importantly through mands. As indicated earlier, this direct impact is severely limited. The organizational culture impacts directly on individual performance through public knowledge and more importantly through tacts. Managers can foster organizational learning and cultural change through the formal rewards, but these formal rewards are unlikely to have much direct impact on individual employee performance.

Popper and Lipshitz (2000) recognized managerial leadership as a critical channel for shaping the culture. Management can shape the culture with formal rewards by changing the stories, the storytellers themselves, by creating organizational heroes, by altering ceremonies, and fostering new myths and symbols. This type of reward system fosters organizational learning by installing values and changing the culture as opposed to focusing directly on individual behavioral change. Asking managers to condition individuals with the formal reward system is similar to asking one of the great masters to paint with a six inch house painting brush.

While research strongly supports conditioning as a means to alter individual behavior these experiments often involves one on one interaction with a highly trained scientist and either a pigeon, mouse or sophomore. Given a box full of mice few experimental psychologists would be effective at conditioning behaviors in the whole group which is far more akin to the job faced by managers today. The reality of being a manager is that most are pressed for time and cannot devote the time required to condition individual employees to reach their performance level. By focusing on the culture, the managers can facilitate individual behavior change and promote organizational learning.

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# A MULTI-STUDY INVESTIGATION OF SELF-EFFICACY MEASUREMENT ISSUES

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## ABSTRACT

*This research explores the self-efficacy-performance relationship in the classroom. Previous research done in this setting has typically reported correlations that are approximately half of what is found in other settings. This paper proposes that these lower correlations are due to a failure to consider the specific nature of the efficacy construct and a failure to construct efficacy measures in a manner suggested by most researchers. To test these propositions, multiple efficacy measures are developed, some in the style suggested by Bandura, others in the more traditional Likert-style question style. Additionally, a test efficacy measure is designed to capture a student's belief about their capabilities in test taking. These measures are tested with two classes of upper level college students. Results indicate that the Bandura suggested measurement style does lead to greater predictive ability, as does adding a test efficacy measure specific to the assessment type used in the class.*

## INTRODUCTION

In 1977 Bandura developed a theoretical framework for learning and motivation that highlights the role of self-referent thought. Critical to the framework of Bandura's social cognitive theory is the role of self-efficacy (Bandura, 1986). Self-efficacy is defined as one's belief in their ability to perform a given behavior (Bandura, 1977; Wood & Bandura, 1989). Self-efficacy is hypothesized to be an important determinant of action, given the appropriate level of skill, and performance (Locke & Latham, 1990).

The construct of self-efficacy has presented researchers in many academic disciplines with a significant predictor of performance. For example, in the education literature Lent, Brown and Hackett (1994) review the research on the relationship between self-efficacy and career choice and academic interest, and Pajares and Miller (1994) attempt to clarify a voluminous literature on self-efficacy and mathematics performance. In the organizational behavior and psychology literature Locke and Latham (1990) included self-efficacy as an important moderator of performance in their model of goal setting. Researchers have found many useful applications for the construct proposed by Bandura, especially in the education fields. Much work has been done relating efficacy to academic performance. For example Wood and Locke (1987) found significant correlations for self-

efficacy and course performance, as did Woodruff and Cashman (1993). These studies represent just a few studies among the dozens that investigate the relationship between self-efficacy and student performance, as well as the studies investigating teacher efficacy in the classroom.

The results of the classroom study by Wood and Locke (1987) point to some of the problems in the literature to date. The correlation between efficacy and performance was half of that which is typically found in laboratory studies. This problem was pointed to in a study by Pajares & Miller (1994). They examined the field of mathematics self-efficacy and concluded that much of the confusion in the area over the predictive validity of self-efficacy could be traced to measures that were not task specific. They noted that the mismatch between self-efficacy and criterial task assessment is a recurring problem in educational research. Bandura (1986) has defined self-efficacy as being very task specific, measures which do not address this specificity should exhibit lower predictive validity.

In the classroom there are multiple tasks that affect performance. One, typically measured by researchers, is the ability to understand the material. However, limiting the measure to ability to understand ignores other performance areas that could influence performance. This study attempts to bridge the gap between student understanding and student performance by studying the student's perceived efficacy for test-taking. The efficacy for classroom ability in a particular class might be separate from the efficacy for taking tests. This is often demonstrated in the classroom by those students "who are just good at taking a multiple choice test." Conversely we might hear students profess their desire for one test form, essay for example, as opposed to multiple choice.

An additional area of concern in efficacy measurement in educational research can be found in the structure of the efficacy measures used. Bandura (1986) suggested a very specific method for measuring self-efficacy. He suggest that researchers ask subjects whether that can perform at specific levels on a specific task (responses are either yes or no) and ask for the degree of confidence in that endorsement (rated on a scale from total uncertainty to total certainty, or 0-100) at each specific performance level. One self-efficacy measure, self-efficacy magnitude, is formed by summing the total questions answered "yes". A second self-efficacy measure, strength, is formed by summing the confidence ratings across all performance levels. A third measure, one suggested for use by Lee and Bobko's (1994) assessment of the validity of each measure, is a composite measure, composed by adding the confidence ratings for only those questions on which the subject indicated they could perform the task. This method has been used by the majority of researchers in the psychology, and organizational behavior disciplines (however there are exceptions, see, for example, Saks' (1994) study of stress and anxiety). Yet, within the education literature measures of unvalidated type exist. For example, Pintrich & DeGrant (1990) use a nine question measure to assess learning efficacy. Similarly, Lopez and Lent (1991) and Woolfolk and Hoy (1990) used self-efficacy measures of different types in their studies.

This study set out to measure classroom efficacy in both the way suggested by Lee and Bobko (1994) as well as with a measure developed in the fashion of more standard questionnaires. This was done by surveying two separate large lecture classes. Additionally, a test-efficacy measure

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was developed in the same style as each class efficacy measure and also administered to the subjects. The goals of this study were thus to (a) contrast the Bandura suggested measurement style with the regular questionnaire style and (b) demonstrate that a better prediction of classroom performance can be achieved by including test taking efficacy as a predictor. Factor analysis was used for scale development, and to assure that the classroom efficacy and test efficacy items were measuring separate constructs. The test efficacy measure was designed to capture two separate dimensions of test efficacy, multiple choice efficacy and essay test efficacy. Additionally, other behavioral measures were used to assess the validity of each efficacy scale.

### **SURVEY 1**

The study was done using 530 students taking a junior level management course. Performance data was available in the student's four test grades as well as the final averages in the course. Of the 530 students 490 completed some portion of my survey. Complete surveys were available from 439 of the students. An examination of the non-respondents and incomplete respondents revealed no patterns by final grade.

#### **Item Generation for Standard Questionnaire**

The structure and focus of the questions within this survey are based on those that have appeared in other scales to measure other efficacy dimensions. For the purposes of this scale 35 questions were originally written. These original 35 questions were examined by four research colleagues that are familiar with efficacy research. Thirteen of the items were identified as being redundant or unclear and were deleted. The resulting survey contained 22 items, of these, 12 items were reversed, some bipolar, most simple negation. This survey was administered to two classes of students, yielding a pre-test sample of 64. A factor analysis of this data yielded three distinct factors, one for class efficacy, and one each for multiple choice efficacy and essay efficacy. The questions used in this scale are included in Table 1.

#### **Data Analysis**

The subjects used in this analysis were of questionable commitment to the surveys. Therefore, various procedures were used to check subjects' responses for patterns indicative of careless responding (Greenleaf, 1992(a) 1992(b); Schmitt & Stults 1985).

1.	I would say that I am an excellent student.
2.	I understand this material well enough to use it the workplace.
3.	I am not very good at taking multiple choice tests.
4.	When I take multiple choice tests if I do not know the answer I usually can guess the correct choice.
5.	I have a hard time remembering all of the important points to write on an essay tests.
6.	I do not feel that multiple choice tests serve as an accurate indicator of my understanding of the material.
7.	Essay tests are hard to study for.
8.	I don't think that I would make a very good manager.
9.	The material in this class takes a lot of time to understand.
10.	I cannot understand the material in this class.
11.	Multiple choice tests confuse me.
12.	I could not describe this material from this class to someone else in the workplace who needed it.
13.	I understand the material taught in this class.
14.	If I don't know the correct answer right away on a multiple choice test I can usually narrow the choices down to a couple of answers.
15.	On multiple choice tests I have a hard time distinguishing between choices.
16.	I would rate my ability as a student in this class as excellent.
17.	It is hard for me to find the important points in the assigned chapters.
18.	I could teach the material in this class to someone else.
19.	If I was in a management position I could apply some of the material from this class.
20.	I can perform well on Essay tests.
21.	I can not tell the important points during class that I should take notes on.
22.	I would rather take a multiple choice test than an essay test.

### **Difference analysis**

This analysis examines the differences in responses between the mean positive item response and the mean negative item response. This was examined across both the entire measure and across the three expected dimensions. One would not expect the difference between these two indices to be very large -- assuming that the only difference between the questions is the manner in which they are worded and that the respondents are reading the question and answering them truthfully. These differences were analyzed using two as the decision rule for identifying careless respondents.

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Elimination of those identified would have eliminated 36 respondents who scored a two on at least one of the dimensions.

### **Factor analysis**

The factor analysis approach looks for individuals who respond in a significantly different way than other respondents. This method computes an index that indicates the consistency of each respondent. This index is then compared to a critical chi-square value to determine whether the respondent answered consistently (Schmitt & Stults, 1985).

For this analysis, separate analyses were run for each of the test efficacy dimensions and for the class efficacy dimension. The critical chi square for this analysis is 2.76 (1 d.f.,  $p=.10$ ). This value was compared to the consistency index across all the survey respondents. Additionally, the entire survey was analyzed in this fashion, the critical value for this analysis is 6.251 (3 d.f.  $p=.10$ ). This approach pointed to 73 careless respondents on the class efficacy scale, 30 on the multiple choice scale, 44 on the essay scale, and 63 on the entire measure.

### **Subject exclusion**

The careless respondent methods (difference and factor analysis) were not consistent in targeting individuals for termination; therefore, I chose to integrate their findings for a more complete analysis of the careless respondents. The subjects identified as careless by each approach were entered into a word processing package into tables, one column for each analysis. The subjects' identifiers were then sorted, and compared across columns. Subjects appearing careless in more than one analysis were targeted for deletion. This procedure allowed me to account for any inconsistencies between the two identification methods and allowed use of those subjects who might have appeared careless on only one scale. Using this approach 51 subjects were targeted for deletion, yielding a final sample of 388 subjects for further analysis.

The remaining data were analyzed for any normality problems; none were found.

### **Results**

The data were first analyzed using principal components analysis with the estimate of shared variance set equal to the squared multiple correlations, with a varimax rotation. The number of factors to extract was set at three for this analysis as this is what I expected. As hoped the questions associated with essay test taking and multiple choice test taking separated into two distinct factors. An examination of the eigenvalues shows the third to be less than 1 (.8353). However, adding in this third factor raised the cumulative variance accounted for to 95%. The resulting factor structure appears in Table 2. There are a few questions that appear to cross-load, such as questions 1, 2, 10,

14, and 22. Although the loadings of most of these variable exhibits one loading that is much higher than the other.

<b>Table 2: Loadings For Three Factor Solution With Varimax Rotation</b>			
Question	Factor 1	Factor 2	Factor 3
1	<b>.70185</b>	.40800	-.01381
2	<b>70229</b>	.39264	.04355
3	.26499	<b>.70673</b>	-.03046
4	.33107	<b>.63578</b>	-.06815
5	.25220	.21084	<b>.59989</b>
6	.20158	<b>.57573</b>	-.21474
7	-.12753	-.12868	<b>.61773</b>
8	<b>.78005</b>	.21329	.04969
9	.64312	.31830	.21007
10	.72448	.41963	.14222
11	.36542	<b>.79628</b>	-.01676
12	<b>.74632</b>	.31190	.14419
13	<b>.75952</b>	.29642	.14273
14	.39946	<b>.69999</b>	-.02169
15	.32702	<b>.76682</b>	.07301
16	<b>.59395</b>	.33539	.05067
17	<b>.62587</b>	.30896	.16034
18	<b>.77972</b>	.33389	.03754
19	<b>.77794</b>	.29813	.02906
20	.26366	.02077	<b>.56069</b>
21	<b>.60568</b>	.31531	.17053
22	.10343	<b>.50286</b>	-.48184

Most of the cross loading appears to be between the first two factors, class efficacy and multiple choice test efficacy. The possibility that these three scales may actually be correlated was examined through factor analysis with a promax rotation. Promax first rotates the factors using a varimax rotation and then allows the rotated axis to correlate. The rotated factor pattern result from this analysis is presented in Table 3.

The results from the promax rotation yield the same structure as the varimax rotation. The difference is that the promax rotation eliminates the cross-loading problem evident in the varimax rotation. The interfactor correlations presented in Table 4 show a strong correlation between the first two factors. One item that appears to be problematic is question 22. Upon reflection it is easy to see why this would load on both test dimensions, reversed for essay. This question should be deleted and a replacement question added for essay efficacy.

Alpha factor analysis was used to assess the reliabilities of the three scales. The factor loadings obtained were approximately equal to those in Table 2, with reported reliabilities of .987 for class efficacy, .893 for multiple choice efficacy, and .546 for essay efficacy.

Of the three scales the essay scale obviously need the most work. I deleted too many items from this one scale to shorten the overall scale. In the class in which the survey was administered this was not too important since there was no essay component to the grade.

Given that the first two factors were strongly correlated LISREL<sup>®</sup> was used to test the hypothesis that these two factors represented separate constructs. This was done by constraining the parameters for these factors to be equal in a structural equation as recommended by Jöreskog and Sörbom (1993). The first run examines the fit with the equality constraint; the second run removes this constraint and looks at the change in the resulting goodness of fit index. The result of this analysis is presented in Table 5. The resulting difference in chi-square values for the constrained model versus the model where the parameters are allowed to be unequal is significant, indicating these constructs are not measuring the same thing.

Question	Factor 1	Factor 2	Factor 3
1	<b>.51691</b>	.33909	-.04899
2	<b>.70075</b>	.14488	-.00984
3	-.01781	<b>.76633</b>	-.01484
4	.23577	<b>.58587</b>	-.07632
5	.27400	.12418	<b>.48321</b>
6	-.00351	<b>.60697</b>	-.21374
7	-.14963	-.03875	<b>.63062</b>
8	<b>.89236</b>	-.12468	-.02407

Question	Factor 1	Factor 2	Factor 3
9	<b>.63305</b>	.11941	.03798
10	<b>.68176</b>	.24178	.09241
11	.06467	<b>.83062</b>	-.00652
12	<b>.76493</b>	.09255	.08494
13	<b>.77200</b>	.11409	.05323
14	.11859	<b>.53229</b>	-.05720
15	.02283	<b>.82145</b>	.08667
16	<b>.55214</b>	.22681	-.02936
17	<b>.47512</b>	.24826	.14704
18	<b>.83116</b>	.02895	-.02848
19	<b>.84789</b>	-.01681	-.03918
20	.28291	-.05480	<b>.53844</b>
21	<b>.54499</b>	.16784	.16004
22	.10244	<b>.58929</b>	-.30011

	Factor 1	Factor 2	Factor 3
Factor 1	1.0		
Factor 2	.481	1.0	
Factor 3	.095	-.059	1.0

Table 6 illustrates the questions grouped by factor and named.

Model	df	$\chi^2$	difference	p-value
Constructs are Same	3	129.75		
Constructs are Different	2	7.61	1, 122.14	.00001

**Table 6: Named Scales**

<b>Table 6: Named Scales</b>	
<b>Factor 1 Class-Efficacy</b>	
1.	I would say that I am an excellent student.
2.	I understand this material well enough to use it the workplace.
8.	I don't think that I would make a very good manager.
9.	The material in this class takes a lot of time to understand.
10.	I cannot understand the material in this class.
12.	I could not describe this material from this class to someone else in the workplace who needed it.
13.	I understand the material taught in this class.
16.	I would rate my ability as a student in this class as excellent.
17.	It is hard for me to find the important points in the assigned chapters.
18.	I could teach the material in this class to someone else.
19.	If I was in a management position I could apply some of the material from this class.
21.	I can not tell the important points during class that I should take notes on.
<b>Factor 2 Multiple Choice Efficacy</b>	
3.	I am not very good at taking multiple choice tests.
4.	When I take multiple choice tests if I do not know the answer I usually can guess the correct choice.
6.	I do not feel that multiple choice tests serve as an accurate indicator of my understanding of the material.
11.	Multiple choice tests confuse me.
14.	If I don't know the correct answer right away on a multiple choice test I can usually narrow the choices down to a couple of answers.
15.	On multiple choice tests I have a hard time distinguishing between choices.
<b>Factor 3 Essay Test Efficacy</b>	
5.	I have a hard time remembering all of the important points to write on an essay tests.
7.	Essay tests are hard to study for.
20.	I can perform well on Essay tests.
22.	I would rather take a multiple choice test than an essay test.

## Validity

As mentioned earlier many different measures were available to assist in establishing the construct validity of these scales. The class efficacy scale correlated with a general efficacy scale ( $r=.2632$ ,  $p=.0001$ ), a measure of student study skills ( $r=.42$ ,  $p=.001$ ), establishing convergent validity, and did not correlate with a measure of social efficacy ( $r=-.07$ ,  $p=.09$ ) establishing discriminant validity. The multiple choice efficacy score also correlated with general efficacy ( $r=.176$ ,  $p=.0009$ ) and the study skill measure ( $r=.38$ ,  $p=.0001$ ), and failed to correlate with social efficacy ( $r=-.09$ ,  $p=.08$ ). The essay efficacy score did not correlate with the general efficacy score, study skills, nor social efficacy measures significantly, establishing that this scale needs more work.

Predictive validity is seen in that final average correlated with class efficacy ( $r=.485$ ,  $p=.0001$ ) and with multiple choice efficacy ( $r=.54$ ,  $p=.0001$ ).

To test the association between the three factors and performance multiple regression was used. The resulting  $R^2$  for all three factors was .60515, with an adjusted  $R^2$  of .5988. Of more interest are the parameter estimates and probabilities. The t-value for factor 1, class efficacy, and factor 2, multiple choice efficacy, were both significant at the  $p=.0001$ . The p-value for factor 3, or essay efficacy, was .7001. This is important to note because in the class used in this research there was no essay component to grade.

## SURVEY 2

The second study was done using students taking the same course in the subsequent semester to the first study. This study used 518 students taking a junior level management course. The same performance measures were available for study. Of the 518 students 478 completed some portion of the survey. Complete surveys were available from 463 of the students. In addition to the new Bandura type measures used in this study, the measures developed for the first study were also used. An examination of the non-respondents and incomplete respondents revealed no patterns by final grade.

## Bandura-type Measure

For the Bandura-based efficacy measure the items used were similar in form to those used by Wood & Locke (1987) in their study of class performance and efficacy. Their measure was used as a measure of class performance efficacy. Table 7 contains a complete sample item, along with the question component of the additional items. It is important to note that this scale does include one item for exam concentration, giving the possibility of overlap with any exam efficacy measure. The multiple choice efficacy measure and essay test efficacy measure were constructed by the same four researchers used in generating the items in the standard questionnaire. Table 8 contains the sample items for each measure.

<b>Table 7: Complete sample item, and item questions for class efficacy scale</b>		
	<b>Can Do</b>	<b>Confidence</b>
	(Y=Yes N=No)	(0 to 100%)
I could memorize 60% of the facts & concepts.		
I could memorize 70% of the facts & concepts		
I could memorize 80% of the facts & concepts.		
I could memorize 90% of the facts & concepts.		
I could memorize 100% of the facts & concepts.		
<i>Memorization</i>	The proportion of facts and concepts covered in this course that you feel you will be able to memorize and recall on demand.	
<i>Discriminating Concepts</i>	The proportion of time that you feel that you will be able to discriminate between the important and not so important facts concepts and arguments covered in this class.	
<i>Explaining Concepts</i>	The proportion of facts, concepts, and arguments covered in the course that you feel you could explain clearly to others in your own words.	
<i>Understanding</i>	The proportion of facts, concepts, and arguments covered in the course that you feel you can understand.	
<i>Class Concentration</i>	The proportion of the class periods for which you fell you are able to concentrate and stay fully focused on the materials being presented.	
<i>Note-Taking</i>	The proportion of the time that you feel you are able to make understandable course notes which emphasize, clarify and relate key facts, concepts and arguments as they are presented in lectures, tutorials or course materials.	
<i>Exam Concentration</i>	The proportion of the time during exams for which you feel you are able to focus exclusively on understanding and answering questions and avoid breaks in concentration	

<b>Table 8: Test Efficacy items</b>	
<b>Multiple Choice Efficacy</b>	
<i>Fairness</i>	The percentage of the time that you feel that multiple choice tests serve as an accurate indicator of your understanding of the course material.
<i>Reasoning Ability (I)</i>	If you do not know the answer to a multiple choice question, the percentage of the time that you feel you can reason through the available choices and pick the correct one.
<i>Reasoning Ability (II)</i>	The proportion of the time on a multiple choice tests that you are able to distinguish between the available choices.

<b>Table 8: Test Efficacy items</b>	
<i>Concentration (I)</i>	The proportion of the time that you are able to maintain concentration on a multiple choice test.
<i>Concentration (II)</i>	The proportion of the time that you are able to answer questions without being confused by the other answer alternatives.
<i>General Ability</i>	The proportion of the time that you feel you are able to perform well on multiple choice test, even if you are not completely prepared for the material.
<i>Multiple Choice Anxiety</i>	The proportion of the time that you feel you can maintain control and not panic while taking a multiple choice test.
Essay Ability	
<i>Ability (I)</i>	The proportion of the important facts that you feel you could remember and write about on an essay question
<i>Ability (II)</i>	The proportion of the time that you feel you are able to perform well on essay tests.
<i>Concentration</i>	The proportion of the time that you feel you are able to concentrate on essay questions.
<i>Essay Anxiety</i>	The proportion of the time that you feel you can maintain control and not panic on an essay test.
* Each of these questions was posed in the same style as the class efficacy scale example in Table 7.	

## Survey 2 Results

Analysis of the results from the second survey was limited to validity checks. As with the first survey, the class efficacy correlated with a general efficacy scale ( $r=.3342$ ,  $p=.0001$ ), a measure of student study skills ( $r=.49$ ,  $p=.0001$ ) establishing convergent validity, and did not correlate with a measure of social efficacy ( $r=.04$ ,  $p=.13$ ) establishing discriminant validity. The multiple choice efficacy scale correlated with general efficacy ( $r=.28$ ,  $p=.0001$ ) and the study skill measure ( $r=.39$ ,  $p=.0001$ ), and failed to correlate with social efficacy. In contrast to the first set of measures the essay test efficacy measure did correlate with general efficacy score ( $r=.33$ ,  $p=.0001$ ), and the study skills measure ( $r=.41$ ,  $p=.0001$ ), and failed to correlate with the social efficacy measure.

The interrelationships between the measures indicates a greater degree of association between the three measures than in the first study, as class efficacy correlated with multiple choice efficacy ( $r=.58$ ,  $p=.0001$ ), and essay efficacy ( $r=.38$ ,  $p=.0001$ ), and the multiple choice efficacy and essay efficacy measures correlated ( $r=.205$ ,  $p=.001$ ).

Predictive validity was seen in that final average correlated with class efficacy ( $r=.785$ ,  $p=.0001$ ) and with multiple choice efficacy ( $r=.72247$ ,  $p=.0001$ ). The two measures together in a multiple regression equation yielded an  $R^2$  of .821, with an adjusted  $R^2$  of .817. Once again essay efficacy did not correlate with performance.

As in the first study, LISREL<sup>®</sup> was used to test the hypothesis that these multiple choice measures and the class efficacy measure measured distinct constructs. This was done by constraining the parameters for these factors to be equal in a structural equation as recommended by Jöreskog and Sörbom (1993). The result of this analysis is presented in Table 9. The resulting difference in chi-square values for the constrained model versus the model where the parameters are allowed to be unequal is significant, indicating these constructs are not measuring the same thing. Further, the class efficacy measure from study one was compared to the class efficacy measure, as was the multiple choice efficacy measure, in a similar fashion. These results are also contained in Table 9. The results approach significance ( $p=.101$ , and  $p=.051$ ), indicating that both types of measures seem to measuring the same construct.

Model	df	$\chi^2$	difference	p-value
Class efficacy and MC efficacy constructs are same	3	142.12		
Constructs are Different	2	3.26	1, 138.86	.00001
Class efficacy measures are same-	3	12.65		
Measures represent different constructs	2	9.82	1, 2.83	.101
Multiple choice measures are same	3	13.45		
Measures represent different constructs	2	9.75	1, 3.7	.051

## CONCLUSION

The results obtained here do point to the multi-dimensionality of the construct class-efficacy. Most important of these dimensions is test efficacy. Specifically students may have very different perceptions of their ability for class performance and for test performance. Adding this component into previous research may help explain some of the lower correlations found in classroom experiments. Conceptualizing the construct in this way does align it more closely with the original ideas as proposed by Bandura. Additionally, the Bandura-suggested measurement style was contrasted with the more familiar questionnaire style. Results indicate that the measures appear to measure the same construct; however the Bandura-type measures did demonstrate better ability at predicting final performance.

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# ORGANIZATIONAL CULTURE FIT AND OUTCOMES IN SIX NATIONAL CONTEXTS: AN ORGANIZATIONAL LEVEL ANALYSIS

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## ABSTRACT

*A group level analysis was conducted on person-organization fit by examining differences between employees' perceptions of their current organizational culture and a description of the organizational culture they viewed as most conducive to effective employee performance. Twenty-seven organizations were clustered, using hierarchical cluster analysis, based on their levels of four organizational level outcomes: teamwork, common goal orientation, upward and downward communication. The organizations came from six different national contexts. It was found that a smaller gap between employees' perceived and desired levels of the extent to which their organization emphasizes those aspects of organizational culture that encourages employees to interact with others and approach tasks in ways that will help them to meet their higher-order satisfaction needs for affiliation, esteem, and self-actualization resulted in higher levels of positive organizational outcomes. Some evidence was found for an effect of national context on the relationship between fit and organizational outcomes.*

## INTRODUCTION

Person-organization (P-O) fit has quickly become one of the more popular ways to examine how an employee might behave in a particular organizational setting. Stemming from the field of interactional psychology, P-O fit is broadly defined as the congruence or compatibility between the individual employee and the organization on a particular dimension. To date, a number of organizational researchers have examined the possible antecedents and consequences of various P-O fit operationalizations. For the most part, fit has been used to predict individual occupational outcomes such as employee job satisfaction, organizational commitment and intent to turnover (Kristof, 1996; Tinsley, 2000; Tranberg et. al, 1993; and Verquer et. al, 2003)

The purpose of the present study is to extend the scope of P-O fit research by exploring how the consequences of P-O fit are impacted by national culture. Specifically, we are interested in determining if potential positive group-level and organizational-level occupational outcomes are

associated with high levels of P-O fit. Our ultimate goal is to determine whether positive consequences of fit are experienced universally (across a number of different national cultures) or whether national culture moderates the relation between these variables.

### **Person-Organization Fit**

To a degree, individuals are employed in an organization because of their choosing. According to the Attraction Selection Attrition (ASA) model, a potential employee is attracted to and selected by an organization because he/she possesses certain personal characteristics that coincide with the organization's structure, design and culture (Schneider, 1987). The ASA framework also predicts that although individuals who do not possess these desirable personal characteristics could be hired, these ill-suited employees would likely leave or would be let go. The ASA process would therefore yield a somewhat homogeneous workforce that is matched with its organization on a variety of dimensions (e.g. values, personality, goals, needs, abilities, etc.). To the extent that theories such as the ASA model determine organizational membership, organizational researchers have sought to examine the consequences of a good match (fit) between the employee and the organization.

Person-Organization (P-O) fit is defined as the compatibility that can be determined if/when one entity provides what the other needs or wants and/or if the organization and employee share similar fundamental characteristics (Kristof, 1996). This definition of P-O fit takes into account the two most investigated types of fit between the individual and the organization – 1) supplementary fit, or the sharing of fundamental characteristics such as values, goals, or personality; and 2) complementary fit, or the ability for one entity to provide what the other needs or wants such as pay, promotion, or level of autonomy. Organizational researchers and practitioners use P-O fit to explain workplace attitudes and behaviour. A review of the fit literature yields a number of research questions employing a variety of P-O fit conceptualizations. The majority of fit research has explored the notion that positive occupational outcomes result from a high level of P-O fit (Schneider, 2001).

Meta-analyses reveal that by and large, the strength of the relation between fit and occupational outcome depends on the fit operationalization and on the outcome being predicted. For example, Verquer et al. (2003) reviewed 21 studies exploring the relation between P-O fit and a variety of work-related attitudes to determine which fit conceptualization best predicted job satisfaction, intent to turnover, and organizational commitment. P-O fit was operationalized as either value congruence whereby employees possess the same work values as the organization; goal congruence whereby employees possess the same work-related goals as the organization; or personality congruence whereby employees possess the same interests or “ideal personality dimensions” as the organization. Results revealed that among the outcome variables, intention to turnover was found to have the weakest overall relation with P-O fit, while commitment to the organization was found to have the strongest relation with fit. In addition, researchers discovered

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that although the various fit operationalizations were related to individual work attitudes (such that fit operationalizations were positive correlated with job satisfaction and commitment but negatively correlated with intent to turnover), value congruence was more strongly related to all three outcome variables than were goal congruence and personality congruence. Despite the relatively small number of fit studies compiled in the meta-analysis, Verquer et al. (2003, p. 486) demonstrated that fit does appear to be related to occupational outcomes and assert that “the positive results from the existing P-O fit studies should encourage further research.” Furthermore, given the finding that there is variation among the associations between fit and occupational outcome, these results also support the notion that P-O fit is a multidimensional construct.

Westerman and Cyr (2004) explored the potential multidimensional relationship between P-O fit and work attitudes (i.e. employee satisfaction, organizational commitment and intention to remain with the organization) by using multiple fit approaches on a single data set. Using three separate approaches to conceptualizing fit – value congruence, goal congruence and personality congruence, Westerman and Cyr tested the hypothesis that each operationalization would account for unique variance in the prediction of employee work attitudes. Westerman and Cyr’s multidimensional theory of P-O fit was confirmed as results from their analysis partially supported their hypothesis. Specifically, when the three fit operationalizations were entered simultaneously in their analysis, values congruence and work environment congruence were each found to be significant predictors of employee satisfaction and commitment (p. 258). Results such as these support the notion that the fit literature can only be improved upon as long as researchers continue to explore relevant work-related variables and multidimensional models examining how employees relate to their work environment.

While some studies such as Westerman and Cyr (2004) and Verquer et al. (2003) support the use of predicting occupational outcomes using P-O fit, some organizational researchers contend that a number of fit conceptualizations are oversimplified or flawed, that fit research is plagued with measurement issues, and it is skewed by confirmatory biases (Hesketh & Myers, 1997; Tinsley, 2000). Hesketh and Myers (1997) also argue that organizational researchers have overlooked more parsimonious explanations when attempting to predict occupational outcomes. In particular, Hesketh and Myers reason that the direct effects of the organization or the individual can impact occupational outcomes such as satisfaction or commitment. For example, some organizations may be inherently more satisfying than others. Moreover, some employees may endorse a particular set of work values that lead to increased levels of satisfaction, regardless of the type of organization in which they work. While Hesketh and Myers do not deny that the examination of the person-organization interaction may be of value, they caution that researchers should not overlook the main effects of each component.

The criticism against P-O fit research offered by Hesketh and Myers outlined above has not gone unnoticed by organizational researchers. In rebuttal, organizational researchers such as Schneider (2001) and Chatman (1989) point out that if scholars are going to adopt a person-

environment interaction perspective to explain behaviour, the person and the environment should not be separated. In Schneider's (2001, p. 145) opinion:

*There is nothing inherently incorrect about studying fit directly, without disaggregating the main effects, because the direct assessment of fit is certainly in keeping with the underlying Lewinian conceptualisation of a [person-environment] 'constellation'*

Chatman (1989, p. 333) agrees and asserts that, "interactive research must accurately represent *both* person elements and situation elements." Based on these statements and the Lewinian theoretical position that both the person and the environment influence behaviour, it seems there is considerable value in continuing the practice of examining the relation between P-O fit and occupational outcomes.

### **Organizational Culture and Fit**

Depending on the research question being investigated, fit can be operationalized in many different ways. One way to explore how the employee and organization interact is to examine the relation between the individual and the organization on measures of organizational culture or workplace norms (Kristof, 1996). Organizational culture is responsible for maintaining the social structure within the organization. It also generates the organization's identity and characterizes it from other organizations. An organization's culture can be characterized as the beliefs, values and ideologies endorsed by the organization and/or it can be represented by the artefacts and observable behavioural norms related to the work environment (Ostroff, Kinicki & Tamkins, 2003). These various layers of the organization's culture are maintained and passed on through the socialization process between employees. Given that an organization's culture is passed on to new employees, it is quite stable and somewhat resistant to change (Schein, 1990). If an employee does not fit within the culture of an organization, this may prove to be quite difficult for long-term employment. It seems pertinent then, to explore the impact of organizational culture P-O fit on occupational outcomes.

To examine the interaction between employee and organization using an organizational culture framework, it is first necessary to distinguish between the norms of the organization and its underlying values. Organizational values are the taken-for-granted assumptions and ideologies at its core. Values such as quality, respect for individuals, teamwork, autonomy and so on, though important aspects to an organization's identity, are just one layer of an organization's culture. Norms in the workplace, such as behavioural norms also contribute to the distinctive character of the organization. The decision to operationalize fit using either a value congruence perspective or a workplace behavioural norms perspective is an important one. On the one hand, it may be difficult to accurately articulate the values endorsed by an "organization." For example, Ostroff et al. (2003, p. 568) assert that, "Organizations do not possess values. Rather, key individual leaders possess values and these individuals can influence organizational goals, process, and systems in directions

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that are consistent with their values.” Ostroff et al. also make the distinction between espoused values and enacted values. Espoused values are those that are explicitly endorsed by the leaders of the organization, while enacted values are those that are actually converted into employee behaviour. It is conceivable that a gap could exist between espoused values and enacted values and this gap can complicate the interpretation and understanding of an organization’s underlying value system – especially if front-line employees and organization executives disagree on which values make up the organization’s “actual” culture.

While values may be difficult to pin down, workplace norms are observable, concrete and perhaps easier to document. Workplace norms are surface manifestations of the organization’s underlying culture and can be represented by the physical setting, clothing, manners of address, emotional displays, and stories about the organization (Ostroff et al., 2003). If one accepts the notion that observable behaviours represent the unobservable underlying cultural assumptions and ideologies (Denison, 1996; Hatch, 1993; Ostroff et al., 2003, Schein, 1990), then one can use measures of congruence between employees’ preferred or ideal organizational culture and the organization’s actual operating culture as assessed by commensurate workplace behavioural norms to determine whether P-O fit impacts occupational outcomes. This type of fit conceptualization has yet to be explored and would contribute another layer of information to the multidimensional nature of P-O fit and workplace behaviour.

### **Predicting Organizational-Level Outcomes**

Researchers have applied P-O fit in an attempt to explain a variety of workplace outcomes. The majority of fit research has focused on positive outcomes associated with the individual employee (e.g. job satisfaction, commitment, perceived stress, intent to turnover, etc.) rather than explore the impact of fit on the organization as a whole. This distinction between individual and organizational outcomes is important because although the organization may *indirectly* benefit from the potential consequences of good fit (e.g. by having satisfied, healthy and committed employees) there is very little research conducted and published that has investigated any direct organizational outcomes as a consequence of good or poor fit (Kristof, 1996; Schneider, 2000). The lack of research involving environmental or organizational outcomes predicted by measures of fit has not gone unnoticed. Critics of fit research have recommended a shift in focus so that occupational outcomes other than those associated with the individual are investigated. Organizational consequences to good or poor fit such as organizational effectiveness or productivity may be more meaningful to managers and organizational executives because they may have practical consequences for the viability of an organization and may have an impact on “the bottom line” (Schneider, 2001). Other higher-level outcomes such as group-level outcomes (e.g. teamwork and cooperation) may also be of importance to organizational leaders and may be impacted by P-O fit. Studying higher-level occupational outcomes, rather than those at the individual level seems to be a logical next step for P-O fit researchers.

*Research Question 1: Does fit conceptualized at the organizational level predict organizational level outcomes?*

### **Person-Organization Fit and National Culture**

In examining the progression of P-O fit theory and research, Schneider (2001) proposes that two distinct traditions have dominated the field up to this point – the individual differences tradition and the organizational psychology tradition. According to this classification system, the individual differences tradition focuses on the variables associated with the individual employee such as personality and ability. The organizational psychology tradition, on the other hand, has focused on characteristics of the environment (e.g. culture) and the fit of its employees within those characteristics. Though fit research has evolved considerably in the last few decades, Schneider proposed a new tradition for researchers of P-O fit. This new tradition would involve the examination of P-O fit and national culture.

Parkes, Bochner and Schneider, (2001) explored the notion that P-O fit may impact employees differently depending on one's national culture. Parkes et al. examined the relation between person-organization congruence (on an individualism and collectivism value dimension) and various individual occupational outcomes (i.e. organizational commitment, job satisfaction and tenure). In addition, the authors explored their research question across two different organization types – hospitals and consulting firms and across two national culture categories – Australia and Asia. Results revealed that national culture significantly moderated the prediction of organizational commitment and tenure. Moreover, results also showed that these effects were stronger than the effects for organizational type. In Asia, collectivist employees were more committed to their organizations and had longer tenure compare to those in Australia. Individualism-collectivism, though a specific dimension upon which to measure P-O fit was found to impact an employee depending on his/her national culture (i.e. whether the employee worked in Australia or Asia). These results argue against a universal approach to P-O fit and suggest that perhaps traditional assumptions of P-O fit need to take into account the national cultural context each organization is embedded in.

In their study examining the applicability of P-O fit consequences to non-Western countries, Nyambergera, Daniels and Sparrow (2001) investigated whether two separate fit operationalizations – human resources management policy-preference fit and value orientation congruence, impacted levels of job involvement in Kenya. Using a regression technique to analyze fit, Nyambergera et al. found that human resources management policy-preference fit only partially predicted job involvement. Specifically, performance-related human resources management fit such as pay based on merit and not seniority was related to job involvement whereas three other human resources preferences – involvement/participation, high predictability of rewards, and empowerment were not. Additional regression analyses revealed that value orientation congruence was not significantly related to job involvement. To explain their findings, the authors suggested that in a developing country such as Kenya, unemployment is common and simply *having* a job may lead to positive

occupational outcomes. Where resources and jobs are scarce, fit within a particular organizational context is not necessary for positive work attitudes such as job involvement. Moreover, Nyambergera et al. (2001, p. 110) found that “it was the particular value orientation themselves – not their fit – that are most predictive of job involvement.” Results such as these, question the universal applicability of P-O fit theories across national cultures.

*Research Question Two: To what extent are positive consequences of fit at the organizational level found across a number of different national cultural contexts?*

## **The Present Study**

If positive outcomes are not always associated with high levels of P-O fit as Nyambergera et al.'s (2001) study suggests, it is important to understand when and for who fit is important. The present study will seek to explore this research question and extend the P-O fit literature by assessing the universal applicability of P-O fit on organizational-level outcomes. By using measures of congruence between employees' ideal organizational culture, as assessed by workplace behavioural norms, and the organization's actual operating culture, we hope to explore whether high levels of fit is associated with positive organizational outcomes. In addition, we will also explore whether the association between fit and group/organization-level outcomes is a universal phenomenon.

## **METHOD**

### **Instruments**

#### **Organizational Culture**

The *Organizational Culture Inventory*® (OCI, Cooke & Lafferty, 1983) was used to measure actual organizational culture, and was administered to all individual participants in English. The OCI is an assessment of an organization's operating or current culture in terms of the behaviors that members believe are required to "fit in and meet expectations" within their organization. Additionally, descriptions of participants' ideal organizational culture were assessed using the *Organizational Culture Inventory-Ideal* (OCI-I, Cooke and Lafferty, 1989) a parallel instrument that asks respondents the extent to which behavioral norms ideally maximize motivation and organizational performance. Specifically, both the OCI and the OCI-I assess 12 sets of norms that describe the thinking and behavioral styles might characterize the operating culture of an organization. These behavioral norms specify the ways in which members of an organization are expected to approach their work and interact with one another (Cooke & Szumal, 2000), and are

defined by two underlying dimensions, the first of which distinguishes between a *concern for people* and a *concern for task*. The second dimension distinguishes between expectations for behaviors directed toward fulfilling higher-order *satisfaction* needs and those directed toward protecting and maintaining lower-order *security* needs. Based on these dimensions, the 12 sets of norms measured by the OCI and the OCI-I are categorized into three general types of organizational cultures, which are labeled Constructive, Passive/Defensive, and Aggressive/Defensive (e.g., Cooke & Rousseau, 1988; Cooke & Szumal, 1993; Xenikou & Furnham, 1996).

The Constructive cluster reflects organizational cultural characteristics that encourage members to "interact with others and approach tasks in ways that will help them meet their higher-order *satisfaction* needs" (Cooke & Szumal, 1993, p.1302) and includes the Achievement, Self-Actualization, Humanistic-Encouraging, and Affiliative styles. The Achievement style reflects an organizational culture where completing tasks well is valued, and employees are encouraged to set and accomplish their own goals. The Self-Actualizing style reflects an emphasis on creativity and quality. Similar to the Achievement style, both individual growth and task accomplishment are valued. The Humanistic-Encouraging style characterizes a culture that is person centered and involves employee participation in decision-making. The Affiliative style indicates a culture that places a high priority on appropriate and constructive relationships among employees. This cluster of organizational culture styles has been shown to result in both high satisfaction and high productivity in the workplace (Cooke & Szumal, 2000; Cooke & Lafferty, 1989).

The second cluster of styles in the OCI and the OCI-I is the Passive/Defensive cluster. Individuals in cultures where this cluster predominates "believe that they must interact with *people* in a way that will not threaten their own *security*" (Cooke & Szumal, 1993, p. 1302). The organizational cultural styles represented in this cluster are Approval, Conventional, Dependent, and Avoidance. An organizational culture typified by the Approval style is a culture where individuals strive to keep interpersonal relationships pleasant, at least on the surface, by avoiding conflicts. The Conventional style of organizational culture characterizes organizations that have strong bureaucratic control, and emphasize conservatism and traditionalism. An organization that is hierarchically controlled and discourages input from employees typifies the Dependent style of organizational culture. Behaviors exemplifying the Avoidance style may be seen in organizations where mistakes are punished and success is not rewarded.

The third cluster of organizational culture styles measured by the OCI and the OCI-I is labelled Aggressive/Defensive. This cluster represents cultures "in which members are expected to approach *tasks* in forceful ways to protect their status and *security*" (Cooke & Szumal, 1993, p.1302). The Oppositional, Power, Competitive, and Perfectionistic styles comprise this cluster. The Oppositional style reflects patterns of behavior where negativity and confrontation in interactions occur frequently and are expected. An organizational culture where the Power style predominates results in employees working to build up their power base by controlling subordinates and acceding to the demands of supervisors. When an organizational culture constructs a win/lose situation for employees, employees compete against each other and operate on the belief that to do

well they must win at another's expense. This typifies the Competitive organizational culture style. When an organization emphasizes the Perfectionistic style, employees know that mistakes will not be tolerated, that attention to detail, and hard work toward very narrowly defined objectives are expected.

Respondents were asked to indicate on a 5-point Likert scale the extent to which the statements related to the norms and behaviors in their workplace are expected or encouraged. Sample items for each scale may be found in Table 1. Validity evidence includes support from research that examined its construct validity (through principle-components analysis) (Cooke & Rousseau, 1987; Rousseau, 1990; Cooke & Szumal, 1993), and criterion validity (Cooke & Szumal, 2000).

<b>Table 1: Illustrative <i>Organizational Culture Inventory</i>© (OCI) Major Normative Styles and corresponding items.*</b>	
Please think about the behaviors that are expected and encouraged in your organization.  Using the response options to the right, indicate the <i>extent to which members are expected to:</i>	RESPONSE OPTIONS: 1. Not at all 2. To a slight extent 3. To a moderate extent 4. To a great extent 5. To a very great extent
<i>Constructive items</i>	
help others grow and develop <i>_____ Humanistic-Encouraging</i>	pursue a standard of excellence <i>_____ Achievement</i>
deal with others in a friendly way <i>_____ Affiliative</i>	Think in unique and independent ways <i>_____ Self-Actualization</i>
<i>Passive/Defensive items</i>	
“go along” with others <i>_____ Approval</i>	please those in positions of authority <i>_____ Dependent</i>
always follow policies and practices <i>_____ Conventional</i>	wait for others to act first <i>_____ Avoidance</i>
<i>Aggressive/Defensive items</i>	
point out flaws <i>_____ Oppositional</i>	turn the job into a contest <i>_____ Competitive</i>
build up one’s power base <i>_____ Power</i>	do things perfectly <i>_____ Perfectionistic</i>
* The illustrative items are presented in an order that is different from the order in which they are presented in the OCI. Scale names and numbers are indicated in italics.	
From Cooke, R.A. & Szumal, J.L. (1993). Measuring normative beliefs and shared behavioral expectations in organizations: The reliability and validity of the Organizational Culture Inventory." <i>Psychological Reports</i> , 72, 1299-1330. Copyright © 1987, 1987 Human Synergistics, Inc. Adapted with permission.	

As the level of analysis was the organization for this research, individual employee responses were aggregated into a single response representing each organization for each of the types of actual organizational culture and ideal organizational culture. A gap analysis was performed by subtracting the ideal score from the actual score in each category in order to assess the extent to which the actual organizational culture differed from employees' ideal organizational culture in each of the three types of organizational culture: Constructive, Passive/Defensive, and Aggressive/Defensive.

### **Organizational Outcomes**

Four organizational level outcomes were examined: the extent to which teamwork takes place in the organization, the extent to which the organization's goals are clearly communicated and understood by employees, and the extent to which both upward and downward communication is seen to exist in the organization. Teamwork was defined as the extent to which employees work in a collaborative and supportive manner and adjust their activities, as needed, to facilitate task accomplishment at the group level. The extent to which the organizations' missions and visions are clearly defined and communicated by management, as well as understood by employees comprised the outcome measure of whether or not employees in an organization shared a common goal. The outcome of upward communication was assessed by the extent to which employees perceive that information is effectively sent from employees to those in higher level positions, while the outcome of downward communication was assessed by the perceptions of the effectiveness with which organizational information such as policies, strategies, and procedures is effectively communicated to and understood by employees in an organization. Sample items for each of these outcomes may be found Table 2.

### **Participants**

Responses from 27 organizations in six countries (Australia, Canada, Germany, South Africa, the United Kingdom, and the United States) were selected from a larger population of organizations whose employee responses were scored by the publisher of the inventory. Organizations were selected based on the following criteria: those that had been processed most recently (post 2000), the language individual respondents completed the survey (English), and those that had no missing data. The sample of organizations was in various industries, including publishing, insurance, banking, and manufacturing organizations.

## **RESULTS**

As this research was exploratory in nature, the first research question was addressed by performing a hierarchical cluster analysis, using Ward's Method, with four outcome measures used to form the clusters. The organizational level outcomes used to form the clusters were team

emphasis, goal orientation, upward communication and downward communication. The data were not standardized, as the variables used to form the clusters were based on the same scale. The correlation matrix for all variables used may be found in Table 3.

<b>Table 2: Illustrative items for outcome measures</b>	
Please think about the behaviors that are expected and encouraged in your organization to maximize its effectiveness.	
Using the response options to the right, indicate the <i>extent to which</i> :	RESPONSE OPTIONS:
	1. Not at all
	2. To a slight extent
	3. To a moderate extent
	4. To a great extent
5. To a very great extent	
You can count on your co-workers when teamwork is needed ( <i>Teamwork</i> )	
Management objectives and priorities are clear and understood by members ( <i>Common Goal Orientation</i> )	
Communication to employees in the organization is straight from the source (not through too many channels) ( <i>Downward Communication</i> )	
Communication to higher levels in the organization is provided voluntarily (not provided only when demanded) ( <i>Upward Communication</i> )	

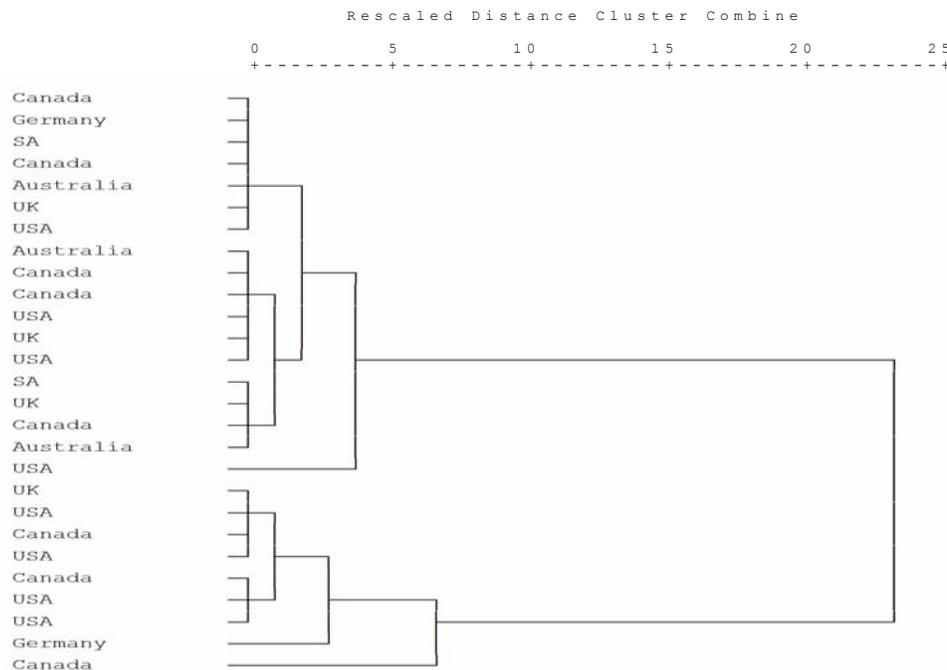
Ward's method (sometimes referred to as the minimum variance method) forms clusters on the basis of an analysis of variance approach, and was selected because it is considered to be one of the most efficient methods of cluster analysis. As the goal of cluster analysis is to find the simplest cluster solution where both the similarity of the within cluster items and the between groups difference is maximized (Hair & Black, 2003; Nunnally & Bernstein, 1994), we examined the coefficient of dissimilarity, calculated using the Squared Euclidean distance at each stage of the cluster analysis. The distances between the least dissimilar clusters showed a sharp increase at one cluster, indicating that a two cluster solution fit the data best. Inspection of the dendrogram (see Figure 1) confirmed this solution as the best fit and most parsimonious approach to clustering the data.

**Table 3: Correlational Matrix for Variables in the Study**

	Constructive Gap	Passive/Defensive Gap	Aggressive/Defensive Gap	Teamwork	Common Goal	Downward Communication	Upward Communication
Constructive Gap	1	-.65**	-.68**	.75**	.39*	.52**	.71**
Passive/Defensive Gap		1	.82**	-.48*	-0.36	-.43*	-.69**
Aggressive/Defensive Gap			1	-.58**	-0.31	-0.38	-.62**
Teamwork				1	.46*	.53**	.69**
Common Goal					1.00	.82**	.69**
Downward Communication						1.00	.83**
Upward Communication							1.00

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

\* Correlation is significant at the 0.05 level (2-tailed).

**Figure 1: Dendrogram from Cluster Analysis**

Note: Each organization is identified only by its national context in the above dendrogram.

## Interpretation of the Clusters

The second question of interest for this research was the extent to which organizational culture and national context fit affected organizational level outcomes. Accordingly, the two clusters identified by the cluster analysis were further analyzed to see if there were differences between the groups in these areas. A *t*-test was conducted on the variables used to cluster the data, and the results indicated that, while significant differences were found for each of the variables (See Table 4), three of the four outcome measures emerged as pivotal in differentiating between the clusters. Significant differences were found between the clusters in the extent to which organizations were perceived as fostering a common goal among employees ( $t(12.58) = 5.59, p < .01$ ), in the extent to which organizations were perceived as having effective upward ( $t(10.93) = 3.88, p < .01$ ) and downward communication ( $t(12.65) = 5.22, p < .01$ ), and in the extent to which organizations promoted teamwork ( $t(25) = 2.46, p < .05$ ). The first cluster exhibited higher levels of each of these outcomes than did the second cluster.

**Table 4: Descriptions of the Two Clusters**

	Cluster	N	Mean	Std. Deviation	<i>t</i>	<i>df</i>
Constructive Gap	1	19	-6.7613	1.3533		
	2	8	-8.779	2.7403	2.59*	25
Passive/Defensive Gap	1	19	4.5718	1.9074		
	2	8	6.0971	2.162	-1.73	11.85 <sup>a</sup>
Aggressive/Defensive Gap	1	19	2.3065	1.4104		
	2	8	3.8478	2.3419	-1.73	9.22 <sup>a</sup>
Teamwork	1	19	3.9072	0.2628		
	2	8	3.5212	0.5618	2.46*	25
Common Goal	1	19	3.5021	0.3488		
	2	8	2.6471	0.3687	5.59**	12.58 <sup>a</sup>
Downward Communication	1	19	3.2329	0.2009		
	2	8	2.7757	0.2109	5.22**	12.65 <sup>a</sup>
Upward Communication	1	19	3.0285	0.1941		
	2	8	2.6519	0.2439	3.88**	10.93 <sup>a</sup>

<sup>a</sup>Note: equal variances not assumed for these *t*-statistics.  
\* clusters significantly different,  $p < .05$   
\*\* clusters significantly different,  $p < .01$

A second series of *t*-tests was used to examine differences in P-O fit. Gap analyses were performed for each component of organizational culture, and *t*-tests were used to determine if the clusters differed in the extent to which fit existed between ideal and actual organizational cultures. No significant fit differences were found for the Aggressive/Defensive ( $t(9.22) = -1.73, p > .05$ ) and the Passive/Defensive ( $t(11.85) = -1.73, p > .05$ ) aspects of organizational culture, but significant differences were found in the Constructive aspects ( $t(25) = 2.59, p < .05$ ). Higher gaps were found in all the aspects of organizational culture in the second cluster than in the first.

Finally, an examination of the clusters to determine if national context was a factor in differentiating between the clusters was undertaken. A chi-square goodness of fit test for national context indicated that Canada, Germany, the UK, and the US were equally represented in the two groups. Australian and South African organizations, however, were found exclusively in the group with the smallest gap in fit, and with the highest level of positive organizational outcomes (See Table 5).

COUNTRY	Cluster	Observed N
Australia	1	3
Canada	1	5
	2	3
Germany	1	1
	2	1
South Africa	1	2
UK	1	3
	2	1
USA	1	5
	2	3

## DISCUSSION

Based on the organizational level outcome measures of teamwork, common goal orientation, upward and downward communication, the organizations in this sample clustered into two categories. One cluster was associated with significantly higher levels of each of these organizational outcomes than the other cluster. Additionally, it was found that the cluster with the higher levels of these positive outcomes had a lower gap between the ideal and actual Constructive aspects of the organizational culture. No significant differences emerged between the clusters in the

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gaps between ideal and actual Passive/Defensive and Aggressive/Defensive aspects of organizational culture. The first research question in this study asked about the extent to which fit at the organizational level may be related to organizational level outcomes. The results of this study provide support for the idea that the fit phenomenon may be studied at the organizational level as well as the individual level, and that fit measured at this level of analysis does have a relationship with organizational level outcomes. The implications of these results suggest that consequences associated with organizational culture fit may have an impact for an organization's "bottom line." The four organizational outcomes assessed in the present study – teamwork, goal communication, upward communication and downward communication, can reasonably be linked with organizational effectiveness and productivity (i.e. organizations experiencing a greater degree of teamwork and effective communication skills are probably more effective and productive in general). If higher levels of organizational culture fit as assessed by behavioural norms are associated with increased levels of teamwork and effective communication, as our results suggest, organizations would only benefit when employees' culture preference match the actual culture of the organization.

The cluster of organizations with higher levels of positive outcomes also had a significantly better match between employees' expectations of organizational cultures that emphasized meeting the higher-order needs of employees and their assessment of the organizational culture that actually existed. The cluster of organizations with lower levels of positive organizational outcomes had a larger gap between the ideal and the actual Constructive aspects of organizational culture. Interestingly, fit in terms of the aspects of organizational culture that can be termed defensive in nature did not seem to be related to organizational outcomes. These results encourage the practice of conceptualizing fit in terms of organizational culture congruence as assessed by behavioural norms. Results also revealed an association between P-O culture fit and the organizational outcomes of teamwork, goal communication, upward communication and downward communication. Higher gaps in levels of fit were found in all aspects of organizational culture within the second cluster as were significantly lower scores on the organizational outcomes.

It was also relevant to calculate fit at organizational level rather than the individual level given that outcome variables were not individual in nature but rather organizational outcomes. What is more, organizations, while having an overall consistent culture, can contain sub-cultures associated with various departments or divisions within the organization. Therefore it was important to aggregate individual employee responses to determine the organization's overall culture fit when examining its impact on the outcomes and not any particular sub-culture.

The results were less clear for the second research question. A chi square goodness of fit test indicated that four of the six national contexts in this study were equally distributed in the two clusters that emerged based on the outcome variables, although two nations were represented in only one cluster. The Australian and the South African organizations in this study were all found in the cluster with the more positive organizational outcomes. A point biserial correlation between nation and P-O fit was non-significant, suggesting that national context does not necessarily play a role in the relationship between fit, as assessed by organizational culture preferences and actualities,

measured at the organizational level and organizational outcomes. This is not inconsistent with some of the literature. For example, Nyambegera, Daniels, and Sparrow (2001) concluded from their research using values as the basis for P-O fit, that it is the values themselves and not the fit that predicted outcomes in the Kenyan context.

Schneider's "third tradition of fit research" relating to P-O fit and national culture is just beginning to explore if and when fit impacts organizations and their employees. This type of research will only flourish as researchers continue to explore the relation between fit and occupational outcomes within organizations in other parts of the world. Researchers are encouraged to examine different combinations of national culture samples and fit operationalizations in order to gain an understanding of the extent to which theory is generalizable beyond the groups in this research. For example, our national samples were limited due to language restrictions yielding Westernized nations whose workforce in general may endorse similar work values and traditions. By sampling nations that are less Westernized and more varied in their values and traditions, perhaps fit researchers may find that national culture more strongly influences the relation between P-O fit and occupational outcomes.

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## “BECAUSE EQ CAN’T BE TOLD”: DOING SOMETHING ABOUT EMOTIONAL INTELLIGENCE

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### ABSTRACT

*Interest in emotional intelligence (EQ) has grown exponentially over the past decade, thanks to several widely reprinted articles in the Harvard Business Review and subsequent best-selling books by Daniel Goleman and other EQ authors. Growing along with that popularity is a demand for management training programs and graduate business courses that help clients and students enhance their EQ awareness and behaviors. So far the response to that demand has been tepid – limited, for the most part, to educating participants on the theory of EQ, offering assessment instruments, and suggesting action plans. This discussion reviews the current state of EQ training and offers an outline for changing EQ attributes based on a course developed for graduate business students at Seattle University.*

### INTRODUCTION

Some things do not get learned from reading books and listening to lectures. John Dewey (1897, 1938) suggested as much as early as 1897 in *Ethical Principles Underlying Education*, and was thoroughly convinced by 1938 when his *Experience and Education* asserted the preeminent role of experience in the learning milieu. Kurt Hahn gave structure to Dewey’s philosophy in seeding the birth of *Outward Bound* in Aberdovey, Wales in 1941. And Harvard’s Charles Gragg, from whom the title of this article is plagiarized, wrote the definitive adaptation of this notion to business education in his timeless 1940 essay, *Because Wisdom Can’t Be Told*. Professor Gragg argued in favor of Harvard’s case method for learning business concepts, a pedagogy that marshaled purposeful thinking and student collaboration while addressing real-world problems:

*“It can be said flatly that the mere act of listening to wise statements and sound advice does little for anyone. In the process of learning, the learner’s dynamic cooperation is required.”*

*“Yet no amount of information, whether of theory or fact, in itself improves insight and judgment or increases ability to act wisely under conditions of responsibility.” (Gragg, 1940)*

The same case for experiential learning applies to the teaching of emotional intelligence (EQ). Today there is a lot of talk about emotional intelligence, especially talk about measuring EQ attributes, about various competing definitions of EQ, and about how potent an influence are effective EQ behaviors on success in business. But there is correspondingly little talk about how, exactly, to raise one's emotional intelligence. That is the theme of this discussion, drawing upon our experiences at Seattle University in offering experiential programming to help our graduate students change EQ behaviors and hence become more effective managers, leaders, and team players.

First, what exactly do we mean by *emotional intelligence*? The pioneers who coined the expression, John Mayer, Peter Salovey and David Caruso, offer this basic definition:

*“We define EI (we are using the abbreviation EQ in this article) as the capacity to reason about emotions, and of emotions to enhance thinking. It includes the abilities to accurately perceive emotions, to access and generate emotions so as to assist thought, to understand emotions and emotional knowledge, and to reflectively regulate emotions so as to promote emotional and intellectual growth.”*  
(Mayer, Salovey, and Caruso, 2004)

We prefer a simpler definition, stating merely that emotional intelligence is about *being intelligent about emotions*. That includes having a keen, and accurate, awareness of one's own emotions and of the emotions of others. And it includes acknowledging the importance of emotions in every encounter in life – at work, at play, at home, and at the market. It recognizes the power of emotions to positively affect performance in the workplace. And it recognizes the carnage from ignoring emotions – from pretending that they are not present, that they do not count, that they are not important, or that they can be effectively suppressed and disregarded, especially in those environments where the expression of emotions just isn't “appropriate.”

We were convinced of the efficacy of addressing emotional intelligence from the numerous studies attesting to its role in business success, so thoroughly reviewed in popular works by Goleman (1995, 1998, 2002), Bradberry and Greaves (2005), Mayer and Salovey (1993), and Ashkanasy (2001). We also knew that our MBA students would not be content to take a course that merely conveys over and over how important EQ is, and that simply offers a battery of testing instruments to measure their various levels of EQ, regardless of the breadth and depth of those measurements. With respect to courses on management and leadership, our student clientele expects us to deliver a regimen that will lead to behavioral changes, not merely knowledge, understanding, and self awareness. So that is what this article is about – developing and delivering programs to change behaviors that are often hard-wired from early in life. In a nutshell, it is about enhancing emotionally intelligent behaviors.

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## RESPONDING TO THE EQ DEMAND

The vogue surrounding EQ has fueled demanding expectations from business professionals and graduate business students. They want help in developing those EQ attributes that correlate with effective leadership and enviable business results. Even the venerable Association to Advance Collegiate Schools of Business International (AACSB), which bestows its imprimatur of accreditation on worthy business schools, is responding to the craze. Its monthly magazine, *BizEd*, heralded the importance of EQ by publishing a cover page interview with Daniel Goleman, one of the more prolific, and profitable, writers on emotional intelligence (*BizEd*, 2003). The University of Buffalo devoted a recent edition of its alumni magazine, *Buffalo Business*, to flaunting its EQ worthiness, joining other graduate business schools that are eager to communicate to their alumni that they are on the cutting edge of teaching EQ (*Buffalo Business*, 2003).

Despite all the attention paid to emotional intelligence, there is little substantive discussion about what to do about raising one's EQ. We are told that lectures, readings, and traditional homework assignments are not effective, a fact that was intuitively appreciated years ago by learning pioneers like Dewey, Hahn, and Gragg. We are told how to measure EQ, with several schools boasting that their management faculty members are licensed to administer and interpret EQ instruments ranging from self-assessment to 360 degree assessment measurements. For example, *Buffalo News* (2003) waxes that several of its management faculty members are Hay Group-accredited practitioners of the Emotional Competence Inventory (ECI). Other schools claim credentials for administering the MSCEIT assessment instruments (MSCEIT, 2001). Very little, however, is reported on what schools are doing to actually enhance their students' EQ awareness's and behaviors. Reading about, talking about, measuring levels of, and other variations of EQ navel gazing, fall far short of what business education consumers want.

In the *BizEd* (2003) piece previously cited, Goleman responds to the predictable question about "what can be done?" about EQ by vague references to experience:

*"You can not learn them (leadership competencies) by reading a book... You need a model of skill acquisition. (p. 21)*

*"More important, schools of business can build into their curricula learning experiences that will strengthen these abilities in all their students." (p. 21)*

*"You're never too old to learn emotional intelligence." (p. 2)*

When pressed for some specific teaching methodologies, Goleman alludes to Richard Boyatzis's "model" for teaching EQ at Case Western's Weatherhead School of Management, which essentially amounts to assessment, more assessment, development of "learning plans," and more

assessment. We remain at a loss as to what, really, to do in a course sold to students as a program to enhance emotional intelligence.

### **BEYOND NAVEL GAZING**

Can levels of EQ awareness be raised and EQ behaviors enhanced? The conventional wisdom around emotional intelligence says “yes” (Mayer, Salovey and Caruso, 2004) – but the conventional means for educating business students does not offer a model for effecting positive EQ change. At Seattle University, we started a tradition of offering selective experiential-based educational opportunities with the advent of the 1996 MBA Program revision, and subsequently reaffirmed that tradition with the 2004 revision. Since 1996, all incoming MBA students take a required course in *Leadership and Team Development* that utilizes a mix of outdoor and indoor experiential-based learning exercises. Establishing this tradition paved the way for further, albeit limited, use of experiential modalities in subsequent elective courses, especially where behavioral change is the expectation for students selecting those courses. In the case of teaching emotional intelligence, students have a clear expectation that they will emerge from the course experience with a new set of behavioral skills – not simply a portfolio of EQ assessment measurements and a conversant grasp of what EQ is and how it correlates with effective business results. In other words, clients of the MBA program walk into the course on *Leading with Emotional Intelligence* with the expectation that this will be a learning experience that effects positive change, not simply knowledge and understanding.

### **GETTING STARTED – RISKS AND OPPORTUNITIES**

We acknowledge that the starting point for working on one’s emotional intelligence must be assessment. What are my EQ strengths? What are my EQ challenges? Where are the most fruitful places to invest my limited time and energies? What are the triggers that unleash my most dysfunctional EQ behaviors?

And we acknowledge that the ending point -- at least when our course comes to an end -- is a commitment to an on-going, and dynamic, action plan. So on the beginning and the end, our program resembles the Boyatzis course that Goleman holds up as a model for teaching emotional intelligence.

However, for us, assessment and action plan development are minimal gestures toward helping our clients improve on their EQ awareness’s and, ultimately, where the payoff lies, on their EQ behaviors. This remains at the heart of our programming – the critical training that follows assessment and self awareness, and that precedes the commitment to a continuing action plan.

A program of experiences and encounters that not only raises and elucidates EQ awareness, but also take the more important actions to effect behavioral changes, involves risks that eclipse the typical stretches we regularly face in the classroom. It may be uncomfortable for students to openly

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acknowledge personal patterns and behaviors that are not serving them well. It may be uncomfortable to receive candid and truthful feedback from their fellow students. It may be even more uncomfortable to give candid and truthful feedback to their student colleagues. It may be uncomfortable – for some, excruciating – to talk about personal feelings, and yet feelings are the bedrock of understanding for emotional intelligence. The simplest definition of EQ is just “being intelligent about emotions” and their importance to every aspect of our lives – work, family, community and social life. And emotions are feelings, regardless of whether they are easy or difficult to acknowledge and express.

So, in a nutshell, teaching emotional intelligence may not be for the timid or faint hearted. There is simply no soft-ball approach to creating and leading experiences that touch primal chords – and that have any hope of changing patterns that have been hardwired from one’s earliest awareness. The option, for the timid, is to do the standard lip-service dalliance with teaching emotional intelligence – assess, assess again, assess some more, and create an “action plan” that may lead to more positive assessment down the road (and, since EQ does improve with age – at least for most – doing nothing should eventually lead to a higher EQ if one lives long enough).

### **COMPONENTS OF A CHANGE CURRICULUM**

When it comes to teaching EQ, we rely on experiential methods. We provide students with important information and tools, and then create experiences so that they can apply their learning, practice new skills, and try new behaviors. The end goal is for students to know themselves and their values better; to achieve greater clarity of vision; and to act in ways that are congruent with their intentions, goals and values.

To be sure, there are myriad strategies for addressing EQ experientially, and myriad exercises that may be used under each strategy. We reviewed hundreds of activities before creating our first course, which was essentially a program comprising a set of exercises sequenced logically to raise awareness, identify attributes and behaviors, and change hard-wired patterns of behavior. Ultimately, not finding exactly what we wanted out there, we ended up creating most of the exercises. We developed an intense regimen that would fit into the 50 hours of class and retreat time that we had available for the 3-quarter-credit graduate course. That meant making hard choices among an endless set of potentially very effective activities, knowing that a conscious upgrading would follow the first few iterations of the course. The course today, in 2007, looks very different from the course that was inaugurated in the summer of 2003. Course development, if the goal is to create a first rate experience, is truly an exercise in continuous improvement, and even the development phase extends beyond the first half-dozen iterations. This is especially true with experiential-based courses, where the choices among experiences to create are wide and numerous.

Today our course comprises the following broadly defined sequential segments:

- ◆ Defining emotional intelligence and its key components
- ◆ Presenting the case for the importance of EQ behaviors
- ◆ Assessing participants' EQ attributes
- ◆ Creating and refining each participant's EQ self critique
- ◆ Exploring the sources of hard wiring – an autobiography exercise
- ◆ Introducing “executive” coaching as both a means to enhance EQ and as an expression of highly-evolved EQ
- ◆ Training in coaching skills
- ◆ Practicing effective coaching skills, framed around EQ attributes
- ◆ Exploring and honing effective communication and listening skills
- ◆ Introducing and practicing giving and receiving feedback
- ◆ Using a series of interactive, experiential group exercises to practice being open, honest, and aware of feelings and emotions – to practice staying in the moment and staying connected with others
- ◆ Using a series of interactive, experiential group exercises in which to apply new skills, to try out new behaviors, and to receive real-time coaching and feedback
- ◆ Using “skill group” (a variation on the traditional “T Group,” or Training Group) to raise self and social awareness, and to practice being present in an unstructured group dynamic
- ◆ Using “skill group” to raise participants' authenticity
- ◆ Using structured feedback exercises to raise awareness
- ◆ Putting together an action plan, based upon a heightened awareness of EQ challenges evolving from all of the course experiences – an action plan that addresses those patterns, habits and hard-wired behaviors that participants want to change

## DISCUSSION

In the same way that one cannot expect to master emotional intelligence by reading about it, one cannot expect to fully comprehend what our EQ-enhancing regimen really looks like without being there – without experiencing the exercises and interactions that raise self and social awareness, and that alter behaviors that affect self management and relationship management outcomes. Nevertheless, since words on paper are all we have right now, we will add some explanation to the list of programming segments cited above, with the hope that what we do with our class time becomes a bit more clear and understandable.

Despite our dismissive reference to testing instruments and action plans, our program comprises both, with an on-line self-assessment instrument at the front and a comprehensive action plan at the end. We authored and tested our own 80-question assessment instrument, and adapted it to an on-line response mode with automatic scoring and feedback. Our instrument, titled *The Emotional Intelligence Self-Assessment* (Bohan, Lux, Kiner and Weis, 2005a) uses the four-quadrant

model for emotional intelligence popularized by Goleman and friends, and further dissects the four quadrants into contributory components to help participants see the sources of their EQ quadrant scores. For example, our participants' Self Awareness scores are further broken down by scores on Awareness of Emotions, Awareness of Self, Awareness of Situation, and Self Confidence. Following is the 20-component structure that comprises the output scores for our on-line instrument:

Quadrant	Components
Self Awareness	Awareness of Emotions
	Awareness of Self
	Awareness of Situation
	Self Confidence
Self Management	Self control
	Positive Attitude
	Accountability
	Self Validation
	Trust
	Achievement Drive
Social Awareness	Listening
	Empathy
	Awareness of Others
	Awareness of Organizations
Relationship Management	Vision
	Communication
	Bonds
	Conflict Management
	Teamwork
	Mentoring

After completing the self-assessment and reading the printout of results and explanations, we assign our participants to read our own text on emotional intelligence, which we have titled the *EQ Primer* (Bohan, Lux, Kiner, and Weis, 2005b). With the background from reading the *EQ*

*Primer* and the output from their self-assessment instrument, we ask participants to prepare their own personal critique of where they currently see themselves on the EQ continuum – a written assignment that we call the *EQ Self-Assessment Critique*, which we frame as an “executive summary” statement that offers a self-critique of their current levels of EQ in each of the four quadrants. We bill this as the “starting point” for their personal work toward enhancing each dimension of their EQ.

Our first class meeting spends a half hour or so on the obligatory argument for the importance of emotional intelligence – the “call to action,” so to speak, that builds motivation for investing time, effort, and money in the program they are about to begin. Then we get everyone up and moving with an awareness-building activity that we call the “Right now I ...” exercise, an experience guaranteed to move everyone to the edge of their comfort zones, or perhaps a bit beyond for most. While we cannot go into details, we blend several awareness-building exercises into the course program, each offering an experiential opportunity to stretch in ways that bring definition and clarity to participants’ awareness of self and awareness of others.

Early in the program – before the end of our first meeting if that meeting is scheduled for over four hours – we introduce the role of peer coaching in the milieu of tools to enhance EQ awareness and behaviors. Our intention is to quickly infuse the basics of personal coaching so that participants can help each other explore personal EQ issues, and by doing so – that is, by teaching our participants to be effective personal coaches – we also convey skills that are symptomatic of highly evolved emotional intelligence:

*“No single professional service more completely captures the elements of emotional intelligence (EQ) than does effective coaching. Coaching is both a means for enhancing EQ awareness and behaviors, as well as an expression of emotional intelligence in practice. Hence, one of the key sets of skills to develop and hone as part of a program for enhancing emotional intelligence is the set of skills that comprise the effective coach.”* (Weis, 2006)

Again, we have prepared both a written primer on coaching, *Unpacking the Experience: A Primer on Coaching* (Weis, 2006), as well as a set of interactive drills to quickly develop and hone the skill set of an executive, or personal, coach. Throughout our program participants will assemble themselves in small groups and engage each other in an activity we call “Tag-Team Coaching in a Fishbowl,” and will regularly engage in one-on-one coaching to bring out issues and to practice effective EQ behaviors. In addition to engagements that are framed specifically as coaching sessions, we also introduce and facilitate several exercises that are designed to provide candid peer feedback to participants. Learning and practicing the rules and elements of giving effective feedback precedes engagement in these feedback sharing drills.

Without providing excerpts from our complete programming manual, which provides details for every hour of our 50-hour program, we can summarize by repeating that our course in *Leading*

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*With Emotional Intelligence* is an intense experiential regimen that comprises numerous interactive exercises supported by both in-class training (e.g., in coaching and feedback skills) and our own text materials that have been written specifically to augment our training and experiential activities. The one minor detail that we have not touched on is venue and environment. Where do we deliver these programs and what are the classroom logistical requirements? We are true believers in the benefits of what might be called “off site” training in the corporate world – the value of removing people from their familiar settings and conveniences, and moving to an environment that is conducive to creating intensity and heightened human interaction. After all, we are eventually going to engage our participants in very open and candid feedback. For these encounters to be of much value the participants need to know each other well – and that means seeing each other under stress and strain as well as in comfort and relaxation.

So we may begin our program with two or three sessions on campus, using classrooms that can, at a minimum, be broken down so that participants can move around and create private spaces for pairs, triads, foursomes, and so forth. Beyond those meetings, however, there will always be a residential retreat stretching over three or four days, usually at a forested camp offering sleeping cabins, a mess hall, rustic meeting rooms, and ample opportunities for work in the outdoors. We have found that participants can deliver and receive a wealth of good coaching on the mountain trail, and can facilitate their own “tag team coaching” and feedback sessions in forest and camp shelters. One of our annual EQ programs utilizes an even longer, and more remote and inaccessible “expedition” in the Italian Dolomites, where participants spend five days and nights together, at least two of which are in a mountain-top hiking hut in the famous *Schlerngebiet* in Northern Italy’s *Sud Tirol* region northeast of Bolzano. Those expeditions, 5000 miles away from home in Seattle, have consistently drawn rave reviews from our student clients – because of the depth and intensity of the EQ-enhancing experiences in the high mountains of Italy.

One final caveat: Objective, measurable changes in emotional intelligence are challenging to access. We don’t attempt that in this discussion, and in our decision to continue offering this popular course we rely on the judgment of our mature clientele – a working student population with average age of 31 and an average nine years of profession working experience. We encourage that our graduate students believe the program enhances this important skill set, and will continue to support the offering as long as that message is sustained.

## SUMMARY

Critical to the success of a course on *Leading with Emotional Intelligence* is creation of a learning atmosphere of confidentiality and trust, and like-minded peers coming together for self-improvement. We use a series of continually more difficult and self-exposing exercises to, in a sense, “peel away” the layers of armor each of us wears so that participants can see more clearly for themselves who they really are and why they are that way. In an atmosphere of support and trust, participants are able to look into the dark and dusty corners of their lives, corners that for a number

of different reasons (fear of rejection, fear of losing face, feelings of inferiority, etc.) rarely see light. Only when they get past those barriers are individuals really able to identify what is behind their non-EQ-like behaviors.

It is easy to point to an assessment report and say “I need to work on my ability to motivate others” and then write an action plan goal to give at least one compliment each week to each member of your staff. It is a lot harder to acknowledge that the real reason you are not good at motivating others is that you are extremely judgmental, which may have a lot to do with your never feeling good enough while growing up, and having learned to channel that negative energy into an uncanny ability to find fault with the efforts of others. Before your support of others can come naturally, you really need to learn to accept yourself and your shortcomings – something far more difficult, but ultimately more life-changing.

Emotional intelligence is not something that can just be enhanced at an intellectual or analytical level – nor can it be learned overnight. It involves an extended commitment to changing habits, patterns and hard-wired behaviors. What we provide at Seattle University is an invitation to begin this on-going process by offering an effective experiential regimen, a supportive environment, and time away from the clutter of daily routine to explore the roots of one’s hardwiring, and to begin to create a new and more effective circuitry.

If we can be of any assistance in helping our colleagues at other universities explore ways to introduce emotional intelligence to their curricula, please feel free to call on us for any materials or hand-on help. We are more than happy to share both our materials and our expertise.

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