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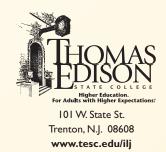
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# International Leadership Journal

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#### From the Editor

February 2013

Welcome to this 14<sup>th</sup> issue of the *International Leadership Journal*, an online, peer-reviewed journal. I'd like to take this opportunity to welcome Dr. Jennifer Swanson, professor of business administration and the director of the International Business Program at Stonehill College, to the editorial board. Dr. Swanson is also a past contributor to this journal.

In the first article, Smits and Bowden suggest that leadership is ubiquitous and a naturally occurring life process honed through self-development and accurate feedback. They propose that there are five psychological assets that are helpful for the development and maintenance of leadership capabilities—mental health, learning, self-management, behavior change, and lifelong learning, and propose a conceptual model of leadership development as a lifelong process in the context of career progression using these assets.

Kerns offers a conceptual framework that connects the concepts of clarity of purpose and meaningfulness to the practice of managerial leadership. He suggests specific practices for leaders to enhance these concepts, but notes that leaders can sometimes go to extremes in seeking to enhance sense of purpose and meaningfulness at work, offering either too little or too much to their employees. As such, he also provides measurement tools to assess their effectiveness in achieving "just-right" levels of purpose and meaningfulness.

Ballaro and O'Neil explore the experiences of two executive-level women in the male-dominated industry of major league sports to determine what behaviors contribute to their leadership success. Using the contexts of transformational and transactional leadership, they find that both effectively combine the characteristics of warmth and caring associated with female leaders with those more representative of men, such as ambition, competitiveness, and task-oriented.

Ricke-Kiely and Kiely identify attributes of effective leadership, the relevance of board governance, and the use of strategic planning in nongovernmental organizations serving conflict areas in Israel and Palestine. They find that while leadership traits, styles, and behaviors are not dramatically different from their literature research, long-term strategy or planning was not driven by the board. Their study suggests that leadership direction must be flexible due to potential instability in these areas of conflict.

Finally, Tanoos explores how the profiles of American and Japanese CEOs are changing with regard to age, tenure, and gender. His study shows that while the gaps are decreasing, Japanese CEOs are still typically older and experience shorter job tenures than their American counterparts. The glass ceiling also proves even tougher to shatter, with no female Japanese CEOs and relatively few American female CEOs. Those few women are also younger than the male CEOs in both countries, but with shorter job tenures.

Please let us know your thoughts and feel free to submit articles for review. Enjoy!

Joseph C. Santora

**Editor** 

## **ARTICLES**

# Leveraging Psychological Assets for the Development and Maintenance of Leadership Capabilities

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Dawn E. Bowden Johnson & Johnson

This article presents leadership as ubiquitous and describes it as a naturally occurring basic life process learned via mastering challenging experiences while receiving timely and accurate feedback. It relies on recent advances in positive psychology and neuroscience to suggest how some people develop superior leadership skills through disciplined self-development efforts. It attempts to demonstrate how leadership skills are developed and applied iteratively within a developmental, life-spanning career model. It also provides specific suggestions for individuals who are ready to engage in long-term, disciplined, career-enhancing development of their leadership skills.

Key words: leadership development, lifelong learning, neuroscience, positive psychology

Leadership is ubiquitous. People experience it throughout their lives as observers, recipients, and providers, depending upon the situations they encounter and the roles and responsibilities they are called upon to discharge. In broad terms, leadership involves a complex array of behaviors developed over time—largely through learning from experience (McCall, 2004)—resulting in varying levels of effectiveness in persuading others to engage in a complex array of desired follower behaviors.

While people maintain a strong, continuing fascination with leadership, Barker (2001) argues for new thinking about our scientific approach to understanding it: "Old theories of leadership . . . are contained within the Newtonian language and positivism of the old physical sciences that are not consistent with new ideas about the nature of reality and life" (471). He argued further that "leadership, as we experience it, is a continuous social process" rather than "a single event or a bounded series of events" with "definable beginning and end . . . subject to

cause-and-effect relationships" (472). In this article, we join Barker's contention that leadership is a "continuous social process" with Linden and Antonakis's (2009) call for a broader context and suggest that leadership should be considered a naturally occurring phenomenon of human existence—a basic life process. Just as early forms of contingency theory argued that people are all, at times, followers as well as leaders, we contend that most people are called upon to lead at various times in their lives. Some lead more frequently, develop greater leadership capabilities through these experiences, become recognized for their leadership performances, and are therefore labeled as leaders.

Avolio (2005) introduced his development model by emphasizing that leadership is largely learned through purposive effort: "Let us be clear, even if you are predisposed to be a leader by some favorable combination of genetics, you are not preordained, and learning and leading must go hand in hand for anyone to achieve his or her full leadership potential" (3). In other words, just as Olympic athletes undergo rigorous regimes of physical conditioning and skill training and concert pianists, renowned scientists, and skilled artisans have undergone rigorous preparation that is atypical of the general population, so too is there a "success-conditioning linkage" for leadership capabilities. That said, we suggest that the relatively new field of positive psychology (American Psychological Association [APA], 2000) can help us understand how one can leverage her or his personal assets to improve her or his capacity to lead.

Positive psychology looks for ways to help people develop and leverage their assets in order to lead happier, more productive lives (Lyubomirsky, King, & Diener, 2005). Positive psychology is based on constructs such as "subjective well-being," "flourishing," "optimism," and "self-determination theory." Self-determination theory (SDT) uses traditional empirical methods to investigate "people's inherent growth tendencies and innate psychological needs that are the basis for their self-motivation and personality integration" (Ryan & Deci, 2000, 68) and the social environments that facilitate or hinder positive development. Specifically, SDT looks at competence, autonomy, and relatedness as three basic needs which "must be satisfied across the life span for an individual to

experience an ongoing sense of integrity and well-being" (Ryan & Deci, 2000, 74–75).

New streams of theory and research are influencing our thinking about what determines leadership—nature or nurture? First, our context for thinking about leadership is increasing in scope: "Recently, theorists have begun to conceptualize leadership as a broader, mutual influence process independent of any formal role or hierarchical structure and diffused among the members of any social system" (DeRue & Asford, 2010, 627). Second, thanks to new technologies such as functional magnetic resonance imaging (fMRI) and advancements in neuroscience methodologies, we are becoming more familiar with the role of the brain in our behavior, including our leadership behavior. For example, "neuroleadership . . . is a new field of study that merges neuroscientific knowledge with leadership, management, organization education, and development (Lafferty & Alford, 2010, 32). Waldman, Balthazard, and Peterson (2011) also "believe that research may now have the potential to advance our understanding of the brain's role in producing effective leadership behavior and to explore how the brain itself might be used to develop exemplary leadership potential" (72).

This article presents the psychological assets we believe serve as the foundation for effective leadership in daily life, demonstrates the acquisition and leveraging of these psychological assets in work settings using the framework of the Four-Stage Career Model<sup>1</sup> (Dalton, Thompson, & Price, 1977; Thompson, Baker, & Smallwood, 1986), and, finally, applies the concepts and models to the lifelong challenges of leadership development.

# **Psychological Assets Underlying Leadership Capabilities**

We propose that there are five psychological assets that are helpful for the development and maintenance of leadership capabilities. Each asset involves learned skills developed through conditioning processes similar to those engaged in by skilled performers in many walks of life. Again, our contention is that the leadership function is a basic life process that all or most people are called upon

to employ at various times. One's capabilities for discharging the leadership function vary greatly, but can be more fully acquired through the self-determination behaviors underlying positive psychology.

#### **Asset 1: Mental Health**

Mental health is the platform upon which long-term leadership capabilities are developed and fine-tuned. Shedler (2010) developed a list of attributes definitive of mental health. Paraphrasing and applying his attributes to a hypothetical, mentally healthy leader, he or she would:

- use her/his talents, abilities, and energy effectively and productively;
- enjoy challenges and accomplishments;
- find meaning in belonging and contributing to a larger community;
- find meaning in guiding, mentoring, or nurturing others;
- be sensitive and responsive to the needs and feelings of others;
- be able to assert herself or himself effectively and appropriately;
- be capable of hearing information that is emotionally threatening;
- be articulate—able to express herself or himself well in words;
- appear comfortable and at ease in social situations;
- recognize alternative viewpoints, even when strong feelings are involved;
- have moral and ethical standards and live up to them;
- be creative—able to approach problems in novel ways;
- be conscientious and responsible:
- be energetic and outgoing;
- be able to understand herself or himself and others in subtle and sophisticated ways; and
- be able to find meaning and satisfaction in the pursuit of long-term goals.

It should be noted that Shedler's attributes fit well with Yukl's (2010) categories of leadership theories, which were based on the type of constructs used to describe leaders and their influence on others, or "level of conceptualization." The categories, which can be described as intra-individual, dyadic, group-level, and organizational-level processes, can also be viewed as a hierarchy (15–16).

One of the tenets of positive psychology is that focusing on positive emotions enables individuals "not just to endure and survive, but also to flourish" (Seligman & Csikszentmihalyi, 2000, 13). Fredrickson (2000) builds the case for cultivating positive emotions by suggesting that experiencing positive emotions helps people transform themselves into more creative, knowledgeable, resilient, socially integrated, and healthy individuals. Fredrickson and Losada (2005) summarize empirical evidence that positive and negative emotions impact attention, creativity, cardiovascular functioning, frontal brain symmetry, immune system functioning, resilience to adversity, and even longevity. If we agree with Goleman, Boyatzis, and McKee (2002) that emotions tend to be contagious, the impact of cultivating positive emotions is twofold for leaders: positive leaders stimulate positive followers, and together they create a positive context for whatever mutual purpose underlies their relationship. For example, optimism on the part of leaders and managers is said to have a pervasive positive impact on both behaviors and performance outcomes in the workplace (Luthans, 2002).

## **Asset 2: Learning**

There is a growing consensus that leadership capabilities are largely learned through experience (Avolio, 2005; McCall, 2004). We broadly interpret this to mean that life, the process of day-to-day experiencing, provides opportunities for leadership development that some people strive to maximize while others do not. Those who want to maximize their leadership development seek out specific growth experiences and often participate in mentoring and coaching (Hunt & Weintraub, 2007; McCall, 2004). According to McCall (2004), the broad categories of experience that seem to matter most for leadership development are challenging assignments, exposure to people, hardships, and personal events. But these experiences, as McCall notes, do not have a common impact on all who encounter them: "People don't automatically learn from experience. They can come away with nothing, the wrong lessons, or only some of what they might have learned" (128).

Caine, Caine, McClintic, and Klimek (2009) focus on how people learn as background for their quest to find practical ways to further develop the executive functions of the brain. People learn in multiple ways. For some, the primary aspect of learning is formal learning through memorization; for others, it is intellectual understanding, and for still others, it is "making intellectual and practical sense of experience, and the brain/mind is designed (in large measure) for making sense of experience" (Caine et al., 2009, 4). "Making sense of experience," combined with seeking out specific types of experience, seems to be what McCall (2004) contends helps differentiate individuals who emerge as leaders from others in the general population. Caine et al. (2009) reports on research suggesting that the optimal condition for learning is relaxed alertness, a condition characterized by confidence, competence, and motivation grounded in meaning and purpose. To reach this optimal state for learning, Caine et al. focus on developing the executive functions of the brain, noting that "human beings have the capacity to change their own brain by using reflection, expanding awareness, and altering behavior" (xi). Further, Caine et al. explain that:

Executive functions are largely housed in the . . . prefrontal cortex. . . . Individuals with highly developed executive functions have mastered the ability to plan and organize their thinking, use reason, engage in risk assessment, make sense of ideas and behavior, multitask, moderate emotions, work with longer time horizons, think critically, access working memory, and reflect on their own strengths and weaknesses. (9)

This description parallels Avolio's (2005) approach to leadership development, which relies heavily on reflection, honed and applied through timely and accurate feedback, while Ashby and Miles's (2002) approach is more focused on adaptation to changing contexts:

One of the most important attributes of all leaders is their ability to learn continuously throughout their careers. . . . It involves more than just learning new skills. . . . It involves listening to feedback . . . and making adjustments. Throughout careers, new roles and challenges arise, and the skills that led to success in a previous role may be detrimental to the next one. It is essential to be able to recognize new realities and adapt accordingly. (215)

In brief, learning to learn in ways that make intellectual and practical sense of experience—that is, demonstrating well-developed executive functions of the human brain—also helps a learner acquire valuable leadership capabilities.

### **Asset 3: Self-Management**

There are two self-management challenges essential for protecting leaders from self-inflicted setbacks: controlling disruptive, impulsive, and instinctual behavior coming largely from the limbic system of the brain and managing excessive stress levels to maintain a healthy brain.

Managing Negative Emotions. What we commonly call leadership often occurs in a context of competition wherein agendas, priorities, values, styles of interaction, or countless other variables may be at issue. We come equipped with negative emotions (fear, anger, and despair) that helped our species survive in hostile environments in the distant past. Many of our negative emotions originate in the amygdala, which is located in the mid-brain as part of the limbic system. The amygdala is our radar for emergencies, easily triggered by even a subtle sense of threat; when threat is perceived, it can override the rational centers in the neocortex. As Goleman et al. (2002) observe, "in today's advanced civilization, we face complex social issues with a brain designed for surviving physical emergencies" (28). Managing one's negative emotions can be a difficult challenge that decides whether our instincts or reasoning will prevail.

Two issues are at play here. The first is whether or not we are in control of our leadership behavior, or conversely that our instincts take over in tense situations. The second is the way emotions displayed by interacting parties influence each other. Behaviors tend to be reciprocal, and emotions are often contagious: hostile statements tend to be reciprocated just as a smile often stimulates one in return. When a person senses danger and responds with negative, survival-conditioned emotions, the person being engaged tends to respond likewise. After all, everyone has a limbic system, and that person just triggered an instinctually defensive reaction. The leader who is able to respond to another's anger with a

calm voice, relaxed body language, and a smile has a much better chance of turning the interaction in a positive direction and achieving a positive outcome.

Managing negative emotions is easier said than done. According to Morse (2006), "the amygdala responds instantaneously to all manner of perceived potential threats and pays particular attention to social cues. . . . Flash a picture of an angry or happy face on a screen for a few hundredths of a second, and your amygdala instantly reacts—but *you*, your conscious self, have no idea what you saw" (49–51). So our first challenge is to develop awareness of when and how our unconscious emotions take over our behavior. Avolio's (2005) focus on feedback from trusted others suggests a starting point. Our second challenge is the amount of effort required to change our ingrained emotional responses. The neocortex—the thinking brain—is a fast learner, sometimes requiring only a single exposure to learn something new. Changes to the limbic system—the emotional brain—require us to undo deeply ingrained habits. "Reeducating the emotional brain for leadership learning . . . needs lots of practice and repetition" (Goleman et al., 2002, 103).

So, from the perspective of leadership, is getting control of emotional responses worth the effort? Unconscious responses, operating outside an individual's knowledge and control, result in all kinds of interpersonal difficulties, confused communication, and biased decisions (Morse, 2006). And remember, emotions "infect" those around us; through the reciprocal nature of human behavior, the negative emotions displayed often come back to attack us.

Managing Debilitating Stress. The 2010 "Stress in America" survey of 1,134 respondents conducted by the American Psychological Association found that the most common physical symptoms of stress were: irritability or anger; fatigue; and a lack of interest, motivation, or energy (Clay, 2011, 61). These symptoms would not bode well for someone attempting to engage in effective leadership behavior; in fact, they are predictive of leadership failure. Maladaptive responses to stress are often associated with the amygdala's impact on the prefrontal cortex (PFC):

We know the brain changes as a function of where an individual puts his or her attention . . . fMRI scans show that in a low-stress environment, activity is concentrated in the PFC. With increasing stress, however, activity shifts from the PFC to the amygdala as catecholamines flood the brain. The reflective brain "turns off," and the reflexive brain switches on, impairing executive functions in the PFC. (Lafferty & Alford, 2010, 33–34)

The commonality of the many definitions of stress is that it is "an adaptive response" to change occurring in our environment—change requiring us to behave in a manner different from our typical response pattern (Selye, 1976). With change and stress so closely linked, it is easy to see why leadership is stressful work. At its core, leadership is "adaptive work" (Herold & Fedor, 2008) and, therefore, leaders are especially prone to the potentially debilitating impact of excessive stress.

Stress and stress management are broad topics well covered in the literature. Of interest here is the influence of stress on the chemistry of the brain and the impact this may have on one's ability to function in a leadership role. The stress response involves the release of chemical messengers, primarily adrenaline, into the bloodstream, where they activate the sympathetic and endocrine systems. These systems work together to prepare one for "fight or flight," potentially useful behaviors in times of emergency. Challenging work, as expected, activates the stress response, and relaxation after work typically returns the systems to normal. Prolonged stress, however, poses the danger of adversely impacting the chemistry of the brain, resulting in physical changes that can impair the functioning needed for leadership effectiveness.

Stress increases the presence of cortisol, a mediator of depression. With high levels of prolonged stress come high levels of cortisol, decreased BDNF (brain-derived neurotropic factor), and decreased neurotransmitters (serotonin, norepinephrine, and dopamine). Having deficient amounts of these neurotransmitters, as Ruelaz (2009) notes, results in chemically induced behaviors that are not conducive to leadership performance.

 Deficient serotonin levels result in depressed mood, anxiety, panic, phobia, obsessions, and compulsions.

- Deficient norepinephrine levels result in impaired attention, concentration and memory; slowed information processing; depressed mood; psychomotor retardation; fatigue; and apathy.
- Deficient dopamine levels result in decreased verbal fluency, serial learning, vigilance, attention, prioritizing, and modulating behavior.

A person attempting to lead with deficient levels of these neurotransmitters would resemble the burnout condition described by Helliwell (1981) and Selye's (1976) Exhaustion Stage of the General Adaptation Syndrome.

## **Asset 4: Behavior Change**

Neuroscience is helping us understand more effective and efficient ways to modify our behavior when it becomes maladaptive to the demands of our environment (Becker, Cropanzano, & Sanfey, 2011). But changing ingrained behavior patterns requires concentrated effort. This is especially true when leaders find themselves repeating dysfunctional behaviors over and over. The first dilemma may be that the leader lacks sufficient reliable feedback to the point that he or she is not fully aware of how particular behaviors are resonating with peers and followers. Goleman et al. (2002) call this lack of adequate feedback—due to operating in partial isolation—"CEO Disease," explaining that "those at the highest levels had the least accurate view of how they acted with others" (95). The first challenge for behavior change for leaders is to get timely, accurate, and actionable feedback that can be used to formulate the change objective and pinpoint the processes needed to achieve it.

Research has demonstrated that the brain has "use-dependent plasticity." "Plasticity reflects the ability of neurons to change the way they relate to one another as they adapt to changing environmental demands" (Cozolino, 2010, 325). Course correcting ineffective patterns of behavior requires one to erase and replace chemical pathways etched in the brain; that is to say one's habits, whether useful or counterproductive, have a physical component that makes them easier to repeat than change:

- The more a neural pathway is traveled, the more it is etched in one's brain;
   a repeatedly activated state will respond to even minor stimuli.
- Fear conditioning turns meaningless stimuli into threats, and trauma biases the brain in a way that thalamic pathways to the amygdala predominate over cortical ones.
- The release of stress hormones leads to excessive death of neurons in the critical pathways responsible for emotional regulation. Emotion defeats reason.
- Once an association is made through repetition of a behavior, it increases
  the likelihood one will continue to make the same association and
  decreases the likelihood of a different association; we are attracted to the
  familiar.
- Behavior change involves both unlearning and relearning and developing new chemical connections in the brain; this explains why "wired" patterns of behavior are so difficult and slow to change. (McCleskey, 2006)

Goleman et al. (2002) provide a similar explanation of the challenges involved in reconfiguring the brain to improve leadership functioning. Starting with the observation that much of what a leader is capable of doing is learned implicitly via experience, they pinpoint what it takes to improve leadership functioning: "It is possible to improve if you do three things: Bring bad habits into awareness, consciously practice a better way, and rehearse that new behavior at every opportunity until it becomes automatic—that is, until mastery has occurred at the level of implicit learning" (156).

Bring Bad Habits into Awareness. The automatic nature of our habitual response patterns, combined with unconscious defense mechanisms and aversion to social embarrassment, makes it difficult to see one's interpersonal deficiencies accurately and even more difficult for one to "own" them. To see ourselves as others see us requires accurate and timely feedback from trusted associates. Avolio (2005) suggests "reflective learning" via training in the "self-reflection process," with an emphasis on the use of "After Action Reviews"; Hunt and Weintraub (2007) promote the development and implementation of formal

coaching structures throughout the organization so that leaders and potential leaders at all levels have needed feedback and support; and Smits (2010) proposes a peer-coaching strategy for leadership development. Although each of these approaches has strengths and weaknesses, all of them are capable of working if the recipient of the feedback trusts and values the source.

Consciously Practice a Better Way. Behavior change starts with a plan—a plan preferably developed in concert with the trusted associates who will be observing and providing feedback as it is implemented. Here we rely on the prefrontal cortex to begin to assert control over the amygdala through a regime of practicing a planned alternate response. Because we know that behavior patterns tend to generalize across contexts, we will need to practice the new response in the several major contexts in which the habitual behaviors occur. Practicing the new response in only one setting—say at home or at work—will delay or even sabotage ingraining the new response into one's behavior.

For example, John Dollard and Neal Miller, behavioral scientists from the 1940s–1950s, studied the etiology of aggression in its many forms. After decades of research on both animals and humans, they proposed a tentative behavioral law for others to test: Frustration leads to aggression. In that context, a leader with anger management issues who wanted to get control over his habitually aggressive response patterns would need to identify the key situations that frustrated him throughout his day, rehearse more socially appropriate responses, and practice them each day in all the contexts in which frustration was encountered and aggression was the habitual response. Solving his aggressive tendencies at home but not at work, or vice versa, would not eliminate his ingrained response pattern because it would still be flourishing much of the time.

Well-developed executive functioning in the prefrontal cortex gives human beings "the capacity to change their own brain by using reflection, expanding awareness, and altering behavior" (Caine et al., 2009, xi).

Rehearse the New Behavior until It Becomes Automatic. The emotional (limbic) brain changes very slowly, and relapses are commonplace until mastery

of the new behavior is attained. Repeated practice of the new behavior in the multiple contexts in which it is relevant is the key to change. The good news is that mental rehearsal sets off a sequence in the brain similar to actual practice in a real situation. Brain studies suggest that imagining something in detail can engage the same brain cells that actual involvement engages (Kreiman, Koch, & Fried, 2000). Eventually, the combination of intense mental rehearsal and repeated use of the new behavior creates a new roadmap in the brain, and the new response becomes habit. "The more often a behavioral sequence repeats, the stronger the underlying brain circuits become. People thereby literally rewire their brains: Learning new habits strengthens pathways between neurons, and may even foster neurogenesis—growth of new neurons" (Goleman et al., 2002, 156).

## **Asset 5: Lifelong Learning**

All behavior is sensitive to context. This context for leaders is complicated by the fact that they must understand the past (where we've been), the present (our current realities), and the future (where we want to go) as multiple contexts in which to discharge their responsibilities. Much like a driver traveling by automobile down a winding road, to operate effectively, leaders need to learn continuously about context and adjust their behaviors as needed.

We argue here that change defines much of the context in which leadership occurs now and will occur in the foreseeable future. With change as the context for our lives, it follows that persons who, by nature, seek out relevant new information are more likely to be contextually capable of leading in these turbulent times than those who make no attempt to stay current. "Curiosity" is one of the 24 major strengths of interest to positive psychologists, and one of the top six credited with producing happiness (Johnson, 2010). Lifelong learning is the conditioning exercise of choice for keeping the executive functioning of our brains fine-tuned and ready to meet life's changing challenges (Caine et al., 2009) and to develop and maintain our optimism, happiness, and flourishing per the tenets of positive psychology (APA, 2000).

In brief, continuous learning is required to stay connected with the complexities of the multiple contexts within which the leadership function is discharged. And coping effectively in complex, challenging environments improves our cognitive reserve and synaptic plasticity (Cozolino, 2010). So it is essential to leverage lifelong learning for leadership development.

#### **Lifelong Preparation for Leadership**

"Training the brain, much as one might train the body with physical exercise, allows it to learn to regulate itself and function better." (Waldman et al., 2011, 70)

Many opportunities for leadership development and many of the demands placed on us for effective leadership occur in the workplace. Therefore, we present a conceptual model of leadership development as a lifelong process in the context of career progression as described in the Four-Stage Career Model (Dalton et al., 1977; Thompson et al., 1986):

- Stage 1: Career Startup. The new careerist acquires a position based upon relevant KSAs (knowledge, skills, and abilities) and works under the supervision and direction of a more senior professional in the field.
- Stage 2: Increased Autonomy. Having developed credibility and reputation through demonstrated success, the now more experienced careerist works with greater independence.
- Stage 3: Increased Responsibility. With experience and success, the seasoned careerist acquires new responsibilities for mentoring and supervising others and representing the organization to outside constituencies.
- Stage 4: Executive Leadership. The highly successful careerist now provides strategic direction, exercises formal and informal power to implement decisions, and sponsors and mentors future leaders of the organization.

These four career stages, in turn, have developmental sub-stages:

- Early: This includes the first several months of a given stage, when assignments are new and expectations are being defined.
- Mid-point: This is the comfort zone of a career stage, characterized by sufficient experience with tasks and expectations to resolve ambiguities and reduce stress but with sufficient novelty and challenge to maintain interest and promote productivity.
- Late: This is the final point before transitioning to the next stage. Here, the
  careerist is often seeking change and may already be performing some
  tasks at the next level.

The Four-Stage Career Model has been useful for longitudinal career research (McLean, Smits, & Tanner, 1991) and for assessing the impact of M.B.A. education on career progression (Smits, Kowalski, Matysek-Jedrych, & Jaromin, 2008). In Figure 1, we use it as context for the psychological assets we posit as useful for the development and maintenance of leadership capabilities. Figure 1 presents those psychological assets and career progression within a positive psychology framework of human flourishing and self-determination theory (Ryan & Deci, 2000).

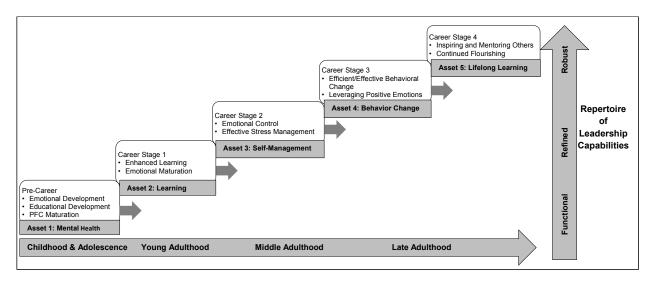


Figure 1. Leadership development as human flourishing

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Figure 1 shows the accumulation of leadership capabilities over a lifetime, with many people achieving a functional capacity to lead in personal, community, and work situations, some developing refined leadership skills during Stages 2 and 3 of their careers, and a select few achieving the robust repertoire of leadership capabilities needed for executive leadership in Stage 4 of their careers. The process starts pre-career during childhood and adolescence, when the physical, mental, social, emotional, and skill development underlying later leadership development takes shape. During adolescence and young adulthood, one is exposed to early opportunities to lead as the normal course of events unfolds in high school, college, military service, and other settings where groups take on challenging experiences. That said, for most people, it is the workplace that provides the greatest opportunity to learn to lead.

As they enter employment and progress through the first three career stages, observations are made by more senior careerists about their capacity to lead. Such observations are often coupled with employer-provided leadership training, formal and informal mentoring and coaching, and challenging assignments, the *sine qua non* of learning to lead.

The leadership capabilities acquired through various stages of life and employment are cumulative, resulting in a defined repertoire. The acquisition of capabilities is at its peak during young and middle adulthood, but as the repertoire expands, the process transitions into maintenance. Some people acquire leadership skills at an above-average rate early, but fail to maintain them during later phases of their careers, while others do so and continue to progress to ever more demanding leadership responsibilities. This article suggests that a core set of psychological assets influences this process over time and results in some people having greater capacity to lead. Although these assets are not as sequential as implied in Figure 1, we contend that few people are capable of leading effectively in Stage 2 of their careers if they have not gained reasonable control over their emotions or learned to manage the stress common to many work settings. Similarly, successful leadership at Stages 3 and 4 is dependent upon one's capacity for flexibility, cooperative relationships, and seeing events in

a broader perspective—capacities closely related to the accumulated capacity to leverage all five of the psychological assets discussed in this article.

#### **Accelerated Leadership Development**

Some people consciously and systematically work at developing their leadership skills. The suggestions offered here are for those individuals who are ready to engage in long-term, disciplined, career-enhancing self-development of their leadership skills. Attention to any of these suggestions by any professional will strengthen their leadership capabilities.

- Commitment. Many people participate in other-directed leadership development programs in the course of their formal education and, later, via programs sponsored by their employers. Education-based and employer-sponsored leadership preparation is the norm for many professionals and typically results in average or above-average leadership skills. Going beyond the norm starts with the decision to commit to a rigorous, long-term program of self-development for leadership effectiveness.
- Feedback Infrastructure. A feedback infrastructure needs to be in place before serious preparation can start. There are many options available for feedback: (a) formal and informal coaching and mentoring in the workplace (Hunt & Weintraub, 2007), (b) e-leadership development using networked arrangements for coaching and mentoring (Avolio, 2005; Smits, 2010), and (c) formal feedback mechanisms like 360-degree reviews and After Action Reviews. Perfecting the use and accuracy of devices such as personal journals and leadership diaries can also serve as a means for self-assessment and feedback.
- Psychological Assets. A feedback infrastructure should provide status
  updates on how well an individual is growing and managing these assets
  and applying them to their planned leadership development. By targeting
  improvements as part of the short- and long-term goal-setting process, an
  individual can increase awareness of each asset. A leadership

development program should start with a self-directed assessment of psychological assets. Monitoring and leveraging these assets will facilitate the success of the overall program of self-development. An individual must also identify major strengths and plan use them as opportunities are presented for leadership development, establish benchmarks and goals for improving those assets not yet at the level of major strengths, and take corrective action to neutralize the adverse effects of any potential asset currently functioning as a liability.

- Modeling Effective Leadership. Our daily lives are filled with examples of effective and ineffective leadership behavior. Modeling is a potent strategy for learning. Kossek (1987) referred to improvements based upon modeling the successes observed in our daily environment as mimetic isomorphism, which she defined as "conscious and unconscious modeling as less successful entities copy those perceived as more successful" (83). To sharpen awareness of effective vs. ineffective leadership behavior, we suggest keeping a leadership diary. Individuals should record their responses to the leadership examples observed, particularly when they or others respond enthusiastically to another's leadership. The diary entry should describe what the leader did or did not do that evoked a positive response. Similarly, when leadership efforts turn individuals off, they should hypothesize why that happened. The leadership diary can be analyzed quarterly or annually to distill principles of effective leadership for an individual to model. A diary will also help one become more astute at observing their own behavior, answering such questions as: What works and what does not when attempting to lead? Why? Of course, such questions and observations are most effective when shared in a mentoring or coaching relationship and used to increase reflection (Avolio, 2005).
- Sensitization to Context. Throughout this article, we have argued that leadership behaviors must be context-relevant, but context is always changing, so we need to find efficient ways to observe and predict it. At more macro levels, lifelong-learning activities provide context, but we need

a more customized approach at the day-to-day activity level. We suggest keeping a personal journal. One should write down key words throughout the day so events are remembered accurately, and later spend some quiet time recording, interpreting, and reflecting on key events. The focus of the journal may change as questions of interest change. For example, how the economic downturn and a recent downsizing is impacting morale and teamwork is a different focus for one's journal than being interested in how is a new real-time IT system is changing interactions with customers. The flexibility of a personal journal is that it can monitor expected and unexpected occurrences in the workplace and at the same time allow one to focus on specific items of interest. Systematically reviewing journal entries on a monthly or quarterly basis promotes reflection and should increase one's understanding of her or his work environment.

• Challenging Assignments. Leadership is learned through experience. Many experts seem to think that learning is enhanced when the experience takes an individual outside their comfort zone. In Bennis's (2007) terms, it is "a crucible experience" that tests "adaptive capacity or resilience" (5). McCall (2004) called these experiences "challenging assignments" that "involve facing adversity, going into the new or unknown, [or] struggling with the unfamiliar" (127). The leaders interviewed by Ashby and Miles (2002) often said they grew by having their leadership tested in new environments for which they were ill-prepared, where they had to rely on intuition, improvisation, and innovation to turn a potential career-ending disaster into a success. So to maximize leadership development, individuals should look for opportunities to move beyond their comfort zone and to practice the underlying tenants of self-determination theory: competence, autonomy, and relatedness (Ryan & Deci, 2000).

It is also important to remember that setbacks are commonplace when we truly test ourselves and press the limits of our capabilities. However, resilient people learn from their setbacks, strategize new ways to move forward toward goal achievement, and continue trying (Chea, 2008).

#### Limitation

This article has made no attempt to address the complex topic of cultural differences in leadership, including leadership development. It is well known that similarities and differences in leadership practices exist across cultures (Javidan, Dorfman, Sully de Luque, & House, 2006). Therefore, the content of this article should be viewed outside the United States with that limitation in mind.

#### Conclusion

Throughout this article, we have argued that leadership is a basic life skill—one that most or all of us are called upon to exercise at various points in our lives. In terms of leadership development, we have emphasized the importance of context, learning from life's experiences, and leveraging key psychological assets that the fields of positive psychology and neuroscience suggest provide a positive milieu for acquiring leadership capabilities and utilizing them effectively. We described these key concepts in a developmental model framed around the Four-Stage Career Model. More research, specific to the conceptual model we presented, is needed. Much of the existing leadership research focuses on leadership styles or approaches, leadership processes, and/or leadership outcomes. Less research has been done on leadership development per se, and few leadership development studies are longitudinal in design. Leadership development as a naturally occurring process throughout life would benefit greatly from longitudinal research. Longitudinal research was difficult in the past due to the challenge of locating subjects over extended periods. Today's computerized social networking and online survey capabilities should make longitudinal studies much more efficient and effective. Longitudinal studies focusing on the key leadership development period from adolescence through young adulthood would help us better understand early career success and serve as a platform for longitudinal studies of executive leadership development.

<sup>&</sup>lt;sup>1</sup> A more detailed description and framework of the Four-Stage Career Model is available upon request from the authors.

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# Clarity of Purpose and Meaningfulness at Work: Key Leadership Practices

# Charles D. Kerns Pepperdine University and Corperformance, Inc.

To achieve happier high performance, followers need to know where things are going and that their work is meaningful. Leadership actions can shape directedness and meaningfulness at work. This article offers a conceptual framework that connects these two concepts to the practice of managerial leadership. Specific practices are offered as pathways for leaders to shape workplace purpose and meaningfulness along with a "just-right" measurement methodology to assess effectiveness. Implications for leadership research and practice are suggested.

Key words: clarity of purpose, clarity of purpose-meaningfulness matrix, leadership, meaningfulness, purpose

Like many individuals at work, after one week of employment at a summer camp, my daughter reported that her job was unimportant. She mostly spent her days walking young children around on horses in a confined corral. After listening to her, I pointed out to her that she was a "courage coach" and a "community well-being enhancer." She was helping many small children experience increased confidence in conquering their fears about doing something (riding a large horse) that likely caused anxiety and fearfulness. Her efforts were also giving these children's parents a break to recharge their parenting batteries, a break that was possible because they had placed their child in the hands of a competent and caring wrangler like her.

This conversation created a paradigm shift in my daughter's thinking about her summer job. She indeed came to see herself more as a "courage coach" and "community well-being enhancer" than as someone who just led small children around in a circle as they held tightly to their horse's saddle. Our conversation caused her to see her job as more meaningful. While from day one she was clear about the functional purpose of her job, she was equally clear that her job was meaningless until she thought about it from a different perspective. She reported

being happier in her job after the first week, and subsequently received superior performance reviews from her supervisor for her work.

With this story in mind, which of the following types of people would you prefer to have in greater numbers in your organization? Those who see their work as:

- A. purposeful and meaningless,
- B. purposeless and meaningless,
- C. purposeless and meaningful,
- D. purposeful and meaningful, or
- E. all of the above.

The obvious preference would be D. Intuition aside, evidence suggests that purposeful-meaningful work is associated with greater employee satisfaction, engagement, and happiness/well-being. The majority of workplaces, however, are filled with E—all of the above. (By restructuring her thinking, my daughter moved from A to D.)

*Purpose* offers a sense of directedness and intentionality that is needed, along with meaningfulness, to maximize performance at work (Pratt & Ashforth 2003; Ryff, 1989). Workers who have a clear direction and experience meaningfulness in their work likely bring out the best in themselves while also helping the workplace culture become healthier and more productive.

Recently, the topic of the meaning of work has received attention in scholarly literature. While an extensive review of this work is beyond the scope of the current article, the work of Rosso, Dekas, and Wrzesniewski (2010) seems particularly relevant to my formulations concerning purpose and meaningfulness at work.

These scholars provide an extensive and useful theoretical integration and review of literature relating to the meaning of work. From this extensive and thoughtful analysis, a number of important observations can be gleaned. First, definitional clarity is offered between the often confusing concepts of meaning, meaningfulness, and purpose. It seems useful to consider *meaning* as relating to the type of meaning employees make of their work, while connecting *meaningfulness* to the amount of significance employees associate with their

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work. Rosso et al. (2010) seem to concur with Ryff's (1989) definition of purpose as a sense of directedness and intentionality. In the reviewed literature, purpose and meaningfulness are sometimes connected, with purpose being seen as a vehicle for meaningfulness to unfold. In this article, meaningfulness, or significance of work, and purposeful work will be treated as separate concepts, with the understanding that, in practice, they likely overlap. Second, Rosso et al. (2010) clearly delineate leaders as an important source for shaping and impacting meaningfulness at work. Their assertion has historical roots in the seminal work of Smircich and Morgan (1982). This observation is not only accurate but critical in the development of purposeful and meaningful workplace culture. Indeed, leader practices can influence the level of purpose and meaningfulness that followers experience in the workplace. Third, there are tremendous opportunities for researchers, scholars, and practitioners to draw upon what is known and evolving about the concept of meaning at work. This article extends this knowledge to the practice of managerial leadership using observations and experience gathered from working with a variety of managerial leaders across industries over the past 30 years. Locke and Cooper (2000) note that qualitative data gleaned from a variety of available sources, including interviews, field observations, and other less quantitative methods of inquiry, can legitimize an approach that is based on the integration of real-world facts.

In this article, I address the leadership practice of shaping purpose and meaningfulness in actual workplace settings, which has received rather limited attention to date. This article can help practitioners more effectively use and manage purpose and meaningfulness in their work, and may serve as a springboard for further investigation—including quantitative data and analysis by applied researchers.

The approach presented in this article is embedded within a broader program of applied study that investigates five managerial leadership roles including a "happier role." The work presented focuses on one specific practice—shaping and managing purpose and meaningfulness—that seems to hold promise for

helping managerial leaders help themselves and their people enhance their performance and happiness at work.

Managerial leaders who more fully understand how purpose and meaningfulness can be connected at work can potentially enhance their own performance and enhance the happiness and performance of the people they lead. My evolving work with my colleagues in this area is encouraging and has yielded a number of useful frameworks and tools to support the practice of shaping purpose and meaningfulness of managerial leaders. I will also note some specific benefits of systematically understanding and shaping purpose and meaningfulness for managerial leaders and their organizations.

#### The Value of Managing Purpose and Meaningfulness

The practice of shaping and managing purposeful behavior and meaningfulness offers substantial benefits in many areas for managerial leaders and their organizations. At least a dozen positive outcomes can be connected to this practice area. These outcomes and areas of influence include:

- happiness/well-being (Kerns, 2008, 2010, 2012; Kerns & Ko, 2010; Ménard & Brunet, 2011),
- intrinsic motivation (Robertson, 1990; Wrzesniewski, 2012),
- engagement (Bunderson & Thompson, 2009; Fairlie, 2011),
- stress management and organizational behavior (Elangovan, Pinder, & McLean, 2010),
- work attendance (Wrzesniewski, McCauley, Rozin, & Schwartz, 1997),
- personal accomplishment (Kahn, 2007),
- life satisfaction (Morrison, Burke, & Greene, 2007),
- organizational commitment (Blatt & Camden, 2007),
- vocational development (Dik & Duffy, 2009),
- performance (Hall & Chandler, 2005),
- job design (Berg, Grant, & Johnson, 2010; Bunderson & Thompson, 2009),
   and
- self-efficacy (Grant, 2008).

In light of these potential areas of benefit, two key questions emerge. First, what is the source or sources of purpose and meaningfulness at work? Second, how does work become purposeful and meaningful, or what are the pathways to this destination? With the diverse array of organizational studies on the meaning of work as a backdrop (Rosso et al., 2010), this article will focus on the managerial leader as a key source for shaping and managing purpose and meaningfulness. Specific pathways that managerial leaders can influence will be offered for practitioners to use and applied researchers to further explore. However, before exploring each of these pathways of practice, a conceptual framework for viewing clarity of purpose and meaningfulness is offered.

### The Clarity of Purpose–Meaningfulness Matrix

As suggested earlier, in the context of the meaning of work, *purpose* refers to the clarity with which an individual or group works with directionality and intentionality. In this article, it refers to the functional purpose of a job or workgroup. Conversely, *meaningfulness* relates to the amount of significance the work holds for an individual or group.

An interesting and useful way of classifying people and groups and describing the permutations of the dimensions of clarity of purpose and meaningfulness is depicted in Figure 1 on the next page. I often use this matrix with executives to discuss their own sense of purpose and meaningfulness in their jobs as well as those of the people in their organizations. References in this article to the various quadrants are used for thought and discussion purposes only. This conceptual framework may perhaps spur researchers to empirically explore the dynamics and relationships presented in this matrix.

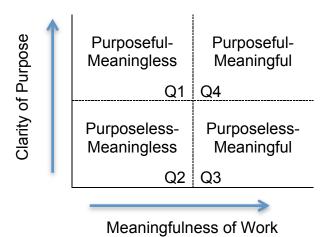


Figure 1. The clarity of purpose–meaningfulness matrix

#### **Employee Characteristics of the Matrix Quadrants**

Quadrant 1: Purposeful and Meaningless. Employees categorized in this quadrant remain purposeful in spite of low perceived meaningfulness in their work. They are clear about the functional purpose of their work but do not view the work they do as especially significant. Harry, for example, a new and inexperienced hospital supplies sales person, is clear about what he is supposed to be doing and his performance expectations but fails to see the significance in selling beds, chairs, and medical clothing. His managerial leader has an opportunity to help him see the significance in selling these products to end users.

Quadrant 2: Purposeless and Meaningless. Many factors can contribute to a lack of clear purpose and a sense of low meaningfulness in the workplace, such as a lack of performance management systems, poor selection practices, and a disengaged boss. For example, Joan, a customer representative for a large industrial distributor, is frustrated and unhappy in her position the majority of time. She does not have a written job description and is often quite unsure how to approach interactions with key customers. She also feels that her work is not important or challenging. Joan lacks a clear purpose and feels that her work is insignificant. She often states: "I am just an order taker."

Quadrant 3: Purposeless and Meaningful. There are various reasons why an employee who lacks purpose may, nonetheless, view his/her work as meaningful. For instance, employees may not have clear performance expectations or clear job requirements yet see the significance of the work they do has to end users. For example, Joe works at an animal shelter. He does not have a clear understanding of his job requirements but does consider the work he is doing to be significant. He believes his work is meaningful even though he is unclear about the functional purpose of and tasks associated with his position.

Quadrant 4: Purposeful and Meaningfulness. Employees who work with a clear purpose and also consider their work to be meaningful have the ability to realize the dozen benefits noted earlier. For example, Joe, a supermarket janitor, has a clear, performance-based job description that lays out the functional purpose of his job, and he believes his work helps provide a good shopping experience for customers. He is clear on his purpose and knows his work is meaningful. He has had near perfect attendance over a five-year period, actively engages with grocery shoppers as he cleans floors, and reports being a happy high performer.

Managerial leaders' effectiveness at executing practices that can lead employees to Quadrant 4 is critical for enhancing purposeful and meaningful performance. When viewing managerial leaders as a key source for communicating purpose and instilling a sense of meaningfulness to their employees, it becomes important to index these practices.

#### A Closer Look at Quadrant 4: The Purposeful-Meaningful Performer

People who reside in Quadrant 4 share some key characteristics. These individuals:

- have a clear understanding of their job requirements;
- find their work to be important and significant;
- are linked to the resources necessary to execute key actions;
- are highly engaged in their work;
- see job demands as challenging, yet realistic;

- are aligned with their organization's mission;
- are aligned with their organization's core values;
- perceive their boss to be authentic in his or her interactions;
- transcend their personal interests or goals;
- identify strongly with their workgroup, believing it is a valuable connection;
- believe they have the power and ability to make a difference in their job;
   and
- use their talents and strengths.

These characteristics have been observed in my field studies and consulting work over the past 30 years. In addition, many of the 12 characteristics are reflected in a number of assessment tools that endeavor to measure purposeful and meaningful work. Studies about authenticity in the workplace (Goldman & Kernis, 2004), meaningfulness (Steger, Frazier, Oishi, & Kaler, 2006), and the Meaningful Work Inventory (Fairlie, 2010) are examples of recent assessment efforts to quantify purposefulness and meaningfulness at work.

From a practitioner perspective, managerial leaders are encouraged to focus on key behavioral indicators and/or characteristics that may relate to employee purposefulness and meaningfulness. To this end, I frequently use a "Purpose-Meaningfulness Self-Assessment Survey" with leaders to help them rate themselves on these characteristics. This assessment tool is an informal survey that serves as a springboard for conversations about areas of relative strength and areas where improvement may be indicated, with the goal of personal growth toward Quadrant 4. These conversations, along with a careful review of the practices that seem to help managerial leaders move their people toward purposeful-meaningful status (Quadrant 4), will likely contribute to a better understanding of the dynamics associated with clarity of purpose and meaningfulness.

# **Pathways to Clarity of Purpose and Meaningfulness**

Researchers have often debated the nature, sources, and mechanism associated with workplace purpose and meaningfulness. In some cases these

two concepts are treated separately, while in other instances they are connected in various ways. In this article, as previously noted, purpose and meaningful are treated separately, with *purpose* referring to functional work and *meaningfulness* relating to the significance an individual places on the work they do.

Various pathways exist to foster a sense of purpose and meaningfulness. For instance, a change in one's job description that clarifies direction (purpose) may help move people from Quadrant 3 to Quadrant 4. In most situations, however, the actions needed to enhance people's meaningfulness in their work environment will likely be more challenging. Tools exist for increasing functional purpose, but meaningfulness-enhancing interventions need to be more fully developed for use by organizational leaders.

#### **Increasing Purpose**

A managerial leader can enhance clarity of direction by taking action in the following ways:

- Design and document a performance-based job description for each of his or her reports (Kerns, 2001).
- Design, develop, and deliver a functional mission statement for each functional workgroup area (Kerns, 2002).
- Effectively and efficiently link or coordinate resources.
- Balance job demands with available resources.
- Identify individuals' strengths and integrate them into functional job requirements as reflected in their performance-based job descriptions.

To be a purposeful performer, employees must have a clear and coherent direction, know what to focus on, and know how to access and link with resources. They also benefit from a supervisor who effectively balances job challenges with workplace demands. It is equally important that individuals have the opportunity to apply their strengths and talents in their functional role at work (Kerns, 2010).

#### **Increasing Meaningfulness**

In examining meaningfulness in the workplace, a managerial leader has a number of specific practices to offer his or her employees to positively influence the level of meaningfulness experienced from his or her work, including:

- displaying a high integrity index, wherein there is a high correlation between what the leader espouses and his or her actions. The importance and relevance of this practice has recently been underscored by the research of Ménard and Brunet (2011) who found a significant relationship between meaning of work and leader authenticity. This work tracks with my findings and observations that leaders with a high integrity index (those who do what they say they will do), especially in areas such as values orientation, stating the importance of work, and the organization's mission, enhance their people's perceived meaningfulness of work.
- connecting employees' performance-based job descriptions to key actions
  that positively impact end users. Individuals who understand how their work
  positively impacts end users see their work as important and often
  transcendent. They see their work as contributing to the "greater good"
  (Lips-Wiersma, 2002). Rosso et al. (2010) refer to as "interconnection."
- reinforcing employee actions that enhance significant stakeholder outcomes. With this reinforcement, individuals learn what they do is perceived to be important; the recognition emphasizes the meaningfulness.
- increasing the sense of belongingness to a workgroup that is pursuing important and significant work. Managerial leaders who effectively execute this practice develop workplaces and teams that come together around and embrace a common mission and/or cause, perceive and act to influence a set of important common goals, and perceive and act in interdependent ways to advance their work.
- striving continuously to increase their followers' self-efficacy. Leaders who
  show focused interest in their peoples' abilities and confidence levels
  produce meaningful outcomes. With an increased sense of personal power
  to do important things, the workplace becomes a place of enhanced

meaningfulness for individuals (Spreitzer, Sutcliffe, Dutton, Sonenshein, & Grant, 2005).

In executing practices to foster purpose and meaningfulness, it is important that managerial leaders find a useful way to measure their effectiveness. Over the past decade, I have used a variety of methods to assess and provide feedback to leaders aspiring to enhance their skills in this practice area. What has emerged from this work is a "just-right" rating method that is adapted from the work of Kaplan and Kaiser (2006).

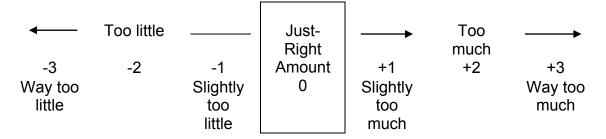
#### "Just-Right" Purpose and Meaningful Management

When it comes to managing purpose and meaningfulness, there are two extremes. On the one hand, a managerial leader can offer way too little to individuals to enhance their sense of purpose and meaningfulness at work. However, they may instead go overboard in their efforts to foster purpose and meaningfulness. Kaplan and Kaiser (2006) offer managerial leaders a way to identify these types of extremes in their book, *The Versatile Leader*, and elsewhere (Kaiser & Kaplan, 2005, 2009).

Their approach helps identify excesses and deficiencies in managerial leadership practices by asking individuals with knowledge of a managerial leader's performance in a specific practice area to rate the leader's effectiveness. However, unlike many unidirectional Likert-type rating scales used to assess behavior, a rating scale that can identify excesses and deficiencies is employed. This scale typically asks the respondent to rate a leader in gradients of "too little" to "too much" with the "just-right" amount being between the two extremes of "much too little" and "much too much."

By way of example, one practice area that I use to rate managerial leaders on fostering purpose and meaningfulness follows:

Practice Area: "Relates jobs to important end user outcomes" Rating Scale:



Over the years, comments associated with -3 ratings include such remarks as "never lets us know that what we do makes a difference" or "seems disinterested." Ratings of +3 glean comments such as "acts like an evangelist" or "goes overboard in telling us we impact customers." In contrast, the "just-right amount," or near 0 ratings, yield comments like, "really makes us feel important" or "I feel like I make a big difference with our customers."

In practice, it is critically important for managerial leaders to gauge how effective they are in executing key practices like fostering purpose and meaningfulness. This "just-right" scaling approach helps leaders and those interested in their effectiveness better calibrate how well they are executing their role and associated practices. Many of my clients have reported that this "just-right" rating process has been especially helpful in helping them benchmark their performance, reign in excesses, and address deficiencies.

#### Implications for Research

While this article is targeted toward practicing managerial leaders, helping them consider and enhance the practice of fostering purpose and meaningfulness, several issues call out for research in this practice area. The relationship between an individual's personal purpose and his or her functional purpose at work would be a fruitful area for researchers to explore. It would be helpful to know whether the amount of overlap in an individual's personal purpose and functional job purpose influences his or her level of purpose and/or meaningfulness at work. Investigating the multilevel alignment of purposes

across an organizational structure would be useful. There are four levels of purpose within an organization: the intrapersonal level (an individual's personal purpose), the job/position level (the functional purpose of a particular job), the workgroup level (the group's purpose/mission), and the organizational level (the entity's purpose/ mission). A better understanding of the dynamics within and among these levels as they relate to clarity of purpose and meaningfulness would be helpful.

The evaluation of the impacts of managerial effectiveness in executing purpose and meaningfulness practices on business outcomes would also be important to know. For example, to what extent does enhancing purpose and meaningfulness drive key organizational outcomes?

Leadership authenticity has recently received attention from researchers and practitioners. It would be helpful to take this further to see how a leader's "integrity index" interacts with his or her perception of being authentic and with the meaningfulness levels of the individuals and groups they supervise. This line of research would be especially appealing in light of recent findings that meaning of work plays a role in authenticity and well-being in the workplace (Ménard & Brunet, 2011). In addition, the empirical study of a managerial leader's modeling of behaviors associated with purpose and meaningfulness on their followers would be useful. It may be that managerial leaders can foster a sense of purpose and meaningfulness by being a positive role model of these behaviors.

Finally, the conceptual framework offered could benefit from empirical examination and exploration. It would be helpful to identify additional characteristics of occupants of the four quadrants. A better understanding of the dynamics of meaningfulness would be of interest. Knowing which of the four quadrants most significantly influences happier high performance in organizations could help us better understand the relationship between purpose, meaningfulness, well-being/happiness, and leadership, as well as organizational effectiveness. Associated with this line of research, Berg, Wrzesniewski, and Dutton (2010) found evidence that employees may adapt their jobs for more

meaningfulness independent of their supervisor; this research may be enlightening.

#### **Implications for Practice**

Managerial leaders wanting to increase happier performance could benefit by reviewing practices that enhance purpose and meaningfulness. Leaders who are skilled at helping individuals and groups work with clarity of purpose and meaningfulness will likely improve performance and well-being in their organizations. They are encouraged to explore the practices offered herein.

This article underscores the need for practitioners to assess their effectiveness. They are encouraged to use assessment tools that will offer them a balanced perspective on their performance. Specifically, managerial leaders could benefit by employing "just-right" rating methodologies to determine their effectiveness as measured by the individuals they serve. An understanding of one's excesses and deficiencies has practical significance.

Finally, using the Clarity of Purpose–Meaningfulness Matrix as a reference point may focus a discussion of ways to foster purpose and meaningfulness at work. In discussions with my consulting and executive coaching clients, this matrix has served as a useful springboard for constructive conversations about the importance, relevance, and frequency of purpose and meaningfulness in their operating workplace cultures. The mapping of management teams onto the matrix has proven to be valuable in coaching individual leaders, as well as leadership teams, to engage in practices to foster and enhance purpose and meaningfulness at work. This exercise has also generated many constructive conversations about the level of purpose and meaningfulness across many different organizational settings.

#### Conclusion

The fostering of purpose and meaningfulness holds promise for managerial leaders in their efforts to improve performance and, perhaps, enhance well-being among individuals, groups, and organizations. This promise can be realized by

offering managerial leaders a practical framework and a set of practices to help them achieve clarity of purpose and meaningfulness among the individuals and groups they lead.

It is the intent of this article to encourage and help managerial leaders, as well as those who support them, to explore practices that foster increasing purpose and meaningfulness of work. It is also intended to underscore the need for useful measurement methodologies to assess managerial leadership effectiveness in executing practices intended to enhance meaningfulness. It is hoped that managerial leaders will strive to become "just-right" practitioners when it comes to fostering clarity of purpose and meaningfulness within the organizations that they serve. Having researchers further investigate the implications offered here for empirical study may prove beneficial in helping managerial leaders practice fostering purpose and meaningfulness at work with increased confidence and credibility.

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# Transformational and Transactional Leadership Behaviors: A Phenomenological Study of Women Executives in Major League Sports

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The purpose of the qualitative phenomenological study was to explore the lived experiences of two women who achieved executive-level positions in the league offices of major league sports to determine what types of behaviors were associated with their leadership success. Five themes emerged: passion for sports and competitive spirit; high achieving, high-energy personality; earned credibility for generating revenue in the business of sports; importance of family values with regard to morality, work ethic, and community; and uncompromised values. As executive women in the male-dominated industry of major league sports, both effectively combined the characteristics of warmth and caring generally associated with female leaders with those more representative of their male colleagues, such as ambition, competitiveness, and task-oriented (Bass, 1998). The findings support Burpitt's (2009) findings that organizations with leaders exhibiting both transformational and transactional leadership behaviors succeed the best financially.

Key words: executive women, male-dominated industry, revenue, transformational leadership, transactional leadership

A woman's place is no longer restricted to the home. In 2012, many women are well educated, own their own businesses, make major purchasing decisions, and compete head-to-head with men in the business world. The change in the status of women is reflected in the 2007 U.S. Department of Labor (2009) census, which indicates that women attain educational degrees at nearly the same rate as men, earn almost \$2 trillion annually, and hold 51% of management positions. According to the latest U.S. Census, women represent 59.3% of the workforce, an increase from 43% in 1970 (Barreto, Ryan, & Schmitt, 2008), yet progress for women into executive-level positions has remained slow with only 20 female CEOs amongst the publicly traded Fortune 500 companies (Leahey, 2012b). The data show women are competitive with respect to education, represent more than half of management, and demonstrate an ability to impact the bottom line of an organization, but are still underrepresented in executive-level positions (Barreto et al., 2008).

Extraordinary women have broken through the obstacles inherent in maledominated industries and government, sending the message that women are fully capable of leading and contributing to the growth and prosperity of the country. General Ann Elizabeth Dunwoody made history when she was confirmed by the U.S. Senate on July 23, 2008, as the first woman in U.S. military and uniformed service to achieve a four-star officer rank (Kruzel, 2008). Oprah Winfrey, the most influential woman in media, overcame racism, abuse, and poverty to own a production studio, television network, and magazine company, amassing a fortune of over \$2.7 billion (Cooper, 2008). In 2009, the highest-ranked Fortune 500 company with a female chief executive officer (CEO) was Archer Daniels Midland, the producer of corn-based ethanol led by CEO and chairman Patricia Woertz. The company was only 27<sup>th</sup> on the list dominated by companies led by male executives (Gerth, 2008). As the new chief executive of Yahoo!, Marissa Mayer is also the youngest CEO of a Fortune 500 Company. Mayer's advice to women concerned about gender imbalance in business is to "show up, surround yourself with the smartest people, and do something you're not quite ready to do" (Leahey, 2012a, 182).

One of the strongest arguments for gender diversity in business is the impact of gender diversity on the bottom line. Studies have indicated that women leaders contribute to the financial success of an organization (Lyness & Schrader, 2006). Sen and Metzger (2010) examined the leadership of women in U.S. and Latin American businesses and concluded that women exhibit a more collaborative leadership style than men, and that style has resulted in higher organizational profitability. The role of women and their contributions to the world have changed. Gender equity is "no longer about being nice or being politically correct . . . . It is an urgent, strategic necessity" (Hewlett, 2007, 106).

However, there are many industries that are still dominated by men, especially at the executive or leadership level. Women are still greatly underrepresented in revenue-driving positions in the league offices of major league sports—the National Football League (NFL), National Basketball Association (NBA), National Hockey League (NHL), Major League Baseball (MLB), and Major League Soccer

(MLS) organizations. This research study explored the life experiences women executives in those league offices faced to achieve those positions.

#### **Literature Review**

We reviewed transformational and transactional leadership styles to determine the importance of the two styles of leadership in helping the women of the study succeed in a male-dominated industry. International studies were also examined to determine if successful executive women from other countries exhibit similar leadership behavior as the American women in this study. In order to achieve a better understanding of both styles of leadership, it is vital to understand Avolio and Bass's (1994) full range leadership, in which the transformational leadership theory takes into consideration three leadership styles (1994).

#### Full Range Leadership

As described by Avolio and Bass (1994), the full range leadership model takes into consideration transformational, transactional, and laissez-faire leadership styles. This research focuses mainly on the importance of a combined transformational and transactional leadership style for women in executive sport positions. Burns (1978) distinguishes between a transformational leader and a transactional leader: A transformational leader is motivational and seeks to raise the leader and the follower to higher purposes, while a transactional leader focuses on rewarding and disciplining—on trading one thing for another.

#### **Transformational Leadership**

Transformational leadership refers to leaders who motivate their followers to "do more than they originally intended and often even more than they thought possible" (Bass & Riggio, 2006, 1). The relationship between follower and leader exceeds a simple transaction and encourages followers to accomplish more than what is expected. The transformational leader's concern is for both the leader and follower to raise their potential to greater levels of opportunities. Transformational leadership is comprised of four components of leadership: idealized leadership, inspirational motivation, intellectual stimulation, and

individualized consideration (Bass & Riggio, 2006). In *idealized leadership*, transformational leaders behave as role models for their followers. The *inspirational leader* can paint a portrait of the future that followers can visualize and work toward achieving (Kirkbride, 2006). *Intellectual stimulation* is a leader's ability to stimulate a follower's work through teaching problem-solving techniques to assess new paradigms. With *individual consideration*, transformational leaders recognize the strengths and weaknesses of their followers and help them overcome obstacles (Kirkbride, 2006). Individual creativity is encouraged by the transformational leader (Judge & Piccolo, 2004), who challenges his or her followers to question assumptions and take risks.

#### **Transactional Leadership**

Transactional leaders are known for the exchanges they make with their followers. The leader "rewards or disciplines the follower depending on the adequacy of the follower's performance" (Bass, 1998, 6). There are three factors in transactional leadership style: contingent reward (CR), management-by-exception active, and management-by-exception passive. *Contingent reward* "is the degree to which the leader sets up constructive transactions or exchanges with the followers" (Judge & Piccolo, 2004, 755). When a project must be completed in a short period of time, a transactional leader may be more effective than a transformational leader since he or she understands the importance of completing the project now. Rewards and punishments are used as motivation to accomplish the task within a short time period.

Management-by-exception considers how a leader will reward or punish a follower for an action. Corrective action takes place when a subordinate deviates from standards, makes a mistake, or does not complete an assignment. Transactional leaders can use one of two types of management-by-exception: active (MBE-A) or passive (MBE-P). MBE-A leaders actively monitor subordinates in an attempt to find an action to correct. MBE-P leaders wait passively for an action that needs correction (Bass, 1998). For the transactional leader, emphasis is placed on accomplishing tasks on time, ahead of time, or

keeping subordinates working at a good pace at different times throughout the project.

#### **Comparing Transformational and Transactional Leadership**

Studies comparing transactional and transformational leadership lend support for Bass and Riggio's (2006) opinion that transformational leadership at the top of an organization is important for gaining a sense of departmental interdependence with employee commitment to the organizational goals.

Isaac, Griffin, and Carnes (2010) studied women in department chair positions in academic medicine and found women leaders are most successful when they combine some tough, direct behaviors associated with male leadership (transactional) with communal behaviors stereotypical of women leaders (transformational). Burpitt (2009) studied the effectiveness of transformational compared to transactional leadership in responding to disruptive environmental change, the urgency to balance the status quo, and the need to take risks. Burpitt's research indicates that organizations characterized by transformational leadership are more effective in the development of new products, markets, and new skills and, as a result, earned higher revenues. The results of the study also indicate that companies with owners who exhibited both transactional and transformational leadership enjoy the best overall financial performance (Burpitt, 2009).

In a study that examined the relationships between organizational commitment and leadership of school administrators in Turkey, Buluc (2009) found positive between organizational and significant correlations commitment transformational leadership, and negative and significant correlation between organizational commitment and laissez-faire leadership. The results of Buluc's study indicate a positive and significant correlation between organizational commitment and the contingent reward characteristic of the transactional leader. Transactional leadership may be perceived by followers as a leader's manipulative attempt to support the status quo and maintain the power base, bringing about little change. In a male-dominated industry such as professional sports, transactional leadership is the prevailing leadership style (Bass & Riggio,

2006). Lindo's (2008) study of Jamaican women executives found that those who demonstrated a transformational leadership style were not successful. They were expected to assume male leadership traits, using a transactional leadership style, in order to be taken seriously as a leader.

Women who outperform their male counterparts often demonstrate a transformational style of leadership characteristic of many women, a leadership style that may be a determining factor in their success. Women in executive roles can enhance business results because of their style of leading and its impact on today's workforce. Women's leadership, characterized by shared power and collaboration, is a style described by Bass (1985) in his description of the transformational leader. The male-dominated Australian construction industry is described as highly confrontational (Loosemore & Galea, 2008). Loosemore and Galea (2008) conclude that increasing the number of females in the industry could reduce the levels of conflict and feminize communicative and behavioral responses to conform to a more transformational style of leading.

The literature emphasizes that women are competitive with men with regard to education, represent 51% of management positions across industries, and impact the bottom line of an organization; however, organizations have been slow to promote women to executive level positions (Barreto et al., 2008). The data have been evident; the global business world has not removed the existing obstacles to the advancement of women or increased gender diversity at executive levels. As noted in separate studies conducted by Leberman and Palmer (2009) and McGregor and Fountaine (2006), women in New Zealand experience social disapproval, organizational resistance, and lack of acceptance as leaders that emphasize the male dominance of industry and culture.

Kramer, Konrad, and Erkut (2006) noted that women make over 80% of the purchasing decisions that were once traditionally made by men, such as homes, cars, and electronics, yet organizations do not involve women in executive decisions where their consumer knowledge and experience could add value to the design and marketing of products and services. The reviewed literature emphasizes that women have made advancements in some traditionally male-

dominated industries, but the advancements to executive-level, revenue-driving positions are still few. Such is the case with a study conducted by Broadbridge (2009), the results of which emphasize the United Kingdom (UK) retail industry's imbalance of women in executive positions. Despite the barriers of long hours and lack of flex time, Broadbridge describes the greatest barrier to gender balance in the U.K. retail industry as reluctance to change the male-oriented cultural practices at the management level.

#### **Method**

The problem of this research study involved the underrepresentation of women executives in revenue-driving positions in the league offices of major league sports; therefore, the participants in the study were women. Specifically, the population for the study was all women currently holding executive vice president or higher revenue-driving positions in the league offices of the NFL, NBA, NHL, MLB, and MLS organizations. A purposive sample was chosen for the study because of predetermined criteria relevant to the purpose of the research study (Guest, Bunce, & Johnson, 2006). Women listed in the leagues' office rosters were identified for participation in the study, and the sample represented 33% of the total targeted population.

The research was a qualitative phenomenological study consisting of recorded telephone interviews using the life story model (LSM) (McAdams, 1995) of interviewing to generate rich data<sup>2</sup>. The research method was utilized to examine the phenomenon of women in a male-dominated industry, that is, major league sports, an industry for which little research exists. The histories of the participants were explored by uncovering the emergent themes in their lives that enabled them to be successful in an industry in which most women have been excluded from executive positions. Using the van Kaam (1966) phenomenological analysis method, as modified by Moustakas (1994), the qualitative data from the research study were explored for the experiences of two executive women and to determine whether their leadership behaviors were contributing factors to their professional successes in the major league sports offices.

#### **Research Question**

Research Question: What life experiences did these women face to achieve executive positions in major league sports?

The research question supported the study and focused on the women's life experiences. The question was used to identify the emergent life themes that might have influenced the participants' decisions to seek careers in major league sports and to focus on the ongoing life experiences and behaviors that impacted their performances in their current roles. The interviews revealed the participants' life experiences from early childhood to the present day and identified the legacies they wished to leave. Both participants displayed strong leadership characteristics early on in their lives and developed leadership skills to earn respect, first as an athlete and later on as an executive woman in major league sports.

#### **Data Collection**

The interviews consisted of structured questions beginning with a discussion of birth and family and concluding with a discussion of the anticipation of the participants' retirement years and desired legacy (Atkinson, 1998). During the interview, human behavior was examined within professional, social, cultural, and political contexts. Participants were asked how they pursued careers in sports management, what experiences they faced on the journey to their executive positions, and what experiences continue to surface. The data derived from the interviews were coded and analyzed using the NVivo 9 software (QSR International, 2006).

#### Limitations

This study was limited to only two of the six women who successfully achieved executive positions in major league sports. During the time of this study, only two of the executive women were available to be interviewed. The findings provide only exploratory depictions of the participants' characteristics. Whereas the results might have suggested applicability to a larger population, the results are

not generalized to any broader population of women working in male-dominated industries.

#### **Theoretical Framework**

The underlying theoretical framework for the study was transformational and transactional leadership theory. Participants A and B demonstrated the ability to use both transformational and transactional leadership styles, depending on the situation. Both women led by communicating effectively and frequently, creating a shared vision, and engaging and developing their associates, resulting in a strong committed workforce. The women demonstrated respect for their associates and their abilities and were respected in return. Both participants knew when to be collaborative and when to make independent decisions as they applied their business savvy to generate revenue in an industry that thrives on profit.

#### **Findings and Interpretations**

Emergent themes were highlighted and employed to describe how the women responded to significant events and maximized those significant events to their advantage. Five themes emerged that explain how the two women transcended the gender barrier to become executives in major league sports. The themes supported the characteristics and skills of both transformational and transactional leaders.

Participants referred to themselves as being highly competitive, wanting to win, thriving on challenge, and being workaholics. The life themes of the participants answered the research question that guided the study and provided the foundation for the analysis of the phenomenon of women working in the maledominated industry of major league sports. The women's characteristics were noticeable at an early age, and skills continued to develop throughout their youth and adolescent and adult lives.

#### Theme 1: Passion for Sports, Competitive Spirit

Participant A recalled that competing, especially during each elementary school field day, was one of her fondest memories. At an early age, Participant A demonstrated a passion for and skills in several sports. In high school, she lettered in five sports. The cultural norm was that boys were athletes, and girls were not. As her parents began to realize her strong desire and ability to compete athletically, they became supportive of her efforts.

Participant A became the first girl in her community to play on the boys' tennis team, changing history and paving the way for other girls to follow. In high school, she experienced the most significant event of her life when she played in a famous sports arena in front of 13,000 people in the first women's league game. She was recognized as an athlete with a passion for competition. Her team of women changed the landscape of their sport. She played on her college team and achieved recognition as an All-American college player. After college, Participant A continued to be driven by her passion as she played on a professional team for three years. Her success as a player and passion for sports guided her in the selection of a career in the sports industry.

Participant B was born a decade later than Participant A. Participant B was born during the time of the passing of Title IX legislation, which opened doors for girls to play sports. She became involved in organized girls' leagues as a young child and developed an early passion for sports and competition. She recalled that "athletics taught me every life lesson"; the lessons were "winning and losing, making errors that cost the team the game, and how teammates reacted to a loss," as well as "being captain." She described herself as competitive, confident, and willing to try new things.

Participant B remembers two significant events: being selected to play on a team and winning games. Early in life, she played in sports leagues in her home state; sports were her primary activities. Athletic passion, ability, and professional-level player experience played significant roles in her choice of a career in major league sports and the recognition she has received throughout her career. She was recognized as someone who played a sport, embraced a

leadership role in the sport, and understood the essence of the sport. As the recipient of several sports awards, Participant B earned national recognition as a woman who exemplifies professional excellence and a visionary leader who continues to be a voice for women in the sports industry.

#### Theme 2: High-Achieving, High-Energy Personality

Participant A stated that her high activity level began in childhood, when she participated in three activities a day. She was always "intrinsically motivated and had a natural curiosity" and had a "desire to create and get things done and [was] always looking for ways to improve the status quo and raise the bar to the next level." She also had a desire to succeed: "I always wanted to be the best at something. . . . I was not sure what I wanted to be best at, but I wanted to be the best." She continued to advance her career, competing against men for more responsibilities.

Participant B's high energy and high-achieving leadership traits describe her best. She spoke of a high activity level as a young child, which she has maintained throughout her adult life. Raised in a home in which she was encouraged to try new things, Participant B was brought up to believe she could do anything she desired. Confidence was never an issue for her. She recalled that she was not part of the school debate team but could "out-debate them."

Participant B best described herself as "self-directed" from an early age. She was focused on continually improving her student and athletic skills. She was a class officer and a member of student government, reflecting early signs of her interest in leadership roles and taking on new challenges. Her self-direction, along with her high energy, competitive nature, and achieving personality, were evident in everything she did. Combined with her passion for sports, Participant B became an excellent female candidate for the sports industry. She was confident, courageous, and understood the essence of sports, and she possessed the ingredients to be successful. Her leadership characteristics made her visible in the sports world and opened doors to the executive level of major league sports, which had traditionally been closed to women.

# Theme 3: Earned Credibility in Generating Revenue in the Business of Sports

Participant A noted that being an athlete and "understanding the rhythms of the sports world" placed her in somewhat of a comfort zone, because she understood the essence of the sport. Her advice to woman who want to rise to an executive level is to develop an understanding of the business side of the organization. She earned leadership respect in sports as an athlete and developed relationships that proved valuable. Hired as the vice president of a sports league, Participant A became responsible for marketing and growing the business of the sport. Her knowledge of the business, network of contacts in the industry, and work ethic contribute to her success.

In her role as vice president, Participant A was publically recognized for her ability to increase the number of revenue-producing events, add state-of-the-art technology to a sport, generate videos for home and commercial use, and transform the sports organization into a recognized brand around the world. She has developed a reputation for negotiating deals with sponsors and television contracts that have helped enhance and transform her organization. Due to her leadership reputation for growing the business of a sport, Participant A was hired to develop a long-range strategy for a global sport.

Participant B earned leadership credibility through her ability to generate revenue, making her very marketable in the sports industry and as an executive. "I grew up on the side of the business where your opinion was less important than the results," reported Participant B. She was an asset because she could "make things happen," negotiate deals, and generate revenue, which made her a strong candidate for an executive position.

Referring to the importance of leadership skills needed for someone in her role, Participant B commented that "the highs are infrequent and the lows are constant, so you have to be able to lead." A woman considering a career in sports management must be confident, passionate, and know the business of sports. She has succeeded as an executive leader who can generate revenue for her organization. As Participant B advanced in the sports industry, "people had to

take me seriously because I brought dollars in"; this enabled her to gain credibility with her male colleagues.

# Theme 4: Importance of Family Values with Regard to Morality, Work Ethic, and Community

Participant A described her parents as hard-working advocates of education who were strongly connected to their ethnic culture and community. From her religious community, she developed a strong sense of courage in her convictions, which enabled her to pursue her passion for sports at a time when girls did not play organized sports. Later in life, the same courage in her convictions enabled Participant A to advance her career to an executive-level position in the sports industry.

Participant A described a broad sense of community that includes her immediate family and "work family"; that is, the coworkers with whom she continues to interact in the sports industry. She helped create an organization to mentor young women in business. Her interest in mentoring exemplified her highenergy level and willingness to work hard while driven by her underlying beliefs in education, community, and the development of women.

Participant B's underlying cultural and education messages, hard work, morality, and sense of community were expressed as she described her early childhood. Her parents reinforced the message that if she worked hard and studied hard, she could be anything she wanted to be. She noted she was born during a "feel-good" time in our country when Neil Armstrong became the first person to walk on the moon and the Vietnam War ended. Sports leagues for young girls were prevalent in her home state, creating an opportunity for Participant B to follow her passion for sports and continually improve her athletic skills.

She described her early upbringing as living in a "middle-class" neighborhood where a strong work ethic was emphasized. Her grandparents and parents were hard-working role models for her. Participant B applied her work ethic and high energy to continually improving her academics and her athletics. She noted the impact on her life when she offered, "I may not be the smartest, but no one can

out-work me." Her work ethic has served her well as an executive in the sports industry with long work days extending into the evening hours, coupled with a hectic travel schedule. Her greatest challenge has been finding balance in her life. When asked about what she might like to do when she retires, Participant B was unable to imagine herself in retirement in the traditional sense.

For Participant B, religion became a social part of her life, emphasizing morals and ethics. She recalled that once she began to participate in sports and excelled at one in particular, she learned what life was all about. Participation with her teammates and opponents became her "religion, of sorts." The confidence instilled in her early in her life enabled Participant B to put the formalities of her religion aside and live her life according to the morals and ethics in which she believed. She noted: "I will not compromise my honesty; when I say I am going to do something, I do it, and I value my friendships."

#### Theme 5: Uncompromised Values

Participant A recalled the values of "purity of passion and the courage to follow her passion." She approached every game with "determination, desire, and discipline," which was her formula for success. She learned about discipline and how to work collaboratively to achieve a goal through her player experience. Participant A credited the experience of playing on a team with her respect for others, which serves her well as an executive leader in major league sports. She believed in herself and worked relentlessly as a team player and later as a woman making contributions to the male-dominated industry of sports management. She spoke passionately, courageously, and without self-doubt about her new challenge to grow a global sport. Participant B easily addressed the value set by which she lived. She has lived her life according to three principles: honesty, following through on her commitments, and valuing her friendships. Participant A has faced challenges throughout her life and believes that "what you do with challenges defines who you are." She believes that as long as an individual remains true to herself, she can be comfortable with the decisions she makes.

Participant B showed courage and said she was not afraid to make mistakes or to admit she made them, saying "if you do not make mistakes, you are not trying hard enough." She also reflected that she has "made mistakes from [sic] everything, from how to negotiate a deal to how to manage people. At some point, you realize that your way is not always the best way, and you learn to accept that."

#### Comparison Between Participants A and B

Both participants have achieved executive-level positions in league offices in major league sports. That achievement alone is indicative of strong leadership skills. Each woman began her career in sports as a player and gained respect as an athlete and as one who knew the essence of her sport. As young girls, both participants acquired leadership characteristics that captured the attention of coaches and cheering crowds with their athleticism and awareness of the court or field. Their leadership skills continued to be developed and enhanced at every level in their personal and professional lives.

As players in high school and college, both participants earned formal recognition for competitive spirit, work ethic, ability to lead a team, and ability to play the game. Both were highly respected by male and female athletes and fans. Working in the sports industry, both women earned credibility from their male peers by generating revenue for their organizations and contributing to the growth and popularity of their sports. Both women were responsible for marketing their sports, growing revenue streams, and leading their organizations. They both reported sets of uncompromised values that have guided them throughout their lives as players and executives.

#### Conclusion

The reviewed literature emphasizes that women have made advancements in some traditionally male-dominated industries; however, women continue to be excluded from executive positions in the sports industry (Acosta & Carpenter, 2006). The current data from the major league sports franchises emphasize the underrepresentation of women in executive positions in major league sports

(Lapchick, Diaz-Calderon, & McMechan, 2009; Lapchick, Hanson, Harless, & Johnson, 2009; Lapchick, Kamke, & McMechan, 2009; Lapchick, Lopresti, & Reshard, 2009; Lapchick, Turner, & Johnson, 2009). In the future, more opportunities should become available to women in the sports industry (Pederson, Lim, Osborne, & Whisenant, 2009). Women comprise the majority of American college students, and more women enter the workforce each year. Women working in the sports industry must be proactive in building their leadership within the workplace.

The theoretical framework for the study was based on transformational and transactional theory. The results of the study answered the research question about what life experiences these women faced to achieve executive positions in major league sports. Five themes emerged from the analysis of the data, showing that Participants A and B both demonstrated a combination of transformational and transactional leadership styles by engaging their associates, developing a strong committed workforce, and using their business savvy to generate revenue in an industry that thrives on profit.

Both women have a passion for sports and a strong desire to compete, and they were athletes first and business women second. Their high-energy drive and confidence enabled them to see challenges as opportunities as they worked their way up the corporate ladder of a male-dominated industry. Both women demonstrated their knowledge of the industry and were able to negotiate deals, generate profits, grow their organization, and never compromise their values, earning credibility among their male colleagues. Participants A and B believed their revenue-driving ability was important in achieving top-level positions. The current study of two participants is in agreement with other phenomenological studies with larger samples. In van Eeden, Cilliers, and van Deventer's 2008 study, 20 African-American women senior leaders in city government were examined for their leadership style. The study found that 70% of the women demonstrated a transformational leadership style, while the remainder emphasized adherence to work policies and procedures, more aligned with the transactional leader. In another study, Doll (2007) found that 23 active duty Army

women who held the general officer ranks were successful leaders due to their good reputation and adherence to a value set, transformational leadership style using effective interpersonal and communication skills, ability to make independent decisions, and task orientation, a transactional leadership trait.

For a woman to become a leader and succeed, Bass (1998) found it was necessary for her to exhibit the masculine traits of task orientation, ambition, and competitiveness indicative of transactional leaders. In the current study, Participants A and B were successful leaders using primarily their transformational leadership style because they were celebrated athletes with a knowledge of the business of sports and also demonstrated the ability to drive revenue. By contrast, Lindo's (2008) research of Jamaican women executives is in agreement with the study of Barbuto, Fritz, Matkin, and Marx, (2007), who examined the difficulty caused by the fact that women leaders are expected to behave in a feminine manner, but are assessed on their ability to lead with the qualities of their male counterparts.

The results of this study provided promising insight for women looking to succeed in other predominately male industries worldwide. For instance, a census held in New Zealand indicated only 7.13% of board directorships are held by women. Little opportunity exists for women to occupy leadership roles in their society (Leberman & Palmer, 2009; McGregor & Fountaine, 2006). Loosemore and Galea (2008) conclude that increasing the number of females in the Australian construction industry could reduce the levels of conflict and feminize communicative and behavioral responses to conflict. Broadbridge (2009) emphasizes the U.K. retail industry's imbalance of women in executive positions. Businesswomen in the United Kingdom experience more than twice as many barriers to career advancement as their male counterparts, placing women at a disadvantage. Men report barriers to their ability to network, but only women express barriers related to their age, gender, looks, or ethnicity (Tonge, 2008). While the number of women identifying these barriers was only 13% of those surveyed, Tonge (2008) noted that some women perceive these to be important barriers that hinder their ability to network. Goleman and Boyatzis (2008) emphasize the need for all leaders seeking career advancement to strengthen their social networks.

New Zealand's information technology (IT) industry presents a similar situation, with only two women representing the top 40 most influential positions in the industry (Stockdale & Stoney, 2007). The lack of women in leadership roles in the IT industry has negatively impacted product design and sustainability. Women in India are also facing barriers prohibiting careers in leadership positions in the male-dominated banking industry. There, women perceive male banking executives as receiving promotions more quickly than equally qualified female executives (Sandu & Mehta, 2008). Female bankers report that their leadership capabilities are overlooked and unappreciated and that unequal opportunities, the absence of a supportive work environment, and gender stereotyping are the most important factors inhibiting career advancement (Sandhu & Mehta, 2008).

Developing transactional leadership skills, such as positive contingent reward or a form of management-by-exception (Judge & Piccolo, 2004), may help women overcome some of the barriers to achieving executive positions in many male-dominated career fields. When the reward is of a psychological nature, such as praise, the reward is considered transformational (Avolio & Bass, 1994; Bass & Riggio, 2006).

The two women of the study have used their transformational leader skills to recognize the strengths and weaknesses of their followers and help them overcome any obstacles (Kirkbride, 2006). They both understand the importance of contingent rewards, or "the degree to which they set up constructive transactions or exchanges with their followers" (Judge & Piccolo, 2004, 755). The combination of transformational and transactional leadership behaviors have enabled both participants to create a team spirit within their organizations and, most importantly, to increase revenue for their respective organizations. As a result, because of their skills and diligent and honest work, they have earned positions as top executives in major league sports.

#### **Future Research**

The five themes generated from the current study are characteristic of the small but appropriate sample of two women. Future research is needed to understand if these same emergent themes are characteristics of women in other industries and cultures around the world. Research indicates that women of many cultures and in many industries share a common way of leading, combining a collaborative, transformational style with one that is transactional.

Women in business have achieved high-level positions and succeeded in male-dominated industries such as finance, engineering, information technology, law, medicine, and construction. However, in the sports industry—specifically, major league sports—little progress has been made, with only 6.8% of the executive vice president and above positions being filled by women at the time of this study. This study was important because baseline data now exists about women who have defied the odds and been successful as executives in major league sports. The prospects for future research are plentiful and exciting.

An interesting study would be to engage Participants A and B in another study using a 360 degree leadership assessment to provide a snapshot of the women's leadership styles from the perspectives of their bosses, peers, and direct reports and to add richness to the data the women provided about themselves in this study. Another study under consideration is to use the Individual Directions Inventory (IDI; Mahoney, 1987) to determine the underlying internal drivers of Participants A and B. A second self-assessment, the NEO Five-Factor Inventory (NEO-FFI; Costa & McCrae, 1992), would be helpful to determine personality traits. The combination of these findings may add further understanding of the characteristics of women who have successfully achieved executive revenue-driving positions, as well as lend insight for the development of women interested in advancing in the sports industry.

Another suggested study would be to interview the remaining four women executives in revenue-driving positions of league offices. This recommended study would be helpful to determine if their emergent life themes and leadership styles are aligned with those of the participants in the present study. The results

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would provide a stronger justification for blending transactional and transformational leadership skills for success as major league sports executives.

Expanding the study beyond league sports office positions to other male-dominated executive career fields such as banking (Holliday, 2007), biology, and higher mathematics (Ceci, Williams, & Barnett, 2009) is another suggestion for future research. Other studies using the life story model of interviewing might also include using the two self-report psychometric instruments, the IDI (Mahoney, 1987) to identify internal motivators and the NEO-FFI (Costa & McCrae, 1992) to determine personality traits, to compare personality traits and internal motivators of high-ranking women executives to determine commonalities that led to their success.

Replicating this study to include women who are successful executives in other countries will also determine if exhibiting transactional and transformational leadership behavior contributes to global success. The final recommendation for additional research would be to explore the women who have entered graduate school programs for sports management to learn more about those students. Learning their personality styles, motivators, and life themes; their levels of passion about sports; whether or not they were highly competitive; how they earned credibility as athletes; and their knowledge of generating revenue in an industry that thrives on profit may be valuable in guiding the students to careers in sports management.

<sup>&</sup>lt;sup>2</sup> Please contact authors for a complete list of the life story interview questions used in this study.

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#### NGO Leadership: The Reality on the Ground

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This exploratory study identifies leadership themes in nongovernmental organizations serving conflict areas in Israel and Palestine. Using qualitative research methods, interviewers employed a semi-structured interview process to investigate attributes of effective leadership, the relevance of board governance, and the use of strategic planning. Leadership traits, styles, and behaviors were not dramatically different from the literature. Board leadership was not demonstrated in the Western sense but rather to support organizational reputation. Long-term strategy or planning was not driven by the board, if at all. Leaders suggested that leadership direction must be flexible due to potential instability in conflict locations.

Key words: board governance, Israel, leadership, NGO, Palestine, strategic planning, West Bank

There is no singular comprehensive definition of effective leadership in nongovernmental organizations (NGOs). The literature, replete with various examples of traits, styles, and characteristics of leadership, continues to struggle with one complete and conclusive definition. It is further convoluted with sundry descriptions of what one must do to be effective as a leader. A comprehensive, well-defined concept of leadership still eludes scholars and practitioners alike. The simplicity of Northouse's (2010) definition is seemingly true: "leadership is a process whereby an individual influences a group of individuals to achieve a common goal" (3). Amending this definition, however, by incorporating specific traits or responsibilities, has not proven fruitful; such definitions have not held up to closer scrutiny across sectors. However, that does not stop the myriad attempts toward a formulaic prescription of traits and behaviors that finalizes the discussion.

Defining leadership in the NGO sector affords the same challenges. Culture both informs and confounds attempts to define leadership and practice. Organizations situated in environments that experience the possibility of imminent crisis, conflict, or even terror are affected in their embodiment of

leadership. Despite these challenges, the question remains: How is leadership defined and performed in organizations that subsist in tumultuous situations? This study evaluates critical leadership attributes in Israeli and Palestinian NGO leaders. It examines how leadership is defined and expressed in geographic areas experiencing ongoing conflict, which provides some understanding of executive leadership characteristics and the role of governance in leadership activities.

#### **Literature Review**

NGOs are chartered by the nation in which they are founded and not necessarily where they are located. An NGO, as defined by the United Nations, is any nonprofit, voluntary citizen group that is organized on a local, national. or international level. They are task-oriented and driven by people with common interests. NGOs perform a variety of services and humanitarian functions, including bringing citizens' concerns to governments, monitoring international policies, and encouraging political participation at the community level. They provide analysis, expertise, and local perspectives. Some are organized around specific issues such as human rights, the environment, access to resources, or conflict resolution. The ability of NGOs to function at the grassroots level makes them particularly adept at adjusting to changing global situations. Additionally, NGOs oriented to local communities "are uniquely placed to recognize early signs of conflict and deteriorating social conditions" (Aall, 1996, 437).

The charter (or mission) of most NGOs is ambitious in agenda, and the day-to-day responsibilities are substantial. Most are charged with establishing or reestablishing civil society. Because of the enormity of the task, NGOs are arguably not the optimal environment in which to learn leadership skills. In this sector, however, it is common to hire positional leaders because of their experience in the field or supporting mission and not necessarily because of leadership acumen. Because there is not yet a litmus test for leadership, it can be difficult and exhausting to identify and catalog all the skills needed for such positions. From describing desirable traits (e.g., intelligence and honesty; Kouzes

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& Posner, 2008) to identifying behaviors that transform behavior (e.g., intellectual stimulation and inspired motivation; Bass, 1985), the list of leader characteristics is multifarious. We do know however, that in NGOs there are few things more important than leadership for deploying social change. Since NGOs offer what government cannot and business will not, it is important to study NGOs to understand the nuances of leadership as it pertains to the third sector. As one can imagine, where there is imminent crisis, whether it is defined as foreign occupation, deprivation of human rights, or war, it is critical for NGOs to have the ability to safely navigate the tough issues they courageously tackle.

Leadership is an interpersonal phenomenon demonstrated by the interactions between leaders and subordinates. Leaders must not only be able to formulate a plan within the context of the organization, they must also implement the plan within the social context while communicating the vision and motivating others (Mumford, Zaccaro, Harding, Jacobs, & Fleishman, 2000). Strategy and planning are important concepts that must be instituted, and, ideally, formally structured in NGOs, especially in the wake of evidence that suggests that strategic leadership may be different in the third sector. Thach and Thompson's (2007) study suggests that for-profit leaders value different leadership competencies (time management, self-knowledge, and sales) than nonprofit leaders, who value leadership competencies focusing on the ability to inspire and management of conflict. Strategy is not a divided process; it is formulation and implementation necessary for future success. Assuming planning is the responsibility of the leader, the entire organization must be part of the process; change cannot be successfully instituted by a single person (Hosmer, 1982). This is true for most organizations, but when there is conflict, the importance of this activity seems obvious: "To move beyond managing an immediate crisis, NGOs must change their planning time frames to a long-term perspective" (Aall, 1996, 439). When an NGO lacks strategic thinking or planning, it will likely hamper program quality (Hashmat, 2003). Boehm, Enoshm, and Michal (2010) echo the importance of strategy. They suggest that strategies should be developed, but also stress that these strategies must be different in times of crisis—requiring different leadership styles and priorities.

Where does the ultimate responsibility for NGO leadership lie? The literature identifies a multiplicity of board roles and responsibilities in nonprofits and NGOs, including the act of leadership (Axelrod, 2005; Carver, 1990; Drucker, 1992). lecovich (2004) suggests that board responsibilities include overall support of the mission, strategic planning, and organizational assessment. Axelrod (2005) submits that the role of the board is widely accepted as being strategic. However, when it comes to actual implementation, many boards also lack clear roles and responsibilities (Widmer, 1993). Conversely, lecovich's (2004) Israeli study demonstrates that boards did fulfill their expected roles (basic governance duties) and were active in most of them.

### **Methods**

This exploratory study was aimed at discovering leadership characteristics and activities in conflict territories. This qualitative research examined the patterns that contributed to effective leadership in places where conflict is perceived as routine. We first identified a purposeful sample of leaders of organizations whose mission was to support humanitarian and relief efforts in Israel and the West Bank. Interviews were requested of approximately 20 nongovernmental organizations, all of which had a connection to a top-tier Midwestern university. Approximately 75% of the invited leaders agreed to be interviewed but only 14 leaders participated due to logistical issues. Of that group, 12 met the criteria of having NGO experience with substantial leadership responsibilities in the context of this study.

Both faith-based and secular NGOs participated. Organizational missions reflected education, historical preservation and housing, food security, advocacy, youth, conflict resolution, social action, leadership, and empowerment education. Selection criteria included long-term international partnerships, NGO leadership roles, and community and university recommendations.

### **Participants**

The research was conducted in Israel and the West Bank in 2011. The 12 participants served NGOs ranging in size from small grassroots organizations with a few employees (the majority) to multimillion-dollar, multinational NGOs. The organizations used volunteers—some had a few, while others had hundreds. Ten participants were male, and two were female. Most participants had a minimum of a bachelor's degree; several had graduate degrees. Ages ranged from mid-twenties to over 60 years. One was a person self-identified as Israeli (but born in the United States), four were American, and seven were Palestinian. The 12 leaders represented nine organizations.

### **Data Collection**

In-depth interviews were the primary means of collecting data. Two interviewers met each identified leader face-to-face and conducted a semi-structured interview. After gaining demographic and mission-related information through closed-ended questions, interviewers inquired about leadership, board governance, and strategy using conversational methods. Questions were openended to explore leader concepts, knowledge, and practice. Prompts were employed to explore an answer more thoroughly or to clarify a response.

Participants were invited to specify leadership dimensions and overall activities in the context of a geographic area that experiences constant conflict or threat. In a conversational style, participants were asked to identify traits, characteristics, and activities that described effective leadership. Queries about leadership style, effectiveness, and practices within this environment were solicited through openended questions, shared examples, and personal stories. This design allowed for exploration and minimized distraction from preconceived notions or investigator bias. Respondents conveyed personal journeys to leadership, leadership development, and most valued attributes. Specific leadership or organizational theories were not surveyed or shared to encourage a focus on what actually occurs in the organization versus a specific theoretical approach. Respondents did not have access to the questions prior to the interview to prevent personal research to report what might be perceived as correct answers.

Most interviews lasted two to three hours. One interview lasted for only one and a half hours due to a prior commitment. Another interview lasted over four hours and included a tour of the local NGO and the surrounding town to demonstrate the types of conflict that existed and the NGO's attempts to restore civil society. Two investigators took notes in an effort to capture the essence of the leadership described. Quotes from each participant were noted as much as possible. Interview data were coded and individually classified by each examiner into categories and major leadership taxonomies. Each investigator then reviewed all the categories and looked at major themes for each participant. This began with word and phrase searches for each leader conversation.

### **Findings and Discussion**

This study considers the opinions and experiences of those who are able to lead despite environmental turbulence. The content analysis yielded several categories primarily linked to traits, skills, and transformational leadership. However, no single leadership theory dominated the overall findings. The top 10 themes are listed in Figure 1.

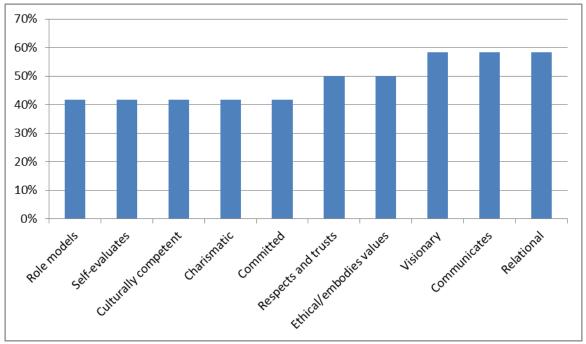


Figure 1. Top 10 leadership descriptors

Other descriptors were categorized (see Figure 2), but with lesser respondent frequency (≤35%).

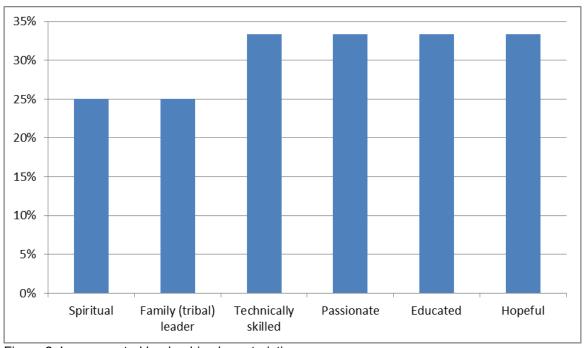


Figure 2. Less-reported leadership characteristics

While data review and analysis began without any specific words in mind, the answers were frequently described in one word or in simple phrases that encompassed the perceived necessary skills, traits, or behaviors that make leaders successful. Participants demonstrated an understanding that navigating an environment that is often global-headline newsworthy is different than in places not in the midst of crisis. However, the language used by those interviewed was not dramatically different from that of current leadership theory. The most common descriptions were relationships, effective communication, and articulation of a vision. Many leadership theories (e.g., Northouse, 2010) have categorized these as necessary values and skills for executives in global organizations.

To illustrate themes, this section offers some personal insights about leadership from the participants.

Relationships were identified as a top leader attribute. One participant suggested that "engagement of local leaders is an essential part of relationships. Listening to the grassroots and the community allows you to understand them."

Communication was also valued. Being articulate and clear and avoiding ambiguity were important skills. But respondents also noted that having a communication process was a key to effectiveness:

- "We use storytelling as a means of facilitation. It is very powerful."
- "As a peace leader, I believe in the dual model of communication for resolving conflict. Having a third person discuss negotiations dilutes the process of communication."

Inspiring a common vision allows an organization to move forward in a myriad of ways. Part of this process entails the articulation of what can be, rather than what is (Ergeneli, Gohar, & Temirbekova, 2007). Participants identified vision as being a key attribute but did not explicitly tie this skill to strategy or governance:

- "Leaders must be able to tell the story about the future, not focus on the stories of the past."
- "We train leaders in the community to think big—no dream is too big."
- "Vision must include theology—that is part of our vision."
- "NGOs have good program capacity, but not vision. They think they do, but most do not. NGOs need vision to be effective."

As noted by this sample, vision, communication, and relationship-building are identified as necessary tools in the leadership formula for success in Israel and the West Bank. However, the data show that leader behavior is also important; if one lacks ethics, values, or integrity, or doesn't demonstrate respect or trust, overall effectiveness and followership may dissipate:

- "Leadership is doing the right thing."
- "A leader must have courage to make decisions and to make the hard but right decisions. This means one may be unpopular, but if it is right, then do it."

Other attributes described by the participants include charisma, acting as a role model, commitment, self-evaluation, and cultural competence.

Cultural competence was a clear barrier for those who worked with geographically or ethnically diverse staff or partners. Ergeneli et al. (2007) echo the sentiment that "there is an increasing need for leaders who are able to successfully operate in different cultures" (709). To make the point, one participant concisely articulated: "It is imperative to learn cultural systems, especially if you are not from that country. You will not be a leader unless you listen, understand, and communicate expectations very clearly to your staff."

**Strategy.** Inquiries about strategic planning produced a multitude of responses. All participants suggested that they engaged in a process they referred to as strategic planning. It appears, however, that the impetus for this planning did not originate with the board, with the exception of one very large international NGO.

Several participants noted that a strategic plan was a requirement of funding. Moreover, some participants conflated the process with annual operations or updates. One NGO leader expressed disdain regarding an expectation of strategic planning and conveyed his belief that it was not in keeping with the values of listening to community members or grassroots leadership. Another participant stated that having a strategic plan was "fashionable." Some acknowledged they had a planning document somewhere, but it was not consistently used to guide the organizations. A frequent refrain was that planning was an oral process and needed to be flexible with the "reality on the ground." Understandably, flexibility was a commonly cited attribute that was identified as essential. Participants tacitly expressed that strategy was dependent on the personality of leader and should be "dynamic" and "adaptable" based on current governmental and organizational conditions, including the needs of the community.

Only two participants discussed strategy or planning as an essential leadership activity, though not in the typical sense. One indicated a belief that strategy should be shared across sectors, and especially business. The other articulated that if an organization did strategic planning, strategy must be "smart," but also

proposed that it was a spontaneous process and formal strategy was unnecessary.

Although few participants mentioned strategy in their vision or leadership activity, many had responses when asked about this organizational activity. One interviewee was very vocal on this subject, strongly suggesting that NGOs have a huge lack of knowledge about strategic planning.

Strategic means intellectual activity. Most people say they have a strategic plan, but they have a practical plan. There is no link between strategic planning document and implementation. Due to conflicts, strategy is not a priority. It is done when funders mandate it. And it really isn't strategic when it is done—it is operational or programmatic, not strategic. And if there weren't donors, there would not be governance either. Funding priorities drive these [abstract] concepts. Conflict is an excuse not to be transparent.

Interestingly, participants focused on time of the plan or the process, which seemingly was philosophical.

- "Our strategic planning consists of asking, 'What can we do?"
- "We tend to focus on a one-year plan, not three or five."
- "The strategic plan is dynamic; it is not just one set of principles. It is hard
  to develop specifics—it is used to determine a direction. It also is
  dependent on the personality of the leader."
- "Strategy can't be long term. To work on something like global warming would be problematic because we can't see the results. We don't know if we are making progress."
- "Everything is spontaneous—from job descriptions to strategy. This
  assures the grassroots are in charge."
- "We have a strategic plan that covers work for the next 30 to 50 years.
   However, it is adaptable in the event the government rules change or there is an outbreak of violence."
- "The board has little influence. We have a three-year strategic plan, but don't revisit [it] much. We prepare an annual plan."
- "We have a global strategic plan that partially informs us. We have contingency plans if needed. The strategic plan is three to five years, and our plan comes out of our region in the Middle East and Europe."

The literature provides examples of why strategic planning is essential for effective leadership. For example, "leaders must be able not only to formulate a plan that works within the context of the organization, they must also be able to implement this plan within a distinctly social context . . . communicating a vision and guiding subordinates [toward it]" (Mumford et al., 2000, 19). This appears to be true in the Middle East. Leaders are expected to endorse future orientation or visionary leadership in some Middle Eastern societies (Kabasakal & Dastmalchian, 2001). Perhaps this is a struggle. Strichman, Bickel, and Marshood (2008) suggest a shared vision and strategy is critical for adapting to a changing environment. In their study on adaptive capacity, they found that even when there was an organizational vision, some Israeli nonprofits were not always able to successfully map an organizational strategy or articulate organizational goals.

The majority of leaders interviewed indicated that their organizations did have a plan, but it was difficult to discern if there were specific strategies connected to an overall vision. Plans were described as flexible or having the purpose of providing direction. Others noted that plans were not documented, but were verbal in nature. Accountability by the board was not enumerated as a governance duty or responsibility.

Governance and boards. Organizations' boards of directors were virtually absent from participants' responses regarding NGO vision and leadership. In most cases, the board did not enter into the discussion until specific questions were asked about governance. Upon further investigation regarding board involvement, it was suggested that boards were informed about organizational strategy (for those that shared they had one). It was a process that started with the staff and when needed, was communicated to the board. It was, as one participant suggested, "the staff's responsibility to set direction." The board was described, in several cases, as a body that supported the NGO. Few leaders described using board members for feedback purposes or to delineate direction, vision, or strategy. The conversation regarding board leadership focused upon meetings, communication, and responsibility. There were, however, many

comments that referred to the relationship between the board and the organization. In direct conflict with the board literature that exists (Axelrod, 2005; Carver, 1990; Inglis, Alexander, & Weaver, 1999), one participant strongly conveyed that they did not want to burden the board with superfluous information.

- "The board meets with us every two years; they give us the responsibility and trust goes both ways."
- "The board meets every two months, and if we have a new idea, we share it with them. We also have an executive committee that meets weekly. They do have funding responsibilities, but we don't do a budget. The Lord will provide. And if the people want it, they will give money so it can be done. We can't be limited or tempted by Western donors who are imperialistic. Faith overrules budget realities."
- "The board trusts us (the executive director and staff) with the financial oversight."
- "The CEO and board relationship is invisible. It is different in the West Bank. The board is for looks only. It enhances the NGO's reputation."
- "We inform the board when it is needed. There isn't a set schedule."
- "The executive committee of the board wants me to make all decisions, but
   I bring them into it. They expected me to nominate board members and update bylaws."

The traditional role of boards has included oversight, direction, and accountability. These NGO leaders seem to view boards as a barrier rather than an integral part of the leadership team.

### Limitations

This study has limitations and cannot be generalized to similar populations or organizations. The small number of participants prevented a more refined analysis of the data. There were multiple variables, including NGO size, tenure, location, education, and position. Religion, which was not part of this study, may be an important cultural variable accounting for differences in leadership

attributes. For example, Hashim (2010) suggests that Islam urges all Muslims to perform their best when they work. This includes commitment, trust, and honesty, which are all identified as valued leadership traits. Many of the participants' organizations focused on spirituality (several in a Christian context) as a primary tenet underlying organizational mission and how they lead. Cross-cultural studies have found that culture influences leadership concepts, styles, and practices (Gerstner & Day, 1994; Hofstede, 2001), which is a comparative variable not addressed in the context of this study that may have implications for further research. Finally, sample bias cannot be ruled out, based on a common affiliation with a single university in the United States.

Future researchers may consider investigating evidence of board meetings and strategic plans and examine minutes and documents to determine leadership practice in the area of strategy and planning. Additionally, widening the sample to include more organizations in the humanitarian field may be of interest. Considering tenure, culture, ethnic group, gender, education, age, and donor mandates may illuminate differences in leadership styles and priorities.

### Conclusion

The potpourri of responses outlining leadership attributes is consistent with the literature. The lack of an overall pattern is perhaps just as interesting. While vision is a vital leader characteristic according to countless leadership theories, it was not mentioned as it relates to strategic planning during the interviews. It can be said that unless a vision can be articulated, a strategy for growth, innovation, or leadership cannot be fully developed. This leaves an organization fending for itself—leading by intuition or charisma. This likely opens an opportunity for stagnation of the organization.

Our findings are consistent with some of the GLOBE findings (House, Hanges, Javidan, Dorfman, & Gupta, 2004), whose researchers note that the Middle East cluster (Turkey, Kuwait, Egypt, Morocco, and Qatar) valued in-group collectivism but did not seem to value future orientation. The idea that responsiveness and flexibility is NGO strength (Kang, 2010), supports a model wherein staff are

poised to act quickly in the absence of formal plans or board approval. Perhaps this is a cultural attribute. Grassroots leadership is common, and being nimble without attachment to long-term goals is the routine we gleaned from our participants. However, Issa (2010) suggests that having an overarching leadership strategy and vision may be helpful for leaders in the West Bank.

The fact that some boards seem to occupy an honorary role, existing primarily to support the status and reputation of an organization, rather than serving in a governance role, would seem to invite a charismatic vision versus one that is strategic or long term. In fact, conflict was given as a main reason not to be strategic. For instance, how can one plan when the NGO can be "blown up" tomorrow?

The findings show that these NGO leaders have varying leadership experiences and operate under various leadership definitions. Participants identified many traits in their positional roles. Virtually all are leader-centric, which is consistent with Oginde's (2011) findings; leadership is described in leader-centric terms and behaviors and not with regard to process or overall organizational structures or activities.

The characteristics suggested by the study participants do not lend themselves to one primary leadership theory. However, many of them fit into leadership theories, whether it is trait (charisma), skill (relationships), or authenticity (self-evaluation), among others. Understanding culture was not the most common characteristic suggested, but it did appear in the interviews from various perspectives. How one navigates the environment, donor relationships, understanding service recipients, government interactions, volunteer/employee management, and corporate contacts were all reasons given to understand culture; skill in these activities is needed to be successful in the NGO environment, especially in areas of conflict.

Dutton (1986) proposes that crisis is frequently conflated with threat or adversity. This perception may thwart organizational mission through the loss of financial resources, damaged internal and external relations, and drained emotional energies. Diverting threats can erode emotional energies—but merely

being aware of an existing crisis also depletes the reserve of emotional energy available in the organization. We are not sure if our sample is different, but crisis for the majority of the sample was continually perceived as a threat. With many of the organizations, the board approved of whatever strategy the organization constructed and there was not a different strategy for times of crisis. As one participant shared, "it is hard to plan, since tomorrow we could be bombed, and all plans [would] go out the window."

Constant threat of conflict contributes to the creation of both personal and professional stress (Al-Daqaq, Abdel Karim, Ezbidi, Said, & Abu Fasha, 2005), and it also creates broken dreams and an uncertain future. This idea certainly resonates with the leaders serving nonprofits in Israel and the West Bank and has an overall effect on leadership and successful strategy and planning.

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## The Evolution of Organizational Leadership Profiles: Age, Tenure, and Gender of High-Earning Multinational Corporation CEOs in Japan versus America

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The unique organizational cultures of Japan and the United States have historically translated into CEO profiles distinctive to each country, particularly in terms of average age and job tenure. Japanese CEOs have traditionally been older, and American CEOs have had longer average job tenures. However, new societal trends in both Japan and the United States indicate changes in these profiles, caused, in part, by the movement away from the seniority-wage system in Japan as well as demands placed on American CEOs from the Sarbanes-Oxley legislation. This study presents data on current high-earning multinational corporation CEO profiles in both Japan and the United States and describes how these have changed with regard to age, gender, and tenure. The study shows there are still more female CEOs in the United States than Japan. While the average age of Japanese CEOs is still higher than those of their American counterparts, the age difference is smaller than in past years. American female CEOs are younger than male CEOs in both countries. Finally, job tenure, while still much shorter in Japan than in the United States, is much shorter now as well. Recommendations for future research are also provided.

Key words: global culture, human resource development, international management, leadership, organizational change

Profiles of chief executive officers (CEOs)/presidents can vary from region to region. Traditionally, American CEOs have longer average tenures, whereas Japanese CEOs tend to be older (*Chosun Media*, 2009; Goldschein, 2011). Several phenomena have recently occurred that have prompted many to predict changes in the average Japanese and American CEO profiles. Specifically, changes are predicted for age, tenure, and gender. For example, the deterioration of the traditional Japanese seniority-wage system (SWS) has caused many to believe that the average Japanese CEO will be younger today than in past years. Meanwhile, turbulent economic conditions in America since 2008 have prompted speculation that American CEOs will have shorter average job tenures because CEOs are more likely to be dismissed when corporate earnings lag. Finally, cultural shifts in Western society have led to predictions of greater proportions of female CEOs in both countries. An assessment of the

profiles of current CEOs of the largest companies in the United States and Japan can explain these conjectures.

# **Cultural Factors Affecting CEO Profiles in Japan and the United States**

Scholarly study of CEO profiles has existed for many years, most commonly focusing on profiles of American CEOs. Global scholarly research detailing profiles of Japanese CEOs reached a peak in the late 1980s, as the Japanese market began to stagnate in the early 1990s. Little focus has been given to an overall emphasis on Japanese management and organizational leadership, including information on CEO profiles (Numagami, Karube, & Kato, 2010).

Historically, the cultures of Japanese and American CEOs differ. Even though Japanese culture has sacred honor for its best companies (Whittaker & Deakin, 2010), Japanese CEOs are typically paid much less than American CEOs. In 2009, the CEOs of the 100 largest Japanese companies earned an average \$1.5 million per year, whereas the CEOs of the 100 largest American companies earned an average \$13.3 million per year (Hall, 2009). This can be attributed to the fact that the CEOs of large Japanese companies have comparably less power than American CEOs, since their bottom-up decision making goes through channels of management approval before finally getting "rubber-stamped" by a CEO (Whittaker & Deakin, 2010).

Even so, Japanese leaders tend to work longer hours than their peers in other countries (Kanai, 2009). In 2006, it was reported that 28% of male Japanese workers in private companies worked over 12 hours per day (*Chunichi Shimbun*, 2006). Even though Japanese CEOs are paid less, they tend to put more pressure on themselves, especially if their company performs poorly. The Japanese government reports its "karoshi," the number of people who die from deteriorating health due to working long hours, and "karo-jisatsu," the number of people who die or commit suicide from overwork (Kanai, 2009). DeFrank, Matteson, Schweiger, and Ivancevich (1985) found that American CEOs are less

stressed out, better able to engage in activities away from the job, more content in their jobs, and more satisfied with their pay than Japanese CEOs.

In addition, Japanese CEOs engage in more professional activities that are of longer duration. Dokter and Loper (1982) note that 49% of American CEO activities last less than nine minutes, while only 18% of Japanese CEO activities are so short. On the other hand, 41% of Japanese CEO activities last over an hour, while only 10% of American CEO activities last as long. Furthermore, American CEO organizational planning focuses more on the short term than that of Japanese CEOs (Whittaker & Deakin, 2010).

These culturally driven organizational variables affecting **Japanese** management practices subsequently affect the profiles of their CEOs. For instance, since Japanese employees work later in life, the Japanese CEO is more likely to be older. Clark, Ogawa, Lee, and Matsukura (2008) cite the relatively high labor force participation rates of older persons in Japan and report that in 2001, the Nihon University Japan Longitudinal Study of Aging found that one out of six Japanese men aged 80 to 84 was still working, a rate far higher than in any other industrialized country. Labor force participation rates among men 65 and older tend to be below 10% in Western Europe and 18% in the United States, but over 30% in Japan, even though that proportion is down from nearly 60% in 1960. The high proportion of older workers in Japan results, in part, from the fact that Japanese firms do not tend to enforce mandatory retirement ages (Sakano & Lewin, 1999). As such, the lack of early retirement and propensity for working later in life has raised the likelihood that the Japanese CEO is older.

A key influence for Japanese CEOs has been adherence to the *nenko* system (or SWS), which is the Japanese model of promoting a worker in the order of his proximity to retirement (Beiske, 2007). The SWS has long been considered one of the three pillars of Japanese human resources management, along with lifelong employment and company unions (Pudelko, 2006). The SWS has been strong because it is believed to help spur loyalty and allows managers to accept and implement ideas and suggestions of immediate subordinates since they are

not fearful that their staff members will eventually advance beyond them if they become successful (Beiske, 2007).

However, the prolonged stagnation of the Japanese stock market in the early 1990s brought about a decreased emphasis on the SWS influence in organizations. In the mid-1990s, Japanese companies began to gradually replace SWS with an annual pay system in which the worker is paid at the end of the year based on merit (Beiske, 2007; Kanai, 2009; Pudelko, 2006). Ornatowski (1998) reports that by 1996, only 10% of large Tokyo Stock Exchange-listed companies still supported the traditional Japanese seniority-based pay and promotion system and the practice of lifetime employment. By the end of the 1990s, researchers reported the end of the SWS in many Japanese industries, especially multinational companies (Ballon, 2002; Kono & Clegg, 2001; Watanabe, 2000). Although the system has fallen out of favor to some extent, age and years of service to the organization are still important influences in Japanese organizations. In this article, I address how average Japanese CEO profiles have changed, potentially prompted by the decreased application of the SWS.

### CEO Age

CEOs in Japan have typically been older than those in the United States. In a study of large organizations, Kato and Rockel (1992) found that Japanese CEOs accepted their position at an average age of 56, while American CEOs accepted their position at an average age of 49. The decreasing emphasis on the Japanese SWS, however, has led scholars to believe that since Japanese promotions are evolving from seniority-based to performance-based, the average age of Japanese CEOs might decrease because they would be more likely to be promoted based on past success rather than tenure or seniority. Hays (2011a) confirms that the average age of Japanese CEOs is, indeed, in decline. However, the average age of all workers in a Japanese organization might not be affected due to the lingering influence of lifetime employment, as well as the increased likelihood that a worker will need to work later in life due to decreased pensions associated with the decline of the Japanese stock market. Still,

Japanese CEOs tend to be older than CEOs from other areas. In 2009, Booz & Company (2009) found that outgoing CEOs in Japan left at an average age of 63.0, versus 59.4 in North America and 57.2 in Europe.

Average ages of global CEOs have been increasing. Booz & Company (2009) also reports that the average age of incoming CEOs globally was 52.9, an increase from the average 51.0 that had held steady for the past decade. Favaro, Karlsson, and Neilson (2011) found that the average appointment age among incoming CEOs in 2010 for top public international companies increased to 52.2, versus 50.2 in 2000. The average age of S&P 500 CEOs around the world was 55 in 2007 (Jones, 2008), but increased to 56 in 2008 (Robert Half International, 2008).

Despite global trends, the average age of American CEOs has been decreasing. A study of the largest public American companies found that the average starting age of a CEO had dropped to 48.8 in 2001 from 50.4 in 1995 (Todaro, 2003). The Institute of Policy Studies reports that in 2005, the average age of an American CEO was 56 (Sampson-Akpuru, 2008), and *The Economist* (2008) reported the same average age of American CEOs in 2008. In 1980, 51% of Fortune 100 CEOs in the United States were 60 to 69 years old, but by 2011, 68% were 50 to 59 years old (Mandell, 2011). The seven-year difference between CEOs accepting their positions in the United States (49) versus Japan (56), using a historical gauge, is used as a method of comparison in light of recent societal trends including the decreasing average age of American CEOs and the increasing average age of global CEOs.

### **CEO Tenure**

Due to a variety of factors, the average job tenure of global CEOs has decreased in recent decades. Favaro et al. (2011) found that for outgoing CEOs from the world's top public companies, the mean tenure had decreased from 8.1 years in 2000 to 6.6 years in 2010. In 2012, the Conference Board reported that S&P 500 CEOs around the world had an average tenure of 8.4 years in 2011, a decrease from the 10-year tenure of 2000.

According to the U.S. Department of Labor (2010), the median number of years at a current job for American wage and salary workers (employee tenure) was 4.4 for all workers, but 10.0 for workers 55 to 64. As such, a younger CEO might also predict shorter CEO tenure.

The average CEO tenure in Japan has also decreased in past decades. The SWS-influenced Japanese leadership transition process had historically translated into shorter-tenured CEOs in Japan because the CEO had an heirapparent learning from him and waiting for his own time to lead the company, and the CEO understood that his time in his current position was limited due to the structured, ongoing process of promotions and advancement (Haffner, Klett, & Lehmann, 2009). However, Itami (1995) found that the average CEO tenure in Japan started to decrease in the mid-1990s when the stock market began to stagnate.

The average CEO tenure in Japan is decreasing, but the average CEO tenure is decreasing at a faster rate in other regions, judging by global CEO turnover rates. In 2007, the turnover rate for European CEOs was 17.6%, versus 15.2% in North America and only 10.6% in Japan (Lewis, 2008), In addition, 37% of North American CEOs left against their will versus just 24% from the Asia Pacific region (Kirdahy, 2008). In 2008, 37% of all European successions were forced, versus 27% in North America and just 12% in Japan (Booz & Company, 2008). Kirdahy (2008) reports that the average tenure of CEOs was 6.8 years in North America versus 5.7 years in the Asia Pacific region, which Kirdahy explains is partially a result of the jump in forced removal rates in Japan during the global financial recession; these rates increased nearly fourfold from 0.8% in 2008 to 3.1% in 2009 (Booz & Company, 2012). However, the pressure Japanese CEOs impose upon themselves has not typically translated into forced dismissals. Japanese CEOs tend to step down voluntarily, and the CEO transition process is not usually the result of being fired by their organizations.

The average tenure of American CEOs is also decreasing (Favaro et al., 2012). The *Memphis Business Journal* (2012) cites the results of a report that indicates pressure and scrutiny on CEO performance are factors that have contributed to a

sharp drop in tenure of American CEOs from 10 years in the late 1990s to 5.5 years in 2012.

While the decline in the use of the SWS has contributed to decreasing CEO tenures in Japan, other factors have been recognized as potential reasons for decreased CEO tenure in the United States. Christian and Timbers (2007) cite the Sarbanes-Oxley Act of 2002 as a key contributing factor to lower average tenures of American CEOs, due to its requirements for increased accountability and legal scrutiny, and found a 91.3% increase in Fortune 100 CEO departures in the five years after Sarbanes-Oxley from the five years before its enactment.

The tenure of American CEOs has historically been affected by other cultural tendencies than their Japanese counterparts. For instance, the fate of American CEOs is more dramatically affected by stock returns than Japanese CEOs (Kim, 2008). Sakano and Lewin (1999) found that the American stock market predicts American CEO succession. In other words, leaders are dismissed much more frequently in the United States when performance dips than in Japan (Hall, 2009). CEO salaries in Japan are still based more on seniority than on performance, and pay is not usually linked to shareholder value (Hall, 2009). The economic stagnation in the American market since 2008 has been cited as one of the main factors in the decreasing average tenure of recent American CEOs.

### **CEO Gender**

Another trend affecting a change in CEO profiles is the shift toward higher female representation in organizational leadership positions. In many countries, female involvement in organizations is thought to allow companies to create cultures of inclusion and provide a disparate set of skills. Although the proportion of females in leadership positions has increased in the United States and in many other regions (Northouse, 2009), women are not equally represented among senior executives. This phenomenon is often called the "glass ceiling," a reference to the transparent barrier that keeps them from moving upward past a certain point in an organization (Oakley, 2000).

The glass ceiling is especially prevalent in Japan. There are many reasons for the lack of women in Japanese senior executive positions (Gunther, 2009). For example, Japanese culture has traditionally favored masculine traits. Maledominated cultures tend to value achievement, competition, and success, and also typically make it difficult for women to rise in the corporate hierarchy (Hofstede, 2001). In the past, Japanese women have been excluded from top leadership positions, although the country recently has seen modest increases in the number of female top executives (Wiseman, 2005). As in many other regions of the world, a major obstacle to the promotion of women in Japan is that women tend to leave their jobs for family obligations and usually do not work the long hours expected of many Japanese CEOs (Hays, 2011b). As in other cultures, the "femininity-competence bind" also means that Japanese females risk being viewed as too aggressive when they act in assertive manners common to CEOs (Barrett & Davidson, 2006).

In a 2005 report from *Fortune Magazine's* Global 200 companies, 17.5% of American companies' executives were women, versus only 0.7% in Japan (Wiseman, 2005). In 2009, Japan ranked 10<sup>th</sup> of 177 countries in the Human Development Index, but only 57<sup>th</sup> on the Gender Empowerment Measure, which ranks the proportion of females in high-ranking positions (Catalyst, 2011). Wiseman (2005) reports that in 2005, women accounted for less than 0.8% of the CEOs at Japanese companies that had shares listed on the stock market, versus 1.8% (9 of 500) in the United States, and also noted that only 3% of Japanese companies had a woman on their boards, versus more than 86% of American companies. Women accounted for just 4% of all CEOs in Japan in 2010 and 2011, and only 8% of Japanese organizations had women in senior management positions compared to the global average of 20% (Catalyst, 2011).

The glass ceiling also exists in the United States. In 2012, 85.7% of American corporations had a woman board member, compared to 11.2% in Japan (Credit Suisse Research Institute, 2012). In 2011, women accounted for 8% of CEOs of all organizations globally, but only 5% in the United States and 4% in Japan (Catalyst, 2011).

The increased likelihood of having a female CEO may affect average tenure of a CEO. According to the U.S. Department of Labor (2010), the median number of

years at a current job for American wage and salary workers (employee tenure) is 4.6 years for men but only 4.2 years for women. The female prime-age (25–64) workers' median tenure did jump from 4.5 years in 1951 to 9.7 years in 2010, but it was still lower than men's median tenure of 10.4 years (Copeland, 2010).

Differences in cultural and societal norms in Japan and the United States have permeated business practices and have consequently affected the average profile of a CEO. Because of shifts in these standards, many have predicted more similar average CEO profiles in these countries, with Japanese CEOs being younger and American CEOs having shorter job tenures, and greater proportions of female CEOs in both countries.

### **Methods and Findings**

The 2011 Fortune Global 500 is a list of companies in order of annual revenues, published by CNN, *Fortune Magazine*, and *Money Magazine*. The top 50 organizations from Japan and the top 50 companies from the United States in the Global 500 were used in this study. Their CEO profiles were also assessed as of June 2012. Statistics on the age, tenure, and gender of multinational CEOs were accumulated through newspaper articles, company Web sites, and other sources.

Information for Japanese executives was difficult to access. In most cases, the age of the Japanese executive was not included on the organizational Web site. In addition, American company Best Buy was in the process of recruiting a new CEO; as such, the interim CEO was not included in this study..

None of the 50 Japanese companies in this study had a female CEO versus 5 of the 49 companies in the United States, as shown in Figure 1.

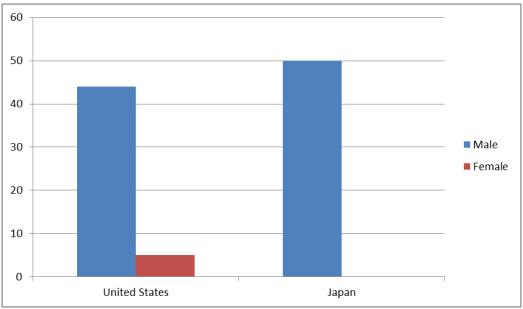


Figure 1. CEO gender for top 50 earning multinational corporations in the United States and Japan

The average age of Japanese CEOs in the sample set was 62.6, whereas the average age of American CEOs was 57.6. This five-year difference was less than the historical gauge finding that Japanese CEOs accepted their CEO position at age 56, versus American CEOs' age of 49, a difference of seven years; however, this study only indicates *current* average age, not an exact comparison. Figure 2 displays the average age of both countries' CEOs.

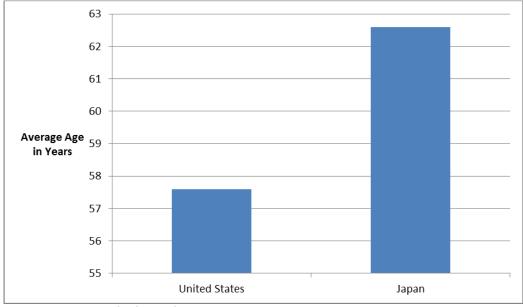


Figure 2. Average CEO age for top 50 earning multinational corporations in the United States and Japan

One CEO in each country was in his 80s: American CEO Warren Buffett, Berkshire Hathaway, and Japanese CEO Osamu Suzuki, Suzuki Motor Company, were both 81 years old. Most American CEOs were in their 50s, whereas most Japanese CEOs were in their 60s. There were no Japanese CEOs in their 40s, but two American CEOs were in their 40s: Michael Dell, Dell, and Robert Niblock, Lowe's Companies. Figure 3 shows a breakdown by decade.

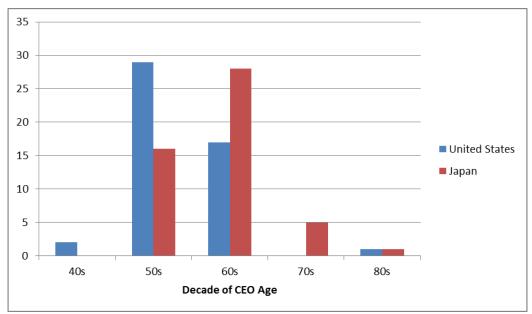


Figure 3. Decade of CEO age for top 50 earning multinational corporations in the United States and Japan

The five female CEOs in the United States were, on average, 54.2 years old, versus 58.14 years old for their male American counterparts. The lower average age of female CEOs lowered the average American CEO age in this study. Figure 4 shows average age by gender.

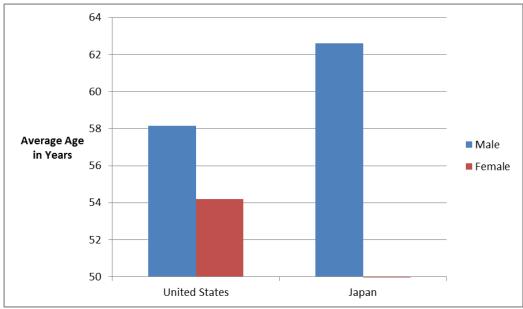


Figure 4. Average CEO age by gender for top 50 earning multinational corporations in the United States and Japan

The average tenure for an American CEO was 6.05 years versus 3.12 years for a Japanese CEO, as shown in Figure 5. This compares to a report that the average American CEO tenure was 5.5 years (*Memphis Business Journal*, 2012). Both averages are well below the Conference Board (2012) finding that the average tenure of an S&P 500 CEO globally in 2011 was 8.4 years.

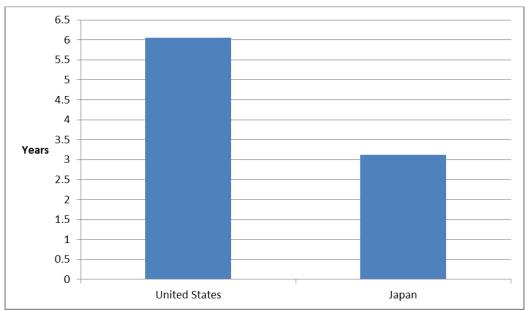


Figure 5. Average CEO job tenure for top 50 earning multinational corporations in the United States and Japan

When the average tenure was analyzed by gender, the five female CEOs in the United States averaged just 3.65 years, versus 6.32 years for American male CEOs. In this study, the shorter average tenure of female American CEOs lowered the average job tenure. Figure 6 below shows the average CEO age by gender.

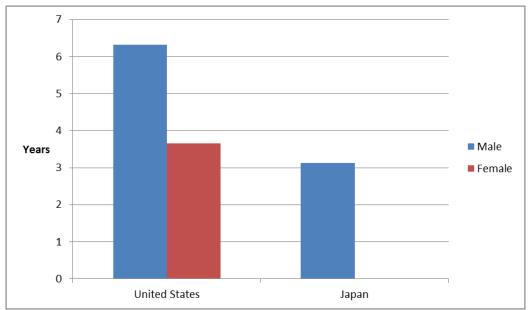


Figure 6. Average CEO job tenure by gender for top 50 earning multinational corporations in the United States and Japan

Female CEOs in this study had, on average, job tenures similar to those of Japanese CEOs and ages more consistent with American CEOs.

### **Conclusion and Future Research**

The results of this study indicate that changing societal trends in Japan, particularly the move away from the seniority-wage system, have caused the Japanese CEO profile to change, albeit slowly. Japanese CEOs are still, on average, older than American CEOs, although it appears that the gap is closing based on historical data. The average tenure of a Japanese CEO is also nearly half that of an American CEO, though the study results for both are well below that of recent global averages.

It is also interesting to note that the glass ceiling still exists in both countries. While there are still no female CEOs in the top 50 Japanese companies on the Fortune Global 500, women accounted for only 10.2% of the top 50 American companies' CEOs. Also, the American women CEOs' tenures were similar to the Japanese male CEOs', nearly half that of American male CEOs. However, female American CEOs are, on average, more than four years younger than their male counterparts.

#### **Future Research**

Future studies should investigate industry-specific Japanese versus American CEOs. With the increased number of female CEOs, the average age of CEOs may decrease and since female CEOs tend to have less job tenure, the average job tenure might also decrease in the future. Further analysis of the average age of a larger sample set of female CEOs would provide more information regarding this speculation.

Another possible area for future studies is CEO tenure. The average American CEO tenure in this article was slightly more than six years, which was longer than a recent study that reports an average American CEO tenure of 5.5 years (*Memphis Business Journal*, 2012). It would behoove future researchers to ascertain if higher-earning companies tend to keep their CEOs longer than lower-earning companies.

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