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Vlog Here, Vlog There, Vlog Everywhere: An Analysis of its Effectiveness in the Workplace

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ABSTRACT: Youtube has quickly become a major player in social media. According to Lucas Matney (2017),

“YouTube has 1.5 billion logged-in monthly users. Carly Lanning noted, “Millennials view an average of 12.1 hours of YouTube videos per week. Organizations are recognizing the platform importance and potential benefits to the organization”.

Organizations spend millions of dollars each year on employee training and development (Aguinis & Kraiger, 2009). This investment is worthwhile because empirical research suggests that organizations, individuals and teams benefit when firms invest in employee training initiatives (Aguinis & Kraiger, 2009). These benefits include more effective performance, better communication, and effective planning within teams.

There are range of techniques that human resource development professionals can use to implement quality employee training. In recent years, researchers and practitioners have become interested in examining the effectiveness of e-learning training methods. This interest has flourished through advances in technology and the development of the World Wide Web (WWW). In fact, technology-driven instruction (TDI) is expected to rise over the next ten years within both the public and private sectors (Aguinis & Kraiger, 2009). TDI refers to any form of training in which content is conveyed electronically, including computer-based training, intelligent tutoring systems, and web-based training.

REFERENCES


Factors Influencing Emergency Department Nurse Retention

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One of the most serious problems for healthcare organizations is the increased shortage of healthcare professionals. In the U.S. and the rest of the world, the rising shortage of Registered Nurses (RNs) is reaching crisis levels (Bothma & Roodt, 2013). Because of a shortage of RNs, the delivery of healthcare and patient care outcomes are affected (Zolnierek & Steckel, 2010). Juraschek, Zhang, Ranganathan, and Lin (2012) forecasted a nursing deficiency increase from 5% in 2009 to 30% by 2030, for an overall nationwide shortfall of 918,232 nursing job opportunities. In specialty areas, such as in the emergency department (ED), serious nursing shortages will occur (Manton, 2004).

The existing nurse employment shortage is becoming worse during a period when patient acumen is advanced, patient care is more problematic, and demand for health care services frequently surpasses capacity or capability (Bothma & Roodt, 2013). With the aging population of baby boomer nurses retiring, and with the growing, ever-increasing demands of the healthcare industry, nurse retention, and recruitment are gaining more attention by healthcare organizations (O’Brien-Pallas, Murphy, Shamian, Xi, & Hays, 2010). Given the possibility of the additional requests for healthcare services, the projection by the year 2020 is that 400,000 fewer nurses will be in place to deliver care than what will be required (Buerhaus, 2002). With the average age range of registered nurses near 50, it is projected that the present-day nursing population will reach retirement age by 2025 (Robinson, Jamin & Ray, 2004). Specialty units such as the operating room and post-anesthesia departments are highly popular among the aging workforce transitioning into retirement because not as much shift work is required in these types of positions and the nurses want more independence and more respect than what has been given in the past (Buerhaus, 2002).

LITERATURE REVIEW

According to Cumming et al. (2010), nursing has advocated to a task-oriented model of leadership style that places emphasis on mistakes made, rather than on a shared vision, mission, and collaboration. Cummings et al. described this model of leadership style as dualistic and discordant, causing dissatisfaction with staff and high staff turnover. This contrasts with leadership based on relationships that have an effect in better staff gratification, higher rates of retention, and eventually, improved patient satisfaction and results. Denker (2014) described this type of leadership style as transformative because it transforms both the leader and the follower, and eventually, the organization in a positive manner.

Transformational Leadership in Nursing

Wicker (2008) stated that nurses embrace transformational leadership because it creates a connection amongst the leader and staff, which can result in a sense of enablement. A nurse leader who acquires transformational leadership abilities will intensify staff effectiveness in the role (Denker, 2014).

The advantages to the nurse manager. The responsibility expected of a nurse manager seems limitless when attempting to maintain a stable patient care environment and staff who are satisfied all while trying to maintain a financially sustainable organization (Bondas, 2006). Bondas proposed the Paths to Nursing
Leadership Theory that indicated four different paths to variations between the nurse manager’s education, nurse manager’s primary commitment, and situational factors.

These paths include the Path of Ideals (the nurse manager creates a compassionate culture and work environment), the Path of Chance (factors of chance lead to a leadership position), the Career Path (the nurse manager is given more authority), and the Temporary Path (nurses have been offered a position, accepts the position, and has the option to decline the position). Bondas concluded that situational factors, role modeling of good however bad nursing leadership motivational educational factors have contributed as a major role when Finnish nurses enter nursing leadership positions. Because of this difficulty, hospitals should consider providing educational resources for the development for success of a new manager’s performance (Larty & McCartney, 2009). According to Seaver (1997), a management orientation process offers the means to knowing the organization and develops relationships.

The advantages to the nursing staff. McDaniel and Wolf (1992) determined that using the transformational leadership style improved retention rates and work satisfaction. Intellectual stimulation, idealized influence, and individual consideration as behavioral components of transformational leadership, suggested for enhancing retention and overall staff satisfaction. Similarly, Spinelli (2006) examined leadership orientation and outcomes by investigating subordinates’ managers’ ratings of hospital CEOs and found a significant positive relationship between transformational leadership factors and staff satisfaction. Committed followers exert extra effort, thus improving unit performance and enhancing the organization's competitive advantage.

Engagement

Macey and Schneider (2008) listed several different meanings of engagement. The meaning of employee engagement is vague between both academic scholars and among practitioners who use it in dialogue with their clients. The term engagement refers to mental state, characteristics, and actions in addition to their backgrounds and outcomes. Work engagement is the amount of energy a person spends for doing his or her own works, and the earned effectiveness and efficiency of that work (Maslach, Schaufeli, & Leiter, 2001). Conversely, and in conjunction with Schaufeli and Bakker’s (2004) definition, the perception of work engagement are circumstances that may change within the same individual. Harter, Schmidt, and Hayes (2002) referred to engagement as a person’s involvement and fulfilment along with enthusiasm for work. Harter et al. (2002) asserted that employees that engage become emotionally connected to each other and cognitively attentive to the direction of the group.

Turnover Intention

Mobley (1982) defined turnover intention as a worker’s subjective probability and deliberate intent to leave an organization in the future. Lucy, Mellor, Moore and Loquet (2004) referred to employee turnover as a worker contemplating quitting a job. According to Hellman (1997), turnover intention is the determining factor of leaving from planned work behavior. Turnover is perceived negatively in association with job performance in a corporate setting, according to Shaw, Gupta, and Delery (2005) and the public sector. Furthermore, turnover intention is referred to an individual’s inclination to leave an organization (Dess & Shaw, 2001). Turnover are classified and labeled into voluntary or involuntary, in addition to functional or dysfunctional, which respectively will unpredictably effect the organization (Griffith, Hom, & Gaertner, 2000).

METHODOLOGY

This study used a quantitative, non-experimental, correlational, survey design to describe and test factors that influence emergency department nurse retention and their intention to leave. The independent
variables are transformational leadership style and nursing engagement strategies. The dependent variable is retention rates as measured by the Turnover Intention Scale.

Qualtrics was contracted to provide a sample participants who were Registered Certified Emergency Nurses. Exclusion criteria included nurses whose employment status is temporary/on-call and senior management. Participation were voluntary and participants were asked demographic questions to assess, age, in doctrinarian, job status, shift variations, type of organization, and years of ED nursing/nursing experience, gender-specific, marital status, responsibility of providing care, and salary.

A survey was used to address and measure, age, in doctrinarian. job status, shift variations, type of organization, and years of e ED/nursing experience, gender-specific, marital status, responsibility of providing care, and salary. Hayati et al. (2014), measured transformational leadership using the multifactor leadership questionnaire (MLQ) constructed by Bass and Avolio (1987) to assess two styles of leadership: transactional and transformational leadership; however, for the study the researcher used the transformational style questionnaire. The questionnaire consisted of 20 questions where the section of inspiration, rational motivation, and personalized attention behavior factors are equivalent. Each of the behavioral components consisted of four questions, while the measurement of idealized influence component consists of eight questions. Participants responded to a 5-point frequency scale ranging from not-at-all to frequently-if-not-always. The score determines the degree in which transformational leadership style is used. Internal reliabilities consistencies range from .74 to .94 coefficients with strong validity (Stamps, 2010).

Choi et al. (2004) developed the Perceived Nursing Work Environment (PNWE) instrument. The PNWE has 42 items and seven subscales (nursing management, professional practice, nurse/physician collaboration, staffing and resource adequacy, positive scheduling climate, nursing process, and nursing competence). However, for the study the researcher used the first five subscales mentioned. Participants responded to a 4-point Likert scale ranging from strongly disagrees to strongly agree. The coefficients of the first six subscales range from 0.70 to 0.91, whereas the last subscale has a low coefficient of 0.56, which is most likely due to the subscale including three sub-items. The score determined the degree in which Nurse Managers who engage in nursing engagement strategies (nursing management, professional practice, physician collaboration, staffing resources, and shift work) help to reduce emergency department nurse’s turnover intention scores compared to those who do not use these strategies. The total Cronbach’s coefficient of the PNWE is 0.95.

The Turnover Intention Scale (the intention to leave or stay) by Mobley, Horner, and Hollingsworth (1978), is made up of three-questions. Responses ranged on five-point Likert scale from strongly disagree to strongly agree. The least possible rating is eight and the highest rating is 40. The higher the rating indicates a greater intention to resign from a job. The internal consistency coefficient for the intention to leave an organization is s 0.90.

The following hypotheses were tested:

H1: There is a difference between Nurse Managers with a strong transformational leadership score above a certain score (3 or higher) versus those with a weaker transformational leadership score (less than 3) when comparing ED Nurses’ turnover intention scores.

H2: Nurse Managers who practice engagement strategies (nursing management, professional practice, physician collaboration, staffing resources, and shift work) with ED Nurses will different Turnover intention scores than those who do not practice engagement strategies.
RESULTS

One hundred Emergency Department Registered Nurses completed all the questions and were used in the study. The gender-specific report of the sample was predominantly women (83%). The percentage of nurses with bachelor’s degrees was 46%; moreover, most (53%) did have an accelerated continuing education certificate in ICU or ED nursing programs. Much of the participants were working full-time (85%) and worked day shift (44%) on a 12-hour shift (73%) in an inner-city public hospital environment. The average participant was married, with kids, and a combined family income less than $100,000 a year. Overall, 54 (54%) of the participants considered their Nurse Manager as a transformational leader and 46 (46%) of the participants did not consider their Nurse Manager as a transformational leader.

Results of the exploratory data analysis for research question one indicated that there was not a significant difference in turnover intention scores for Nurse Managers who exhibit characteristics of a strong transformational leader than those Nurse Managers who do not exhibit characteristics of a transformational leader. As the p-value returned \( p = .37 \) was higher than level of significance of alpha=0.05., there is no statistical difference between transformational leadership and turnover intention scores; therefore, the null hypothesis cannot be rejected \( t(798) = 1.91, p = .37 \).

Results of the exploratory data analysis for research question two indicated that there was not a significant difference in turnover intention scores for Nurse Managers who engage in nursing engagement strategies (nursing management, professional practice, physician collaboration, staffing resources, and shift work) with ED Nurses than those Nurse Managers who do not practice engagement strategies. As the overall sample p-value returned \( p = .43 \) being higher than the level of significance of alpha=0.05, there is no statistical difference between nursing engagement strategies (nursing management, professional practice, physician collaboration, staffing resources, and shift work); therefore, the null hypothesis cannot be rejected \( t(48) = .57, p = .43 \).

DISCUSSION OF FINDINGS

Based on the outcome of this study, the transformational leadership style of Nurse Managers did not show a significant influence on the intent to turnover intention scores. However, it is important to note that the overall leadership style of the nurse managers revealed that transformational leadership was being practiced. The results from this study agree with Raup’s (2008) examination that there is no statistical significance on the impact of transformational leadership versus non-transformational leadership on staff nurse retention. However, nurse managers who exhibited transformational leadership styles revealed a trend toward low nurse turnover compared with nurse managers displaying non-transformational leadership styles. An explanation for this finding may be that nurse managers promoted idealized influence or charisma by communicating and articulating a vision or mission with passion and determination. A positive implication from this study could be to design an educational program for nurse managers that provide the techniques for presenting to groups. By doing so could promote staff nurse awareness and demonstrate how staff directly and indirectly affects the mission of the department and the organization.

CONCLUSION

Transformational leadership is not an all-inclusive resolution for leaders wanting to improve RN retention as it does have gaps that become apparent in the current healthcare environment (Malloch, 2014). Transformational leadership does not consider the influence of the organizational culture in which the leader must work. It focuses on the individual and does not address teamwork, essential to an ED environment. Control remains with the leader, instead of empowering and engaging staff at the point of service to improve patient care (Malloch, 2014). It is also focused on linear thinking, omitting the
opportunity for innovation that occurs through interacting across complex systems and nonlinear process (Weber, 2012).

REFERENCES


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Childless at Work: Demography, Stigmas, and Implications

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ABSTRACT: The Millennial generation is entering the workforce in significant numbers and will soon represent a major cohort in the U.S. workplace. One of the known features of Millennials is that they are delaying having children, with the result that there will be many childless persons working in organizations in coming years. Research has demonstrated various social stigmas associated with childlessness; among these are perceptions that the childless are more immature, selfish, autonomous, and less desirable to be around. As these perceptions impact the workplace, organizations will need to consider taking actions to insure childless workers are viewed as effective employees and are made to feel a valued part of the workplace community.
INTRODUCTION

Fast fashion is one of the most recent trends in the apparel industry. The following introduction to fast fashion is abstracted from Crandall (2017). In the “good old days,” apparel supply chains operated with high fashion designs and long (slow) response times when designers and retailers forecasted demand a year in advance, tailoring their design releases by season – spring, summer, fall and winter. However, over time, customer demand for low prices and fast response times have changed the nature of supply chains dramatically.

In, The State of Fashion 2017 report, McKinsey expected the $2.4 trillion fashion industry growth to accelerate, after a tough 2016. Consumers have become more demanding, more discerning, and less predictable in their purchasing behavior. Companies have also reshaped their system, shortening the length of the fashion cycle and integrating sustainable innovation into the core product-design and manufacturing process (Amed et al., 2016).

For our discussion, apparel includes women’s and men’s clothing, handbags, shoes, and accessories. Women’s apparel dominates, although there have been some recent attempts to involve men in making fashion statements, such as jeans, black tees, no ties and shirts with designs.

The companies most cited as being the leaders in the forefront of fast fashion are Inditex (parent of Zara) and Hennes & Mauritz (H&M). A study by Bloomberg Business Week reported sales growth from 2004 to 2015 for Zara was 240 percent and H&M was 180 percent, while the retailer Gap had level sales during that same period (Baker, 2016).

From an economic perspective, the leading fast fashion companies have been successful because they have been able to provide consumers with the latest fashions at low cost. At the same time, the fast fashion industry has faced at least two major criticisms (Cline, 2012; Vara, 2016):

- In their pursuit of low costs, they have used suppliers in low cost countries where the wages are substandard and unsafe working conditions prevail.
- The increased numbers of apparel units sold are of lower quality and a large percentage ends up in landfills.

In order to evaluate the fast fashion industry’s overall contribution, this paper will look at it through the lenses of the triple bottom line, a comprehensive concept that encompasses economic, social responsibility and environmental sustainability components. The triple bottom line is a term introduced by Elkington in his book Cannibals with Forks, in which he defines the triple bottom line: “Sustainable development involves the simultaneous pursuit of economic prosperity, environmental quality, and social equity. Companies aiming for sustainability need to perform not against a single, financial bottom line but against the triple bottom line.” (Elkington, 1997, p. 297). In his book, Elkington puts forth the idea that
organizations should not only be economically successful but should also actively pursue being responsible for social responsibilities such as employee relations, supplier relations, and community relations. In addition to meeting socially responsible standards, organizations should also be good citizens as regards environmental sustainability. A subsequent iteration shortened the triple bottom line to People, Planet and Profits, to include the three areas of responsibility.

It is relatively easy to evaluate a company’s financial results. Public companies report a vast amount of financial information over years of operation. However, it is not as easy to evaluate a company’s social and environmental contributions. While there are a number of variables in each category, there is no common measure of the overall contribution. Consequently, there is no measure of a company’s overall contribution in either social responsibility or environmental sustainability. There are a number of organizations that attempt to rank the contributions of organizations; however, these rankings are subject to differences in variables used, the weights of each variable and the results are often dependent on individual judgements. One study of such rankings concluded that, while well intentioned, the rankings are subject to wide variations in the organizations selected and their rankings, to the point of being unreliable (Beixin et al., 2017)

The inherent difficulties in rankings preclude their use in judging the contributions of the two companies to be evaluated. Believing a company that considers itself as being socially and environmentally responsible will want to tell their shareholders, the CEO’s letter to shareholders and the company’s Sustainability Reports for each company will be reviewed to gain insight into each company’s contribution.

THE ECONOMIC BOTTOM LINE

The first part of the triple bottom line we will overview is the economic leg. Selected financial results are shown in Table 1 for the two companies. Figures 1-6 provide graphical displays of key performance indicators (KPIs) for each of the companies.

Figure 1 shows the total sales per year. Inditex and H&M both show significant increases during the period from 2007 through 2016. Both companies take a dip during the 2007-08 recession, but rebound strongly thereafter. Inditex sales dropped a bit in 2014 but recovered for 2015 and 2016.

Figure 2 shows the sales patterns using 2007 as a base year of 100%. The trends show sales increases Inditex (79 percent) and H&M (70 percent).

Figure 3 shows inventory turnover. Inditex has stayed close to four turns a year, with some acceleration in 2009 (4.8). H&M has trended downward, beginning in 2007 with 3.8 turns and ending in 2016 at 2.7.

Figure 4 shows sales per employee. Inditex has held a relatively steady amount of sales per employee, ranging from $166k in 2009; spiking at $180K in 2012, then dropping to $154k in 2016. H&M has shown a steady decline. In 2010, the company had sales per employee at $259k, then steadily dropped to $183k in 2016.

Figure 5 shows the return on total assets during the ten-year period. Inditex began its ten-year period in 2007 with an ROA of 18% and ended in 2016 at 16%. H&M showed a more dramatic drop, beginning in 2007 at 33% and ending at 19% in 2016.

Figure 6 shows the return on net equity for the same period. Inditex shows a slight drop during the ten-year period, beginning with an ROE of 30% in 2007, then steadily declining to 25% by 2016. H&M shows a steeper decline, beginning with an ROE of 42% in 2007, then declining to 30% by 2016.
Overall, we can conclude that both Inditex and H&M have done well financially over the past ten years, with a few KPIs showing some declines. Still both companies are experiencing robust sales and are profitable. But how have these companies done on the other two legs of the triple bottom line – social responsibility and environmental sustainability? The next section reviews their positions in the area of corporate social responsibility (CSR).

## CORPORATE SOCIAL RESPONSIBILITY

Corporate social responsibility (CSR) maintains that businesses should seek social benefits for society in addition to their economic obligations (Post, Lawrence, & Weber, 2002). Jones (1980) was one of the first to write about CSR and described it as “the notion that corporations have an obligation to constituent groups in society other than stockholders and beyond that prescribed by law or union contract. Two facets of this definition are critical. First, the obligations must be voluntarily adopted…Second, the obligation is a broad one, extending beyond the traditional duty to shareholders to other societal groups such as customers, employees, suppliers, and neighboring communities.” Jones cautioned that it is often difficult to define improved corporate behavior and will continue to be until society has more specific goals in mind.
Jones has been proven correct as to the difficulty in defining and measuring progress in CSR behavior by companies. One of the problems is that CSR has often been intermingled with environmental sustainability, the third leg of the triple bottom line. Even today, companies report both types of actions within their Sustainability Reports. Another difficulty is that CSR is made up of several disparate activities that lack a common measure. For example, how do you compare the relative contributions of “create value for customers” with “require safe working conditions for supplier employees?”

Table 2 provides links to the Annual Reports. Table 3 provides links to the Sustainability Reports for each company in this study.

**TABLE 2. LINKS TO ANNUAL REPORTS**

<table>
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<tr>
<td>H&amp;M</td>
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**TABLE 3. LINKS TO CORPORATE RESPONSIBILITY REPORTS**

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**Inditex (Zara)**

The Inditex Annual Report is 356 pages long and includes a large amount of information about their CSR programs. Major sections that relate to the CSR programs include: Inditex and Human Rights (pp. 30-33); Our Customers (pp. 94-101); Commitment to the excellence of our products (pp. 102-123); and Improving community welfare (pp. 140-163). In his *Letter from the Chairman*, CEO Pablo Isla opens with the following:

“2016 provided further evidence of our company’s ability to create value and not only economic value but, all importantly, value for society and the environment. Inditex continues to fine-tune its customer-centric creative fashion proposition, underpinned by its seamlessly integrated offline-online store model. The key factor enabling the sustained and sustainable development of this model are the people who populate our company: a diverse universe of professionals who have in common creative talent, modesty, a passion for fashion, the ability to work hard as a team and in a responsible manner, an entrepreneurial spirit and a tireless quest to innovate. Some 162,450 people of 99 different nationalities who embrace the business ethics and culture that define our work philosophy which is in turn articulated around daily, multi-cultural engagement with and learning from our customers in the 93 markets in which we do business. Thanks to their dedication, we are in position to report another year of growth, fueled unquestionably by the €1.43 billion invested in expansion plans, technological innovation, logistics upgrades, as well as social sustainability and environmental policies.” (Inditex Annual Report, 2016)

“Inditex recognizes that respect for Human Rights, as enshrined in the UN Guiding Principles on Business and Human Rights, is a vital part of sustainable development. That’s why our human rights strategy focuses on decision making and value creation. In this regard, the strategy: - is integrated into the entire business model; - is developed through continual improvement; - promotes and systematizes
opportunities for dialogue; - promotes internal training and involvement at all levels of the Group. - its implementation is assessed based on measurable indicators.” (Inditex Annual Report, 2016, p. 30)

“Our aim is to create beautiful, ethical, quality products that are not only right for our customers, but right for the people who work for us, right for communities and right for the environment. Our aim is to create fashion that is Right to Wear. That means thinking and acting sustainably and transparently, with the traceability of every aspect of our activity:

- how our products are designed, how they are made and how they are distributed
- where materials come from and how they are sourced; the traceability of our supply chain and how well we know our suppliers
- the health and safety conditions of our employees and suppliers' employees
- how we use energy and water in our stores, facilities and processes
- what happens to our products when our customers have finished with them
- How we respond to the needs and expectations of customers, employees, shareholders and society at large, mainly through our tax contribution and our investment in social programmes.

And much more. These approaches and behavior are key to create value beyond profit.” (Inditex Right to Wear, 2017)

As evidenced from the above examples, and numerous other examples in their lengthy Annual Report, Inditex is committed to developing their CSR programs.

**Hennes & Mauritz (H&M)**

H&M cites efforts in their CSR program throughout their annual report. One of the most direct descriptions of their CSR efforts is in a Q&A segment, in which they outline their approach:

“Our vision is that all of our operations should be run in a way that is financially, socially and environmentally sustainable. Turning this vision into a reality helps us conduct our business using fewer resources. It also allows us to contribute to improving the lives of people and communities around the world.” (H&M Corporate and Social Responsibility, 2017)

“As part of this, the H&M group's work to implement improved wage management systems at supplier factories continues with good progress, as well as the trainings on workplace dialogue for workers and management. Collaborations continue to be important, including for example those with IndustriALL and the Swedish trade union IF Metall within the Global Framework Agreement, which after several positive results was converted into a permanent agreement in 2016.

140 supplier factories are implementing improved wage management systems covering around 250,000 workers.

- In total 290 supplier factories are part of the workplace dialogue programs covering around 370,000 workers.
- These programs are being implemented in 8 production countries.” (H&M Sustainability Report 2016)

As part of their 2016 Sustainability Report, one of their objectives is to scale up their Fair Living Wage and Industrial relations program. In the remainder of this report, they address their efforts in a wide range of topics, including: work with UNICEF to uncover and reduce child labor; identify and report on labelling the origin of all products; reduce the use of harmful chemicals in clothing production; engage suppliers sufficiently to encourage paying higher wages, use internal auditors to evaluate suppliers to assure they
meet H&M’s minimum requirements; and use additional audits by the Fair Labor Association (FLA) to review the quality of H&M audits and learn how to improve.

CSR appears to be an area of concern and attention at H&M. They have received numerous awards for their social responsibility programs.

**SUMMARY**

Assessing the corporate social responsibility programs for these two companies is both rewarding and frustrating. It is rewarding to see the conscious and tangible efforts being made; it is frustrating not to be able to measure the value of their contributions to relevant stakeholders such as customers, employees, suppliers, and communities in a more tangible way.

In an initial step to providing more standardization to CSR reporting, the International Standards Organization (ISO) has launched the development of the future ISO 26000 standard providing voluntary guidance on social responsibility (SR). ISO 26000 will apply to organizations in both public and private sectors and in developed and developing countries. ISO 26000 will add value to existing SR work by: – developing an international consensus on what SR means and the SR issues that organizations need to address, – providing guidance on translating principles into effective actions, and – refining best practices that have already evolved and disseminating the information worldwide for the good of the international community (International Standards Organization, ISO, 2008).

Hopefully, the very limited extracts from their self-reporting provides some assurance that businesses are at least beginning to show concern for the second part of the triple bottom line – CSR, or what we like to call - the People part.

**Environmental Sustainability**

The next section will describe the efforts of H&M and Inditex in the area of environmental sustainability, the third leg of the triple bottom line, or what like to call - the Planet part. Table 4 shows the links to each company’s Environmental Sustainability Report or its equivalent.

<table>
<thead>
<tr>
<th>TABLE 4. LINKS TO ENVIRONMENTAL SUSTAINABILITY REPORTS</th>
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<td>H&amp;M Environmental Sustainability Report,</td>
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</table>

|Inditex Environmental Sustainability Report,           |

As with the section on CSR, the information contained in the following sections comes directly from the websites of the individual companies to identify their contributions in the area of environmental sustainability.

**Inditex (Zara)**

The CEO of Inditex addresses the company’s attention to environmental sustainability in his *Letter to Shareholders* with the following:
“In the chapter on environmental management, we overview our Plan for 2016-2020, which lays down our company’s specific commitment to achieving a circular economy. Since its rollout it has already implied the deployment of garment collection containers in Spain (with an at-home pick-up option available), Portugal, the UK, the Netherlands, Denmark, Ireland and the main Chinese cities, for recovery and/or recycling. This initiative is managed in collaboration with charitable organisations such as Caritas, the Red Cross and Oxfam, cutting-edge players in the sustainable fabric field such as Austria’s Lenzing and Spain’s Hilaturas Ferré, and prestigious international research centres such as the Massachusetts Institute of Technology (MIT), via the MISTI initiative, and multiple Spanish universities.” (Inditex Annual Report, p. 9).

The Annual Report contains several sections on environmental sustainability, including:

- Sustainability strategy – pp. 26-27
- Contribution to sustainable development – pp. 30-35
- Sustainable management of the supply chain – pp. 56-93
- Recycling and efficient use of resources – pp. 124-139
- Sustainability indicators – pp. 208-233
- Sustainable Development Goals in Inditex Strategy 224-225

Within each section, there are numerous examples of the actions being pursued by the Company and its employees.

The circular economy model is inspiring a strategy which has so far materialised in used-clothing collection containers and collections made using sustainably-made fabrics and recycled materials.

Eco-efficient store. Inditex stores incorporate the most innovative technology to facilitate energy saving and management, thus reducing the emissions of carbon dioxide (CO2). The sustainability and energy efficiency measures implemented in these stores contribute savings of 20% in the case of electricity, and 40% in water consumption compared to conventional stores.

Green to Wear. This is a standard that guarantees that our production processes are environmentally responsible, including criteria for evaluation and control of the supply chain. We work with this principle.

Environmentally responsible textiles. In the development of our garments, we focus on incorporating textiles that allow us to reduce our environmental impact and to protect biodiversity, such as organic cotton, which does not require fertilisers or chemical pesticides, or TENCEL®Lyocell, a fiber originated from wood from forests that are managed in a sustainable way.

New recycled fibres. Inditex incorporates recycled polyester, wool and cotton in its garments, fibres where manufacturing consumes less water, energy and natural resources than the production of new fibres. Moreover, the Group has initiated new lines of research to improve the recycling of textile fibres together with the Massachusetts Institute of Technology (MIT). And through the collaboration with Austrian company Lenzing, we have developed Refibra™Lyocell, from cotton waste generated by Inditex and wood originated from forests that are managed sustainably.

7,102 tonnes of garments, footwear and accessories collected in our stores, offices and through the collaboration with Cáritas. - Programme present in 394 stores in six countries - 100% implemented in Zara stores in Spain, Portugal, the United Kingdom, Ireland, Holland and Denmark.

There are other examples, further documenting Inditex commitment to environmental sustainability.

**Hennes & Mauritz (H&M)**

H&M prepared a 124-page report on their 2016 Sustainability programs. Their CEO highlights their sustainability efforts:
“We believe sustainable fashion should be available for everyone. The idea is that people who enjoy fashion should be equally able to dress sustainably. However, to be able to continue to offer sustainable fashion to present and future generations in a world with growing populations and finite resources, both the H&M group and the industry must look for new ways of working. That is why we are taking a circular approach to how fashion is made and used. That includes a more effective use of resources, support of innovations within recycling technologies as well as an increased use of existing or new sustainable materials. “(H&M 2016 Sustainability Report, p. 7)

The report contains a section describing their approach to developing a circular economy for their products. For more information on the circular concept within the environmental sustainability movement, see Crandall (2017). In this section, they outline their program to achieve a circular economy status. The phases include:

- Stage A. Circular Design
- Stage B. Our Choice of Materials
- Stage C. Sustainable Production Processes
- Stage D. Prolong the Life-Span of our Products
- Stage E. Climate Positive (Target date of 2040)

Within each stage, they outline their Ambitions and Goals, the actions taken in 2016, and the results achieved. A list of their goals includes:

- To become circular* on 80% of the store concepts by 2025 (* As defined in the Circular Assessment Tool developed together with the Ellen MacArthur Foundation
- To use 100% recycled or other sustainably sourced materials* by 2030. * H&M brand.
- COTTON, to use 100% cotton from sustainable sources* by 2020. * Including certified organic, recycled and Better Cotton (BCI).

-ANIMAL-BASED MATERIALS
- To achieve full traceability of animal-derived materials and only source from responsible farms with good animal husbandry.
- To use 100% Responsible Wool Standard (RWS) certified wool in our products by 2022.
- To use 100% Responsible Down Standard (RDS) certified down by 2016.
- To use only leather from known and well-managed sources that act on environmental, social and animal welfare issues.

-CHEMICALS, to achieve zero discharge of hazardous chemicals, in any of the H&M group’s production procedures by 2020.

-WATER, to manage water responsibly across our value chain.
- To complete installation of water-efficient equipment in our own operations by 2020.

-GARMENT COLLECTING, to increase the volume of collected garments to 25,000 tonnes per year by 2020.

-STORE WASTE AND RECYCLING, to have store waste and recycling systems for 100% of our stores.

They show progress in each of the areas. Some of the specific accomplishments include:

- In 2016, 43 percent of the cotton used came from sustainable sources, from 13 percent in 2012.
- 26% of the total materials were either recycled or sustainably sourced.
- Second largest user of recycled polyester equivalent to 180 million PET bottles.
- Collected 15,884 tons of garments at H&M stores, from 3,017 tons in 2013.
- 96 percent of electricity used in H&M stores comes from renewable sources.
- Reduced carbon emissions by 75 percent from 2013.
H&M is a company willing to publicly state their goals and accomplishments, both of which appear to be challenging and actively pursued.

**SUMMARY**

Both of the companies report significant progress in the area of environmental sustainability. Our subjective opinion is that H&M and Inditex have active programs.

**CONCLUSIONS**

This has been an exploratory review of the relationship between the leading fast fashion companies and the triple bottom line concept. Although the results have not been quantitatively conclusive, they have provided some insights, which are summarized below.

The fast fashion companies – H&M and Inditex – appear to be very active in both social responsibility and environmental sustainability programs. This does not appear to have detracted from their economic accomplishments. This raises the question: Are they active in social and environmental programs because they can afford it, or do their efforts in social and environmental programs help them to achieve improved financial results?

When we began the research for this paper, we expected to be able to assess triple bottom line results for H&M and Inditex to determine if the criticisms of them were valid – that they are deficit in social and environmental sustainability programs. We have not been able to do that; in fact, the social and environmental programs, based on their reporting, are at least the equal, and probably superior, to those of leading traditional retailers. Therein lies the conundrum – have they been unjustly criticized or do the negatives of their social and environmental programs outweigh the positives? We are unable to say because there is a need to more clearly define each of the social and environmental areas; establish quantifiable measures in each area; and develop an overall measure of both the negatives and benefits for individual organizations.

As a beginning, there is a need to clearly distinguish corporate social responsibility from environmental sustainability. Companies need a consistent model on which to base their programs and to report their results. Table 5 summarizes the categories of the triple bottom components based on the reports we observed and our own observations.

**TABLE 5. SUGGESTED CATEGORIES FOR TRIPLE BOTTOM LINE COMPONENTS**

<table>
<thead>
<tr>
<th>Economic – Profit</th>
<th>Corporate Social Responsibility (CSR) - People</th>
<th>Environmental Sustainability - Planet</th>
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<tbody>
<tr>
<td>Sales – Figure 1 above</td>
<td>Customers</td>
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<tr>
<td>Sales growth – Figure 2</td>
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<td>Inventory turns – Figure 3</td>
<td>Suppliers</td>
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<tr>
<td>Sales per Employee – Figure 4</td>
<td>Communities</td>
<td>Supply chain processes</td>
</tr>
<tr>
<td>Return on Total Assets – Figure 5</td>
<td>Corporate Governance</td>
<td>Energy consumed</td>
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<tr>
<td>Return on Net Equity – Figure 6</td>
<td></td>
<td>Recovery and Recycling</td>
</tr>
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</table>
Economic – Profit

Using the metrics shown in Figures 1 through 6, it was relatively straightforward to conclude that the fast fashion companies are performing well. Other measures that could be possible indicators of economic performance include sales per square foot of space or sales per employee. At any rate, economic performance has been refined over the years so that the measures used are usually satisfactory in evaluating the performance of a company. One caveat that should be mentioned is that industry averages were not included in our analysis.

Corporate Social Responsibility (CSR) – People

H&M and Inditex used the categories shown in Table 5 to report their CSR results. Additional areas companies could address in reporting their CSR activities include:

Customers
- Are our customers well informed about the benefits and risks from using our products?
- Do we have well informed customer service employees to help customers with questions?
- Do we have efficient and easy-to-use ordering and returns procedures?

Employees
- Do we pay equitable wages for the work performed?
- Do our employees have safe working conditions?
- Are our employees well trained to avoid risks to their health and well-being?

Suppliers
- Are our suppliers fully informed about our CSR policies and expectations?
- Do our suppliers have acceptable wage practices and safe working conditions?
- Do we regularly meet with suppliers to assure continuing good relations?
- Do we monitor our suppliers to ensure they have acceptable wages and working conditions for their employees?

Community
- Do we operate our business in such a way as to be accepted as a good neighbor?
- Do we support local community activities with donations and encourage employee participation?
- Do we practice in an ethical and enduring manner?

Corporate Governance
- Does the company report to its shareholders in a transparent and comprehensive way?
- Are top management and directors continually looking for ways to improve CSR programs?
- Is there a strategic plan to assure continued triple bottom line prosperity?

Environmental Sustainability – Planet

The sectors to be included in an analysis of a company’s participation in the environmental sustainability portion of the triple bottom line are listed in Table 5. A brief description of each sector is included next.
**Product design (circular economy)**

The latest movement in this area is to design products that can be continually recycled. Popularized in the book *Cradle to Cradle* by McDonough and Braungart (2002), their concept has been expanded into the current term of circular economy. Examples include work in jet engines by General Electric and carpeting by Interface, Inc. (Crandall, 2017) Both H&M and Inditex describe their intentions in circular economy efforts.

**Materials used**

Considerable effort is being expended in the apparel industry to create new fabrics made from renewable materials to replace synthetic materials such as polyester that are difficult to recycle. Some of the alternatives include natural resources like bananas, coffee, pineapple, lotus, stinging nettles and hemp that can be used to turn into sustainable textiles. One of the most versatile natural fibers can be obtained from hemp (*Cannabis Sativa* plant) - hemp fibers, which are antibacterial, durable and resilient, work as a natural air-conditioning system. In addition, hemp is a fast-growing plant that consumes little water and does not require herbicides, pesticides, synthetic fertilizers or GMO seeds (Fascinating World, 2017).

**Technology**

As a possibility from advanced technology, Amazon has won a patent for “on-demand apparel manufacturing” in which machines only start making a garment after the order has been received. The computerized system would include manufacture and shipping. In addition to clothing, the inventors of the system, founders of a 3D printing startup, expect the system could work in other categories, such as footwear, bedding, curtains, and towels and be made of materials including but not limited to paper, plastic, leather, and rubber (SupplyChain247, 2017).

**Supply chain processes**

Deciding how to design and manage supply chains is a continuing challenge for apparel organizations. The textile part of the supply chain – making the yarn – has been heavily automated but the cutting, sewing and finishing manufacture is still labor intensive (Desai, Nassar & Chertow, 2012). This is the reason many manufacturers continue to seek suppliers in low cost countries. This extends the supply chain for many retailers throughout the world. Global supply chains require multiple modes of transportation – truck, rail, and ship. Often all modes are required for one shipment. In some cases, even airplanes are used to reduce the response time when faster shipments are necessary. Larger ships are being built; as a result, canals (Suez and Panama) are being widened and river channels are being deepened to access inland ports are being deepened. Ports are being automated and truck traffic continues to increase and pose traffic problems, especially in city traffic. Scheduling shipments to minimize travel time and delays is becoming a critical requirement for most supply chains.

**Energy consumed**

Energy is one of the key resources consumed in apparel manufacturing. Many companies are moving to increased use of electricity generated from renewable sources – solar and wind. As H&M points out, they are getting 96 percent of the power used at their facilities from renewable sources and have a target of 100 percent by 2020.
**Recovery and Recycling**

Apparel companies are (1) establishing resale stores within their system; (2) making it easy to return unwanted apparel to their stores; and (3) developing clothes that are easier to recycle. These steps are part of the circular economy objectives.

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Perhaps the most important reason for developing more quantifiable measures is to make it possible for individual companies to calculate a potential return on investment for their social and environmental efforts. Based on the results for Inditex and H&M, efforts in the People and Planet areas do not preclude excellent financial results; on the contrary, they may enhance them.

**REFERENCES**


Crisis Analytics: When Big Data and Crisis Management Collide

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Abstract: The term “big data” has become a popular catchphrase in the business practitioner literature. The use of big data has already been used to improve some business processes and holds promise for enhancing others, including organizational crisis management, but many of its applications remain untapped. Crisis analytics merges the phenomenon of big data with crisis management. In this paper, we explore the area of crisis analytics and its current and potential uses in the field. Implications for management and researchers are offered.

INTRODUCTION

A new field emerging within the crisis management discipline—crisis analytics—integrates big data with crisis management. While crisis analytics offers a number of opportunities for crisis management, its prevalence has opened a Pandora’s Box of challenges as well. A seminal article on crisis analytics was presented by Qadir and colleagues (2016), where they developed a taxonomy of the field.

Indeed, “big data” takes on many different forms. Tweets, text messages, data exhaust (the aftermath of business transactions), and untold amounts of data are stored in corporate systems, much of which is collected with no apparent end-use in mind (Nunan & Di Domenico, 2017). Finding meaning in this avalanche of data can be fruitful and challenging, and at times, even an afterthought.

Within the mountains of stored data, much of it digital, lies patterns which can lead to meaningful insights. Hence, analyzing big data has become an exciting new discipline focused on developing useable knowledge (Fertier et al., 2016). Within the field of crisis management, big data can facilitate the preparation, management, and learning processes involved in addressing organizational crisis events. Hence, crisis analytics has become a sub-field of the larger field of crisis management.

In this paper, we examine the field of crisis analytics by beginning with an overview of the phenomenon of big data. Its presence in the literature, definition, description, and sources are overviewed. Next, we explore the new field of crisis analytics and present examples of how big data is used in the crisis management process. Finally, we offer implications for both managers and crisis researchers.

REVIEW

The presence of big data in the practitioner and academic literature is a recent phenomenon. Figure 1 depicts a bibliometric study of the term “big data” in the database, ABI Inform. As seen in figure 1, the publication of articles on Big Data grew rapidly from 2011 to 2013. Since then, the topic has remained strong in the literature. The majority of articles appear in trade publications, while academic articles lag considerably behind. Academic interest is on the rise, however, while the prevalence of trade articles appears to be in decline.
The term “big data” was first used by Cox and Ellsworth (1997) to describe problems associated with visualizing data in the science and engineering fields. Their description indicated big data was actually a collection of many data sets, from multiple sources, and of multi-disciplinary venues. Furthermore, the data in question may be stored in multiple geographic locations. The problem at hand for scientists and engineers was how to access smaller segments of the data in a format that was useful for problem solving. When large segments of data are needed, the problem arises when the local computer capacities are not capable of processing these larger data sets.

More recently, the definition proposed by IBM maintains that big data is characterized by the three Vs: Volume, variety, and velocity (Adams, 2017). These are elaborated on below:

- **Volume** refers to the large amount of data generated across many venues such as mobile devices, social media, and the Internet of Things (IoT) (Adams, 2017). For example, aggregate data can be measured in zettabytes, each of which contains one million petabytes (Crandall, 2013). Volume also implies that the data cannot be processed on a single machine or with traditional computational software (Choi & Lambert, 2017; Qadir et al., 2016).
- **Variety** refers to the nature of the data (e.g., structured or unstructured) and to the richness of the data representation (e.g., text format, image, or video) (Emmanouil & Nikolas, 2015). Social media data has contributed to the growing level of unstructured data. It is estimated that the percentage of unstructured data has risen to 80% (Drosio et al., 2016).
- **Velocity** refers to the speed at which data is generated. Some data such as streaming videos or Tweets from Twitter, are generated quickly, while other data such as inspection forms used to
process and predict accidents, accrue more slowly (Bernini, 2017). Velocity can also refer to the speed at which the data is processed into more useable information (Adams, 2017; Fertier et al., 2016).

Three additional Vs have been added to augment the definition and characteristics of big data:

- Veracity refers to the authenticity of the data. For example, is the data true and consistent with reality (Fertier et al., 2016; Qadir et al., 2016)? Data that is not trustworthy presents obvious problems with its ability to help decision-makers.
- Value refers to the usefulness of the data. Much of the data within the realm of big data is useless because it is either inaccessible, too large, or lacks veracity.
- Visualization refers to the ability to depict big data information in a visual format. Although not a characteristic of big data, it is important because data that cannot be visually communicated lacks in value. An application of visualization would include crisis mapping (Qadir et al., 2016).

In conclusion, big data has a number of characteristics that correspond with the six Vs described above. Big data is (1) large, (2) exists in both structured and unstructured formats, (3) is constantly being generated and processed at a high rate of speed, (4) may or may not be true and consistent with reality, (5) may or may not be useful, and (6) can be difficult to visualize.

**Dig Data Described**

Describing big data may also prove useful. The Big Data for Development report (UN Global Pulse, 2012), offers characteristics of big data that are useful to the crisis researcher (Watson et al., 2017). First, big data is often digitally generated. This means that the data is generated without being entered manually into a computer database. For example, the Internet of Things (IoT) is constantly generating data using a series of ones and zeros and thus, is manipulated by computers and modules. Second, big data is passively produced as by-products of digital interactions with say, service providers. Third, big data is automatically collected, in IT systems that extract and store the data. Fourth, big data is geographically trackable, for example, through smart phone use. Finally, big data is continuously analyzed, meaning it is being reviewed in a systematic to ensure human well-being.

The UN Global Pulse report assumes that data is generated primarily through digital systems. However, others have noted big data can reside in banks of data that are generated by manual means, such as safety inspection reports (Schultz, 2015). In addition, big data is not always passively produced. Many sources are initiated by customers who buy products or services and then relay experiences via social networking sites (Drosio & Stanek, 2016).

**Big Data Sources**

As defined by the v-item mentioned above, variety, big data emanates from individual, government (public sector) and business (private sector) sources (Watson et al., 2017). However, because these three sources overlap, some have classified big data from their technological roots. Qadir and colleagues (2016), in their taxonomy of crisis analytics, note data sources in regard to six techno categories: data exhaust, online activity, sensing technologies, public data, and crowdsourced data. These are described next.

**Data exhaust.** Much of what is considered big data originates from digital sources that have mechanisms that create their own data as part of the operating system. The term, data exhaust, is used to describe the process whereby data has been generated as a by-product of a device doing “something” or a service being rendered, such as processing payments or using a telephone provider (Lokanathan & Gunaratine, 2015). Most data exhaust originates from the private sector and is often used to trouble shoot in-house problems (Qadir, et al., 2016).
Online activity. This source is far-reaching in that it includes a number of venues including search activity and social media usage. Both activities result in different outcomes with social media encompassing an interaction aspect between senders and receivers. In addition, and of potential interest to crisis researchers, is the presence of the “deep web”, the unseen underbelly which traditional search engines may not reach (BrightPlanet, 2015). Online activity occurs over all three sources of big data, individuals, governments, and business.

Sensing technologies. Sensors gather and communicate data to a central processor. For example, the modern-day automobile has many sensors that generate data about how the vehicle is running to the vehicle module (i.e., computer). The module then “commands” the various systems in the vehicle to behave in a certain way. Sensors exist in appliances and in the household management system, the IoT. Sensing technologies exist across all three big data sources.

Public data. The government collects an abundance of data including census data, birth and death certificates, as well as personal and socio-economic data (Qadir et al., 2016). Although the government collects a lot of data, not all of it is readily available and hence, its usefulness at present is limited.

Crowdsourcing. Data can be collected from large groups of people for specific questions or problems. The rationale is that the collective opinion of a large group of people can be as good as the opinions of experts (Qadir, 2016), a phenomenon known as the wisdom of crowds (Surowiecki, 2005).

In addition to the sources noted by Qadir above, many companies store all sorts of data as a result of their day-to-day operations. For example, safety inspection and audit reports can accumulate, both in written and digital forms (Bernini, 2017; Marsh, 2016; Mathis, 2016).

CRISIS ANALYTICS: WHEN BIG DATA AND CRISIS MANAGEMENT COLLIDE

A new term is emerging that merges the discussion of big data with organizational crisis management - crisis analytics (Qadir et al., 2016). Crisis management is the sub-field of management that seeks to prevent and mitigate crisis. The introduction of big data analysis or crisis analytics can be used to augment this process (Ward, et al., 2017). In the discussion that follows, we offer applications of crisis analytics.

Crisis Analytics Applications

Crisis mapping. From an historical perspective, crisis mapping may be the first documented use of big data in a humanitarian situation (Qadir, et al., 2016). The year was 1854 in London England and a severe outbreak of cholera had overtaken the city. Physician John Snow published a map of the epidemic using data that included the number of deaths by geographic location. These findings were mapped and he argued that the deaths were caused by a water pump on Broad Street in the Soho area of London. While these findings may seem logical today, Snow challenged to the entrenched theory of the time, the idea that cholera was spread through the air, not by water (Koch & Denike, 2010).

From these humble beginnings, crisis mapping has advanced to the use of sophisticated software to track events on a geographical plane. For example, in 2008, post-election violence in Kenya occurred causing in excess of a thousand fatalities. Kenyan activists produced a “live-map” showing geographically where human rights abuses were occurring. Anyone with an Internet or mobile phone connection could report these abuses in real time and thus, provide support documentation of the atrocities which would have gone unreported in the past (Meier, 2012).
In 2010, the earthquake in Haiti produced more applications of crisis mapping. Using data from Twitter, text messages, Facebook and mainstream media, live open-sourced maps were constructed using Ushahidi software to locate survivors who needed food, water, and healthcare (Twarog, 2017). The amount of data was so overwhelming that over 100 volunteers through Tufts University in Boston, Massachusetts were trained to input the data. The resulting map provided the most up-to-date information available for use by the humanitarian community. The U.S. Marine Corps and the U.S. Coast Guard estimated hundreds of lives were saved as a result of the map (Meier, 2012).

**Accident prevention.** As Bernini (2017), notes that data from company safety inspections can accrue into large amounts of data over a period of time. Aggregating this data can be useful in predicting safety incidents. Schultz (2015) notes that big data safety analytics has yielded impressive results including reducing injury rates, lost work day rates, insurance fees, and worker’s compensation fees.

Accident prevention data can originate from other sources including digitally generated photographs from video cameras. In the railway industry, video cameras have become popular to monitor train rails (Li & Ren, 2012). The aspiration is that images from the video cameras can be used to predict future problems. For example, Jamshidi and colleagues (2017) proposed a framework to predict rail defects by analyzing the physical length of “squats,” physical cracks on the rail that can lengthen and eventually lead to structural failure.

**Crowdsourcing.** New product ideas can be evaluated more thoroughly when both internal experts and diverse members of the crowd are involved in the process. This type of vetting can lessen the risk of myopia and groupthink that engulfs many firms when decisions are made without external input. Coca-Cola’s ill-fated launch of reformulated “New Coke” in 1985 illustrates this problem. While Coca-Cola spent millions of dollars on research and taste tests that included over 200,000 people, executives—concerned with the firm’s attrition in market share—overlooked the intangibles. Building pressure for change prompted Coca-Cola to test the new formula in such secrecy that issues such as loyalty and emotional attachment to a brand were discounted (Carfagno & Parnell, 2016). Crowdsourcing could have provided independent opinions and diversity (Surowiecki, 2005) from a wide range of participants to balance the views of internal specialists (Chan, 2013).

Crisis typically linger when firms respond by “closed door” or “no comment” policies, especially in an era of Twitter, Facebook, and other forms of social media. In fact, customers and competitors may actually learn of a brewing crisis before the organization at risk becomes aware. Twitter has been found to be more accurate in coverage of the first 30 minutes of an event than news agencies (Meier, 2012). Twitter can also provide a diverse range of commentary, including spontaneous hashtags that describe a developing crisis. Whereas official news sources wrestle with issues of neutrality and objectivity, Twitter is unconcerned with balance or even accuracy, allowing digital stakeholders can present their experiences and views—unconfirmed—for public consumption without editing. This results in a montage of data that is simultaneously more and less accurate than official versions of a crisis. From an organizational perspective, this diversity of thought and provide warning signs about public opinion that could become devastating (Carfagno & Parnell, 2016).

**The Opioid crisis.** Drug overdoses are killing thousands of people in the United States annually. In 2016, 64,000 people died due to this major epidemic (Kelly, 2017). Big data is now being used to combat the crisis. With a robust amount of both objective and subjective data available for analysis, companies can use this information to target areas of high and serious usage of the drug. In one example, the state of Missouri used data solutions from Xerox to eliminate prescription monitoring gaps that led to significant intervention and reduced the loss of life. The aggregation of all data sources (i.e., big data) can help health professionals analyze patterns of impact and develop intervention plans to ameliorate or eliminate problems (Kelley, 2017).
The state of Indiana used big data to analyse and solve the problem of Opioid abuse. The challenge has been to gather data from various, disjointed data silos across the state and merge them into something useful. The state has upgraded its information gathering and coding capabilities, and created a new Management Performance Hub. Initially, the hub was designed with reducing traffic crashes in mind, but now, efforts are underway to use it to create crisis mapping tools so show where drug treatment centers should be placed (Russell, 2017).

**Modeling river level behavior.** Floods from the France’s longest river, the Loire, have been common over the years. In France, 74% of the cities are at risk from flooding each year, and over 80% of the destruction from natural disaster is caused by flooding. Flooding of the river is the third most dreaded of natural disaster in France due to the wide pattern of destruction it can cause (Fertier et al., 2016).

Modeling the river behavior can be beneficial to stakeholders along the river who could be affected by flooding. Fertier and colleagues (2016) have proposed a project that utilizes stakeholders and crisis cells that provide critical information for decision-making before and during the flooding. The cells are established to centralize and facilitate the collaboration among the stakeholders in the various regional areas along the river. Managing the information sharing and collaboration from a geographical perspective and in a timely manner requires sophisticated data management. As time passes, more important data become available. The need to understand and transfer data from stakeholders becomes crucial in order to make timely decisions. Automation of big data is needed to filter and aggregate the data for effective decision making. Being able to manage big data through monitoring and filtering contributes greatly to the crisis management decision making process. Since there are more data sources continuing to add to the big data, the situation models can be more accurate there by reducing the damage, suffering, and the loss of human life. Big data analytics can provide an effective tool for crisis managers in flood management situations (Fertier et al., 2016).

**IMPLICATIONS FOR MANAGEMENT AND RESEARCHERS**

Crisis analytics has implications for both managers and researchers. The first addresses a concern for management, while the remaining two represent opportunities for researchers.

1. **Partnerships with tech savvy companies must be established.**

Information technology augmentation is needed to secure a suitable interface with big data. As Drosio and Stankek (2016) note, efficient hardware is needed to organize and analyze large amounts of data that originate from multiple and diverse sources. Powered by the cloud, Google’s GDELT project has made big data accessible online, but more development is required. Furthermore, a meaningful platform, perhaps in the research and development realm is necessary for processing and analyzing functions. Hence, partnerships with technological sophisticated firms with expertise in big data will be necessary Ward, 2017).

Many companies are already doing an excellent job collecting vast amounts of data, particularly in select areas such as accident prevention initiatives. However, these same companies are literally drowning in data they do not know how to manage (Nunan & Di Domenico, 2017; Schultz, 2015). For example, fleet managers usually have software installed on vehicles that monitors their performance. Such data accumulates over a period of time, often in a cloud environment. Taking on the challenge of analyzing this data means that specialized hardware and software programs may be needed. Once suitable preventive analytics takes place, meaningful insights can be gleaned. Marsh (2016) reports how on-board cameras have been used to identify pre-accident scenarios in the concrete mixer industry. The takeaway here is that many companies collect data, but do not use it because they do not know how. Outside assistance on suitable hardware and software platforms must be sought out. Of course, with any big data collection
initiative, there will be additional costs. This realization means that the return on investment for hardware and software must be the positive (Poeppelman et al., 2013).

2. The causation-correlation debate means crisis researchers will have to change their paradigm on how they view empirical research.

For researchers, the biggest debate associated with big data is the discussion on correlation vs. causation. Table 1 summarizes the comparison between traditional empirical vs. big data research. As academics, we are trained to propose hypotheses based on extensive reviews of the literature. Then we test those hypotheses based on a limited, random sample. We then test for statistical significance of the independent variables against the dependent variable, followed with a discussion on WHY the results occurred the way they did. The role of correlations is not to test hypothesis, but to test assumptions made on the data so it can be further analyzed without problems with multicollinearity.

Using a big data approach to research follows different assumptions and processes. The main goal in big data research is to let the data speak for itself. Hence, the question to answer is WHAT is the data actually showing? Reasons for WHY the data behaves the way it does are not as important, at least initially, since the objective is to simply gather as much data as possible and look for the patterns within the data (Mayer-Schönberger & Cukier, 2013). In regard to data quality, traditional empirical research requires the data be as clean as possible, hence, free from outliers and following a normal distribution if possible. Big data research acknowledges that because a lot of data is used, it will not be as clean. The tradeoff for more data is less precision in the data itself. Large sample sizes are sought, and if possible, include all cases.

Statistical analysis can also differ between the two approaches to research. Traditional empirical research typically seeks a multivariate statistical tool to determine which independent variables cause a change in the dependent variable. Big data research can suffice with a correlation analysis since the goal is to simply see what the data is doing, not why it behaves the way it does.

**TABLE 1: TRADITIONAL EMPIRICAL RESEARCH VS. BIG DATA RESEARCH**

<table>
<thead>
<tr>
<th>Question Asked</th>
<th>Traditional Empirical Research</th>
<th>Big Data Research</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Research Question</strong></td>
<td>Propose hypotheses based on extensive literature review and well-thought out propositions.</td>
<td>Gather as much data as possible and look for patterns in the data, then ask the questions as to what the data is saying.</td>
</tr>
<tr>
<td><strong>Data Quality</strong></td>
<td>Use the cleanest data possible</td>
<td>Use as much data as possible</td>
</tr>
<tr>
<td><strong>Size of Sample</strong></td>
<td>Use limited and random samples.</td>
<td>Use as large a sample as possible, with N=ALL being the ultimate goal.</td>
</tr>
<tr>
<td><strong>Statistical Analysis</strong></td>
<td>Multivariate analysis such as regression.</td>
<td>Correlation analysis can be acceptable.</td>
</tr>
<tr>
<td><strong>Variable Behavior</strong></td>
<td>Does one variable, or a set of variables “cause” a change with the dependent variable? If so, how quantifiable is that change?</td>
<td>Does one variable or a set of variables “correlate” (change with) each other or with the dependent variable?</td>
</tr>
</tbody>
</table>
The debate then is as follows: Which is more important, determining causation or identifying useful correlations? Big data enthusiasts endorse the latter (Mayer-Schönberger & Cukier, 2013. Some have even proposed that hypotheses testing and theory building is no longer necessary (Anderson, 2008). However, strong debate on this point has been offered (Pigliucci, 2009; Poeppelman, Blacksmith & Yang, 2013). Can crisis researchers change their own paradigms for approaching data gathering and analysis? If they embrace a big data approach, they will need to.

3. More data does not always mean better data; wrong conclusions can still be made.

Most researchers would agree that a large data set is preferable to small data set. Big data research attempts to utilize multiple data sets that are large and comprehensive. One might be think that this approach would reduce error, but this is only true to a point. However, big data is fraught with errors, outliers, and idiosyncrasies that small, randomized data sets do not have (Mayer-Schönberger & Cukier, 2013; Poeppelman, Blacksmith & Yang, 2013). In short, while big data can be useful, its applications should not be viewed as a “magic pill” (Mathis, 2016). Understanding big data still requires careful analysis, and even theory building.

Two metaphors are helpful in understanding caveats related to big data. First, the garbage in, garbage out adage still applies (Lokanathan & Gunaratne, 2015; Mathis, 2016). Big data can be messy and inaccurate, and is only as good as the quality it entails, which means, erroneous conclusions can still be drawn. Second, the four blind men and the elephant metaphor applies. In this metaphor, four men stumble upon an elephant and identify it through their sense of touch. Because each man is at a different part of the elephant, each reaches a limited (i.e., incorrect) conclusion as to what they have encountered with one man identifying a rope (the tail of the elephant), another a hose (the trunk), another a tree (the leg) and another a wall (the side of the elephant). Those analyzing big data must adopt the right perspectives and thoroughly investigate the relationships among the data lest they arrive at fragmentary insights and erroneous conclusions (Drosio & Stanek, 2016).

CONCLUSION

Big data presents numerous opportunities to managers. Indeed, the potential gains from crisis analytics are immense. Data is powerful. When analyzed properly, it can help decision-makers visualize crisis events before they occur. As such, it offers the greatest potential for crisis prevention.

There are a number of challenges as well. First, data must be analyzed before it can generate insight. Data collection and analysis can be cumbersome and costly. Managers often have more data available than they have time to analyze. Projects such as GDELT offer substantial promise, but are still emerging.

Second, big data lends itself to paralysis by analysis, a state whereby decision-makers are unable to navigate the wealth of available data efficiently and hence, fail to take action. By definition, crisis managers are satisficers. They are trained to make quick, workable (but not optimal) decisions under uncertainty. Satisficing decisions reflect the decision-maker’s approach when shortcuts are required. The first satisfactory course of action is often selected (Fox, 2015). Crisis analytics is primarily useful in the pre-crisis stage—when time is not at a premium—but is only useful during a crisis when data can be analyzed quickly and efficiently.

Finally, crisis analytics requires extensive training and a new approach to managerial decision-making. Practitioner models based on intuition and experience do not harness the power of the data. In addition, the academic model of hypothesis testing augmented by peer review is also impractical. Statistical tools such as SmartPLS provide an intuitive, more flexible, prediction-oriented approach to data analytics and
modeling (Hair et al., 2012). The application of such tools in concert with a more practical approach to data analysis is required.

REFERENCES


Examining University Administrators’ Leadership Styles and Their Influence on the Sense of Belonging of Adjunct Instructors Teaching Online Courses

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The global economy is knowledge-driven, and, according to many researchers, leaders of organizations should set goals to capitalize on competitive advantages and differentiate themselves from competition through maximized leadership opportunities (Choudhary, Akhtar, & Zaheer, 2013). To achieve these goals, leaders must employ effective strategies to sustain competitive advantages and implement techniques to improve relationships with their followers (Lambright, 2015). Effective leaders find strategies and employ leadership styles that not only influence employees and their performance but also ensure economic success. More specifically, effective leaders motivate followers to achieve their potential and maximize profit through transformational leadership styles (Bambale, 2014). This is especially true within institutions of higher education where effective leadership is needed in order to meet the needs of students, who require flexible, accessible, quality online courses that accommodate their personal schedules and also allow them to meet their other obligations and responsibilities (Bollinger, Inan, & Wasilik, 2014).

As an increasing number of colleges and universities have begun to rely on online course programs to meet students’ evolving needs, enrollment fluctuations, and revenue challenges, researchers have indicated that administrators should focus on the needs of adjunct faculty members who facilitated those online courses (Alexiou-Ray & Bentley, 2015). Adjuncts exist within unstable working conditions because they are underpaid, do not have job protection, and lack benefits (Lambright, 2015). The unstable working conditions ultimately influenced the student experience, retention rates, and graduation rates, which in turn negatively influenced colleges’ finances, reputations, and accreditation (Greenburg, 2014).

As an increasing number of colleges and universities have begun to rely on online course programs to meet students’ evolving needs, enrollment fluctuations, and revenue challenges, researchers have indicated that administrators should focus on the needs of adjunct faculty members who facilitate those online courses (Lambright, 2015). According to Bollinger et al. (2014), online courses can offer additional external resources, timely links, videos, and tutorials. Bollinger et al. (2014) also stated that several factors influenced (either positively or negatively) student and instructor online experiences. Instructors who are engaged, connected, and involved generally use the online teaching opportunity as a positive experience (Bollinger et al., 2014). Colleges and universities offering online courses should provide their online instructors with well-designed, intentional, academically rigorous, and relevant course content and materials (Bollinger et al., 2014).

The purpose of this study was to determine whether a statistically significant relationship existed between the leadership styles (i.e., transformational, transactional, and passive-avoidant) of deans, directors, and program chairs and the sense of belonging among online adjunct faculty members. The quantitative, cross-sectional, correlational study was conducted in collaboration with colleges and universities offering online courses, and an electronic questionnaire was distributed to online adjuncts and online faculty members.
THEORETICAL FRAMEWORK

The most appropriate theoretical lens through which to examine leadership styles and sense of belonging was Bass’ (1985) transformational leadership theory. Transformational leadership theory involves leadership characteristics such as integrity, honesty, compassion, empathy, motivation, inspiration, positive attitude, and dynamic interaction (Bass, 1985). Transformational leadership allows leaders to use empathy to listen, learn, and communicate with followers (Bambale, 2014). Bass (1985) asserted that transformational leaders promote teamwork, communication, and collaboration among followers and leaders. The positive work culture supported and encouraged by transformational leaders provides opportunities for followers to embrace new ideas, try new processes, and share strategies with other colleagues (Bambale, 2014).

RESEARCH QUESTIONS

The following research questions (RQs) guided this study:

RQ1. Is there a statistically significant relationship between transformational leadership behaviors of deans, directors, and program chairs of online academic programs (as measured by the Multi-Factor Leadership Questionnaire [MLQ]) and the degree to which online adjunct faculty members experience a sense of belonging in the academic environment (as measured by the Sense of Belonging Scale)?

RQ2. Is there a statistically significant relationship between transactional leadership behaviors of deans, directors, and program chairs of online academic programs (as measured by the MLQ) and the degree to which online adjunct faculty members experience a sense of belonging in the academic environment (as measured by the Sense of Belonging Scale)?

RQ3. Is there a statistically significant relationship between passive-avoidant leadership behaviors of deans, directors, and program chairs of online academic programs (as measured by the MLQ) and the degree to which online adjunct faculty members experience a sense of belonging in the academic environment (as measured by the Sense of Belonging Scale)?

LITERATURE REVIEW

Today’s college and university administrators face challenging situations as student enrollments have declined, funding has decreased, and deficits have threatened to become a reality (Effelsberg, Solga, & Gurt, 2014). Some of these challenging situations facing higher education administrators have included advances in technology, changes in students’ and employers’ demands and expectations, new governmental policies and procedures, increased competition among colleges and universities, and increased attention to student and instructor retention rates at colleges and universities (Bollinger, Inan, & Wasilik, 2014). In addition, colleges and universities offering on-ground programs often have been limited by a geographic pool of potential adjunct faculty members to teach specific course sections (Hope, 2012). Greenburg (2014) asserted that by offering online programs, colleges and universities can increase their diversity of adjuncts and course offerings, but they also must remain mindful of the conditions facing the adjuncts. Bambale (2014) said that leadership styles and strategies help bridge communication challenges between leaders and followers.
Student and Instructor Online Experiences

Bollinger et al. (2014) stated that several factors influence (either positively or negatively) student and instructor online experiences. Instructors who are engaged, connected, and involved generally use the online teaching opportunity as a positive experience. Universities offering online courses should provide their online instructors with well-designed, intentional, academically rigorous, and relevant course content and materials. Online courses can offer additional external resources, timely links, videos, and tutorials. Universities that provide support for their instructors and students have recorded higher levels of satisfaction and engagement both from instructors and students, which has resulted in a rich, meaningful, quality online experience.

Sense of Belonging

As organizations continue to grow and expand globally, it is necessary that the leaders ensure employees feel a sense of belonging, commitment, and loyalty for the organization (Deichmann & Stam, 2015). Organizations with intentional corporate campuses promote collaboration among employees, increase the employees’ sense of belonging and identity to the organization, facilitate communication and creativity, and influence employees’ attraction to and retention with the organization (Jaitli & Hua, 2013). According to Stebleton, Soria, and Huesman (2014), sense of belonging is described as the personal experience and involvement within an environment or culture so that the individual feels to be an integral part of that system. Stebleton et al. (2014) continued to assert that a greater sense of belonging for an individual and the stronger perceived connection to the community or system, the greater opportunity for the individual to achieve success.

Adjuncts in Higher Education

Greenburg (2014) argued that higher education supports a wide variety of online teaching contexts and as faculty members embrace different strategies in the virtual environment, many colleges and universities limit the amount of content online instructors may provide for an online class. As such, a staggering number of higher education courses are now taught by adjunct (Hope, 2012). Despite the fact that adjunct faculty represent a significant number of employees in the industry, they have little or no say in their profession (Gerradi & Billington, 2014). Adjunct faculty in particular struggle with academic freedom and often feel that their place is a mere routine worker facilitating a predetermined course for students (Rowold, 2014).

METHODOLOGY

A quantitative cross-sectional correlational design was chosen for the study. The study examined the potential relationship between (a) the sense of belonging that online faculty members experienced within the institutions for which they work and (b) their perceptions of the leadership styles of the administrators that supervised their work. The design allowed the researcher to determine if there were statistically significant relationships between online faculty members’ sense of belonging and their perceptions of administrators’ leadership styles, which addressed the study’s research questions and accomplished the goals of the study.

The sample for the study consisted of faculty members who teach online courses at for-profit and not-for-profit colleges and universities. The sampling strategy used was convenience sampling. The researcher collaborated with adjuncts on LinkedIn, a social media Internet site. The researcher posted an invitation to participate in various user groups and forums created for online instructors. LinkedIn users may self-select into forums and groups specifically created for online instructors.

A combination of two instruments were used for this study: Avolio and Bass’s (2014) Multifactor Leadership Questionnaire (MLQ) and Bollen and Hoyle’s (1990) sense of belonging scale. These two...
instruments have been normed and validated and used extensively in research studies. The MLQ instrument has been used in numerous research projects, activities, and sessions to study transformational, transactional, and passive-avoidant leadership styles (Avolio & Bass, 2004).

Bollen and Hoyle’s (1990) sense of belonging scale consisted of a questionnaire containing a series of questions intentionally designed to gather data concerning the online instructors’ sense of belonging with online institutions. The researcher used the questionnaire to measure the online instructors’ sense of belonging as their experience and feelings significantly influence the students’ experience and satisfaction.

The two instruments were administered as a single questionnaire via an online data collection tool (SurveyMonkey®) and emailed to higher education online faculty members working in the field of online education. The email was distributed to the online instructor lists obtained from the LinkedIn forums. After the initial email was distributed, a follow-up reminder email was sent approximately five days later to remind the participants to participate in the survey. A second reminder email was emailed seven days later to encourage participants to complete the survey.

RESULTS

A total of 118 participants responded to the survey, a slight majority of whom were female ($n = 63, 53.40\%$; male: $n = 52, 44.10\%$). Exactly half of the participants fell into the 51+ age bracket ($n = 59, 50\%$). The majority of participants had been teaching for 5-10 years ($n = 45, 38.10\%$), followed by 16+ years ($n = 38, 32.20\%$). Participants mostly taught undergraduate courses ($n = 80, 67.80\%$) at 4-year private ($n = 39, 33.10\%$) and 4-year public ($n = 33, 28\%$) colleges or universities. Participants showed a mean transformational leadership score of 1.35 ($SD = 0.88$), a mean transactional leadership score of 1.12 ($SD = 0.65$), a mean passive-avoidant leadership score of 0.66 ($SD = 0.68$), and a mean sense of belonging of 2.87 ($SD = 0.96$).

To address the research questions, a multiple linear regression was performed. The independent variables in this analysis were transformational leadership, transactional leadership, and passive avoidant leadership scores. The dependent variable in the analysis was sense of belonging score. Standard multiple linear regression was used, meaning that all of the independent variables were entered into the model at the same time.

The results indicate that the overall regression model was significant ($F(3, 99) = 45.70, p < .001, R^2 = .58$) suggesting that the set of independent variables significantly predicted sense of belonging. The $R^2$ value indicates that to 58% of the variability in sense of belonging can be explained by the three leadership styles. As significance was found in the model, the individual coefficients were examined.

Research Question 1

Transformational leadership was found to be a significant positive predictor of sense of belonging ($B = 0.38, p < .001$). This means that as transformational leadership scores increased, sense of belonging scores also tended to increase. Specifically, sense of belonging increased by 0.38 units as transactional leadership increased by 1 unit. Therefore, $H_{10}$ was rejected.

Research Question 2

Transactional leadership was not a significant predictor of sense of belonging ($B = -0.00, p = .983$). Therefore, $H_{20}$ was not rejected.
Research Question 3

Passive-avoidant leadership style was found to be a significant negative predictor of sense of belonging ($B = -0.36, p < .001$).

As the transformational leadership styles of college administrators increased, the sense of belonging increased for online adjunct faculty. The positive relationship between transformational leadership and sense of belonging indicates that transformational leadership theory applied in the work environment promotes employees to have active engagement, production, and innovation while significantly and positively impacting the employees and the sense of belonging to the college or university. Furthermore, college and university administrators implementing transformational leadership style with their online adjunct faculty will see a greater sense of belonging than administrators using other leadership styles.

Conversely, as the passive avoidant leadership styles of college administrators increased, the sense of belonging decreased for online adjunct faculty. The implications for the findings suggest that college and university administrators relying on passive avoidant leadership styles will experience a decreased in the sense of belonging for their online adjunct faculty. The use of passive avoidant leadership styles inhibits employee growth, development, engagement while decreasing their sense of belonging. Due to the findings regarding passive avoidant leadership, if college administrators continue to pursue this method of leadership or do not make a concerted effort to explore the adoption of transformational leadership, then the sense of belonging for online adjuncts—the foundation of entry-level college courses—will continue to decrease with negative repercussions. When sense of belonging decreases, the performance of adjuncts decreases within the class, which, in turn, has a negative effect on student experience. If the problem persists within the classroom, there is a serious possibility that it could potentially affect student retention and graduation rates at the university. Table 1 displays a summary of the findings for each research question along with the supporting academic literature.

CONCLUSION

With changing government regulations, fluctuating employer and student demands, expectations, needs, and preferences, increasing competition warrants an intentional examination of the leadership styles of colleges and universities administrators and the sense of belonging that online adjuncts experiences with those institutions (Alexiou-Ray & Bentley, 2015). The leadership styles, sense of belonging, and the ever-changing higher education landscape influences college student enrollment, graduation, and satisfaction (Greenburg, 2014). Effective leaders seek strategies for continuous improvement with leadership and sense of belonging, which drives the return on investment, revenue, expenses, and student retention and graduation rates (Centner, 2014).

Further implications of the study are rooted in the focus on assisting university deans, directors, and program chairs lead, inspire, motivate, support, and encourage their online adjuncts. As such, this study is important because leaders can identify the most effective strategies to engage their employees. Research shows that positive, engaged, and motivated employees are more productive, thus affecting the company’s bottom line. Human capital is a precious commodity and organizations that capitalize on efficiently managing employees reap rewards through additional market share, return on investment, profits, and increased customer satisfaction. Additionally, transformational leaders can help engage adjuncts, which assists with the student experience. This is key as it speaks to the larger role of sense of belonging within any organization. Sense of belonging among employees is vital because, essentially, within the online world, it becomes a case of employee (online adjuncts) and the interaction with the customer (the student). Online instructors with a greater sense of belonging will be more active in the classroom, provide quality feedback for students, and actively support the college or university.
<table>
<thead>
<tr>
<th>Research Questions</th>
<th>Research Findings</th>
<th>Null Hypotheses</th>
<th>Academic Literature</th>
</tr>
</thead>
<tbody>
<tr>
<td>RQ1. Is there a statistically significant relationship between transformational leadership behaviors of deans, directors, and program chairs of online academic programs (as measured by the Multi-Factor Leadership Questionnaire [MLQ]) and the degree to which online adjunct faculty members experience a sense of belonging in the academic environment (as measured by the Sense of Belonging Scale)?</td>
<td>Transformational leadership style was a significant positive predictor of sense of belonging.</td>
<td>H1 was rejected.</td>
<td>Theme is aligned with literature (Bambale, 2014; Bollen &amp; Hoyle, 1990; Lambright, 2015; Solga &amp; Gurt, 2014).</td>
</tr>
<tr>
<td>RQ2. Is there a statistically significant relationship between transactional leadership behaviors of deans, directors, and program chairs of online academic programs (as measured by the MLQ) and the degree to which online adjunct faculty members experience a sense of belonging in the academic environment (as measured by the Sense of Belonging Scale)?</td>
<td>Transactional leadership style was not a significant predictor of sense of belonging.</td>
<td>H2 was not rejected.</td>
<td>Theme is aligned with literature (Bollen &amp; Hoyle, 1990; Deichmann &amp; Stam, 2015; McCleskey, 2014; Pearson, 2012; Rowold, 2014; Varol &amp; Varol, 2012).</td>
</tr>
<tr>
<td>RQ3. Is there a statistically significant relationship between passive-avoidant leadership behaviors of deans, directors, and program chairs of online academic programs (as measured by the MLQ) and the degree to which online adjunct faculty members experience a sense of belonging in the academic environment (as measured by the Sense of Belonging Scale)?</td>
<td>Passive avoidant leadership style was a significant negative predictor of sense of belonging.</td>
<td>H3 was rejected.</td>
<td>Theme is aligned with literature (Alexiou-Ray &amp; Bentley, 2015; Bollen &amp; Hoyle, 1990; Greenburg, 2014; Hope, 2012; Jia, Richards, &amp; Zhang, 2011; Khan et al., 2011; McCleskey, 2014).</td>
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REFERENCES


Procurement’s Role in Innovation

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The need to constantly innovate to sustain business and growth is widely accepted (Luzzini, Amann, Caniato, Essig, & Ronchi, 2015). Organizations can only prosper with innovative and profitable products that meet or exceed customer expectations that they are willing to pay for (Chesbrough, 2003). Central to such innovations are attributes that cannot be copied or substituted. However, due to changing consumer demands, growing global competition and product complexity it is increasingly difficult for organizations to create such innovative products or services only with their own capabilities (Caputo, Lamberti, Cammarano, & Michelino, 2016).

Innovation is not the result of a single person but of a wider group of people, functions or organizations (Satell, 2016). Important to the concept are aspects such as networking, partnerships, and collaboration (Zimmermann et al., 2015). Different business functions need to be involved, but the literature does not provide much information which ones that should be (Mortara & Minshall, 2011).

Procurement is gaining in relevance, especially as it is increasingly accepted as the owner of the relationship to external sources. In European organizations procurement spending represents approximately 60% of annual budgets (Luzzini et al., 2015; Décosterd, 2017). Additionally, organizations are trying to be more proactive and innovative in their procurement processes (Melnyk, Lummus, Vokurka, Burns, & Sandor, 2009).

RESEARCH QUESTIONS

This qualitative paper aims to close the gap in the research by examining the role of procurement relating to open innovation practices, the extent to which procurement can make its contribution and to identify the facilitators to ensure such a contribution to the innovation capabilities of an organization. Therefore, this paper intends to answer the three research questions:

RQ1: What is the role of procurement in open innovation practices of Swiss-based industry and financial services companies?

RQ2: To what extent can procurement contribute to the innovation capabilities of an organization?

LITERATURE REVIEW

Bringing innovative new products and services to market is a key prerequisite for sustained business and continued growth (Luzzini et al., 2015). Organizations can only survive with innovative and profitable products/services that customers want and are willing to pay for (Chesbrough, 2003). Developing such an offering is necessary to ensure sustained competitive advantage with unique attributes that cannot be copied or substituted. Such uniqueness can benefit the overall performance of
an organization, lower overall costs e.g. through process improvements, and result with increased demand (Zimmermann et al., 2016). The need to constantly innovate is widely appreciated (Mortara & Minshall, 2011). However, it is also seen that the development of new advances and market offerings is increasingly complex and challenging (Haartman & Bengtsson, 2015). Main reasons for that are growing consumer demands, increased global competition and an increased product complexity based on technology advances, shortened product lifecycles and increasingly costly own research and development (R&D) (Haartman & Bengtsson, 2015). This situation brings organizations under pressure as it highlights gaps between market requirements and what can be achieved with own capabilities (Slowinski, Hummel, Gupta, & Gilmont, 2009).

Chesbrough (2003, p. 361f) coined the term open innovation (OI) in which organizations “commercialize external (as well as internal) ideas by deploying outside (as well as in-house) pathways to market.” In OI the boundaries between organizations are less strict and a freer flow of ideas and innovations is achieved. This paper focuses on the OI element of capturing outside ideas for value creation.

In a traditional closed approach to innovation, the corporations managed the entire product lifecycle from design to market and service purely with own resources. The sheer size of R&D also served as market entry barrier and helped to protect markets and the competitive position (Chesbrough, 2003). However, due to the change drivers, smaller enterprises with no or little own R&D emerged as they were able to seize and capture outside innovations as input for their market offerings. Additionally, such smaller companies tend to be more agile and entrepreneurial thinking in terms of risk appetite and proactiveness than larger corporations and therefore are more able to generate radical and new innovations (Weiblen & Chesbrough, 2015).

Organizations increasingly use a wide range of external partners to obtain innovative ideas and technologies as basis for competitive advantage and continued growth in a way they could not achieve on their own (Zimmermann et al., 2016). Such “offensive motives” (Huizingh, 2001, p. 4) are complemented with the insight that innovations are no longer the results of a single person or organization but rather of a network of partners based on relationships, joint procedures, and collaboration.

OI has numerous potential benefits such as shorter time-to-market, enhanced innovation capability, greater flexibility in internal R&D and workload balancing, increased profitability and expanded market access (Slowinski et al., 2009; Luzzini et al., 2015; Greco, Grimaldi, Cricelli, 2016). The last point is especially the result of using outside inputs to create opportunities outside the traditional business activities, which potentials can be especially difficult to recognize (Chesbrough, 2003; Mortara & Minshall, 2011).

**OI and Procurement**

There is a gap in research regarding the characteristics of suitable suppliers or how to best facilitate their involvement (Sjödin & Eriksson, 2010; Schiele, 2012). With supplier involvement in new product development, inputs such as product or process expertise, specific products and technologies or innovations are incorporated early on (Luzzini et al., 2015). This form of cooperation can lead to a quicker reaction on changed market requirements as knowledge and resources are combined, overall reduced costs especially as this collaboration reduces the risk of over-engineered and too complex products (one develops what can be delivered with in-house and outside capabilities) and overall product lifetime costs are considered and higher quality and improved design (Schiele, 2010). To achieve that, procurement needs to be part of new product development teams and act as gatekeeper for suppliers to be involved and to be able to control costs (Schiele, 2010). For it to function it needs to be decided to what extent to collaborate with external sources during which stage of the process and how to identify and select them (Huizingh, 2011).

Purchasing, the formal face to the outside supply world, can contribute market knowledge, sourcing strategies and supplier selection and has a key role to take (Schiele, 2010). As supplier selection brings
technical and operational risks as well as the risk of lock-in effects in which future developments are restricted on the supplier capabilities, a high focus on supplier selection criteria needs to be placed (Luzzini et al., 2015).

**METHODOLOGY**

This qualitative study explored the procurement process and its contribution to the innovation capabilities of an organization. Focus groups and interviews were conducted with senior professionals and experts from industry and financial services organizations in Switzerland. Additional documentation was collected to attempt to triangulate the information from the focus groups and interviews.

Potential participants matching the sampling criteria were contacted either by email, or through the online business networks xing.com and linkedin.com. In that first contact the purpose of the study was introduced and the overall interest of participation was checked. In January 2017, the ones interested were invited to select suitable meeting dates through the online date finder doodle.com. In-line with Krueger and Casey (2015), multiple focus group sessions were planned in Zurich and Berne.

The date search resulted in one two-hour focus group of five participants conducted on February 14, 2017 in Zurich as well as a series of five one-hour interviews in the timeframe of February 3 to February 17, 2017. As one focus group participant was not able to join the session, information was collected in a separate interview instead. The focus group took place in a co-working space for start-ups close to the Zurich city center and, same with the interviews, it was based on a pre-defined question route.

**RESULTS AND DISCUSSION**

**High OI Awareness**

This study showed the participants’ high level of awareness of the OI concept and the need to use outsider knowledge, ideas, and innovations as input for the own organizations’ market offering or own processes. This is important, as increasingly complex consumer demands require increasingly unique products and services that organizations increasingly cannot create with the capabilities available in-house (Luzzini et al., 2015; Zimmermann et al., 2016).

Contrary to past research (Chesbrough, 2003; Weiblen & Chesbrough, 2015), in which small more agile and entrepreneurial thinking enterprises started to challenge established organizations with their massive R&D capabilities by using outsider innovations, few participants mentioned that OI is only something for large organizations that have the means to apply it. It appears that OI adoption is not a question of organization size but of agility and entrepreneurial attitude of the involved people.

Most OI related articles mention the need for in-house cross-functional collaboration, but do not provide much insight what type of functions or roles are concerned. Suggested legal services and Human Resources appear to fall short, especially as the collaboration with external partners requires minimum some form of structured procurement involvement (Mortara & Minshall, 2011). This is especially true as the interviewees see procurement as the owner of external relationships and their interfaces, a view, which is supported by research that confirms procurement as an organization’s formal face to the outside supply world (Luzzini et al., 2015).

**External Inputs to Close In-house Gaps**

The study participants agreed that external inputs such as special knowledge or innovations from for example suppliers, start-ups or universities are useful to close gaps in what is available in-house as well as to kick-start own knowledge creation. All with the target to create a successful market offering to stay ahead of competition. That organizations require such forms of external support is confirmed in past studies that investigated the rising consumer requirements and the resulting pressure on the in-
house available capabilities to meet such changed requirements (Slowinski et al., 2009). Several studies also apply a wide definition of OI inputs and suggest that special knowledge, technologies, material, or people (Zimmermann et al., 2016).

During the interviews it became evident that procurement is in a position to use its new role and growing expertise to challenge business decisions for example relating to design or products. By asking right and informed questions and by contributing wide expertise, risks of wrong decisions or of decisions based on incomplete or biased information can be reduced. Potential negative long-term effects can be minimized. It is expected that procurement compared to technical functions is more detached from technical hypes and therefore more likely to take a neutral role during decision-making processes. However, to be able to do so and to be accepted as challenger and contributor, a deep market and technical knowledge needs to be developed and maintained (Mortara & Minshall, 2011). Organizations need to build-up such expertise.

The interviewees identified collaboration in cross-functional and cross-organizational teams as key levers for value creation and continued opportunity to achieve cost savings. Furthermore, such forms of collaboration are expected to create a detailed information base as pre-requisite for supplier selection, contracts, terms, and conditions as well as to meet compliance requirements. Competitive advantage and continued growth are increasingly based on external partners’ innovative ideas and technologies (Zimmermann et al., 2016). It is accepted by various studies that the way an organization collaborates with its partners is a main source of advantage (Greco et al., 2016). Close personal contact with cross-functional partners is the basis for knowledge exchange (e.g. ideas, trend, technologies) and is the basis to understand the inputs required from external sources (Durst & Stähle, 2013). Collaboration with partners leads to improved knowledge exchange and thus can reduce market inefficiencies, improved cost control for example through reduced in-house expenditure, risk diversification, workload balancing, and production advantages (Greco et al., 2016).

The interviews identified that procurement as the owner of the supplier relationship is in a leading role to position the organization as customer of choice for key suppliers. As pre-requisite, a close procurement-stakeholder interaction, the willingness to understand the business and to portray knowledge to the outside world were seen. This is in-line with past studies that confirm the scarcity of exceptional suppliers and its impact on the supplier selection procedures (Schiele, 2012). Studies go one step further and add a second dimension, in which access to special suppliers needs to be maintained after the initial selection too, which can be mainly achieved through trust, communication, and joint commitment (Luzzini et al., 2015).

The protection of exclusivity of purchased innovations as well as the protection of in-house intellectual property during buyer-supplier collaboration were two challenges raised by respondents. Past research covered this aspect of fears of loss of what is seen as in-house key knowledge or core competencies and that this can influence the speed of OI adoption (Sisodiya, Johnson, & Grégoire, 2013). In-line with such studies, respondents also suggested formal (i.e. contractual) and informal means (i.e. strong personal ties) as means to secure protection. However, based on the experience they concluded that personal ties are not reliable especially when the stakes are high. This in contrast to the past studies that also suggests formal and informal means and stress that the way people work together and handle information can ensure knowledge protection (Sjödin & Eriksson, 2010). It can be argued that personal ties can support knowledge protection but do not substitute legal means.

CONCLUSIONS

Procurement has been developing into a more proactive strategic role. The transformation is not completed yet and the interviewed procurement leaders still continue their efforts to establish procurement as recognized partner in cross-functional collaboration and development projects. Nevertheless, they see great potentials to provide value for the organization. A view, which is also confirmed by previous research that appreciates a proactive strategic procurement as source of competitive advantage (Melnyk et al., 2009). Furthermore, interviews and literature confirmed that
procurement is and will remain the owner of all external relationships (Luzzini et al., 2015). That most OI related articles referred to the importance of such external relationships without addressing the role of procurement can be regarded as a gap in research, which has been addressed with this study.

The findings of this paper attempted to contribute to management practices as it provides practical insights for procurement leaders, their cross-functional peers and practitioners. What is needed is the understanding that each single function, including procurement, can contribute its share to the innovativeness of any organization. Only with the cross-functional collaboration of all business functions, sustainable and growing organization’s innovation capabilities can be achieved.

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Promoting Gender Equality by Closing the Gender Gap in Management: Organizational Practices at L’Oréal

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Abstract: Although women make up half of the world’s population and over 40 percent of the global labour force, to date, there is no part of the world where women and men are equal. Moreover, gender equality has been worsened by globalization, in which private actors such as multinational companies play a controversial role. This paper explores L’Oréal’s corporate social responsibility (CSR) policies that promote gender equality, focusing specifically on increasing the number of women in top management. To address this issue, six selected corporate documents were analyzed and assessed. Given the significant number of L’Oréal’s female employees, 52,000 in 2013, and the magnitude of the company’s socio-economic impact on the lives of women, the company’s policies and practices call for a scrutiny. Although the company claims that it is engaged in socially responsible corporate practices, with particular attention to issues of gender equality, few critical analyses of these claims exist. This research, a case study analysis, argues that L’Oréal’s gender equality policies are powered by business incentives, such as development and profit, and serve mostly public relations purposes. Even though the gender representation of the company’s corporate boards is in compliance with current regulations, it may not intend to exceed the minimum requirements of those.

There are many reasons to examine gender equality and women’s empowerment policies of businesses. Gender inequality is one of the most pervasive among social inequalities, affecting the public and private lives of all humans (Grosser, 2011, Kilgour, 2007). Despite the fact that women make up the half of the world’s population and over 40 percent of the global labor force, and the compelling case for gender equality in corporate management, women still dominate the lower paying administrative ranks while men continue to dominate at the executive level. Even if this inequality is hurting corporate performance, many companies are still struggling to ensure women are represented fairly among their top executives (McKinley and Company, 2017).

Lately, there has been a growing awareness about multinational companies’ (MNCs) corporate social responsibility (CSR) policies. CSR is a corporation’s obligation to contribute to sustainable development by delivering economic, social, and environmental benefits for all stakeholders. The way the concept of CSR is understood and implemented differs greatly for companies based on their geographic locations or the scope of their activities. Despite the widespread recognition that “CSR is crucially important for both – business and success”, social policies are often marginalized in business practices (Grosser, 2011; Kilgour, 2007; Thompson, 2008). Several studies have been conducted to review CSR mandates generally; however, only a few have analyzed CSR from a gendered perspective, addressing how gender equality is addressed in a company’s approach to CSR. To fill this gap, the paper undertakes a critical examination of one of L’Oréal’s CSR policies, namely, increasing the number of women in top management, as part of the company’s gender equality commitment.

There are two reasons why L’Oréal, the global beauty company, is chosen as a suitable case study example. First, L’Oréal is considered to be the world’s largest company in the global beauty and cosmetics industry, affecting the lives of millions of women worldwide. The second reason is the absence of any analysis of the company’s CSR policies from a gendered view. Despite the abundance of research, articles, studies, statistics, and news regarding L’Oréal’s policies, practices, or its expansion policy, yet a gender based analysis is missing.

L’Oréal’s own position states that “more than just worrying about its economic success, a successful company should be socially responsible and should share their success with employees and the community”
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(L’Oréal, n.d.). Although the corporation claims it is engaged in socially responsible corporate practices, including those related to gender equality and women’s empowerment, to date, few feminist critical analyses of these claims exist.

The purpose of this research is to critically examine L’Oréal’s organizational practices that promote gender equality, focusing specifically on those of targeting the increase of women in top management. A textual and visual analysis of the following L’Oréal corporate documents was applied to conduct this research: (1) the Code of Ethics (2014); (2) the Diversities Overview Report, 2005-2010 cycle; (3) the 2013 Annual Financial Report; (4) the 2013 UNGC Communication on Progress (“COP”); (5) the 2013 Environmental, Social and Governance Reporting; and, (6) the Sustainable Development Report 2013.

One of the main findings of this research is that the current approach of L’Oréal toward gender equality lacks the recognition and implementation of feminist ideals of gender equality in its CSR policies. These ideals could broaden the theoretical dialogue on gender and gender equality between feminism and business that otherwise would remain marginalized. Applying gender based analysis in business contributes to reaching a wider range of gender issues that currently are limited or missing in business dialogue. Implementing feminist ideals and using a gender lens, L’Oréal could have the potential not only to promote but also to provide equality to people inside the company. Although the company has the power to make positive changes in the lives of millions of women (and men), in order to bring transformation and structural change in favour of greater equality its CSR policies need to be re-considered and improved.

The findings presented in this paper have implications for business scholars as well as for practitioners such as business leaders and managers at L’Oréal. They will be able to benefit from this research when it comes to improving their CSR reporting on gender equality and women’s empowerment and developing new corporate programs that advance these very issues.

As this paper critically engages CSR literature and practices from a feminist perspective and brings together debates about gender and gender equality with feminist and business scholarship, key concepts need to be reviewed from both perspectives. It can be argued that feminist theory specifically and critically conceptualizes the aspirational ideals of gender equality. It is widely acknowledged among feminist scholars that businesses are gendered organizations (Acker, 1990). As much as gender is an integral part of an organizations’ policies and practices, these cannot be assessed separate from the analysis of gender. Gender is typically understood as a culturally and socially structured set of norms and values based on assumptions and challenges about masculinity and femininity (Edwardsson, 2012). The simplistic view, the binary nature of gender, has been challenged by the recognition of the complexity of gender. Now, gender is commonly regarded as unstable, fluid, and shaped by the intersections between the social and the biological.

The feminist concept of gender equality is complex, multi-dimensional, and fluid, and therefore can easily be interpreted in many ways depending on the context, the focus, and the goals of analyses (Edwardsson 2012). Large multi-national corporations however tend to rely on simplified interpretations provided by transnational organisations such as the International Labour Organisation (ILO). The ILO refers to gender equality as the enjoyment of equal rights, opportunities and treatment by men and women and by boys and girls in all spheres of life. It [gender equality] asserts that people’s rights, responsibilities, social status and access to resources do not depend on whether they are born male or female. (ABC of Women, 2007, p. 91-92).

From the feminist perspective, gender inequality becomes reality when women, as a group, and the values and norms that are considered feminine, are treated differently than men as a group; and, vice versa, men and masculine values are constructed and privileged over feminine values. This asymmetrical power structure accorded to social relations leads to social inequalities between men and women, and, at the same time, leads to inequalities among the category of men and the category of women (Kilgour, 2012).
Mainstream development discourses and practices commonly misinterpret the concept of gender as equal to the concept of women, and, as a result, gender equality is readily considered as a matter for women (Marchand, 2009; Edwardsson, 2012; Cornwall and Rivas, 2015). It needs to be recognized and emphasized that gender refers not only to women, but also to men and all gender non-confirming individuals. The achievement of gender equality requires effort from everyone, the issue should include women, men and other genders in order to achieve redress in gender equality.

Corporate social responsibility has become an umbrella concept with various definitions and practices. The way it is understood and implemented differs greatly for companies in different countries. Companies are increasingly aware that CSR positively contributes to their image, reputation, and profit. Business scholar Robert Sexty (2011) also acknowledges that a positive relationship is recognized between CSR and financial return. If CSR is used in proactive ways, it can contribute to better financial performance of corporations, including their sustainable development, higher employee engagement, and greater customer satisfaction (Emmott and Worman, 2008; Saeidi, et al. 2015). If it makes good for everyone, why, then, is CSR often critiqued as being only a mask for real corporate profit-making activities?

While business scholars often praise businesses for implementing CSR principles into their policies and practices, feminist theorists critique the controversial relationship between social responsibility and business. They often critique CSR for being a socially desirable mask for corporate profit-making activities, arguing that companies’ public documents and initiatives serve mainly public relation purposes, and, therefore, cannot be taken at face-value. Even though corporations’ CSR policies implement the gender equality mandate, they do not necessarily recognize and implement the feminist ideas of gender equality. The tension between the viewpoints of feminist and business scholars is evident.

This research concludes that feminist ideas should inform L’Oréal’s organizational practices as they can affect and determine MNCs profit-oriented policies and practices alongside their commitments to gender equality. Conducting research within these theoretical frameworks was a challenge because the majority of the academic business literature on CSR was written from a gender-blind perspective, and there are only a few scholarly examinations that can be regarded as feminist in their approach (Grosser and Moon, 2005a, 2005b; Pearson, 2007).

METHOD

A qualitative, case study research approach was utilized in this research to critically examine one of the gender equality commitments of L’Oréal, namely increasing the number of women in top management. Considering the focus (interpreting L’Oréal’s CSR policy) and the main purpose (in-depth understanding) of this study, a qualitative research approach, supported by some quantitative data, was considered the most method.

Content analysis is a widely used research method that offers a flexible and pragmatic method to analyze textual data for developing and extending knowledge related to the topic in question (Hsieh and Shannon, 2005). The content analysis of this research is summative, on one hand, because it starts with a key-word search and it attempts to provide insights of how manifest and latent content are used and understood in L’Oréal’s CSR related documents. On the other hand, however, the directed approach is also used to conduct this content analysis because the research is a data driven research with an underlying critique based on existing feminist scholarship.

This research is a single case study that provides useful data for a valid, reliable, and critical analysis and leads to an in-depth understanding of L’Oréal’s CSR commitments, particularly those related to gender equality (Yin, 2003). It is also a single-holistic exploratory case study because it explores and critiques the gender equality and women’s empowerment policies of a single company. To date, no research has been
conducted before to critique the corporate documents of L’Oréal from a gendered perspective. The scope of this research explores L’Oréal’s organizational practices that promote closing the gender gap in top management. This research is also exploratory in that it evaluates the usefulness of official documents as a source of information about L’Oréal’s corporate commitments.

According to Charlotte Villiers (2006), business literature distinguishes financial reports from narrative reporting. The reliability of both the financial and narrative corporate documents is often questioned. What a corporation says about itself and its commitment are frequently criticized on the grounds that their content is limited and not necessarily reliable because corporate documents and publicized initiatives generally are aimed at serving public relation purposes. Corporate financial reports in particular are critiqued as they highlight their “profit maximization processes” and rely heavily on numbers and financial data. Villiers (2006) claims that the unreasonably high emphasis on numbers is especially problematic because, by their very nature, numbers are short-term, unstable, and often misleading data sources. While numbers tend to look backward and mirror the past, future achievements or success can be uncertain (Villiers, 2006). The figure-based nature of reporting has an adverse effect on social and environmental CSR reports whose outcomes and findings may be difficult to measure quantitatively (Villiers, 2006).

CSR reporting is increasingly requested by investors interested in the social and environmental indicators of a company. Scholarly work that links CSR commitments with feminist scholarship, however, remains underdeveloped and lacks an overall conceptual and discernable theoretical framework, particularly as it relates to gender equality or other human rights.

RESULTS

The purpose of this research is to critically examine L’Oréal’s organizational practices that promote gender equality by closing the gender gap in management. To address this issue, the research analyzed and assessed one of the goals of the company’s gender equality policies, namely increasing the number of women in top management. A textual and visual analysis of six corporate documents was applied.

The goals of the company’s gender equality policies are disclosed in the Diversities Overview Report (2010), which is a summary and self-assessment of L’Oréal’s diversity policy, including gender equality. The document presents the company’s target actions, indicators and prospects regarding gender equality, demonstrating a limited approach to identifying the goals and targets of the company’s policy.

This corporate document contains an explicit gender equality mandate, albeit one that is confined to the formal workplace and elaborates the context of the company’s involvement in achieving gender equality:

At the heart of the public debate since the seventies, the topic of gender in the workplace and professional equality between men and women is still today a priority for both corporate sector and Public Authorities. […] Committed to equal opportunities in the workplace for many years, L’Oréal seeks guarantee diversity in functions that are currently over-staffed by men or women (Marketing, Industry), give equal treatment in terms of salary, training, and facilitate access for women to positions of responsibility (Diversities Overview Report, 2010, p. 10).

According to this document, the company’s gender equality goals include: (1) increasing the number of women in managerial positions; (2) ensuring a gender balance in hiring for positions where there is imbalance, such as marketing and industry; (3) enabling equal access for women to positions of responsibility; and (4) reducing the salary gap and employment opportunities between men and women (DOR, 2010). Gender equality appears to be accomplished by employing increasing numbers of women in managerial positions and by creating equal conditions for women and men in the workplace.
The abovementioned four goals inseparably belong together and formulate two jointly devised workplace plans: namely, (1) increasing the number of women in management positions that most often are overstaffed by men and (2) remunerating women with the same salaries as men. This approach problematizes women, and excludes men and gender non-confirming individuals from the company’s dialogue. As a result, the goals suggest that women need to “catch up” with male norms and that limitations in doing so are their own (Debusscher, 2011). Dealing with women in isolation is unlikely to transform gender relations that prevail in L’Oréal.

There is also a moral and ethical approach, according to which gender equality should be one of the companies’ responsibilities in terms of the well-being of their employees and the larger, transnational communities for which these companies are accountable and responsible (Thompson, 2008; Larrieta-Rubin de Celis et al., 2015). Unfortunately, none of the approaches with L’Oréal indicate that gender equality is important because it is a matter of basic human rights. When it comes to evaluating the purpose of the company’s gender equality policy, the most persuasive argument is that it will be profitable for the company.

The Sustainable Development Report (2013) claims that, in 2013, 45 per cent of L’Oréal’s management committee members were women, but provides no further details. Addressing this issue, the Annual Financial Report (2013) elaborates the composition of the Board of Directors and the Executive Committee members, the company’s two highest decision making bodies. The members of the Board of Directors are non-executive Directors who are primarily employed by independent companies. The Directors are appointed by invitation of the Board, based on their special expertise and professional experience (Burgess and Tharenou, 2002; AFR, 2013). Contrarily, the Executive Committee consists of the company’s senior employees who have been employed by L’Oréal for a long period of time.

In 2013, the Board of Directors comprised 14 members: the Chairman and CEO (Jean-Paul Agon), six Directors appointed by the majority shareholders, and seven independent Directors. All Board members are white, four of them are women (28.6%), and ten are men (71.4%). The four women are: Francoise Bettencourt Meyers, the granddaughter of L’Oréal’s founder; Christiane Kuehne, the Head of the Food Strategic Business Unit at Nestlé; and two independent Directors, Virginie Morgon and Annette Roux.

It should be pointed out that, according to L’Oréal, the abovementioned ratio of women and men in L’Oréal’s Board is fully consistent with the “French Law of January 27th, 2011” (AFR, 2013). Aiming to improve the representation of women on the corporate boards of individual businesses, this regulation requires that among French companies’ board members, each sex cannot be lower than 20 per cent by 2014. In addition, this percentage should reach 40 percent by 2017. L’Oréal argues that “the Board is doing everything it can to appoint more female Directors” and, reinforcing the company’s effort, envisages the appointment of Ms. Belén Garajo in 2014 (AFR, 2013, p. 46). Apart from the fact that increasing the number of women positions in decision-making processes is a legal obligation with which the company has to comply, from the documents it does not become clear why female directors are important and what particular values they contribute to L’Oréal’s business success. There is a spark between scholars whether the quota system, appointing female directors based on their gender, or the merit based appointment is the more effective way. The supporters of quotas claim that this is the only way to counter lack of women in boards. Contrarily, some experts argue that the quota system is only a limited approach because it may easily lead to tokenism, stigma, prejudice and discrimination.

In 2014, in order to comply with the mandatory “French Law of January 27th, 2011,” L’Oréal appointed six female (40%) and nine male Directors (60%), resulting in an increase in the percentage of women on the Board. It is important to note that the underlying “French Law of January 27th, 2011” has never stated that women were to make up the 40 percent of the Board members and that men would comprise the other 60 percent. It does state, however, that the members of each sex could not be lower than 40 percent. This
means that the Board would work lawfully even if the female members made up 60 percent. As much as L’Oréal intends to comply with the regulation of the “French Law of January 27th, 2011,” it may not intend to exceed minimum requirements; this limited interpretation of the law may be seen as evidence of the deeply embedded and therefore invisible gender inequality at L’Oréal.

In 2013, L’Oréal’s Executive Committee consisted of 15 members, 12 men (80%) and 3 women (20%), charged with the everyday operation of the business. The female members were Brigitte Liberman1, Sara Ravella2, and An Verhulst-Santos3. While female directors account for the operation of particular cosmetics divisions and communication, the responsible positions of Administration and Finance, Research and Innovation, Human Resources, and Advisor to the Chairman are concentrated in men’s hands. The gender division of the Executive Committee members’ jobs indicates a problematic organizational structure that segregates occupational power by gender. Some jobs are considered as women’s jobs, or at least as jobs that are more appropriate for women while others are considered men’s jobs. According to Trimble (2012), even progressive companies that implement new and seemingly gender balanced work structures can undermine women’s career advancement through a built-in nature of gender bias that reinforces the stereotypical division of certain positions and occupations, rather than diminishing the preponderance of gender specific jobs (2012). Zena Burgess and Phyllis Tharenou, in “Women Board Directors: Characteristics of Few” (2002), approach the same topic from a different viewpoint. They argue that women might be appointed as Directors by the virtue of their excellent leadership skills, and they may also serve as tokens in a male dominated business culture (2002). The idea of tokenism has been widely used to explain the situation of women who enter work defined as masculine or socially inappropriate for women (Kanter, 1977). With an oversimplification, tokenism can be referred to as a numeric skewedness of a work group (Kanter, 1977). The idea of tokenism buttresses Prudence Woodford-Berger’s gender alibi theory (2007). Woodford-Berger argues that simply increasing the number of women on the Board without acknowledging the meaning or evaluating the outcomes of what a more balanced gender representation may entail only refers to a superficial gender awareness of the company (as cited in Edwardsson, 2012). Kilgour (2012) agrees, stating that simply mentioning women or indicating that the company’s CSR policy has gender elements does not necessarily prove adequate gender-awareness (p. 115). Thus, L’Oréal’s tendency to increase the appointments of women in the highest levels of corporate decision-making processes is important, but it is not enough to indicate that L’Oréal has an explicit corporate policy about gender equality.

Companies tend to support the adequacy of their gender policies with quantitative indicators that may be misleading when it comes to elaborating the quality of their gender equality commitments and policies. L’Oréal’s reports often identify gender related issues alongside with the recognition of the high proportion of women in male dominated positions. This includes 15 per cent of women amongst Executive Committee members, 27.8 per cent of women amongst manager executive, and 55 per cent of women amongst managers (DOR, 2010, p. 10). At the same time, company documents fail to explore how company action plans are designed to better integrate women beyond promotional advancement within management ranks.

A qualitative indicator in terms of the representation of women in L’Oréal’s Executive Committee is the appointment of Sara Ravella and Alexandra Palt. Ravella is the Executive Vice-President of Communication, Sustainability and Public Affairs while Palt is the Director of CSR and Sustainability. The operation and decision-making power regarding L’Oréal’s CSR policy are seemingly in women’s hands. According to the findings of Larrieta-Rubín de Celis et al. (2015), women’s presence in decision making positions might lead to a positive effect on CSR ratings, reporting, and performance (Larrieta-Rubín de Celis et al., 2015). Catherine Daily and Dan Dalton, in “Women in the Boardroom: A Business Imperative” (2003), argue that women managers often contribute to the development of a more efficient CSR program

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1 Brigitte Liberman, President, Active Cosmetics Division
2 Sara Ravella, Executive Vice-President, Communication, Sustainability and Public Affairs
3 An Verhulst-Santos, President, Professional Products Division
due to their different perspectives, skills, knowledge, and experience (2003). As a result, supporting female employees in particular and rolling out gender-sensitive philanthropic initiatives are more often among the goals of companies where the directors of CSR are women. The veracity of this statement is proven by several examples in the operation of L’Oréal. For instance, the Sustainable Development Report (2013) introduces corporate actions that provide a 14-week long full-paid maternity leave for women employees, lactation room for breastfeeding mothers at the Indonesian headquarter, and in-company child care centres and kindergarten spaces in Germany (SDR, 2013, p. 32-34). These corporate initiatives are indeed positive outcomes in terms of a greater awareness in women’s issues; however, they affect only a few female employees who work as formal workers in facilities that provide these benefits. Informal workers are not likely affected by the advantages of these corporate programs.

After analyzing the gender representation of corporate boards at L’Oréal, there is a considerable amount of data missing from these documents. For instance, I could not find separate data regarding the proportion of women in the top and middle management levels. The proportion of 45 per cent of women in the Sustainable Development Report (2013) refers to Management Committee members in general, but the document does not specify the level of their operations (SDR, 2013). There is no clear explanation of the gender division expectations of the “French Law of January 27th, 2011” with regard to the appointment of Executive Directors. Furthermore, none of the documents specify the scope or duties of women directors or the proportion of their voting rights on the Board. There is a general explanation that identifies some basic features including professional experience, skills, and good knowledge of L’Oréal as relevant criteria for appointments; however, the intrinsic reasons on why women are appointed as Directors and the skills that women bring to these jobs remain unanalysed (AFR, 2013, p. 46).

DISCUSSION

L’Oréal is focused on hiring increasing numbers of women at the managerial level and appointing 40 per cent women to the Board of Directors by 2017 as it is required by the “French Law” (DOR, 2010; AFR, 2013). One of the goals of the company’s gender equality policy, stated explicitly in the Diversities Overview Report (2010), is to increase the number of women in management and access for women to positions of responsibility.

Summarizing the information disclosed in corporate documents, the commitment to increasing the number of women in management (DOR, 2010) is part of the company’s diversity program. Placing this commitment into the company’s diversity policy, rather than into the mainstream gender equality policies, suggests that it is a strategy for companies in a highly competitive business world with the double bottom line of expanding the pool of talented workers and increasing the company’s competitiveness and profitability (2015). Hiring more women, under the banner of gender diversity and equality, helps companies to harness the economic potential of women who happen to make up the majority of low-paid, less-skilled, and part-time workers (Roberts, 2015). At this point, gender equality becomes an instrumental goal, which is not important on its own, but is instead in the service of other development goals such as economic growth, competitiveness, and employment creation. Therefore, this research concludes that L’Oréal’s gender equality policies serve mostly public relations purposes. Even though the gender representation of the company’s corporate boards is in compliance with current regulations, it remains unbalanced, as it is not intend to exceed the minimum requirements of those.
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Abstract: Public sector organizations are undergoing important changes aimed at improving their services. This study examined the importance of balancing innovative communication technology with traditional modes of communication. Toward this end, the data collected from a sample of ninety-seven non-profit city-hall officials and administrators was analyzed. The findings of this study conclude that more education, training, and development efforts are needed to improve the ability of the participants to better serve citizens through effective communication. The majority of the participants appear to be lacking the oral communication skills required to be effective communicators in an open system public sector environment.

INTRODUCTION

In recent years, dynamic environmental realities have changed the business models for organizations in different industries. In this context, new technologies and innovative operating practices have impacted significantly the way the organizations deal with their customers. These new emerging business models redefined the relationships between the organization and its customers, suppliers, and employees. The aim of these innovative business models is to make front office practices more customer oriented, and back office operations more efficient and effective. As a result of this changing environment, managers have been forced to operate in an increasingly demanding operational environment. These demands forced managers to assume more active roles with regards to the effective utilization of information, as they deal with the different entities associated with their organizations. In this context, the ability of these managers to lead becomes more and more associated with the effective communication. Oral communication skills, in the form of the ability to pass on information, the ability to persuade through the use of information, and the ability to listen and understand information are becoming important leadership skills, which effective managers must master. While this is true in the case of the private sector organizations, it is also becoming true in the case of non-profit public sector organizations. As public sector organizations attempt to modify their operational models, they are attempting to benchmark the effective role of information and communication management in private sector organizations.

The objective of this study is to explore the patterns, characteristics, and profiles of oral communication and their relation to the communication technology. Using a sample of ninety-seven public sector officials and administrators in Portugal, this research attempts to uncover the different dimensions and characteristics of oral communication profiles, and their impact on the public services. In the process, the characteristics of effective oral communication are explored for the sake of improving the communication skills of the participants. Understanding the different facets of oral communication in public sector organizations should contribute to more efficient operations, as well as more responsive interactions with citizens. As such, this may lead to improving citizen satisfaction with the public services.

LITERATURE REVIEW

The transformations in organizational structures, through the elimination of hierarchical levels and the change in leadership styles, have increased the importance of interpersonal communication skills for both employees and managers (Good & Sharma, 2010; Holly, 2004). This increasing importance is
even more relevant in the case of the small and medium enterprises, where the learning process is more informal in nature. In such an operational environment, the role of oral and informal communication is essential to the effectiveness of the organization (Islam & Sulaiman, 2011). In these organizations, flexibility and adaptability take precedence over formal procedures and job skills specifications. Therefore, the transmission of knowledge in such organizations is typically manifested through ad-hoc training and development (Islam & Sulaiman, 2011). In such a process, the importance of oral communication cannot be underestimated.

Today’s organizations also have undergone structural transformations due to new technologies, cultural diversity, and operating in different multi-locations. The global nature of these organizations’ activities has increased the importance of communications. In this context, communication, especially oral communication, is becoming an important indicator, when assessing the effectiveness of interrelationships with stakeholders in a changing environment (Waldeck, Durante, Helmuth, & Marcia, 2012).

In general, communication is considered one of the key facilitators of performance management effectiveness (Biron, Farndale, & Paauwe, 2011). Therefore, the lack of effective communication can lead to ineffective change efforts (Good & Sharma, 2010). Perhaps this explains the increasing importance of communication skills to modern organizations (Giunipero & Pearcy, 2000; Jackson, 2014). In this context, oral communication is viewed as an important aspect of communication.

Communication skills are considered critical components of the interaction with customers, suppliers and other external stakeholders (Malmelin, 2007; Tucker & McCarthy, 2001). In addition, such skills are gaining more relevance to organizational management including managing activities related not only to front office operations but also to back-office operations (Ameen & Bruns, 2010; Grace & Gilsdorf, 2004; Ronald & Shelby, 2000; Smythe & Nikolai, 2002). As such, communication skills are required for internal and external operational management effectiveness.

Nowadays, effective oral and written communication skills are being considered as essential skills in the management of technology and its modern systems (Mallick & Chaudhury 2000). In addition, they are important to internal organizational auditing activities and efforts (Plant & Slippers, 2015).

Communication skills are also becoming crucial to the effectiveness of change projects in organizations. The ability to interact with all potential stakeholders in today’s organizations is clearly becoming more significant to the process of documenting requirements and expressing ideas effectively. Therefore, both researchers and practitioners are increasingly beginning to emphasize the different aspects of communication in relation to key critical success factors for today’s organizations (Hornik, Klein, & Jiang, 2003).

The increase in global competitiveness and the consequent need for knowledge sharing have increased the importance of oral communication skills for employability. However, many organizations argue that oral communication skills, especially at entry-level, do not meet their expectations (Jackson, 2014). In this context, higher education institutions must emphasize innovative learning approaches aimed at enhancing the oral communication skills for their graduates. Overall, it appears that more research is needed in this important and practical area. The study at hand is a modest attempt in that direction.

**METHODOLOGY**

**Instrument**

The research instrument used in this study is developed based on the works of Large & Gimenez (2006), Large, Gimenez, & McCarthy (2009), and Rubin (1985). The initial stage of the instrument development used in this study focused on translation to Portuguese, and the adaptation to the reality of the Portuguese business environment.
The final version of the instrument is composed of nineteen (19) items, reflecting the skills associated with the oral communication. For each item (skill) included in the research instrument, public employees were asked to respond based on a five-point Likert-type scale, where 1 represented always, and 5 represented never. In addition, three groups of questions were included to gauge the perception of the respondents in relation to their ability to pass on information, their ability to persuade, and their ability to listen and understand. Finally, four (4) items were included to reflect the personal characteristics of the respondents.

Sample and data analysis

The research instrument was distributed by one of the coauthors to ninety-seven public employees and officials of a city hall in Portugal. Both male and female public sector employees were represented in the sample. These public sector employees were at different stages of their career and work experience. Table 1 presents the sample profile.

The first phase of the data analysis was focused on investigating the existence of groups of employees with similar patterns of communication. For this purpose, the following oral communication dimensions (Large & Gimenez, 2006; Large et al., 2009) were used.

- **Ability to pass on information**: answer questions; summarize facts; describe another’s viewpoint; recognize misunderstanding
- **Ability to persuade**: articulate clearly; speak persuasively; defend a point of view
- **Ability to listen and understand**: understand suggestions; distinguish fact from opinion.

In the second phase, based on these three oral communication dimensions, the respondents were classified in six communication profiles. These profiles included excellent communicators, non-persuasive speakers, empathetic listeners, empathetic listeners, one-way communicators, average communicators, and poor communicators. An ANOVA procedure was used to find the existence of difference among characteristics of the participants included in the different groups.

RESULTS AND DISCUSSION

In the first phase of the data analysis, an ANOVA procedure was used to identify differences among the three oral communication dimensions for respondents with different characteristics. No differences were found for the respondents’ characteristics presented in Table 1.

In the second phase of the data analysis, the respondents were classified using the oral communication profiles presented in the methodology section. Respondents that could not be included in any of the profiles specified were classified as undefined (Table 2).

An ANOVA procedure was used to determine if there were differences among groups with regard to the remaining variables, which were not included in the definition of the oral communication dimensions. Based on the results presented in Table 2, the following oral communication profiles for the employees working in the Portuguese city halls were identified.

**Excellent Communicators**

This group included 34 public employees (35.05% of the sample). These employees exhibited above average values for all oral communication capability dimensions. Only 10% of these employees had less than ten years of experience. Half of the employees were female, and half were male. Only 30% of the members of this group had interaction with users of less than 30% of the time during their work period. Almost 60% of the members of this group used electronic devices to communicate between 4 and 8
hours. These results are not surprising because most of these employees are doing back-office operations. This is especially true in light of the movement toward electronic government.

### TABLE 1 – RESPONDENTS’ PROFILE

<table>
<thead>
<tr>
<th>Item</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interaction with users</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 a 30%</td>
<td>32</td>
<td>33.0</td>
</tr>
<tr>
<td>30 a 70%</td>
<td>26</td>
<td>26.8</td>
</tr>
<tr>
<td>70 a 100%</td>
<td>26</td>
<td>26.8</td>
</tr>
<tr>
<td>No response</td>
<td>13</td>
<td>13.4</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td>97</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Gender of employees</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>48</td>
<td>49.5</td>
</tr>
<tr>
<td>Female</td>
<td>47</td>
<td>48.5</td>
</tr>
<tr>
<td>No response</td>
<td>2</td>
<td>2.1</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td>97</td>
<td>100.00</td>
</tr>
<tr>
<td><strong>Working experience</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From 0 to 10 years</td>
<td>11</td>
<td>11.3</td>
</tr>
<tr>
<td>from 11 to 20 years</td>
<td>37</td>
<td>38.1</td>
</tr>
<tr>
<td>from 21 to 30 years</td>
<td>21</td>
<td>21.6</td>
</tr>
<tr>
<td>from 31 to 40 years</td>
<td>17</td>
<td>17.5</td>
</tr>
<tr>
<td>from 41 to 50 years</td>
<td>5</td>
<td>5.2</td>
</tr>
<tr>
<td>No response</td>
<td>6</td>
<td>6.2</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td>97</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Average daily hours using electronic devices to communicate (working hours included)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less or equal to 2 hours</td>
<td>7</td>
<td>7.2</td>
</tr>
<tr>
<td>from 2 to 4 hours</td>
<td>9</td>
<td>9.3</td>
</tr>
<tr>
<td>from 4 to 6 hours</td>
<td>20</td>
<td>20.6</td>
</tr>
<tr>
<td>from 6 to 8 hours</td>
<td>33</td>
<td>34.0</td>
</tr>
<tr>
<td>More than 8 hours</td>
<td>11</td>
<td>11.3</td>
</tr>
<tr>
<td>No response</td>
<td>17</td>
<td>17.5</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td>97</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Non-persuasive speakers**

This group included nine public employees (9.28% of the sample). They showed above average abilities to pass on information. Also, their ability to listen and understand was above average. However, they showed difficulty concerning their abilities to persuade. The members of this group had an average of 20.2 years of experience. Also, most of them were interacting with users less than 30% of the time during their work period. Almost 45% of them used electronic devices to communicate between 4 and 8 hours.

**Empathetic listeners**

This group included four public employees (4.12% of the sample). This group tended to have a dominant ability to listen and understand. However, their ability to pass on information was below average. The members of this group had an average of 18.3 years of experience. The majority of the group members were female employees, and they had less than 30% interaction with users during their work period.
### TABLE 2 – ORAL COMMUNICATION PROFILES

<table>
<thead>
<tr>
<th></th>
<th>EXC-Excellent communicators</th>
<th>NPS- Non-persuasive speakers</th>
<th>EML- Empathetic listeners</th>
<th>OWC - One-Way communicators</th>
<th>AVC - Average communicator</th>
<th>POC- Poor communicators</th>
<th>UNC- Undefined communicator</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of cases in sample:</td>
<td>35.05%</td>
<td>9.28%</td>
<td>4.12%</td>
<td>2.06%</td>
<td>4.12%</td>
<td>12.37%</td>
<td>32.99%</td>
<td></td>
</tr>
<tr>
<td>Composite competencies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>API – Ability to pass on information</td>
<td>4.10 (+)</td>
<td>4.22 (+)</td>
<td>3.19 (-)</td>
<td>4.25 (+)</td>
<td>4.06 (+)</td>
<td>3.13 (-)</td>
<td>3.38 (-)</td>
<td>14.20**</td>
</tr>
<tr>
<td>APO – Ability to persuade</td>
<td>3.92 (+)</td>
<td>2.52 (-)</td>
<td>3.58 (-)</td>
<td>3.33 (+)</td>
<td>3.83 (+)</td>
<td>2.58 (-)</td>
<td>2.82 (+)</td>
<td>12.62**</td>
</tr>
<tr>
<td>ALU – Ability to Listen &amp; Understand</td>
<td>4.57 (+)</td>
<td>4.56 (+)</td>
<td>4.63 (+)</td>
<td>1.75 (-)</td>
<td>3.50 (-)</td>
<td>2.92 (-)</td>
<td>3.55 (-)</td>
<td>18.14**</td>
</tr>
<tr>
<td>Individual competencies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Describe differences of opinion</td>
<td>4.00 (+)</td>
<td>3.11 (-)</td>
<td>3.75 (+)</td>
<td>4.00 (+)</td>
<td>3.75 (+)</td>
<td>3.00 (-)</td>
<td>3.38 (-)</td>
<td>3.61**</td>
</tr>
<tr>
<td>Obtain information</td>
<td>3.50 (+)</td>
<td>3.78 (+)</td>
<td>2.75 (+)</td>
<td>4.00 (+)</td>
<td>3.75 (+)</td>
<td>3.08 (-)</td>
<td>2.97 (-)</td>
<td>2.26*</td>
</tr>
<tr>
<td>Pronounce words correctly</td>
<td>4.24 (+)</td>
<td>4.44 (+)</td>
<td>4.00 (+)</td>
<td>4.00 (+)</td>
<td>5.00 (+)</td>
<td>3.58 (-)</td>
<td>3.63 (-)</td>
<td>3.40**</td>
</tr>
<tr>
<td>Be credible/facial expression</td>
<td>4.50 (+)</td>
<td>4.44 (+)</td>
<td>4.75 (+)</td>
<td>5.00 (+)</td>
<td>4.75 (+)</td>
<td>3.25 (-)</td>
<td>3.68 (-)</td>
<td>4.61**</td>
</tr>
<tr>
<td>Introduce self</td>
<td>3.85 (+)</td>
<td>2.67 (-)</td>
<td>3.50 (+)</td>
<td>3.50 (+)</td>
<td>3.00 (-)</td>
<td>2.50 (-)</td>
<td>3.06 (-)</td>
<td>4.14**</td>
</tr>
<tr>
<td>Present ideas clearly</td>
<td>4.32 (+)</td>
<td>3.89 (+)</td>
<td>3.75 (+)</td>
<td>3.00 (-)</td>
<td>3.25 (-)</td>
<td>2.50 (-)</td>
<td>3.22 (-)</td>
<td>8.83**</td>
</tr>
<tr>
<td>Explain organized</td>
<td>4.38 (+)</td>
<td>3.67 (-)</td>
<td>4.50 (+)</td>
<td>3.50 (-)</td>
<td>4.50 (+)</td>
<td>3.64 (-)</td>
<td>3.75 (-)</td>
<td>2.64*</td>
</tr>
<tr>
<td>Direct accurate</td>
<td>4.26 (+)</td>
<td>4.22 (+)</td>
<td>4.50 (+)</td>
<td>4.00 (+)</td>
<td>3.50 (-)</td>
<td>3.25 (-)</td>
<td>3.50 (-)</td>
<td>2.62*</td>
</tr>
</tbody>
</table>

Notes: ** α=0.01; * α=0.05; (-) lower scores than average of all employees; (+)- higher scores than average of all employees; * Individual competencies presenting significant differences between communication profiles.
One-way communicators

This group included two public employees (2.06% of the sample). They showed above average abilities in passing on information and persuasive speaking. However, they showed below average ability to listen and understand. The members of this group had an average of 11 years of experience and are females.

Average communicators

This group included four public employees (4.12% of the sample). They showed average abilities in all dimensions. They had an average of 25 years of experience. Fifty percent of the members of this group are males, and fifty percent are females.

Poor communicators

This group included twelve public employees (12.37% of the sample). The members of this group showed below average abilities for all oral communication dimensions. Fifty percent of these employees had between 11 and 20 years of experience. Half of them are females, while the other half are males. Forty-one percent of them were interacting with users less than 30% during their work period. Almost 58% of them used electronic devices to communicate between 4 and 8 hours.

Undefined communicators

This group included 32 public employees (32.99% of the sample). It included the respondents that could not be included in the previous profiles. Although members of this group had average values (better than the poor communicators), only two of them were below the average. Their ability to persuade dimension was found to be positive, which was near the average. Thirty-seven percent of these employees had between 11 and 20 years of experience. Sixty-two and a half percent of the employees are males. Twenty-eight percent of the employees were interacting with users less than 30% during their work period. Almost 49% of members of this group used electronic devices to communicate between 4 and 8 hours.

CONCLUSIONS AND IMPLICATIONS

Using a sample of ninety-seven Portuguese city hall employees, officials and administrators at different levels of operations, this exploratory research attempted to classify the participants with regard to their ability to pass, persuade and understand information into different profiles. In addition, other relevant characteristics of the participants were examined.

Based on the findings of this investigation, the following conclusions and implications are in order. First, with the dimensions of oral communication studied in mind, only thirty-five percent of these participants were found to be excellent communicators, while about 17% were classified as either poor or average communicator. Second, the majority of the participants were classified with regard to oral communication as not persuasive speakers, empathetic listeners, one-way communicators, poor communicators or even average communicators. This finding has training and development implications for these organizations. Active training and continuing education efforts are needed to enhance the oral communication skills of these officials and administrators. In this context, joint cooperation with higher education could be used toward that end.

Third, the majority of participants appear to use communication technology in conducting the different facets of operations. This could be attributed to recent investments in modern communication technologies in the public sector. However, more should be done to ensure that this communication technology is used effectively toward providing citizens with good services.
Public sector organizations must balance the utilization of communication technology with the need to strengthen oral communications skills, as both are important to the effective services they provide. Such balance should enhance both front and back office operations.

Overall, communication skills in general and oral communication skills in specific represent important skills, which are needed to make today’s public sector organizations truly open systems. In such open systems, citizens can interact freely with the system to obtain timely and quality services. In this context, improving the oral communication skills of the public sector officials and administrators should significantly contribute to this end. In general, the findings appear to point to a state of confusion with regards to the effective utilization of oral communication skills in the public sector. This confusion is bound to negatively impact services rendered to citizens in an open system public sector operational environment. The movement toward electronic government should not be at the cost of reducing the significance of oral communications skills, rather both aspects should be complementary to serve the citizens better.

REFERENCES


The Need for Competing Commitments Research: Coping with Change in Knowledge Management

Jamie O’Brien, St. Norbert College

Abstract: For every chief executive presiding at the top of some organization, there are thousands of men and women called upon to exercise temporary and sustained leadership over a project or a team. When we come to find ourselves in these leadership roles, we are soon confronted with a set of daunting recognitions: Leadership involves trying to effect meaningful change; It is very difficult to bring about significant changes in any human group without changes in individual behaviors; It is very hard to sustain significant changes in behaviors without significant changes in individuals; It is very difficult to lead on behalf of other people’s changes in their underlying ways of making meaning without considering the possibility that we ourselves must change. This research discusses the need for competing commitment research and coping with change in knowledge management research.

INTRODUCTION

It’s a common situation in the world of business – visions are articulated but nothing happens. When anxiety reaches certain thresholds, even the most learned ideas can begin to function as superstitions (Friedman, 2007). Plans are created, and even beautifully published; yet they often end up sitting on a shelf somewhere. Many organizations even summon the collective group to carry out those plans. Many organizations pay consulting firms millions of dollars for strategic planning support that senior leadership feels are worth every penny. The plan makes ‘brilliant sense!’ ‘We should carry them out, and we will!’ I have heard this in my organization, and I am sure you have heard it in yours. But nothing happens. These noble aspirations often lead to very minor change. Why then, do the outcomes so frequently pale in relation to the vivid description of the aspirations? Why does so little real change occur? Why do the change agents often reproduce so often something that resembles the original article? According to Kegan and Lahey (2001a), and McAvoy and Butler (2005), blame is usually assigned to other people: They undermine us; resistance; Expectations were too high; the population we were dealing with was too difficult; We didn’t have adequate resources; There weren’t enough of us; A real reform takes ten years; In the end, top management lacked courage. According to O’Brien and others (O’Brien, 2017, 2016, 2015a, 2015b, 2014, 2013a, 2013b, 2013c; Purcell and O’Brien, 2015; Walsh and O’Brien, 2017) the cultural components have not been explored, the cross-functional benefits have not been realized, the actual functional issues at the front-lines have not been understood, the effects of information system use toll on group cohesion has not been examined, employee knowledge needs have not been met, managers don’t understand the interplay between the services the organization is providing versus the knowledge needed to provide that service or even whether the organization is exploiting its knowledge or searching for new knowledge. Indeed, all of these things could be true, but the author suspects as do Kegan and Lahey, that the bigger problem lies with the change agents themselves (Kegan, and Lahey, 2016; Christensen, 2010).

There is a critical piece too often left out of the organizational change process and it rests on a simple premise. According to Kegan and Lahey (2001a), it may be impossible to for us to bring about any important change in a system or organization without first changing ourselves. The caveat is that for every commitment we genuinely hold to bring about some important change, there is often another commitment we hold that has the effect of preventing the change. If the stories of organizational change we continue to create are partial stories, tales that tell only half truths, we cannot expect to succeed. If we hear our organizational leaders say “I haven’t the time for all this soul-searching; let’s just jump in, and we’ll work out the problems as we come upon them”, we will continue to produce mediocre and disappointing results.
For every chief executive presiding at the top of some organization, there are thousands of men and women called upon to exercise temporary and sustained leadership over a project or a team. For every person assuming leadership because they were sought out, there are countless others who lead because they were approached or asked to, because somebody has to! Indeed, when we come to find ourselves in these leadership roles, we are soon confronted with a set of daunting recognitions (Kegan and Lahey, 2001a):

- Leadership involves trying to effect meaningful change.
- It is very difficult to bring about significant changes in any human group without changes in individual behaviors.
- It is very hard to sustain significant changes in behaviors without significant changes in individuals.
- It is very difficult to lead on behalf of other people’s changes in their underlying ways of making meaning without considering the possibility that we ourselves must change.
- Because knowledge exists within the firm, and is explored and exploited by the firm, it can be difficult for leaders to align cultural and operational components to allow our employees to be successful during change projects (O’Brien, 2017, 2016, 2015a; Purcell R, and O’Brien, 2015).

The goal of this paper seeks to begin to ask the questions that will help researchers explore how we can break down resistance – our own and that of others? How can we overcome our defensiveness? How can we reduce our fear? How can we use these insights in Knowledge Management? Should we be doing more to explore these questions in the field?

**THE POTENTIAL IN COMPLAINING**

The language of complaining and ‘whining’ is a highly frequented conversational form but is not usually associated with personal learning and reflective leadership. Indeed, in most organizations the author has worked in, it is not some unique flower requiring a discourse shaping language – complaining grows on its own and, as Kegan and Lahey (2001a) point out, it is alive and well in nearly every work setting, whether high functioning or underperforming. Indeed, in previous work the author has published (O’Brien, 2015b, 2014, 2013a, 2013b, 2013c), one of the observations I have made is ‘complaining’ is at the heart of most organizational problems that people care about. The biggest issue with the language of complaining is that it doesn’t help transform or change anything. Can it help people feel like they are blowing off steam? Sure. Can it help people feel less alone in their unhappiness or resentment? Yes. But does it ever accomplish any more than this? Rarely.

So why even waste time talking about the widespread, non-transformational form of organizational behavior? Well, as so eloquently posited by Kegan and Lahey (2016, 2001a), if we pay attention to complaints in a way people rarely do, there is an untapped potential. One of the characteristics of complaining is that it also tends to be passionate, and where there is passion there is also possibility for transformation (Kegan and Lahey, 2001b). The root of this transformation is the idea that a person would not complain about something if they did not care about it (Kegan and Lahey, 2009). Behind our complaint lies our ‘hidden caring’. One could suggest – shouldn’t we turn our back on the language of complaint? The author contends it is likely never a good idea, in an organization, to turn our back on anything where people have or are investing so much energy. So how can we foster an environment where we can use the language of complaint for good? First, we need to find out what our employees care about. Kegan and Lahey (2001b) suggest asking several questions.
The first is:

Q1: What sorts of things – if they were to happen more frequently in your work setting – would you experience as being more supportive of your own ongoing development at work?

Before we explore this question, there are a few points worth noting. Kegan and Lahey (2001a), suggest that: (1). There is no special or technical meaning for development here; respondents should feel free to think about what would be supportive to their ongoing growth. (2). Respondents should not feel like they must edit their responses through a filter of ‘reasonableness’. The question is meant to create a thinking exercise. (3). Respondents may find it helpful to consider troubling or constraining things – if they were to happen less frequently – they would also find more supportive an environment.

Kegan and Lahey (2001a) offer some useful excerpts when they have posed this question:

“Nobody really talks to each other in our shop; people talk about each other. There’s an incredible amount of dysfunctional behind the back gossip, really, and running each other down. People have issues with other people, but the way we handle it is that we talk about it with other people. We don’t do to the person we have the issue with.” p.17

“I can never tell my boss what I’m really thinking, and that’s an obvious barrier to my growth. He just has this style of having it all together all the time, and of expecting everyone else to have it all together.” p. 17

This question, according to Kegan and Lahey (2001a), produces language that thematically always produces complaint, disappointment, or criticism. This problem with this language is that it doesn’t transform anything, it doesn’t go anywhere – it becomes an end in itself. How do we then move from complaint to commitment or conviction? To place an employee in a transformative relation to these thoughts, a second question should be pondered:

Q2: What commitments or convictions that you hold are actually implied by your earlier response?

Most respondents can likely generate a number of these convictions. The quickest way to then think about this conviction in a positive light is to use the sentence:

Q3: Converted to a statement: I am committed to the value/the importance of…

For example, the earlier excerpt about nobody in the office talking to each other was converted to the following statement: I am committed to the value/the importance of…”more open and direct communication at work”.

The realm of complaint is a highly unproductive one at work, but rather than seeing it as a problem to be solved, leaders should make use of the energy here by seeing it as a path to a less-populated and far more productive realm where we identify and give voice to our personal commitments at work. This can be achieved through, as Kegan and Lahey (2001a) suggest, fostering a language of context – a place to honor our critical evaluations as opportunities to identify not only what we cannot stand, but also what we are ready to stand for.

FROM BLAMING OTHERS TO PERSONAL RESPONSIBILITY

Consider the usual range of responses, as leaders, when people come with their complaints. We may hear language encapsulating sympathy and empathy to let the person know we understand. Indeed, because people in leadership positions are afforded more information on different scenarios, they may try to get
the person to broaden their perspective, or sometimes, out of misguided generosity the leader tries to be the be-all and end-all fix for all problems. As Kegan and Lahey (2001a) suggest, there is nothing inherently wrong with this, although an alternate response is also possible. An alternate way of thinking about this is to honor the complaint – create an opportunity for employees to identify what they care about most in the situation at hand and what their complaint shows they are most committed to.

**TABLE 1: FROM COMPLAINT TO COMMITMENT**

<table>
<thead>
<tr>
<th>Language of Complaint</th>
<th>Language of Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Easily and reflexively produced</td>
<td>Rare unless explicitly intended</td>
</tr>
<tr>
<td>Expresses what a person can’t stand</td>
<td>Explicitly expresses what a person stands for</td>
</tr>
<tr>
<td>Leaves the speaker feeling like a cynical whiny person</td>
<td>Leaves Speaker feeling live a person filled with conviction</td>
</tr>
<tr>
<td>Generates frustration</td>
<td>Generates energy</td>
</tr>
<tr>
<td>Sees complaint as signal of what’s wrong</td>
<td>Sees complaint as a signal of what someone cares about</td>
</tr>
<tr>
<td>Non-transformational – rarely goes anywhere beyond letting off steam</td>
<td>Transformational – anchors principles to purpose directed work</td>
</tr>
</tbody>
</table>

*Source: adapted from Kegan and Lahey (2001a)*

The language of complaint essentially tells us, and others what it is we can’t stand. The language of commitment tells us and others what it is we stand for. If we can use our complaints to enable us to make a shift from experiencing ourselves as primarily disappointed, complaining, critical people to experiencing ourselves as committed people who hold convictions about what is most valuable, this could have a transformational effect on many organizations.

Typically, there are many players and conditions that contribute to things being the way they are in organizations. As a result, we can point to a variety of factors when we think who is responsible for our commitments not being realized. However, if we were to put together a list of people who are responsible for our commitment not being realized, would our own name appear on that list? The fourth question is reflective in nature:

**Q4: What are you doing, or not doing, that is keeping your commitment from being more fully realized?**

From the earlier example of the office where people talk about one another, here this respondent suggests that they don’t speak up when people are violating a norm they value.

The goal here is not to suggest fault – however there are few occasions in life where we don’t have a personal role in the way that scenario has developed. The idea is to explore whether the person is doing anything themselves that may be inherently preventing their commitment from being realized. An example of what we may do that keeps our commitment from being realized is something like, an employee taking on too many work commitments so that they don’t have time to devote to what they are really committed to. An example of what we may not do that keeps our commitment being realized might be a person not asking their supervisor or peers at work for what that person wants. This is somewhat further highlighted in Table 2 below.
TABLE 2: FROM BLAME TO PERSONAL RESPONSIBILITY

<table>
<thead>
<tr>
<th>Language of Blame</th>
<th>Language of Personal Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Easily and reflexively produced; comfortable to express</td>
<td>Rare unless and uncomfortable to express</td>
</tr>
<tr>
<td>Holds the other person responsible</td>
<td>Expresses specific behaviors we personally engage in and fail to engage in that create gaps</td>
</tr>
<tr>
<td>Generates frustration, alienation and impotence of speaker</td>
<td>Draws on momentum of our commitments</td>
</tr>
<tr>
<td>Generates defensiveness in others</td>
<td>Generates productive conversation about both parties’ contribution to gap</td>
</tr>
<tr>
<td>Non-transformational; rarely goes anywhere; deflects our attention to places where we have little to no direct influence</td>
<td>Transformational; directs our attention to places where we have maximum influence</td>
</tr>
<tr>
<td>At best, raises questions only for others</td>
<td>Raises questions for oneself</td>
</tr>
</tbody>
</table>

Source: adapted from Kegan and Lahey (2001a)

For the final question worth exploring, in this paper, the author wonders why often our sincerest intentions (for example a New Year’s Resolution) have so little power? As this paper has suggested, perhaps there are bigger forces at work. Indeed, one of the most important things to discover is what these hidden forces might be. With that in mind, and tied to the previous question, the fifth question worth exploring is:

Q5: When you think of doing otherwise, are you aware of anything that feels vaguely like a fear or worry?

The researcher must be careful here. If we stop at this gateway, with our fears, one could expect that a respondent may relate to their undermining behavior in a very passive way. For example, one could respond “I have a fear of being out of control”, or “not being viewed kindly by co-workers”. Something else happens, as Kegan and Lahey (2001a) point out, if we relate to our fears more actively, by considering that we may not just have fears, but we discover that we may indeed be committed to keeping those things that we are afraid of from happening. For example, it’s one thing to be afraid of being turned down if asking a supervisor for something. It’s another entirely to be committed to not putting oneself in a situation where one can be disappointed.

Having identified the fear or discomfort associated with doing other than you are doing frames the fear. This sounds odd, but it frames the fear as an active commitment that you are committed to keeping from happening. This is the respondent’s competing commitment.

In the running example from earlier, the respondent described a situation at work where people talked about each other which led to the commitment of more open and direct communication at work. This led the respondent to realize their role in the problem (they don’t speak up when people are violating a norm they value), as they tacitly collude with it being ok to talk about people behind their backs. Finally, for this person when asked the fifth question, they are committed to not being seen as the ‘holier-than-thou’ type of employee – the idea that they want people to feel comfortable with them. Here we are moving from that place of sincerity to the place we would, organizationally, like to explore – competing commitments. This is highlighted in Table 3 below.

PROPOSED METHODOLOGY FOR DEPLOYING COMPETING COMMITMENTS IN KM

A synthesis of the prior knowledge management literature (Banerjee, 2003; Benbasat et al., 1987; Walsh, and O’Brien, 2017, O’Brien, 2017, 2015a) suggests that there are major gaps in our knowledge about competing commitments. In particular, no prior study has investigated the exploration of competing
commitments in the knowledge management sphere. A case research methodology will therefore be chosen for this study in order to collect rich descriptive data on competing commitments in knowledge management scenarios. The case research approach also allows the researcher to take advantage of unique case features and opportunities for triangulation (Eisenhardt, 1989). The primary drawback to this approach is that the generalizability of the results is limited to propositions for future research, not to a population. A theoretical sampling method will be utilised to identify multiple case sites that will allow the author to confirm or disconfirm the propositions in the study. Senior managers, front line workers and others of varying units will participate in the data collection stage. These case sites will provide an appropriate theoretical sampling for the following three reasons.

**First**, all three will have well established implementations of knowledge management systems.

**Second**, the in-place contacts at the case sites will be the primary architects of the knowledge management system implementations being studied.

**Third**, the author will work to gain assurance of access to other senior managers at each site who could share background knowledge about the system implementations. The primary contacts will have been in their positions for a period of several years and, based on the interviews with the other managers, will be regarded as knowledgeable in these areas.

### TABLE 3: FROM SINCERITY TO COMPETING COMMITMENT

<table>
<thead>
<tr>
<th>Language of Sincerity</th>
<th>Language of Competing Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expresses sincere and genuine intentions</td>
<td>Expresses genuinely held countervailing commitments</td>
</tr>
<tr>
<td>Creates wishes and hopes for future</td>
<td>Creates an inner contradiction or map of an immune system</td>
</tr>
<tr>
<td>But contains little power</td>
<td>Contains enormous locked up power</td>
</tr>
<tr>
<td>Intent is to eliminate or reduce the problematic behavior</td>
<td>Intent is to identify the source of that behavior</td>
</tr>
<tr>
<td>The problematic behavior is seen as a sign of weakness or shame</td>
<td>Identifies a commitment to self-protection on behalf of which the problematic behavior is effective, consistent or even faithful, or brilliant</td>
</tr>
<tr>
<td>Assumes that eliminating the problematic behavior will lead to the accomplishment of the stated commitment or goals</td>
<td>Recognizes that merely trying to alter problematic behavior is unlikely to accomplish goals</td>
</tr>
<tr>
<td>Frequently attributes less effective change to other people, obstacles or lack of self-control</td>
<td>Recognizes the complex, contradictory nature of one’s own intentions</td>
</tr>
<tr>
<td>Rarely leads to significant change despite sincere intentions</td>
<td>Transformational; paradoxically increases the possibility of significant change by making clear the immune system that makes change so difficult</td>
</tr>
</tbody>
</table>

**Source:** adapted from Kegan and Lahey (2001a)

Multiple methods will be utilized to collect data on the competing commitments phenomena during the proposed field work. The primary objectives for the study will be to increase knowledge about competing commitments as well as how we can use competing commitments theory to improve knowledge management processes in organizations. First, on-site, semi-structured interviews will be conducted in order to deploy the critical questions posed by Kegan and Lahey (2009, 2001a, 2001b) at each site, as well as qualitative data on competing commitments in the case organizations. In order to obtain further
information, document analysis and non-participant observation will be administered to the same organizational participants to make sure of accuracy.

This multi-method approach will provide the opportunity to triangulate the interview findings with data collected by document analysis and observation. At the case sites a direct report to the senior management will serve as the primary contact for the researcher. The primary contact will provide relevant historical information about the company and the business service and projects assessed, assisted with the identification and solicitation of the target participants, scheduled all interviews, and provided feedback for various confirmatory documents (described below).

In consultation with the researcher, a sample of manager and non-manager will provide stakeholder viewpoints across the case sites and will be considered knowledgeable about the areas of interest surrounding competing commitments during their knowledge management scenario.

### TABLE 4: PROPOSED RESPONDENT DEMOGRAPHIC

<table>
<thead>
<tr>
<th>Case</th>
<th>Case A</th>
<th>Case B</th>
<th>Case C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Manager</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Shift/Team Leader</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Experienced ‘Knowledge Workers’</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Novice ‘Knowledge Workers’</td>
<td>8</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Total (60)</td>
<td>20</td>
<td>20</td>
<td>20</td>
</tr>
</tbody>
</table>

As can be seen in Table 4 above, the participants that will be interviewed at each company include senior management. The novice-knowledge workers that will be interviewed should include respondents not familiar with the process involved to provide balance. Prior to all on-site interviews, each participant will receive a one-page prospectus developed by the researcher that introduced the study and its objectives.

To ensure rigor, each interview will begin with a discussion of the specific questions exploring competing commitments and the role of each respondent. The data on specific responses to those questions will be elicited via open-ended questions: respondents will be asked to consider the competing commitments questions in a variety of ways. For example, if the researcher is focusing on the first question (What sorts of things – if they were to happen more frequently in your work setting – would you experience as being more supportive of your own ongoing development at work?), this can be further probed by rephrasing the question: What kinds of things, if you could, would you change at work, to get at a similar response.

Organization charts and other relevant company documents provided by the participants will also be scrutinized. Following the completion of all interviews for each case site, the responses elicited from the research questions will be aggregated in order to develop a full list of specific responses at each case site. The participants will also be asked to confirm the completeness and accuracy of the responses by adding any omitted information. The initial within-case data analysis will likely be descriptive in nature, and will be reported back to the participants in the form of a confidential report for each case site. Narrative descriptions of the overall firm, it’s organization history, and the individual (themes under investigation) in the interview schedule will be followed by a presentation of the findings on the relative importance of competing commitments in that organization at the organizations. Based on the promise of anonymity by the researcher, aggregate findings will be reported in future publications disseminating this research.

For the data analysis to evaluate the propositions/questions in this study, each company will be classified by the researcher according to the categorization scheme in Table5, and then coded according to the type of responses in the interview data. This should provide quite a deep cross-case analysis.
The competing commitments literature is the primary source for classifying the categories. The qualitative interview data will be the primary data source for the testing of the research questions. All interviews will be recorded and transcribed by the researchers. Each interview will likely last between an hour and ninety minutes, or perhaps longer based on observations made by other researchers such as Kegan and Lahey (2009, 2001b) and O’Brien (2015a). Because of the large quantity of qualitative data expected, narrative example descriptions for each specific question studied will be provided for reference through appendices similar to the study carried out in Kagan and Lahey (2009, 2001a).

The testing of the conceptual classifications (Questions 1 – 5) involves comparing the answers of respondents across the different cases. The cross-case analysis reported will corroborate evidence for the interview findings. Confirmation of the company-specific findings will be achieved in the following four ways.

First, as part of the development of the interview questions for each case firm, draft lists of job roles and backgrounds from the interview participants were reviewed by each firm's primary contact to ensure accuracy of description and shared meaning.

Second, the participants will be asked to note any omitted information during interviews.

Third, the confidential reports described above will be shared with each company's participants.

Fourth, an earlier version of this article was also reviewed by the primary contact at each case site to increase buy-in for the research project.

The above methods for this study have been selected in an attempt to satisfy the logical tests of construct validity, reliability, and external validity (Yin, 1984). The researcher will also attempted to avoid previously identified methodological problems with case-based research (Benbasat, et al. 1987). More specifically, the areas of interest are (1) the employee complaint (will likely center around an undesirable current state), (2) their actual commitment, (3) their commitment converted to a statement, (4) their personal responsibility (or their perceived role) in this stated commitment, and (5) their identified fear. Construct validity will be achieved by the collection of data from multiple informants, both by knowledge management and non-knowledge management employees, and by the participant review of the researcher's case study reports. Reliability will be achieved by the use of the same case study protocol for all three case sites. In addition, the use of multiple data collection methods will allow for triangulation across the individual interview findings. External validity, in all likelihood, will be unattainable with a three-case design; however, literal replication will be achieved because the three case sites will be similar in context, background, and type of knowledge management project implementation. Theoretical replication will likely be achieved because the three case sites will show and develop the narrative the author has constructed from the literature – that there are deeply held competing commitments stemming from change in organizations, and these commitments are worthy of exploration in knowledge management contexts.
CONCLUDING REMARKS AND PROPOSED FUTURE WORK

The goal of this paper has been to highlight the potential and eloquence in exploring competing commitments theory and to pose the question – how can academics and practitioners in knowledge management use competing commitments theory in the field? This is especially worthy of exploration in change contexts within knowledge management, where such studies do not exist. The future of this research rests in exploring competing commitments in several follow-up research papers that will, given the expected findings, explore phenomena such as observing ourselves in the workplace, actively looking for experiences that cast doubt on our assumptions, exploring organizational history, designing and running a ‘safe test’ of our assumptions, and finally, further case study research in knowledge management scenarios using competing commitment theory.

REFERENCES


Kegan, R. and Lahey, L.L., 2001a. How the way we talk can change the way we work: Seven languages for transformation. John Wiley & Sons


Culture Distance and Foreign Direct Investment Timing: Lessons from Central Europe

Susan D. Peters, University of North Carolina at Pembroke

Abstract: Most research in foreign direct investment is static: why a firm invests, which country, and which form of market entry. The question of when is usually considered only by implication – what country should be chosen now. Culture plays a role in determining market entry form, but could also affect the timing of the decision. Eastern Europe provides nearly a laboratory setting in which to investigate this phenomenon.

INTRODUCTION

Timing of entry has not received extensive study in traditional foreign direct investment theories which tend to be static in nature: why, at a particular point in time, a certain country should or should not chose to invest using a specific entry mode into a selected country. Although culture has been shown to impact entry mode (c.f., Kogut/Singh, 1988), this factor has seldom been used in other areas of foreign direct investment. In other cases, a particular cultural component has been used; corruption tends to be a favorite (c.f., Delgado, et al 2014, Quazi, 2014 and many others) and even corruption distance more recently has been investigated (Qian & Sandoval-Hernandez, 2015) Little is known about what triggers a company to move aggressively into some countries but to hold back when considering other opportunities. Culture (or cultural distance) may hold a key to this issue.

In the past, timing has been difficult to study, as comparing the international growth pattern of companies gets complicated. For example, are the differences in patterns between Apple and IBM due to corporate differences or the age of the companies? The situation in Central and Eastern Europe provides almost a laboratory setting in which to study timing. Before 1989, no company from a country not in the Council of Mutual Economic Cooperation (COMECON) was allowed to have a presence in the region, barring a few cases mostly restricted to narrow licensing agreements. This provides researchers with a set of countries with a "ground zero" date. Additionally, the cultural diversity among these countries allows the study of the impact of cultural differences.

The purpose of this study is to learn something about the question of "when." Why is it - all else equal that some firms chose to enter a country early while other chose to wait until later? Most research in this area has looked at either organization factors (company size, previous multinational experience and the like) or locational factors (market growth, availability of resources or labor, among many others). Based on these studies one could assume that two companies in the same industry and with comparable organizational strengths, looking at the same country should both make the same entry decision at about the same time. A corollary would be that the "stronger" firm (larger, more multinational, for example) would invest sooner than the "weaker" firm. These entry-timing scenarios do not always happen, and there are likely other factors that differentiate these two companies, ones that have not been considered.

Furthermore, managers are thought to be rational decision makers, little influenced by feelings and emotions. Market entry decisions should be based on measurable factors such as return on investment or market potential or, at a minimum, how the investment fits into the overall, corporate strategy. Again, this is only a small part of the puzzle, and firms looking at "equal" investments often select one at the expense of the other. Perhaps both of these scenarios can be partially explained by cultural distance.
LITERATURE REVIEW

Several separate research streams contribute to this study. Foreign direct investment literature seeks to show the rationale firms use to select investment over exporting or another non-equity position. Research on culture provides the basis for understanding the influences on the entry decision, specifically the timing of entry, a third literature stream.

Two major schools of foreign direct investment theory deserve review given the context of this paper: internationalization the only foreign direct investment theory built around the idea of culture - and eclectic or OLI theory. Internationalization theory (c.f., Johanson/Vahlne, 1977; Johanson/Wiedesheim-Paul, 1975) found that firms tended to make their earlier foreign direct investment efforts in countries that were physically and psychically close to the parent culture. Early ventures took the form of licensing or other low risk forms and were made in countries where exporting activities had been going on for some time. Later as the companies gained confidence, knowledge, and experience, they were likely to venture further abroad and/or to look at equity based foreign direct investment. Psychic distance includes any factor that prevents or distorts information flow between the firm and market. Determinants of psychic closeness include things such as a common language, history, government, economic system, standard of living and other factors, many of which are commonly denominated as culture. Although there may be application of this theory in Central Europe as time goes on, many firms chose to enter into the region initially with equity positions from the start - not slow and incremental.

Dunning's Eclectic or OLI theory (1981) provides a way of encapsulating or harmonizing most schools of foreign direct investment theory. His paradigm shows foreign direct investment as a product of three types of factors: ownership, location and internalization (OLI): ownership factors are those created and organized quite independently of other firms and include things such as superior knowledge, efficient production, marketing skills, and the like. For a firm to invest abroad, it must possess (or be able to obtain) some sort of ownership specific advantage not available to other competitors or available to them only at a higher cost. Location factors are specific to host countries and include work force ethics, trade barriers, inflation rates, market size, market growth, and many other factors specific to a given location. Internalization occurs when the expected net present value of an investment project is positive and greater than those of alternative modes. It takes a combination of all three factors to create a foreign direct investment opportunity. Ownership and locational factors make foreign production activities profitable and the internalization advantages make an investment the best way to exploit these activities.

Cultural factors fall under each category to some extent. The cultural characteristics of companies - their aversion to risk, for example - has an impact on how much to invest, what form an investment should take, in which countries to invest and, quite possibly, the timing of entry into a particular country. Cultural aspects of a potential investment opportunity country include work ethic, attitudes towards corruption or piracy that determines a country's attractiveness for foreign investment. Moreover, the interaction of the two - the cultural distance between the parties - provides an additional "wrinkle" in the analysis.

Hofstede (1980, 1997) exhaustive study identified four cultural factors and used them to rank the countries. For the purposes of this research, however, Hofstede's work does not include any Central European countries. Trompenaars and Hampden-Turner (1998) conducted a study similar in concept to Hofstede's and included the countries in question.

Figure 1 summarizes some of the major foreign direct investment studies that have included culture as a factor, while figure 2 offers a look at those studies investigating the timing of foreign direct investment. Figure 3 captures some of the work on FDI into Central and Eastern Europe. While not an exhaustive list, the number of studies has been relatively small and none of these has tried to combine both areas in the way proposed in this study.
### FIGURE 1: SUMMARY OF CULTURE AND FDI STUDIES

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Cultural Variables Studied</th>
<th>Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kogut &amp; Singh 1988</td>
<td>Uncertain avoidance &amp; Cultural distance</td>
<td>Market entry mode</td>
</tr>
<tr>
<td>Li &amp; Guisinger (1992)</td>
<td>Cultural distance</td>
<td>Market entry time period; service industry</td>
</tr>
<tr>
<td>Erramilli &amp; Rao (1993)</td>
<td>Cultural distance</td>
<td>Entry mode; service industry (not significant)</td>
</tr>
<tr>
<td>Erramilli &amp; D'Souza (1993)</td>
<td>Cultural distance &amp; Uncertainty avoidance</td>
<td>FDI or not; service industry</td>
</tr>
<tr>
<td>Agarwal (1994)</td>
<td>Cultural distance</td>
<td>Propensity to use joint venture</td>
</tr>
<tr>
<td>Loree &amp; Guisinger (1995)</td>
<td>Cultural distance</td>
<td>US initiated FDI only</td>
</tr>
<tr>
<td>Erramilli (1996)</td>
<td>Cultural distance &amp; Uncertainty avoidance</td>
<td>Likelihood of majority ownership</td>
</tr>
<tr>
<td>Dunning &amp; Bansal (1997)</td>
<td>Cultural distance; all Hofstede indicators</td>
<td>Location of FDI &amp; market entry mode; non-empirical</td>
</tr>
<tr>
<td>Hennart &amp; Larimo (1998)</td>
<td>Power distance, Uncertainty avoidance, &amp; cultural distance</td>
<td>Use of joint venture versus wholly-owned subsidiary</td>
</tr>
<tr>
<td>Brouthers, Brouthers &amp; Nakos (1998)</td>
<td>Power distance &amp; Uncertainty avoidance</td>
<td>FDI in Eastern Europe (neither significant)</td>
</tr>
<tr>
<td>Ursacki &amp; Vertinsky (1992)</td>
<td>Egalitarianism, cultural distance</td>
<td>Timing not addressed</td>
</tr>
<tr>
<td>Brouthers, Brouthers &amp; Nakos (1998)</td>
<td>Power distance &amp; Uncertainty avoidance</td>
<td>FDI in Eastern Europe (neither significant)</td>
</tr>
<tr>
<td>Loree &amp; Guisinger (1995)</td>
<td>Cultural distance</td>
<td>US initiated FDI only</td>
</tr>
<tr>
<td>Loree &amp; Guisinger (1995)</td>
<td>Cultural distance</td>
<td>US initiated FDI only</td>
</tr>
<tr>
<td>Blonigne &amp; Piger (2014)</td>
<td>Cultural distance</td>
<td>Timing not addressed</td>
</tr>
</tbody>
</table>

### FIGURE 2: SUMMARY OF TIMING OF MARKET ENTRY LITERATURE

<table>
<thead>
<tr>
<th>Study</th>
<th>Major Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aliber (1970)</td>
<td>Market size influences timing; cost factors secondary</td>
</tr>
<tr>
<td>Johansson &amp; Vahline (1977); Johansson &amp; Wiedesheim-Paul (1975); Chan (1995)</td>
<td>Increased market knowledge leads to a stronger commitment and then to foreign direct investment. Internationalization theory</td>
</tr>
<tr>
<td>Mascarenhas (1992)</td>
<td>Oilrigs: large developed markets are entered sooner than less developed; MNCs and local firms enter before smaller firms</td>
</tr>
<tr>
<td>Tan &amp; Vertinsky (1992)</td>
<td>Japanese electronics firms in US: early, late or no entry based on firm size, profitability, advertising intensity, previous exports liquidity and vertical integration</td>
</tr>
<tr>
<td>Ursacki &amp; Vertinsky (1992)</td>
<td>Banks: size and multinationality influence entry timing</td>
</tr>
<tr>
<td>Loree &amp; Guisinger (1995)</td>
<td>Two points in time (1977 versus 1982); focused on incentives and tax rates, but found some support of cultural distance; US initiated FDI only.</td>
</tr>
<tr>
<td>Blonigne &amp; Piger (2014)</td>
<td>FDI influenced by cultural distance among other variables; Timing not addressed.</td>
</tr>
</tbody>
</table>
FIGURE 3: RESEARCH WITH A STRONG FOCUS ON CENTRAL AND EASTERN EUROPE

<table>
<thead>
<tr>
<th>Study</th>
<th>Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resmini (2000)</td>
<td>EU countered to CEE countries only. No cultural variables; Timing not considered</td>
</tr>
<tr>
<td>Bevan &amp; Estrin (2004)</td>
<td>Mostly EU to CEE countries. No cultural variables; no timing</td>
</tr>
<tr>
<td>Carstensen &amp; Toubal</td>
<td>No cultural variables; Timing not considered</td>
</tr>
</tbody>
</table>

RESEARCH DESIGN

The countries of Poland, Hungary and the Czech Republic are selected to test this idea. These countries are comparatively equal in terms of government openness or restrictions, political stability and economic development and usually show up as the top three countries of the region in these areas. This similarity should allow for control of some of the variables that might influence timing decisions.

As discussed earlier, much of the research done to date has focused on whether or not an investment should be undertaken by a particular firm in a particular country at a specific moment in time. Although the element of timing is somewhat implicit (e.g., should foreign direct investment be done now?) these studies are static in nature. Many variables have been used to study foreign direct investment decisions and entry modes, and only some of these will be of relevance to the present research.

Firm-Specific Factors (Internalization or Ownership Factors)

The rationale behind using firm size as a determinant of foreign direct investment activity is that larger firms are able to collect market intelligence easier, determine profitable opportunities more quickly, take larger risks and absorb higher fixed costs. These factors allow them to enter markets sooner than a smaller firm that may need to acquire outside help or who may move much more cautiously, seeking additional information before making decisions. Host country governments may find them more attractive, although the converse is also true. This variable has been tested as an important predictor to foreign direct investment and has often been found significant (c.f., Agarwal/Ramaswami, 1992; Erramilli/Rao, 1993; Hennart/Larimo, 1998; Kogut/Singh, 1988; Li/Guisinger, 1992) and significant in Eastern Europe (Brouthers, et al., 1998). In foreign direct investment timing studies (Mascarenhas, 1992; Tan/Vertinsky, 1986; Ursacki/Vertinsky, 1992), larger firms were more likely to enter a foreign market sooner than smaller firms were. Firm size is generally determined by sales though there have been other proxies such as employees or assets.

H1: As firm size increases, entry is earlier

Multinational companies learn from their prior international experiences by achieving economies of scale and/or scope. They seek geographic diversification to shift costs and risks. Firms with more multinational experience also are likely to have the experienced personnel available to locate opportunities, conduct international negotiations and manage cross-culturally than firms with little or no international business experience. The learning that a firm acquires from earlier foreign direct investment enables it to evaluate opportunities more effectively and to be less "overwhelmed" by the potential problems and cultural differences perceived in international transactions. These reasons apply to timing of entry. This has been tested as a reason for foreign direct investment or type of entry mode (Agarwal/Ramaswami, 1992), in Eastern Europe (Brouthers, et al., 1998) and timing (Mascarenhas, 1992; Tan/Vertinsky, 1996; Ursacki/Vertinsky, 1992). The number of countries in which a firm has a direct investment presence will measure the degree of internationality.
H2: The more multinational a firm is, the earlier the entry.

**Country Specific Factors (Locational Factors)**

The country-specific variables used in the present study are mostly for control. Any firm seeking to enter the area will be faced with the same sorts of country-specific factors. Since the purpose of this study is to determine whether cultural distance has an impact, it is important to control for factors that may overshadow it.

Large or high growth host markets are more interesting markets in which to invest as they have the potential for higher returns. This was supported in multiple studies (Agarwal 1994; Erramilli 1996; Li/Guisinger 1992) and also supported as a major reason for entering Eastern Europe (Estrin/Meyer 1999, Bevan/Estrin, 2004). The OECD (1994) found market size to be the number one motivator for 44% of the firms investing in Eastern Europe. Aliber (1970) also found it important in his timing study.

H3: The larger the host market size, the earlier the entry.

Lower labor costs are an incentive to investment as a cost-lowering feature and have been found to be an indicator of propensity to engage in foreign direct investment activities (Kim/Song, 1987; Rolfe, et. al. 1993, Bevan/Estrin 2004). Wages are still low in Eastern Europe, but employees fairly highly trained in the region, making this an attraction mentioned by investors (Estrin/Myers, 1998, Bevan/Estrin 2004, Resmini, 2000) in spite of work culture issues and lack of certain types of skills. Wages have tended to rise over the time in question and this may have encouraged investors more in the earlier stages. Unit labor cost will be used rather than real wage as the former incorporates productivity.

H4: The lower the cost of labor, the earlier the entry.

A variety of factors traceable to the host government have been thought to influence foreign direct investment decisions including restrictions on business, openness to foreign direct investment, political stability, and various risk factors (political risk, business risk, contractual risk and political risk). The results have been mixed in the research, perhaps due to no consensus on how to measure this variable. However, the various government and economic factors cannot be totally discounted as having no effect upon timing of entry. Many of these factors alone would have nearly a perfect correlation with year during this time period in this region. A composite variable - country attractiveness - could capture many of these various elements and may not be as highly correlated. Country attractiveness will be estimated by using a standardized average value of various key economic data: GDP growth, population growth, discount rate (negative), inflation (negative), exchange rate changes (against the dollar) and country risk factors. All these are factors that attract investment to a particular area. This is not an exhaustive list, but includes variables commonly mentioned. A factor analysis of these variables shows that they load together, also. There is some precedent for such measurements (c.f., Li/Guisinger 1992; Loree/Guisinger, 1994, Carstensen/Toublia 2004).

H5: The more attractive a country is, the earlier the entry.

When cultural distance is minimized, comfort levels increase and all work or negotiations are easier to accomplish. This comfort level may translate into a less control foreign direct investment situation or an early entry decision. Cultural or psychic distance is a key component of the internationalization theory and has been found significant as both a determinant of foreign direct investment and a timing factor. Erramilli and D'Souza (1993) showed that for highly capital-intensive service firms, cultural distance reduced the likelihood of foreign direct investment or delayed it. Agarwal (1997) showed support for cultural as a determinant of whether or not to enter a country. Li and Guisinger (1992) found it had an impact on first period results, but decreased in importance after that. Brouthers, Brouthers and Nakos (1998) found it important in the foreign direct investment decision in Eastern Europe. The closer the
cultural distance, the higher the comfort level of parent company managers and the less risky (unknown) the country appears to be. Cultural distance is usually measured using a formula developed by Kogut and Singh (1988) and has been tested repeatedly (c.f., Erramilli 1996; Erramilli/Rao 1993; Agarwal 1994). This formula uses Hofstede's cultural four indicators - power distance, uncertainty avoidance, individuality and masculinity. The differences between the two countries' indices are first transformed, and then averaged. Hofstede (1980, 1997) did not include Poland, the Czech Republic or Hungary in his work. The same formula will be used only with the cultural descriptors of Trompenaars and Hampden-Turner (1998).

H6: The closer the cultural distance between home and host country, the earlier the entry.

A list of companies investing in these countries was culled from issues of various business journals - print and electronic versions - as well as various government sources available. Nearly 2000 names of companies were obtained. Some were services and eliminated from this study as the profile of service companies is likely to be different (more client followers). Companies were deleted from the original list for several reasons, most commonly due to lack of financial data (firm size), not being able to determine the exact year of entry or duplication. Several companies have been purchased, merged or divested and determining original financial data was impossible. Others were from countries not included in Trompenaars study. The final data set included 485 data points representing 21 different parent countries.

STATISTICAL ANALYSIS

Using multiple linear regression, the contribution of the variables can be assessed. Preliminary results show a statistically significant model (F score of 22.72 and an adjusted r-square of .212.). At a cutoff of .05, firm size is not significant. Although traditionally supported, there are possible reasons for this apparent discrepancy that will be explored later. Additionally, the sign of the coefficient on country attractiveness shows the opposite relationship, that is, a more attractive market delayed entry. Eliminating firm size from the model, increases the F score to 26.92 with the same adjusted r-square and minimal changes on the remaining variables (See Figure 4).

FIGURE 4: MULTIPLE LINEAR REGRESSION RESULTS

<table>
<thead>
<tr>
<th>Test</th>
<th>Constant</th>
<th>Firm Size</th>
<th>Multi-nationality</th>
<th>Market Growth</th>
<th>Labor Cost</th>
<th>Country Attractiveness</th>
<th>Cultural Distance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>3287.8</td>
<td>-1.250</td>
<td>-3.982</td>
<td>-2.247</td>
<td>6.728</td>
<td>2.651</td>
<td>3.706</td>
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<td>.212</td>
<td>.000</td>
<td>.025</td>
<td>.000</td>
<td>.008</td>
<td>.000</td>
</tr>
<tr>
<td>2</td>
<td>3303.2</td>
<td>-4.049</td>
<td>-2.209</td>
<td>6.839</td>
<td>2.623</td>
<td>2.623</td>
<td>3.743</td>
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<tr>
<td></td>
<td>.000</td>
<td>.000</td>
<td>.028</td>
<td>.000</td>
<td>.009</td>
<td>.009</td>
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</tr>
</tbody>
</table>

Linear regression using year as the dependent variable may be trying to divide the decade into time periods too small. An alternative that seems to make more sense (and one used by other timing studies) is to group years and use discriminant analysis or logistic regression. The grouping technique used relied on reviewing of academic and popular press articles published throughout the time period. The earlier years show fewer articles and only guarded interest in investment in the region; those who did might be considered either as visionaries or as gamblers. Later, Eastern Europe was the location of choice and the tone of the articles switched to "how to" articles and lists of pros and cons. Towards the end of the decade, Eastern Europe was almost passé - "everybody" was doing business there and entries into the region were no longer news; the excitement about the region had died down. In addition to a review of the literature, political, legal and economic situations in the region tend to follow the same divisions closely.
The decade was split into three sections: the highly uncertain years of 1990-91, the rapid growth years of 1992-96, and the relatively low-risk years of 1997-1999. Using this method, there are 132 firms that entered between 1990 and 1992, 177 firms between 1993-1995, and 176 firms after 1995. The discriminant analysis shows both functions significant (Chi-square values of 316 and 75) and the model correctly predicts 64.7% of all cases versus the 33.3% that could be expected. Interestingly, the first canonical function is dominated by market growth and cultural distance explaining 79.5% of the variance (see figures 5 and 6).

Based on these results, no support is shown for larger firms making earlier entries while country attractiveness, although significant, shows the opposite results of predicted. That is, less attractive countries seem to draw investment earlier than more attractive countries. All other hypotheses were supported.

**IMPLICATIONS AND WEAKNESSES**

It is clear from this study that one traditional predictor of foreign direct investment, company size, is not a predictor in Eastern Europe, at least within the parameters set by this study. Svetlicic and Rojec's study (1994) found that many investments were from smaller firms. A small German manufacturer might open his first non-domestic operation in Poland. Agarwal (1997) also confirmed this. Another reason for such a large number of smaller firms investing in the area was due to following a larger multinational company. For example, Volkswagen's investment in the Czech Republic attracted many smaller German firms to the same location. Many of these firms supplied Volkswagen in Germany. Similarly, many smaller Italian manufacturers followed Fiat into Poland (Cooke, Wilson and Bialon 1997). This phenomenon is quite possibly a factor of historical tics and the almost instantaneous opening of the countries rather than a definite departure from traditional foreign direct investment theory.

The opposite sign on country attractiveness could have several reasons. First, the index used is a first attempt and weighted all factors equally. The factors selected or the equal weights may not be accurate representations of the factors used in decision-making. Another possible explanation is that the index is correct and companies are more likely to make earlier investments in less attractive countries. Governments may be more likely to provide concessions or incentives when economies are down. Less attractive countries may have weaker local competition. This is unlikely to hold true for extremely unattractive countries, but the three countries in the study, while showing difference, are not extremely dissimilar.

The findings on multinationality, host market size, and labor cost, support traditional findings in this area of research. More importantly to the focus of this study, culture does seem to have an effect on entry timing. While cultural distance (or psychic distance) is a tenet of internationalization, this study posits that the close cultural distance can mean an immediate foreign direct investment, rather than the slower, more incremental method common to internationalization theory. What perhaps is more interesting is viewing this result in light of the discriminant analysis and the reasons managers give for investing in the
region. Several studies (OECD, 1994; Cooke, et. al, 1997; Estrin/Meyer, 1998) showed that market size or access to markets is the number one reason for managers in selecting this market to enter. Labor cost and other attractive features of the country rate secondary to this in their reasoning. Cultural distance, explicit or implied, is not listed as a reason in these studies, however it is a component of the first canonical function in the discriminant analysis ran above. These findings seem to support that culture permeates much of the decision making process so subconsciously that managers may not consider its influence.

Some of the strongest implications of this study come from the findings on culture. From a company viewpoint, being aware that larger cultural distances may have a delaying effect in foreign direct investment may be helpful. Astute managers can realized their inadvertent inequity in evaluating their alternatives, be able to overcome this handicap, and enter new and profitable markets sooner and with more confidence. Companies may also endeavor to combat cultural near-sightedness with any of the myriad of cultural awareness tools available.

For countries seeking investment, there are important implications, too. One option would be to conserve scarce resources by concentrating on wooing firms from cultural closer countries and not "wasting" efforts on others. On the other hand, care can be taken to shorten the perception of cultural distance in more dissimilar cases. This can be accomplished by carefully crafted advertising and well chosen trade ambassadors.

Several weaknesses are apparent in the study, too. Manufacturing entities representing every industry were included in the data set. Certain industries could be attracted to the area much sooner than other. All forms of majority control were considered, although the time to enter a joint venture does not necessarily equal the time to acquire or build. The choice of countries studied was both a boon and a handicap. The three had somewhat similar political, economic, business and risk environments, especially as compared to other countries in the region. This helped control for certain variables but, perhaps, restricted the richness of the study - especially for such variables as cultural distance. Because financial data was required, a large number of private or public, non-traded companies were excluded. Inclusion of private firms - especially smaller, family-owned operations - ought to increase the strength of the impact of culture.

Seldom will there be such a dramatic opening of so many markets as there was in Eastern Europe, but the knowledge gained by this event can be applied on a smaller scale over and over again. Politically closed countries such as North Korea can open to investment. War-torn countries will some day stabilize. Economically impoverished African countries have the potential to improve. Many, more advanced countries still have industries that are nationalized that may open up at virtually any instance. The same rationale for entry timing decisions applies here only on a more diminutive scope.

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Call Center Business Scripting and the Effects on Problem Solving

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Abstract: Scripting has played a significant role in shaping call center processes and the resultant customer relationship. However, scripting may have a disempowering effect on resources by lowering the job-skill and knowledge requirements. Grounded in the concepts of knowledge management and knowledge transfer, we explored the perceptions of frontline call center agents in relationship to the effects of scripting for customer problem solving. Using a single-case study design, semistructured interviews were conducted with a population of 20 frontline employees in a North American call center to gather insights. Thematic analysis was applied to the interview data using nodes to identify emerging themes, insights, and to develop meaningful conclusions to the data collected. The 3 major themes that emerged were that (a) although scripting had contributed to improved service quality and operational efficiency, scripted practices undermined the use of team knowledge and limited the amount of shared information; (b) call center scripted solutions needed to be more intuitive and better aligned to knowledge requirements; and (c) the development of an object-oriented approach to solution management could better leverage communities of practices and collective team knowledge sharing within the organization. The implication for positive change is that the object-oriented approach to solution management has the potential to promote virtual knowledge flow and the building of subject matter expertise that could elicit a higher level of agent engagement and problem ownership. The proposed object-oriented approach to knowledge sharing is important to management, as it could help facilitate knowledge reuse and improved organizational performance.
Employer/Employee Perceptions of Performance Appraisal and Organizational Outcomes: The Power and Impact Received Through the Use of Basic Quality Tools

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Abstract: There is a limited knowledge on the meanings, experiences, and perceptions of organizational members regarding performance appraisal and how the various experiences and perceptions are perceived to bear on organizational outcomes. We explored the perceptions of organizational personnel regarding performance appraisal systems and how these are perceived to bear on quality work outcomes. A detailed analysis of semistructured interview involving organizational personnel (leaders, managers, and frontline employees) who lived in northeastern New York, and working in various disciplines and professions was conducted and recorded. Qualitative software was used to generate the five major thematic links and invariant constituents of the study. These findings were: (a) essential descriptions of performance appraisal, (b) perceived rewards of performance appraisal, (c) differences and similarities of performance appraisal systems across different organizations, (d) perceived association of performance appraisal systems and work outcomes, and (e) recommended changes in performance appraisal systems. Employees who had positive experiences with performance appraisal system associated it with something equally beneficial to employees’ improvement and the quality operational performance of the organization. These employees reported experiences of motivation, loyalty, commitment, and productivity in their various feedback. We identified human resource development activities that could further achieve the real and genuine objectives of performance appraisal system.
Ageism in a New Age

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Abstract: Age discrimination and ageism had been a subtle and covert strategy of many organizations for years. The great recession brought the true realities of ageism to the surface in a distinct way with the number of reduction in force programs that seemed to disproportionately target older workers. This occurrence prompted a sharp increase on the number of age discrimination cases filed with the Equal Employment Opportunity Commission (EEOC) during the era of the Great Recession with rates still above the previous averages since then. In a period where many elements of discrimination are bubbling to the surface in today’s American society, ageism is among the most significant. This is a study of the sociological and legal aspects of overt ageism.

INTRODUCTION

As the Age Discrimination in Employment Act reaches the milestone of its 50th year of existence it is in some ways ironic that that law itself is about the same age or a little older than those it covers. In a time when it was thought that a more progressive philosophy was being applied in society as well as the workplace of equal treatment, mutual respect for others and a sense of opportunity for all regardless of personal differences, the reality appears to be quite different. In just the last five years in an era of an African-American President and more open policies in general society a backlash has occurred with a force which has been very surprising. With all that has been occurring as reported in the news headlines, is it really a surprise that age discrimination in the workplace is taking place to the extent that it is? Call it what you will and accept it to whatever degree you believe, it exists in many forms in the workplace.

LESS THAN SUBTLE AGEISM IN THE WORKPLACE

Age discrimination and ageism are threats to aging well into the twenty-first century with ample evidence of its adverse legal and social consequences (Angus and Reeve, 2006). Hard forms of age discrimination reflect a violation of legally established standards that relate to actual decisions made by employers that impact career development while soft forms occur in the interpersonal sphere (Stypinska and Turek, 2017). Despite the efforts of the last half century to minimize the effects of decisions that adversely affect older workers, the prevalence of questionable legal and social practices remain a serious problem (Lahey, 2010). Documented legal violations related to age in the workplace can take the forms of lower pay, being restricted from training opportunities, harassment, hostile and degrading work environments (Fribergh and Kjaerum, 2011). Soft discrimination typically shows itself in forms of age stereotypes and negative opinions that put older workers in a disadvantaged position that can influence the outcomes of interviews and performance reviews (Posthuma and Campion, 2009).

Some in-depth research on age discrimination has found evidence of an unequal distribution among populations of older workers (Stypinska and Turek, 2017). It appears to occur more often with job seekers than with those already employed showing some evidence of a lack of bargaining power in dealing with employers (Standing, 2011). In addition, it seems to be different for those of certain professions such as in the information technology field and banking as well as the service sector based on customer-driven attitudes (Posthuma and Campion, 2009). Additionally, the private sector is more discriminatory than the public sector and for workers in urban areas than in rural ones (Johnson and Neumark, 1997; McGuire et al., 2008). Another area of the reported differences in age discrimination is related to gender. A higher prevalence of age discrimination was reported among woman, especially those living in urban areas (Stypinska and Turek, 2017).
THE AGE OF AGE ARBITRAGE

Although sixty may be the new fifty, older workers over the last ten years have been faced with the realities of an economy that can change very quickly from good to bad along with a lack of a global consensus as to the best time to retire. The Great Recession of almost a decade ago quickly shifted the retirement paradigm. Prior to 2008 many baby boomers were targeting that year because of their initial eligibility at age 62 for Social Security, prompting some to call it the year of the “Big Leave” (McAlinden et al., 2008). Among the calls from Human Resource department to step up recruiting to fill the anticipated gap left by the Big Leave, the recession of 2008 changed all that. Older workers did not retire as expected and actually remained on the job out of the fear of the declining value of their retirement funds and the fear of an uncertain future held by many in the workplace. As the years have passed the rate of expected retirements has slowed leaving more than expected older workers in the workplace (Truxillo, Cadiz and Rineer, 2014). While many sixty-year-olds may not feel significantly different than most fifty-year-olds, complaints and concerns have been growing consistently because of physically demanding jobs, rivalries with younger workers and increased offers of early retirement (Fishman, 2010).

The idea of slowly and quietly evolving to a workplace of planned and prevalent age discrimination may be here sooner than many people think through a concept known as age arbitrage. Fishman (2010) states that age arbitrating is an essential strategy for businesses trying to compete in today’s economy and any indications of perceived wins in establishing younger workers and low wages will only intensify its prevalence as a future essential management strategy.

The strategic move to reduce older employees in the workplace does have its issues and concerns elsewhere in the economy. Efforts of management to jettison older and higher paid workers can help the United States achieve a relatively young labor force and thus make room for the “boomerangers” who are younger potential employees forced to move back in with their parents because of older worker holding on in the economy (Fishman, 2010). In addition, the push to turn out older employees shifts the burden to other portions of the economy. For those no longer receiving a pay check in the working economy the shift in income goes to government support in the form of Social Security. In the United States about half of the retired workers live on government support with the proportions being even higher in places such as France and Germany (Haas, 2007). Being faced with such financial burdens economic systems ponder the possibilities of higher taxes, deficit spending, reductions in benefits or cuts elsewhere.

TERROR MANAGEMENT THEORY AND AGE DISCRIMINATION

Terror Management Theory is based on a psychological conflict of the self-preservation instinct and the cognition of inevitable death which produces terror in humans (Greenberg and Arndt, 2011). In general society and the workplace these issues create various anxieties that may take many forms with some more visible than others. While a calm facade may be accomplished through rationalizations there is a hidden person in us all scared about the inevitable reality of death which in some way fosters fear, resentment and less than civil social discourse toward older individuals (Roth, 2001).

The concept of Terror Management and ageism have the unique features of prejudice based on several specific threats, those of death, animality and insignificance (Martens, Goldenberg and Greenberg, 2005). Ageism arises from Terror Management because we try to avoid it by thinking that death is unnatural and results from accidents, war or disease when in fact we see constant reminders and live it every day witnessing the trials and hardships of the elderly (Langer, 1982). The threat of animality is the deterioration of the physical body and its associated problems for the elderly and those around them because of loss of control, functionality and negative stereotyping (Isaksen, 2002; Bowd, 2003). The third reason to see overt ageism out of Terror Management is the threat of insignificance. A loss of self-esteem based on cultural standards and diminishing characteristics and abilities create feelings of a loss of self-worth and reduced
value to others (Bowd, 2003; Cuddy and Fiske, 2002). Because the elderly are not highly valued in society or a business context they become constant reminders of human mortality and declining abilities. In light of this, organizations move with the tacit approval of management to develop and implement strategic plans that may reflect and carry out ageism, discrimination and age arbitraging.

A NEW IMMIGRATION POLICY BASED ON AGE

While many states, the United States Congress and citizens in various regions of the country have vigorously debated our national immigration policy with no specific solutions, business organizations have very quietly adopted a different kind of immigration policy that is specific in its nature and discriminating in its application. It is a very common practice that many organizations use to recruit their employees. Instead of being obvious in their intent to consider only younger candidates for positions, many organizations now use terms such as “digital natives” in recruiting in the media, advertising and tech industries (Giang, 2015). The term digital natives is not new. It was first used in an article about students of the early 21st century who were born in the early stages of digital technology and would grow up using it from a very early age (Prensky 2001). Because they are immersed in the technology they find it all around them they are well versed to understand and use it and are the native speakers of the digital language versus older workers who are known as digital immigrants or those who had to learn to use and adapt to technology (Gaing, 2015). Digital immigrants feeds the stereotype of older worker who came of age before the internet who are slow to use technology, reluctant to learn and cost organizations more in terms of pay and training costs (Rosenblatt, 2017).

Based on what organizations seek today in their recruiting efforts, digital natives are likely to embrace an organization culture that encourages sharing and team work environments. Digital natives see things more horizontally based on egalitarian terms rather than dividing the world into hierarchies that rely on centralized and control oriented governance as digital immigrants tend to favor (DeGraff, 2014).

A simple search of many job ads shows evidence of numerous references to the term “digital natives.” The question then is, what does this really mean in recruiting and selection? Since the beginnings of the internet age many organizations have openly pursued younger tech savvy candidates who can help them compete in the new digital economy (Giang, 2015). Because of this phenomenon the Equal Employment Opportunity Commission (EEOC) is now dealing with new forms of age discrimination in the Internet era with 20,857 age related claims being filed in 2016 (Rosenblatt, 2017). In the past the EEOC has stated that while terms in job advertisements such as “college student” or “young blood” violated the Age Discrimination in Employment Act (ADEA), the use of digital native as a code word for young workers of the digital age is more difficult to define and only a few cases have been tested related to the use of this term (Gaing, 2015). The EEOC has yet to officially comment on job postings that seek digital natives but it is believed that as more cases are filed, the EEOC will likely find that its use will constitute disparate treatment because it illegally discriminates against digital immigrants over forty (Sink and Bales, 2016). Future technology based age discrimination cases will have to prove that disparate treatment was present in that the candidate was treated differently than others who don't share the same protected characteristic (Guerin, 2017).

Age discrimination in technology related recruiting, hiring and retention is obviously a sensitive issue for older workers because of the adoption, use and fluency of the young in this area. Many job postings require applicants to be digital natives and even state it as a qualification as seen in ads placed by companies such as Red Bull, Michael Kors, Hearst Magazines and Under Armour (Sink and Bales, 2016). Although the use of the term digital native is on the rise there has only been one case that has looked at preferences for digital natives in employment versus the standards of the ADEA (Gregory, 2010). In the case of Marlow v. Chesterfield County School Board (2010), Debra Marlow at age 60 was initially hired by Chesterfield County Public Schools of Virginia as the Director of Community Relations. After 21 years she was demoted to a lower position and her job was given to her younger assistant and within six months her job was
eliminated altogether due to budget cuts. Marlow had sued the school board and the superintendent who openly favored employees with “21st Century skills” such as Marlow’s replacement. While the district court found that Marlow’s case had some merit, the term “21st Century skills” was ambiguous at best and her job being eliminated was budgetary in nature and not age discrimination (Sink and Bales, 2016). However, it is believed that future cases examining the specific use of term digital natives may have different outcomes and will be sufficient for a plaintiff to prove a prima facie case of age discrimination (Ginsberg, 2010).

CONCLUSION

Total and free access to the labor market should in theory be a reality to all able to work and provide worthwhile contributions to organizations and society. It is believed by some that most of the time people are not consciously aware of their biases or stereotypes and acknowledging that they are implicit to the point of not seeing or recognizing them is a hedge against their negative effects (Rosenblatt, 2017). In addition, the organizations who do tolerate ageist behaviors are more prone to show and practice discriminatory behaviors (Stypinska and Turek, 2017). There needs to be more willingness to recognize ageism which is a barrier to policies in extending working careers and to eliminate its effects at the societal, organizational, interpersonal and individual levels (Swift et al., 2017; Zacher et al., 2017).

The future holds many ironies in the age of the increased need for technological and digital proficiency. The labor force participation rate for those age 65 or older is projected to increase from the current 18.6% to 21.7% by 2024 (Rosenblatt, 2017). In addition, it was the digital immigrants who invented, developed and taught the technologies that digital natives use and easily apply and the ultimate twist may be that the children of digital natives will likely act like digital immigrants themselves (Powell, 2007; DeGraff, 2014).

The ways to effectively debunk ageism in the workplace is for the older worker to take an active role in further developing their human capital, actively engaging in all training and learning opportunities and encouraging and accepting mentoring and advisory relationships with younger workers. Human Resource practices that address ageism in the workplace can set a positive tone for an age-friendly and age inclusive work environment. These practices should include how organizations make key personnel decisions related to recruiting, selection, training and promotion to discourage age arbitrage practices, terror management situations and being more aware of the potential problems of using terms and language in job postings that are discriminatory. Specifically in the technology area the EEOC has yet to directly address the legality of the use of the term digital native in employment practices. However, when the EEOC does address it the belief is that it will ultimately be determined to be an illegal age qualifier (Sink and Bales, 2016). Regardless, opportunities for an active and productive work life which is satisfying can pay big dividends within the workplace which leads to a positive retirement and a better society.

REFERENCES


Managerial Models of Faculty-Driven Transformative Diversity Education Initiatives: Implications for Higher Education Management at Metropolitan Universities

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Abstract: Diversity and diversity education are driving forces in all metropolitan universities for higher education managers. As a result, metropolitan universities wish to engage in diversity, but they often lack the resources and competencies for doing so. In addition, shortages exist in faculty-driven, rather than administrative-originated programs of diversity impact. In this case study, two faculty-driven diversity programs with a proven track record are offered as managerial models of transformative learning practice for higher education managers to replicate. The programs have been in existence collectively for 25 years and have benefited both the students and universities alike.
Are Students Actively Involved in Student Clubs and Organizations? Why or Why Not?

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Abstract: Well-respected experts of higher education, including those at the National Survey of Student Engagement (NSSE) and founding director Dr. Alexander Astin of the Higher Education Research Institute at UCLA, have demonstrated strong correlations between the amount of time and effort students put into “educationally purposeful activities” outside the classroom (e.g., student organizations) and positive outcomes of student success, such as satisfaction, persistence, and academic achievement (Astin, 1984, 1993; Berger and Milem, 1999; Kuh, 1995; Kuh et al., 2005; Kuh and Vesper, 1997; Pace, 1995; Pascarella and Terenzini, 1991, 2005). Yet students and faculty at Bemidji State University claim that involvement in student organizations is declining. This study evaluates student involvement in these organizations. How satisfied are students with extracurricular organizations? Why do they choose or not choose to participate? What characteristics are most highly correlated with participation? Based on the results of previous studies, I hypothesized that student engagement in organizations is positively correlated with Grade Point Average, and that students who live on campus, work on campus, or come to BSU as freshman, are more engaged than their classmates. Original survey results and future best practices are discussed.
Managing Perceived and Real Risks Associated with Safety and Security at the Olympics

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The prestige of the Olympics provides a prime platform for exploring perceptions of destination attributes related to safety and security risks which impact tourism decisions. The Olympics are a strategic driver of sport tourism, however, threats of terrorism and crime and/or even public health risks associated with the Host City may discourage someone from traveling to a destination considered unsafe or plagued with unsanitary conditions.

Public concerns of the health, safety, and security risks associated with the 2016 Rio Olympics were abundant. For example, a month prior to the 2016 Olympics, the Head of Rio’s Organizing Committee for the Games reported to the International Olympic Committee’s (IOC) executive board that the threat of Zika virus infection would be dramatically reduced during the Olympics and Paralympics (Associated Press, 2016). Despite the public decree to minimize anxiety over contacting the Zika virus, numerous athletes qualifying for the 2016 Games cited the potential health risk as the reason for deciding to avoid the summer Olympics (St. Johns, 2016).

According to the Center for Studies on Public Security and Citizenship, Rio de Janeiro has a notorious reputation as a city historically inundated with crime and homicides (Ramos, 2017). The threat of contracting the Zika virus or an illness from contaminated water was also a real concern. Corroborated by a siege of media reports, concerns began to surface that the purported images of Rio de Janeiro as a haven for crime, political disorder, plenty of health risks, and even terrorism, could have an effect on the number of international visitors who would travel to Brazil for the 2016 Games. This paper addresses research that assessed public perceptions of safety and security factors impacting decisions to attend the 2016 Olympics. The paper also addresses the collaborative efforts at the local, national, regional, and international level to manage safety and security risks before and during the 2016 Games.

DESTINATION IMAGE AND TOURISM

An abundance of research has explored destination image and tourism behavior (Qu, Kim, & Im, 2011). Destination image describes the beliefs and attitudes or mental pictures individuals have about a specific location. Examples of these cognitive images or destination attributes include attractions, accommodations, transportation, activities, service, entertainment, cost, information, safety and security, and social features (Kaplandidou, 2009). Research noted that a convergence of destination attributes (e.g., safety, weather, and ease of travel) and event characteristics (e.g. status of the activity and level of competition) reportedly have the greatest influence on sport tourism behavior (Kaplandidou, Jordan, Funk, & Ridinger, 2012).

Research focusing specifically on safety and security attributes of a destination have corroborated the notion that risks or concerns may impact tourism. According to global research studies, stories of war, natural disasters, unfavorable economic conditions, and political/social instability associated with a particular destination have negatively impacted travel decisions (Hui & Wan, 2003). In a sample of 1180 international
travelers visiting Hong Kong. Kozak, Crotts, and Law (2007) reported that a majority were more likely to change the destination locations if he or she were to perceive a potential elevated safety risk for the country. Similarly, surveys completed by employees in Romania’s hospitality sector indicated threats of natural calamities, terrorism, and crime were major deterrents for tourism in destinations where these factors were evident (Popescu, 2011).

Destinations with large events, whether they are sporting events or something else, attract the possibility for violence and safety risks. Toohy and Taylor (2008) explained that in the current culture of fear, “mega-sports-event attendance might be an activity that people choose to pass up because of their perceptions of risk” (p. 464). It has been speculated that large “sporting events, particularly those with considerable media coverage” such as the Olympics, World Cup Football, or the Tour de France, have become “prime targets for terrorism” (Taylor & Toohey, 2007, p. 99). The researchers noted the occurrence of 168 different occasions where sporting events were the target of some sort of terrorism.

In respect to travel intentions and destination attributes at the Olympics, an assessment of the perception of spectator safety during the 2008 (Beijing) and 2012 (London) Games indicated that despite negative publicity of security threats, crime, and terrorism, spectators generally perceived the Host City destination to be safe (George & Swart, 2015). The research herein involving over 700 participants from China and the United States of America, however, indicated a propensity for threats of terrorism, street crime, and riots or demonstrations to be among factors that would likely influence decisions to avoid travel to Rio de Janeiro, Brazil for the 2016 Olympics.

PERCEPTIONS OF SAFETY AND SECURITY RISKS AT THE 2016 RIO OLYMPICS

This study focused on results of electronic questionnaires administered to adults in China and the USA several months preceding the summer 2016 Olympics in Brazil. Subjects included a convenience sample of faculty, staff, and students from numerous universities in addition to employees working at China’s Central Television station (CCTV), the largest state-owned broadcast company headquartered in Beijing.

The instrument for assessing factors discouraging travel to the 2016 Rio Olympics was adapted from similar surveys exploring tourism intentions and destination image. The final questionnaire used a five point Likert scale (1=strongly disagree to 5=strongly agree) to rate the degree an individual perceived factors related to safety and security (e.g., terrorism, street crime, and riots or demonstrations) would discourage travel to the 2016 Rio Olympics. Under a guarantee of anonymity, subjects also disclosed their age, gender, and nationality based on country of origin which is consistent with most research in the field of tourism (Li, 2014).

Two versions of the electronic surveys to assess perceptions of factors discouraging tourism at the 2016 Rio Olympics were developed in English and Chinese incorporating back translation whereby the original English source version was converted to Chinese, and then back to English for a comparison check of discrepancies. The survey in the United States was administered through SurveyMonkey.com while SoJump.com, a similar free and customizable cloud based software program popular in Asia, was used to administer the survey in China. The results obtained from participants in China were translated to English and imported to a Statistical Package for the Social Sciences (SPSS) software program containing data from the surveys administered in the United States.

Of the 726 useable survey responses, 470 (64.7%) were completed by participants from the USA, 225 (30.9%) were from China, and 31 (4.2%) were from some other country. When considering all 726 responses collectively, terrorism was identified as the greatest concern among safety and security factors which would discourage attendance at the 2016 Olympics (M=3.69). However, when distinguishing responses based on nationality, a significant difference (p < .05) was apparent in regards to the likelihood
terrorism would deter travel intentions to Rio for the 2016 Games (see Table 1). No significant difference based on nationality was reported for items related to street crime and riots or demonstrations.

**TABLE 1**

<table>
<thead>
<tr>
<th>MEAN SCORES OF FACTORS INFLUENCING TRAVEL INTENTIONS BASED ON NATIONALITY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Threat of Terrorism</td>
</tr>
<tr>
<td>Riots or Demonstrations</td>
</tr>
<tr>
<td>Street Crime</td>
</tr>
</tbody>
</table>

In general, Americans reported a greater concern for safety and security risks than participants of China which supports the findings of Qi, Gibson, and Zhang (2009) who found Asian tourists to be less likely to change travel plans, less vulnerable, and less fearful of hijackings, biochemical disasters, and car bombings than tourists from the United States. Despite the slight differences noted in the results of surveys administered in the United States and in China, the research supported the general notion that more often than not, safety and security risks associated with terrorism threats, crime, or potential riots would likely deter travel to a destination deemed unsafe, even if it were the Olympics and regardless of the nationality of the traveler. A noted limitation of the study was that the population consisted of a convenience sample whereas much research on tourism behavior in conjunction with the Olympics has focused primarily on spectators attending the Games.

**EVIDENCE OF SAFETY AND SECURITY BREACHES AT THE OLYMPICS**

Terrorism became a major concern for Olympic organizers after the 1972 Summer Games in Munich, Germany where eleven Israeli Olympic athletes were taken hostage and eventually killed (Selliaas, 2012). Also considered a terrorist attack, two individuals were killed and over 100 wounded when Eric Rudolph perpetuated a bomb attack in Atlanta, Georgia’s Centennial Park during the 1996 summer Olympic Games (Spaaij, 2015).

Isolated threats to safety and security have occurred more often than terrorist activities during the Olympics. The father-in-law of one of the USA assistant volleyball coaches was killed in a random stabbing on top of a historic building during the 2008 Beijing Olympics and a Brazilian runner leading the marathon pack at the 2004 Athens Olympics was attacked on the course by a disgruntled former Irish Clergyman (Spaaij, 2015, Ward, 2004).

Actual security issues were prevalent during the 2016 Rio Olympics. The Brazilian government’s head of security for major events was mugged outside of Maracana stadium during the Opening Ceremonies, two rowing coaches from Australia were robbed at knifepoint near Ipanema Beach, Portugal’s Minister of Education and Sport was assaulted and robbed after returning from a cycling race, an Olympic security guard was killed by gunfire in a favela, and a stray bullet hit the media tent at the Equestrian venue (Partlow, Phillips, & Boren, 2016).
Beyond the scope of the actual Olympic Games marked by the Opening and Closing Ceremonies, Host Cities are cognizant of events preceding the Games that heighten security concerns. Spaaij (2015) identified 19 terrorist attacks associated with, but not occurring during the actual Games. Among the terrorist incidents cited were the massacre of hundreds of student and civilian protesters just ten days preceding the 1968 Games in Mexico City, the kidnapping of the President of the Libya’s Olympic Committee prior to the 2012 London Games, and suicide bombings in a Russian train station prior to the Sochi 2014 Winter Olympics (Spaaij, 2015).

Organizers in Rio de Janeiro had reason to fear potential safety and security issues during the 2016 Games, especially due to years of widespread public protests over the excessive costs of hosting the 2014 World Cup and the 2016 Olympics while the country faced the worst recession in decades (Chase, 2013). Several days preceding the 2016 Games, police were compelled to use rubber bullets and tear gas to disperse crowds rioting during the torch relay (Soodin, 2016).

MANAGING SAFETY AND SECURITY CONCERNS AT THE OLYMPICS

Despite what may be perceived as the highest level of safety and security precautions before and during the Olympic Games, the image of the Host City in terms of potential crime, terrorism, health risks, or other safety risks may cause individuals to avoid travel. Therefore, plans must be coordinated to minimize concerns prior to the Games and to actually manage safety and security breaches during the Games.

Rapid advances in digital technologies have vastly widened the availability of global news, once limited to relatively selective and delayed local or national media outlets. For better or worse, the media plays a tremendous role in shaping public perception about safety and security for an Olympic Host City evidenced by the unprecedented reports of the Zika virus threatening anyone traveling to Brazil for the 2016 Games. The media frenzy led to a letter addressed to the Director of the World Health Organization from over 100 bioethicists and international lawyers who claimed the necessity of moving or postponing the Games due to the imminent threat of the Zika virus (Trilla & Trilla-Aymerich, 2016). While the mosquitos carrying the virus was and is recognized as a serious health threat, the World Health Organization (2016) indicated no cases of Zika virus in spectators, athletes, or anyone associated with the Olympics.

The media is an integral cog in a complex crisis management plan for preventing terrorism, crime, and other safety or security threats. Host City organizers are challenged to design and use appropriate communication channels to effectively minimize public concern for safety and security. According to contract provisions stipulated by the International Olympic Committee (2017), accountability for all aspects of security rests with the Host City authorities. The IOC also mandates the Host City’s National Olympic Committee (NOC) and the Organizing Committee for the Olympic Games (OCOG) regularly report to their office on all security issues.

IMPACT OF 9/11

The series of terrorist attacks in the United States on September 11, 2001 (9/11) created a sense of urgency for all large events to increase security measures. The IOC and host countries took many different steps and precautions in an attempt to make the Games as safe as possible for both spectators and athletes alike.

The intensification in risk management measures after 9/11 is evidenced in the escalating security costs for hosting the Games. The $179.6 million for security during the 2000 Olympics in Sydney, Australia grew to $1.5 billion for securing the 2004 Games in Athens, Greece, the first staged after 9/11 (Sugden, 2012). Regardless of the cost, the scope of managing security for the Olympics is a matter of both preventative and engaging activities.
PREVENTATIVE SECURITY MEASURES

Preventative security measures include surveillance, pre-event publicity and warnings, cyber-intelligence tracking (international exchanges of databases of criminal and terrorist suspects), setting up barriers at venues, instituting no-fly zones, stationing guards and military personnel around the cities and ports, determining evacuation routes, role playing bio-chemical attacks, or any of a number of contrived activities to ward off disaster. In general, preventative security incorporates a risk and vulnerabilities assessment, collaborative planning, and repressive measures such as detentions of political dissenters, gang leaders, and drug lords to effectively reduce the likelihood of danger or catastrophes.

Prior to the 2008 Olympics, experts from 75 agencies in Greece, China, Canada, USA, Germany, France, UK, Israel and Russia met to collaborate on security protocols for the Games while seven countries signed a declaration to engage in cooperative communication measures in fighting international terrorism (Yu, et al., 2009).

ENGAGING SECURITY MEASURES

Engaging security measures involve agencies and personnel responding to actual situations or altercations. An effective precursor to engagement are agencies operating in a sand-pile effect under the assumption that responding to all acts of petty crime at the surface is likely to reduce major crime at the top (Yu, et al., 2009).

Operational structures, protocols, and role clarity for contracted security agencies are integral to successful engagement measures to mitigate a crisis. A fact sheet published by the Office of the President of Brazil (2016) on the Rio Olympic Games security protocols identified the scope of responsibilities for federal agencies (e.g., terrorism, border patrol, and road safety), national agencies (e.g., competition venues and bomb searches), state agencies (e.g., dignitaries, public transport terminals, Hospitality Houses, and civil unrest), city agencies (e.g., tourist sites and consumer protection), and Rio’s Organizing Committee for the Olympic Games (e.g., private security). The Rio Olympics incorporated real-time surveillance and emergency response via an integrated command and control center at the national level, four sectoral command centers in Deodoro, Barra, Copacabana, and Maracana (the primary venue clusters), and five regional branches extended to the five cities hosting football games (Office of the President of Brazil, 2016).

CONCLUSION

This research validates why the historical significance, cultural experience, and international party atmosphere may not always be enough to lure spectators to travel to destinations for the Olympics if there is a high concern for personal safety. Threats to security during the Olympics are two-fold --- either perceived or real. Crisis management to minimize perceived and real threats to safety and security necessitates collaborative efforts among public and private authorities to conduct risk assessments, detail protocols for responding to different type of situations, and evaluating all efforts.

The vulnerability of extremist action or isolated security invasions at mega-sporting events such as the Olympics remains an eminent threat to the Games, even after the lessons of 9/11 which forever changed security measures. A personal decision to avoid traveling to the Olympics may manifest from a conscious bias towards safety and security risks which over-rides positive attitudes towards the legacy and importance of the Games as a once in a lifetime experience. Attention to crisis management is integral before and during the Olympics to potentially influence personal decisions impacted by a cognitive appraisal of the safety and security attributes of the Host City.
REFERENCES


Are Customers Right or “Getting Even”? How the Dark Triad Moderates the Service Waiting and Service Evaluation Relationship

Luke A. Voegel, Saginaw Valley State University
Jacob A. Voegel, Coastal Carolina University

ABSTRACT: Two unavoidable aspects of service encounters are service delays and waiting. Since these are unavoidable, it become important to understand how these two aspects can impact service evaluations. The purpose of this study is to examine the mediating impact of negative affective reactions to having to wait for service upon an individual’s service evaluations. The study also examines the moderating effect of the Dark Triad of personality upon the aforementioned mediation. The conceptual model presented in this study shows that customers will become angry and give lower evaluations because of service delays. The model also shows that Machiavellianism, narcissism, and psychopathy will each moderated this relationship.
The Dark Side of Ethics: How do the Dark Triad Personality Traits Impact Ethical Decision Making?

Luke A. Voegel, Saginaw Valley State University
Dr. Jacob A. Voegel, Coastal Carolina University

ABSTRACT: Ethical decision making by an individual has become predominant in modern day research. Several studies have examined various organizational or individual level characteristics and their potential relationships to an individual’s ethical/unethical behavior. Within this stream of research, many studies have examined personality traits. The current study seeks to examine the impact of the Dark Triad of personality upon an individual’s ethical decision making. It is proposed that Machiavellianism, narcissism, and psychopathy will all three negatively relate to ethical decision making.
Trust in Union Leaders and Decline in Union Membership

Seth E. Francois, an independent consultant and author
Steve Roussas, Walden University

The purpose of this correlation study was to examine the relationship between union members’ perceptions of union leadership and union members’ perceptions of leadership trust. Forty-four union members were the participants. The results indicated that leadership consideration was the only significantly predictor of union members’ perceptions of leadership trust ($\beta = .62, t = 3.23, p = .002$). Social change implications could include the potential to increase union membership. Strong labor unions could provide a pathway to checks and balances that subsequently could improve employees working conditions, worker’s pay, local economy, and produce higher quality goods and services.

BACKGROUND

Mistrust has been part of the culture of labor unions throughout history, a mistrust often stemming from relations with organized crime. In the past, misconduct in labor unions has included racketeering, lack of accountability of union officials, bribery, embezzlement, falsification of business records, and election fraud (Jacobs, 2013). Union members tend to be less trusting of leadership both within their workplace and in the union (Chang, O’Neill, & Travaglione, 2016; Jacobs, 2013). For unions, this mistrust is problematic, because strong identification with the union increases the likelihood a union member will participate in union activities, such as strikes (Born, Akkerman, & Torenvlied, 2013). Lack of trust interferes with social identification with a union (Born et al., 2013; Coombs & Cebula, 2011).

Between 1983 and 2013, union membership in American has declined 8.8%, constituting a loss of 3.3 million union members (U.S. Bureau of Labor Statistics, 2014). Prior researchers pointed to leader misconduct and members’ erosion of leadership trust as a cause of the loss of union membership (Coombs & Cebula, 2011). Effective leadership sets the tone for union members’ organizational trust, which can determine union enrollment (Chathoth, Mak, Sim, Jauhari, & Manaktola, 2011). Contingent leadership, especially combining transactional and transformational leadership, has emerged as an effective method of managing members (Fiedler, 1964; Jo, Lee, Lee, & Hahn, 2015; Piccolo et al., 2014; Wang & Hsieh, 2013). Two factors that may facilitate the development of trust are leadership initiation of structure and leadership consideration (Jo et al., 2015; Piccolo et al., 2014).

PURPOSE OF THE STUDY

The purpose of this quantitative correlational study was to examine the relationship between union members’ perceptions of union leadership consideration, union members’ perceptions of leadership initiation of structure, and union members’ perceptions of leadership trust. The independent variables were union members’ perceptions of union leadership consideration and union members’ perceptions of leaders’ initiation of structure. The dependent variable was union members’ leadership trust. The specific population was comprised of union members in the United States. The implications for positive social change include the potential for union leaders to foster sustainable membership growth, organizational profits, and increased member engagement though representation (Fusch & Gillespie, 2012).
RESEARCH QUESTION

What is the relationship between union members’ perceptions of union leadership consideration, union members’ perceptions of leadership initiation of structure, and union members’ perceptions of leadership trust?

HYPOTHESES

Null Hypotheses ($H_0$): There is no relationship between union members’ perceptions of union leadership consideration, union members’ perceptions of leadership initiation of structure, and union members’ perceptions of leadership trust.

Alternative Hypotheses ($H_1$): There is a relationship between union members’ perceptions of union leadership consideration, union members’ perceptions of leadership initiation of structure, and union members’ perceptions of leadership trust.

SIGNIFICANCE OF THE STUDY

The findings of the study could contribute to improving business practices by enhancing a leader’s awareness of how his or her actions affect the level of trust from those they lead. Leaders exhibiting consideration and sincere caring for those under their authority could yield a higher commitment to the leader, thus presenting the potential to improve the results of an organization (Piccolo et al., 2012). A leader’s understanding of leadership initiation of structure, setting clear objectives and roles for self, and others working under his or her leadership could increase leadership trust and significantly decrease lag time, increase productivity, and allow the voice of members (Fusch & Gillespie, 2012). For an organization relying on membership as a driver of revenue, the research data could be a tool for executive leaders to identify issues affecting trust within an organization and subsequently reverse the membership enrollment.

Strong labor unions are a form of checks and balances to ensure workers have a fair and safe working environment and fair wage. Strong unions may create high productivity, efficiency, and greater profitability. Society may benefit when workers receive increase wages, which could improve local economies and produce higher quality goods.

PARTICIPANTS

The inclusion criteria relevant to the population dictated participants must be (a) older than 18 years of age, (b) worked in a union job paying dues to the union, (c) had been a member of the union for a year or more, (d) lived in the United States, and (e) were able to provide consent (Bloomberg & Volpe, 2012). We used social media as a tool to gather participants for the study. Brickman-Bhatta (2012) indicated an ever-increasing number of Americans use social networking sites every year, and social networking tends to represent diverse ethnic groups as years pass. Brickman-Bhatta also posited the use of social media as a recruitment tool is helpful in studying how people behave in real life.

To gather a sample from this population, we used probabilistic sampling procedures. Probabilistic sampling procedures allowed the collection of a representative sample of a population but did not typically allow selection based upon specific inclusion criteria (Tabachnick & Fidell, 2012). Using a probabilistic procedure, we used a cluster random sampling strategy. Using this strategy of sampling, we divided available participants into clusters from which we could gather a random sample. These clusters were the inclusion criteria, and ensured the random sample included only those who were eligible for the study. Pagano (2009) identified this as a useful method for gathering participants with specific traits, as was the case in this study.
We estimated the necessary sample size using the $50 + 8 (m)$ formula, where $m$ equals the number of predictors in a regression model (Tabachnick & Fidell, 2007). The predictors were both of the two leadership scores (i.e., leadership consideration and leadership initiation of structure). This results in an $m$ of 2; using the formula, $50 + 8(2) = 66$. The sample consisted of 66 workers represented by a U.S. union. We contacted this selection of members through Facebook and LinkedIn social groups, as well as e-mails from U.S. union sites. In addition, we posted links to the survey on Instagram, Twitter, and Tumbler.

**DATA COLLECTION INSTRUMENTS**

We used three data gathering instruments for this study, including (a) a brief demographic survey, (b) the Behavior Description Questionnaire XII, and (c) the Trust and Employee Satisfaction Survey. As a prescreening measure, I asked participants if they were older than 18 years of age, if they were dues-paying members of a union, and if they belonged to a union for more than one year. If participants gave affirmative answers to those three questions, participants moved to the next set of questions regarding their age, length of time in the union, and gender. Second, participants completed the organizational trust inventory, developed in 1996 by Cummings and Bromiley, and validated by Andreescu and Vito (2010). Appendices B and C contained these instruments. The last part of the study consisted of participants completing the Leader Behavior Description Questionnaire, developed by the staff of the Personnel Research Board, The Ohio State University in 1957, and finalized to Version XII in 1962. We based validation of this survey on the work of Judge, Piccolo, and Llley (2004). Upon completion of the data collection and analysis, other researchers and auditors could request raw de-identified data from the researcher.

**DATA COLLECTION TECHNIQUE**

When using an electronic survey, Thukral and Goel (2012) confirmed the reliability and relevancy of the collected data. Web-based data collection methods are acceptable, feasible, and preferable for researching (Pyke-Grimm, Kelly, Stewart, & Meza, 2011). The advantage of using a web-based collection method lies in cost effectiveness, ease of use, and flexibility (Sarkar, 2011). The disadvantages of using a web-based collection method were participants may not have access to the Internet and they may lack the skill level to engage. However, Pyke-Grimm et al. (2011) found participants tend to have few problems with electronic data collection, regardless of computer expertise. We created an environment for participants to engage with a system to store, record, retrieve, and manipulate data. SurveyMonkey was a survey host site, and was the tool used in this study to administer the survey to participants electronically. This data collection technique is low in cost and easy to administer, though could result in a return rate much lower than instruments administered face-to-face (Pyke-Grimm et al., 2011).

We directed participants who respond to the request of participation to SurveyMonkey, which hosted the informed consent form, demographic survey, LBDQ XII, and Trust and Employee Satisfaction Survey. The full survey took approximately 15–25 minutes to complete. We downloaded the raw data as a file formatted for SPSS and removed participants who did not complete the necessary scales or who had excessive outliers, as they were either unusable in the present study or skewed the data (Stevens, 2012).

**THE FINDINGS**

We received valid and reliable data from 44 participants and applied standard multiple linear regression, $\alpha = .05$ (two-tailed), was used to examine the efficacy of union members’ perceptions of union leadership consideration, union members’ perceptions of leadership initiation of structure, and union members’ perceptions of leadership trust.
TABLE 1

DESCRIPTIVE STATISTICS FOR CONTINUOUS STUDY VARIABLES (N = 44)

<table>
<thead>
<tr>
<th>Variable</th>
<th>M</th>
<th>SD</th>
<th>Bootstrap 95% CI (M)</th>
<th>Bootstrap 95% CI (SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initiation of structure</td>
<td>3.55</td>
<td>0.88</td>
<td>[3.29, 3.82]</td>
<td>[0.71, 1.01]</td>
</tr>
<tr>
<td>Consideration</td>
<td>3.52</td>
<td>0.98</td>
<td>[3.22, 3.80]</td>
<td>[0.79, 1.12]</td>
</tr>
<tr>
<td>Overall trust</td>
<td>5.77</td>
<td>2.69</td>
<td>[4.99, 6.57]</td>
<td>[2.27, 3.01]</td>
</tr>
</tbody>
</table>

We conducted preliminary analyses to assess whether the assumptions of multicollinearity, outliers, normality, linearity, homoscedasticity, and independence of residuals were met; therefore, bootstrapping 95% confident intervals, using 1,000 sample were reported where applicable. The model as a whole was able to significantly predict union members’ perceptions of leadership trust, \( F(2,41) = 10.40, p < .001, R^2 = .30 \), indicating 30% of variations in union members’ perceptions of leadership trust is accounted for by the linear combination of the predictor variables. In the final model, leadership consideration was the only significantly predictive of perceptions of leadership trust \( (\beta = .62, t = 3.23, p = .002) \). This indicates that, after controlling for the influence of perceived initiation of structure, perceived leadership consideration had an individual effect on overall trust and resulted in a rejection of the null hypothesis. Examination of the unstandardized beta coefficient indicated that a one-unit increase in perceptions of leadership consideration corresponded to a 1.71-unit increase in overall trust. The 95% confidence interval for this variable’s beta value ranged from 0.76 to 2.47, suggesting that the positive relationship was likely to be supported in 95 out of 100 samples if the study were to be repeated 100 times. Table 2 depicts the regression analysis summary for the predictor variables. The final predictive equation was: Include regression equation.

TABLE 2

REGRESSION ANALYSIS SUMMARY FOR PREDICTOR VARIABLES

<table>
<thead>
<tr>
<th>Variable</th>
<th>B</th>
<th>SE B</th>
<th>( \beta )</th>
<th>t</th>
<th>p</th>
<th>B 95% Bootstrap CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initiation of structure</td>
<td>-0.17</td>
<td>0.59</td>
<td>-0.06</td>
<td>-0.29</td>
<td>.773</td>
<td>[-1.17, 0.79]</td>
</tr>
<tr>
<td>Consideration</td>
<td>1.71</td>
<td>0.53</td>
<td>0.62</td>
<td>3.23</td>
<td>.002</td>
<td>[0.76, 2.47]</td>
</tr>
</tbody>
</table>

The results related to leadership consideration were largely consistent with the previously published literature. Theoretically, researchers have supported the importance of leadership consideration (Judge et al., 2004; Stogdill, 1963; Tracy, 1987). Broadly, the findings related to leadership consideration were consistent with the determination that leadership behaviors can establish trust among followers (Cho & Poister, 2014; Hernandez et al., 2014).

Leadership consideration is a transformational trait (Derue et al., 2011), and thus, the findings supported the use of a transformational leadership behavior in establishing trust among union members. The finding was also consistent with Boies, Fiset, and Gills (2015), who found that communication styles consistent with transformational leadership were important in building trust, and with Newman, Kiazad, Miao, and Cooper (2014) who suggested considerate, ethical behavior supported trusting organizations. Johnson, Venus, Lanai, Mao, and Chang (2012) further determined transformational leadership and leadership consideration unites followers. Consistent with this interpretation, Sparrow (2013) suggested behaviors...
that build leadership trust are investment in relationship, honesty, humility, and consistency. Thus, the present findings, in conjunction with theoretical literature, supported the use of the transformational behavior of leadership consideration in establishing trust among union members.

The results were also consistent with the literature published regarding leadership consideration and its relationship to trust. For example, McCleskey (2014) used a qualitative meta-analysis of three seminal studies referencing situational leadership, transformational leadership, and transactional leadership. The results were that leadership consideration correlated with leadership effectiveness. Similarly, Green et al. (2015) conducted a quantitative meta-analysis of literature using the LBDQ and determined leadership consideration predicted trust. Thus, analyses of present literature supported the current findings.

Additional support for the present findings existed in quantitative studies conducted by Bai et al. (2012), Sgro et al. (1980), and Sousa-Lima et al. (2013). Bai et al. studied how leaders in top management positions affected employee’s trust in leaders through transformational leadership, specifically by exhibiting caring, reflexive, and considerate behavior, although they did not utilize LBDQ measures of consideration. Sousa-Lima et al. further discovered that consideration, defined by fairness, information sharing with employees, and necessary support to employees improved leadership trust. Most similarly to the present study, Sgro et al. (1980) also found a significant correlation between leadership consideration and leadership trust among 149 freshman cadets and 41 cadet leaders in the military corps from two southern universities. This study extended the findings of Bai et al., Sgro et al., and Sousa-Lima et al. by establishing that leadership consideration was also significantly predictive of perceptions of leadership trust (β = .62, t = 3.23, p = .002). Thus, the present study was consistent with Green et al.’s, McCleskey’s, and Sgro et al.’s findings, but provided significant extension of the literature by establishing a strong, predictive relationship between leadership consideration and leadership trust. These findings suggested that for effective business practice, union leaders should establish trust by exhibiting leadership consideration, consistent with Li et al.’s (2015) determination about the role of trust in organizational practice.

RECOMMENDATIONS FOR ACTION

The results of this study indicate several actionable steps on the part of union leadership. The recommendations for action are as follows:

- Union executives should consider vetting and training leaders to create an environment of comfort and well-being.
- Union leaders of any level should consider open and honest leadership practices, exhibited through consideration of union members’ perspectives.
- Union leaders of any level should recognize members’ contributions in a fair manner.
- Union leaders of any level should work towards improving internal communications and use all forms of technology to assist in building a two-way platform of communication to show consideration to members.
- Union leaders of any level should provide action-oriented membership services that protect members’ interests.
- Union leaders of any level should be willing to hear and take appropriate action to correct members’ concerns.
Union leadership could use the results of this study to create a higher level of trust within union organizations. When union members felt their leaders have their best interest in mind relative to consideration, these union members would trust in leadership. Executive boards and officers in unions should use the study results to train and educate union leaders to improve opportunities to build trust within their union membership.

RECOMMENDATIONS FOR FURTHER RESEARCH

Based on the results of the present study, we make several recommendations for further research. Firstly, as the present research did not support Stogdill’s (1963) model combining leadership initiation of structure and leadership consideration in conjunction for organizational outcomes, we recommend a qualitative study where interviews take place with union leaders and members with key questions to ascertain leadership behaviors from the LBDQ and perceptions of those behaviors. A qualitative method offers the researcher an opportunity to identify a leader’s range of behavior that fosters trust. Qualitative questions could include how union leaders establish trust in specific labor union sectors, and what behaviors members perceive in trusted union leaders. This qualitative study, and researcher’s interpretation, could help to determine whether and how transformational and/or transactional leadership behaviors combine to establish effective leadership, specifically leadership trust, without identifying specific behaviors prior to the fact.

CONCLUSION

The finding of this study provided a response regarding the lack of trust and resultant declining membership and participation in labor unions. Specifically, the purpose of this quantitative correlational study was to examine the relationship between union members’ perceptions of union leadership consideration, union members’ perceptions of leadership initiation of structure, and union members’ perceptions of leadership trust. The random sample included 44 union members who were U.S. citizens, who responded to social media and email recruitment procedures. The results of the multiple linear regression indicated that leadership consideration had a significant predictive relationship of union members’ perceptions of leadership trust. Conversely, there was no such relationship between leadership initiations of structure.

REFERENCES


Trust in Union Leaders and Decline in Union Membership

April 2018, 113


Stress and Employee Engagement

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We explored strategies that HR leaders within a single healthcare organization in Franklin, Tennessee, used to reduce employee disengagement caused by stress and identified four themes related to business practice. The four themes were (a) integration of employee engagement practices into culture and business processes, (b) providing managers with the job resources they need, (c) intentionality, transparency, and honesty in communications, and (d) relying on supportive supervisor behavior. Senior executives and HR leaders should examine the feasibility of proactively implementing similar strategies to mitigate employee workplace stress, reduce disengagement, and improve employee engagement and commitment to the organization.

Employees who bring an emotionally positive state of mind to their workplace invest of themselves emotionally and cognitively in their work (Lee, & Ok, 2015). Cohen (2014) observed that a motivated workforce improves business productivity, revenues, and performance. Analysis of data on employee engagement and financial performance from 94 companies between 2008 and 2012 found a significant correlation between increased engagement and sales growth (Merry, 2013).

People experience stress as physiological and psychological reactions when they are unable to handle the demands of life events, with work-related events, relationships, and finances being the most common stressors for adults (Durante & Laran, 2016). Employees can experience stress at work and outside of work for a variety of reasons. People experience job-related stresses, such as job dissatisfaction, job insecurity, organizational conflict, and organizational change (Smollan, 2015); money stress (Sturgeon, Zautra, & Okun, 2014); and retirement-related stress (Verne, 2015). Stress, inside and outside of work, affects employee productivity (Tunwall & Stutzman, 2012), and the estimated impact of employee absenteeism on U.S. businesses was $225 billion per year through reduced efficiency, overtime wages, fixed fringe benefits, and the cost of replacement employees (Biron & De Reuver, 2013).

LITERATURE REVIEW

Stress and Its Effect on Individuals and Organizations

Stress is a negative, bodily, and psychological reaction to individuals’ inability to cope with situations in their life; work-related events, relationship issues, and finances being the most common stressors for adults (Durante & Laran, 2016). Jain, Giga, and Cooper (2013) observed that researchers have variously conceptualized stress as a stimulus, a response, an interaction between stress and the response, and an individual’s specific interaction with their environment.

Behavioral reactions, physical reactions, and psychological reactions are the strains that individuals experience under stress (Spector, 2006). MacFadyen, MacFadyen, and Prince (1996) noted that stress is cumulative in its effect on individuals’ mental wellbeing across stressors such as lack of employment, lack of social support, social status, organizational changes, savings, and income. Individuals’ reactions to stress can manifest as muscle tension, mental fatigue, and cognitive impairment (Sandmark, Sarvento, Franke, & Akhavan, 2014; Voci, Veneziani, & Metta, 2016).

Walinga and Rowe (2013) noted that sustained stress experienced in the workplace led to employees experiencing job burnout resulting in absenteeism, lower organizational productivity, and higher attrition, causing increased costs for the organization on staffing and health benefits. Employees experiencing...
chronic work-related stress show lower concentration and productivity at work because their blood pressure is not steady, their cholesterol levels are elevated, they experience muscle tension, and they suffer from chronic conditions such as diabetes, hypertension, and clinical depression (Colligan & Higgins, 2006). Stress at work arises from issues such as too much work, conflicting goals, vague task goals, emotional demands, lack of autonomy, and absence of supervisory support (Corin & Bjork, 2016).

Workplace stress places significant burdens, physical, cognitive, and emotional, on both the employee and the organization through lower productivity, increased absenteeism, increased presenteeism, counterproductive work behavior, and job burnout in the workplace (Colligan & Higgins, 2006). Employees with high sense of their ability to succeed in certain situations see more opportunities than situational threats and demonstrate greater efficacy in coping with stressful situations (Lu, Du, & Xu, 2016). Montgomery, Spanu, Baban, and Panagopoulou (2015) and Elst et al. (2016) commented on the job demands-resources model and stated that individual characteristics interact with work characteristics to cause psychological reactions such as burnout or work engagement and that job resource availability was the primary predictor of work engagement. Stress and cynicism affect enthusiasm in the workplace; cynicism, one of the components of burnout, is one of the first indicators of deteriorating wellbeing in the workplace (Viitala, Tanskanen, & Säntti, 2015).

PURPOSE STATEMENT

The purpose of this qualitative single case study was to explore the strategies that HR leaders used to reduce employee disengagement caused by stress. The sample population for this study comprised of HR leaders and line managers within a single healthcare organization in Eastern Tennessee, who had used such strategies and had reduced employee disengagement caused by stress. The findings of this study could help employers reduce their employees’ level of disengagement caused by stress. The implications for positive social change include the potential to improve human resource management (HRM) practices in organizations that might implement such strategies, which could lead to improved emotional wellbeing for employees, with concomitant benefits to their families and communities.

METHODOLOGY

Researchers use qualitative methods to explore the ways in which people experience and perceive situations (Miles, Huberman, & Saldana, 2014). We selected the qualitative method because we wanted to ask exploratory questions to understand the ways in which HR leaders and line managers experienced and perceived situations related to stress and engagement. Researchers use the quantitative method to examine the statistical significance of relationships or differences among variables to test hypotheses (Skott & Ward, 2016). Researchers use the mixed method to approach a topic from an objective, detached perspective and a participative, exploratory perspective to obtain a multidimensional view of the study topic using statistical analysis and rich descriptions, which they then analyze to identify and explore key themes either in parallel or in sequence (Stuart, Maynard, & Rouncefield, 2017). We did not use the quantitative method or the mixed method for my study because We did not intend to conduct a statistical analysis of significant relationships or differences among variables and therefore did not wish to test statistical hypotheses for relationships among variables as part of a mixed study.

Researchers use case study designs to ask what, how, or why qualitative research questions about a current day phenomenon in a real-life context and use multiple sources of data for triangulation of evidence (Morgan, Pullon, Macdonald, McKinlay, & Gray, 2016). We used the case study design, as we wanted to interview managers in a single organization to determine the strategies they used to reduce the effect of stress on employees and improve employee engagement. We did not use the ethnographic design, which researchers use to explore the cultural values and beliefs of a group of participants (Shover,
RESEARCH QUESTION

What strategies do HR leaders use to reduce employee stress and increase employee engagement?

INTERVIEW QUESTIONS

1. What strategies did you use to increase employee engagement and commitment to the organization?
2. What strategies did you use to reduce stress in the workplace?
3. How did you assess the effectiveness of these strategies on decreasing employee stress and increasing employee engagement?
4. What barriers/challenges did you experience in implementing these strategies?
5. How did you overcome these barriers/challenges?
6. What other topics that we did not cover in our discussion would you like to discuss that can contribute to my understanding of the strategies your organization utilized to reduce employee stress and increase employee engagement?

POPULATION AND SAMPLING

We conducted a single case study in a healthcare organization in Franklin, TN, that had implemented policies and practices towards employee engagement. The identified participant population was 12 executives who either oversaw the HR function or were line managers with responsibility for supervising other employees. We used census sampling to identify the pool of 12 study participants in the single organization. Guest, Namey, and Mitchell (2017) observed that sample sizes in case studies are generally small because the researcher is interested in the case's special attributes. The final list of participants represented executives with a varying range of employment tenure from across many business functions within the organization: human resources, clinical operations, coaching operations, technology, emerging business, account management, and finance. The identified participant population was 12 executives who either oversaw the HR function or were line managers with responsibility for supervising other employees. Table 1 provides a classification of the participants based on their role and tenure in the organization. Seventy five percent of the participants had worked in the organization for 5 or more years.

THE FINDINGS

We identified four themes related to business practice as shown in Figure 1. The four themes were (a) integration of employee engagement practices into culture and business processes, (b) providing managers with the job resources they need, (c) being transparent and honest in communications, and (d) relying on supportive supervisor behavior.

We conducted the study within a healthcare organization in Franklin, TN, to understand the strategies its HR leaders used to improve employee engagement and mitigate employee stressors. The organization’s management had experienced a long period of business success leading up to 2015. During this period, management empowered high commitment human resource practices, invested in leadership training and support activities over a period of years, framed these activities within a set of organizational culture.
development practices, and embedded employee engagement practices into business processes. The organization’s leadership trained line managers, provided them the tools to help employees mitigate work stressors, and involved them in defining employee engagement practices. Between 2014 and 2016, the organization’s management had to reduce costs in response to setbacks in business.

### TABLE 1
ROLE CATEGORY AND TENURE OF STUDY PARTICIPANTS

<table>
<thead>
<tr>
<th>Alias</th>
<th>Role category</th>
<th>Tenure (Years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1</td>
<td>Communications and culture manager</td>
<td>10-20</td>
</tr>
<tr>
<td>P2</td>
<td>HRM practice leader</td>
<td>10-20</td>
</tr>
<tr>
<td>P3</td>
<td>Emerging business division leader</td>
<td>5-10</td>
</tr>
<tr>
<td>P4</td>
<td>Clinical operations manager</td>
<td>5-10</td>
</tr>
<tr>
<td>P5</td>
<td>Technology operations manager</td>
<td>0-3</td>
</tr>
<tr>
<td>P6</td>
<td>HR business liaison leader</td>
<td>0-3</td>
</tr>
<tr>
<td>P7</td>
<td>Technology leader</td>
<td>10-20</td>
</tr>
<tr>
<td>P8</td>
<td>Coaching operations leader</td>
<td>5-10</td>
</tr>
<tr>
<td>P9</td>
<td>Call center leader</td>
<td>10-20</td>
</tr>
<tr>
<td>P10</td>
<td>Account management leader</td>
<td>20+</td>
</tr>
<tr>
<td>P11</td>
<td>Finance manager</td>
<td>5-10</td>
</tr>
<tr>
<td>P12</td>
<td>Emerging business manager</td>
<td>0-3</td>
</tr>
</tbody>
</table>

**FIGURE 1. STRATEGIES FOR REDUCING EMPLOYEE DISENGAGEMENT AND IMPROVING EMPLOYEE ENGAGEMENT**

[Diagram showing strategies for reducing employee disengagement and improving employee engagement]
At the time of our study, the new leadership was assimilating the division into its systems and processes. As a result, the study participants had experienced or heard about the prosperous years, had faced periodic layoff events since 2014, and had become employees of a new organization in 2017. Based on discussions with the organization’s HR leadership, we decided to present the findings over these two distinct periods in the organization’s recent history, “the golden years” and “the change years”, in order to provide a context for strategies HR leaders used to reduce disengagement caused by stress and improve employee engagement. We identified the golden years as the period between 2008 and 2015. The following themes relate to the golden years of the organization.

THE GOLDEN YEARS

Integration of employee engagement practices into culture and processes. During its golden years the organization created a mission-driven, values-based work culture. The study participants were nearly unanimous in their responses (10 out of 12 participants) on this theme. Berens (2013) stated the four qualities conducive to employee engagement were (a) employees want to be part of something bigger than themselves, (b) they feel a sense of belonging, (c) their journey needs to have a purpose and be meaningful, and (d) they want to see their contributions make a significant impact. Byrne (2015) observed that the organizational factors that inhibit employee engagement include lack of perceived organizational support, physical resource constraints, hostile or abusive work environment, micromanagement, absent or ineffective leadership, and constant change.

The organization’s leaders, knowing that “there will always be a culture in an organization so long as you have people because of the people, the personalities, the dynamics, and the way people engage” (P2), were intentional about creating a work environment in which employees felt a sense of purpose and developed a sense of commitment to the organization. Organizations determine the employees’ engagement experience through the creation and sustainment of an organizational culture (Shuck, Collins, Rocco, & Diaz, 2016). The approach contrasted with Valentin’s (2014) observation that organizations’ employee engagement initiatives focused on performance and overshadowed discussions around the employee’s workplace experience and wellbeing.

The organization’s mission, as P8 stated, was “to create a healthier world, one person at a time.” The human resource department integrated the mission statement and the organization’s set of values into its employee hiring, employee onboarding, employee development, and performance evaluation procedures. These procedures helped articulate that the organization’s values were “more than just knowing what the values were, but how they interacted, and why it was important that we had those ones and what they meant” (P2). P8 explained the link between the organization’s mission and values, “when we had a clear mission with very clear values, I felt like most colleagues that interacted with across the board were “dialed into” that mission and people came to work even when it was hard, I would hear people say, “I am helping people.”

These statements appeared to support the Kopaneva and Sias (2015) assertion that employee commitment to the organization arises from a shared understanding of the organization’s purpose and generates trust, leading to a sense of belonging. The organization was intentional about nurturing a culture of engagement in the work environment as the following responses indicated, “one of the things that I believe is unique about XYZCo in its history is that there was an intentional effort, a decision made by our founders to define the culture that they wanted. They wanted to define the workplace where they wanted to work and went about a series of steps to put that culture into play” (P2). As P2 stated, “We made that shift, and with that we put a lot of effort into defining what engagement meant for our managers and for our colleagues and to really build into the culture a sense of engagement.”
The organization’s leaders believed that leaders, managers, and employees had a collective responsibility to create an engaged workforce. Eight of the 12 participants agreed that the organization signaled their commitment, financial support, and leadership in creating a work environment that reflected the organization’s mission and values and tasked the managers and employees with defining and implementing the required practices and procedures. This aligned with the observation by Shuck et al. (2016) that employees engage when organizations (through organizational development and culture) and managers (through leadership) nurture the conditions of engagement. Organizations can counter the negative effects of stress and burnout by building a positive trusting work culture (Anthony-McMann, Ellinger, Astakhova, & Halbesleben, 2017).

As a result, employees and managers in the organization felt a sense of ownership in creating the environment in which they worked. As P1 stated, “that was helpful for our colleagues and our leaders because our colleagues were able to participate and drive their own engagement and drive the engagement of their peers. Our managers and senior leaders were able to say, “it is not just up to us, engagement is all of our jobs” and I think it gave people more sense of pride in our engagement because we all owned it.”

Bakker (2017) asserted that HR practices such as creating a culture of trust and empowerment, performance development, training, career development, and ongoing appraisals influence employee engagement. P7 compared the organization’s effort at engagement with other organizations, “XYZCo has been one of those places where I have worked where you have more of those types of individuals that are here because of the mission and they want to know that what they do every day adds value in helping the organizations achieve its mission. Whereas, other organizations I have worked for, not so much”.

The HR department partnered with business leaders to embed employee engagement practices into business processes and workflows. The organization updated its performance evaluation process to measure not just performance goal achievement but also how the manager and employee went about achieving those goals. Saks (2017) stated that organizations should manage employee engagement the same way they manage job performance, by making employee engagement the focus of and embedding it into the ongoing performance management process. Anthony-McMann et al. (2017) found that training leaders and employees in fostering a work environment that helped develop positive work relationships was the most important activity an HR department could undertake to improve employee engagement.

Leaders and line managers were trained on the tactical activities designed to improve employee engagement, including training on the Gallup Q12 survey methodology, a tool used to measure engagement scores at the individual, team, division, and organization levels. The organization shared the list of Q12 survey questions (Table 2).

Leadership developed a robust set of activities framed within the purpose and values of the organization to implement, measure, and monitor employee engagement and commitment to the organization based on responses to questions 1 to 12. Managers received regular training on creating engagement impact plans and tools to measure, monitor, and report progress on an annual basis. Participant P10 observed that “every year, it wasn't just that we got the readout of the result. We were further challenged to take the read out of the results, look for the areas where we could obviously improve, and then generate action plans that we measured throughout the year to try to address those areas for opportunities for improvement”.

Participant P2 observed that “on the whole, we did see significant improvements from year to year in our engagement results that we felt stemmed from the work we did, not only around engagement but also around change management, around training and development, leadership development and such, and overall communication path and strategy.”
### TABLE 2
GALLUP Q12 SURVEY QUESTIONS

<table>
<thead>
<tr>
<th>Number</th>
<th>Question Wording</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q0</td>
<td>How satisfied are you with XYZCo as a place to work?</td>
</tr>
<tr>
<td>Q1</td>
<td>I know what is expected of me at work.</td>
</tr>
<tr>
<td>Q2</td>
<td>I have the materials and equipment to do my job right.</td>
</tr>
<tr>
<td>Q3</td>
<td>At work, I have the opportunity to do what I do best every day.</td>
</tr>
<tr>
<td>Q4</td>
<td>In the last 7 days, I have received recognition or praise for doing good work.</td>
</tr>
<tr>
<td>Q5</td>
<td>My supervisor, or someone at work, appears to care about me as a person.</td>
</tr>
<tr>
<td>Q6</td>
<td>There is someone at work who encourages my development.</td>
</tr>
<tr>
<td>Q7</td>
<td>At work, my opinions seem to count.</td>
</tr>
<tr>
<td>Q8</td>
<td>The mission or purpose of my company makes me feel my job is important.</td>
</tr>
<tr>
<td>Q9</td>
<td>My associates or fellow employees are committed to doing quality work</td>
</tr>
<tr>
<td>Q10</td>
<td>I have a best friend at work.</td>
</tr>
<tr>
<td>Q11</td>
<td>In the last 6 months, someone at work has talked to me about my progress.</td>
</tr>
<tr>
<td>Q12</td>
<td>This last year, I have had the opportunities at work to learn and grow.</td>
</tr>
</tbody>
</table>

The HR leaders also empowered employees to take an active role in creating the impact plans to ensure they had a voice. The organization’s HR department, with support from senior leadership, developed policies and practices that were people-centered. Hiring and selection processes assessed applicants’ identification with the organization’s purpose and values. Such recruiting practices may have helped hire staff who came equipped with coping mechanism defenses to deal with negative effects of stressors (Newton & Teo, 2013). Employees were known as “colleagues” (P1). The HR department developed trusting relationships with managers and employees. Bakker (2017) asserted that high-performance HR practices engender employee engagement. As P1 stated, “Our colleagues are our customers and they are the center of our experience. And everything we do is to make their experience better.” P6 echoed this by saying, “I think all that plays into people knowing that they are treated with respect and there is an openness about the culture.”

Leadership created a work environment that felt open and bright. Leaders and managers encouraged work-at-home and flexible hours to promote a work-life balance among employees and invested in creating a work environment that supported physical activities and made it easy for employees to find healthy food options. Participants P3 and P12 described their efforts at helping their staff step away from their community level engagement responsibilities. P1 stated that her supervisor encouraged her to balance her work and life commitments. P5 explained how he encouraged his staff to take vacations and not answer e-mails while being away. P6 talked about the opportunities to engage in physical activity and the general approach to wellbeing within the organization. P7 contrasted his work experience at the organization and his earlier companies to say that the organization implemented employee engagement practices across the board. The organization appeared to mirror an observation from Boreham et al. (2016), who asserted that low levels of employee engagement were linked to low level of wellbeing at an organizational level. P11, a line manager, stated,

the company really prides itself in having a culture that is very health oriented and along with that, being an employee-friendly, work-life balance sort of focus. Having a flexible generous PTO policy for one thing, paying for our gym memberships, and things like that.

The leaders encouraged managers to involve frontline staff in the decision-making process even if it meant merely listening to employees’ reactions to leadership decisions. As P10 stated, “Just the fact that somebody took the time to listen to them and to hear out their perspective, to me, makes a huge difference in their engagement and whatever process or activity is being rolled out.” When colleagues’ positions had to be terminated, the organization ensured that the decision was carried out in a respectful manner and
did the most it could do for the employee being terminated. As P1 stated, “we had 155 colleagues at the time and only five left and the other 149[sic] stayed to the very end and to this day, I get emails from people who say this was the best place they ever worked and there is a Facebook group of them that I am a part of and the ones that are still in Raleigh still get together. And we had people thank us at the end . . . “thank you for doing this in a dignified way” and “thank you for this being a great place to work,” and that’s not always the case when you close a facility with 150 people losing their jobs on the same day”.

Providing managers with the job resources they need. The leaders empowered employees and their managers to collaborate in identifying barriers that prevented them from achieving their best work outcomes, creating improvement plans, and implementing robust monitoring and reporting processes around such plans. The HR department provided managers opportunities to participate in leadership training events as part of their personal development plan and emphasized equipping managers with the tools, the talking points, and the context behind organizational changes so they could proactively address employee concerns. In providing managers job resources such as leadership training and training in engagement practices, the organization engaged in a social exchange principle of reciprocal interdependence (Cropanzano & Mitchell 2005).

HR practices, such as creating a culture of trust and empowerment, employee development, training, career development, and ongoing appraisals influence employee engagement (Bakker, 2017). Employees engage when they have the resources to do their job, manage work stressors, feel safe in the work environment, find meaning in their work, have an interpersonally oriented leader, and connect with their colleagues to align with the organization’s mission (Byrne, 2015). Bakker (2017) observed that leadership development intervention had a positive effect on followers’ perceptions of work-culture support and strategic alignment. Social exchange relationships at work evolve when employers take care of employees, which thereby gives rise to beneficial consequences (Cropanzano & Mitchell, 2005). As P4 stated, “HR would take a lot of depth in the leadership growth, being an active partner in not only being a part of the team, a superficial part of the team, but being able to really help, ‘how can I help you have that conversation?’ ‘how can I help you develop this certain skill?’ and watching.” HR managers were involved in providing the mentorship and support managers needed in implementing the leadership training.

The HR department recognized the importance of providing line managers the information, the support, and the tools they needed to engage with their staff to facilitate two-way communicate about the organization’s direction and leaders’ decisions. Many participants praised the HR-sponsored training and development programs. P8 stated, “I feel like they were important for manager engagement. It helped them feel like they were supported. On a scale of 1-10, the value they provided in 2010 and 2011 was 7 or 8. They were good programs.” Referring to the HR department, P10 stated, “Having a team of people waking up every day trying to think about how to make sure we support and sustain our culture is significant to the success”. Social exchange theory explains employee engagement by stating that employees who perceive higher organizational support are more likely to reciprocate with greater levels of engagement in their job and in the organization (Saks, 2006). Dewettinck and Vroonen (2017) found that managers’ beliefs regarding the usefulness of employee performance management activities were the key determinants of a successful implementation. Anthony-McMann et al. (2017) found that training leaders and employees in fostering a work environment that helped develop positive work relationships, was the most important activity a HR department could undertake to improve employee engagement. P2 explained how the organization approached its role in supporting line managers, “they may have limited amounts of information or context, but yet, they are needing to craft a message for their employees that motivates, that gives them hope, that gives them meaning and so, if you are able to empower them, give them more tools, more information, then I think you are set up for more success when you think about colleague engagement, when you think about stress levels and the ability to impact anxiety”.

Being transparent and honest in communications with employees. Five participants responded that the organization developed a communication strategy that emphasized transparency, helped employees understand what organizational decisions and events meant to them, provided managers with the talking points they would need to cascade information to their staff, and helped develop trust with the employees. Meyer (2017) had suggested that effective, two-way communication was important in shaping employee perceptions of the organization’s efforts at creating a values-based culture and implementing employee engagement practices. A communications and culture specialist within the HR department described the role was about “ensuring our colleagues and leaders are set up for success through transparent and timely communications, so making sure our messaging makes sense to people, aligning messages of our senior leaders on down to our front-line colleagues” (P1). Straatmann, Kohnke, Hattrup, and Mueller (2016) found that implementation of change related communications processes helped employees perceive greater behavioral control around change events because they felt informed. Straatmann, Kohnke, Hattrup, and Mueller found that the theory of planned behavior constructs of attitude, perceived behavioral control and subjective norms explained about 47% of the variance in employee intentions to engage in organizational change events and process. As P2 stated, “some level of transparency I think, was very important, for colleagues to feel a sense of trust from the organization and for them to understand what it truly meant for them – positive impact or not, they knew where they stood, to the degree it could be communicated but on the other side it was important to prepare our leaders – frontline and middle management with the talking points, the tools, the context behind that change because they were the ones that had to carry that change forward and they were the ones that were going to get the questions and concerns from their team about this change, they were the ones that were going to see the stress and anxiety in their team mates and were going to be ones that had to address it”.

HR leaders reached out to influencers within the organization as part of an overall change management strategy and communications plan in advance of major organizational events. Participants P6 and P12 insisted that it was important to be open and as professionally transparent as possible with their staff. P12 observed, “I think, if people think that something is going on and they are kept in the dark about that, it just creates more stress and gossip and speculation”. P10 emphasized the importance of communication as part of an overall engagement approach, my leadership philosophy has always been that it's really important sometimes, to the point of over communicating to make sure that you're consistently informing the people that report to you, about anything that's happening in the company both positive and negative.

However, these communications practices were likely insufficient to cope with the sheer size and frequency of the organizational changes that occurred during the change years. Responses from a few participants appear in the change years section of this study. Meyer (2017) argued that organizations that recognized the basic human needs of autonomy, efficacy, self-control, social connection; implemented HR policies that reflected fairness in hiring, development, and evaluation practices; and implemented frequent and effective two-way communications with their employees, as best principles, had a greater chance of improving employee engagement and improvements to the bottom line. As P10 observed, “the values of the organization were the focus on culture, the fact that we looked at it, we measured it, we talked about it, we where we had it on our badges, where we were consistently reminded of the importance of culture and the very specific tenets of that culture that we wanted to uphold”.

The leadership invested in these strategies over a period of more than 7 years to allow employee engagement practices and perspectives to become part of the way the whole organization conducted itself. Figure 2 shows the trends in annual employee engagement Gallup Q12 scores for the organization. Organizational engagement scores measured on a scale of 0 to 5, rose from 3.82 in 2008 to 4.20 in 2012, and plateaued for the next three years.
However, even in an engagement-oriented culture, there remained pockets of disengaged employees. As Shuck et. al. (2016) observed, even though organizations determine the experience of employee engagement by creating and sustaining an organizational culture, employees may become disengaged because of an uncontrollable, local condition of work. P9 mentioned the differential treatment towards the call center staff by saying, “For the longest time, I feel that the call center people were treated like a different caste or group within the corporation.” Leaders in the call center had to go to lengths to create, according to P9, a “bubble around the call center” to make it a fun place. The call center leaders developed a manager training program that focused on building team morale by “promoting from within” (P9). They created a program that would allow front line staff to take on managerial roles when they became available. P7 wished that HR’s scope of engagement could have extended from the organization level to the employee level. P3 mentioned having to customize organization-level communications to suit his business. Participants’ responses related to the change years revealed additional details related to some of the themes from the organization’s golden years.

THE CHANGE YEARS

Organizational changes including changes in leadership, curtailment of non-essential expenses, and staff headcount reductions started in late 2014. Employees lost long-term friends to departures or layoffs. Remaining team members saw an increase in their workloads. Leadership stopped administering the Gallup Q12 survey after 2015 even though employee engagement practices remained integrated into business processes. Then, in 2016, the organization was spun-off from its parent company and sold. More changes occurred in leadership positions. New rounds of layoffs occurred across the organization. Reporting relationships changed.

Integration of employee engagement practices into culture and processes. Leadership commitment to creating and maintaining a culture of engagement appeared to be important leading up to and during the change years. Six participants responded to the changes in organization culture during the change years. P10 used the term “counter cultural” to describe the effect on the organization’s values and culture as new leaders came into the organization and spoke about the need for leaders to be aligned with the organization’s culture because the organization took its cues from their behaviors. P12 spoke about the palpable sense of loss employees felt in the organization’s culture activities after the acquisition. P2 spoke about the “ebbs and flows, and changes based on new leaders” as the reason for the shift away from the values that formed the basis for the organization’s culture during the golden years.
The relatively sudden erosion of values starting in 2015 and the associated ambiguity about the organization’s mission after the acquisition, caused perceptible changes in how employees talked about the organization. The main source of stress during the change period arose from uncertainty about changing job roles, potential redeployment, layoffs, perceptions of change processes, lack of resources, and the absence of consultation and information (Smollan, 2017). Based on their findings on organizational identity and employee stress, Newton and Teo (2013) suggested that organizations should facilitate high levels of identification with the organization, its mission, and values because such identification would allow employees to adjust better to organization changes and the effects of such stressors. When individuals identify with the organization, they are likely to express satisfaction and commitment to the organization (Lee, Park, & Koo. 2015). Newton and Teo (2013) found that employees who identified strongly with their organization showed decreases in their job satisfaction levels and their psychological health when they were unclear about their role.

P2 mentioned that employees were not sure how they fit into the organization after the acquisition. P8 stated, “And where we are now is, we don’t have any values, we got some values thrown on to our annual performance evaluation. They weren’t all that meaningful and they were a little confusing” when speaking about the sense of confusion among employees about the organization’s purpose under the new parent. P1 was optimistic, but cautious about the future of culture-related activities after the acquisition. P12 spoke about the steps the team took to reinstate the cultural values of employee recognition and celebration of life events when they realized that the HR department had stopped doing so.

Employees appeared to be going through an identity crisis because they sensed a loss of identification with the organization. Organizational identification forms the basis for the theory of planned behavior model of attitudes and behaviors in organizations (Lee, Park, & Koo, 2015). It is common for individuals to construct their identity from the identity of the organization they work for because being part of and working for an organization consume a significant portion of a person’s life (Lee, Park, & Koo, 2015). Balanescu (2017) found that the three motivational factors that motivate employees to stay with their employer were (a) the working environment, (b) relationships with coworkers and supervisors, and (c) identification with the organization. P7 used the term “wandering in the wilderness” to describe employees who did not understand what the “tsunami of changes” (P10) meant for them in their jobs. Sung et al. (2017) suggested that perceived changes in employees’ social exchange relationship with the organization based on their perceptions of job security, job continuity, and distributive justice, affected their attachment to the organization. Thus, it appeared as though employees who identified strongly with the organization felt stressed, disengaged, and less committed to the organization during the change years because of the erosion in employees’ sense of organizational identity. Supervisors had an important role to play in helping employees reduce their stress, regain their sense of belonging and commitment to the organization.

Providing supervisors with the job resources they need. Seven participants highlighted the importance of psychological contract fulfillment through employee training and development programs during the change years. A psychological contract represents employee beliefs and perceptions about implicit promises and obligations between the employee and employer in an employment exchange relationship (Birtch, Chiang & Van Esch, 2016). Participants lamented the absence of ongoing training and development programs during these years. P4 missed HR’s involvement and active participation in leadership development programs. P10 stated that the training programs were “critical to our success in engagement”. P11 stated that he had received little to no management training since his promotion as a manager in 2016. P3, P8, and P11 spoke of the constraints they faced in trying to invest in training and development programs for their staff. P7 regretted the “lip service” the organization was providing to investing in employee growth. These participants appeared to be referring to concept of psychological contract fulfillment. Birtch, Chiang and Van Esch (2016) stated that psychological contract fulfillment, a social exchange perspective on the employer-employee exchange process, reflected employee beliefs,
expectations, and perceptions about the employment relationship and the satisfaction of implicit promises between employee and employer. Communications strategies provide employees with the tools to manage their beliefs, expectations, and perceptions of the organization’s decisions and activities.

Being transparent, and honest in communications with employees. During the change years, the organization increased its use of communications as a tool to help reduce employee disengagement and mitigate change-related stresses. Straatmann, Kohnke, Hattrup, and Mueller (2016) found that implementation of change-related communication processes helped employees perceive greater behavioral control about the change because they felt informed about the change. As identified by Francis, Ramdhyony, Reddington, and Staines (2013), the HR department recognized the role that line managers could play in moderating the adverse effects of the workplace changes on employees, by engaging in near continuous dialogue with their staff, to help reconcile individual and organizational needs and interests. Tucker (2017) stated that managers could play an important communications role to reduce employee frustrations caused by lack of direction and information by planning their communications ahead of time, sharing information as completely as allowable, and listening carefully to employee feedback. The department leaders implemented a change management strategy that included a detailed communications plan. The plan included, as P2 stated, “talking point” memos that provided managers with information on the nature of the change, impacts if any, and the reason for the change.

P7 expressed concern about the communications strategy implemented during the change years by saying, “They communicate that change is occurring, but they don’t communicate what is the overall objective behind this change, and what are we trying to accomplish, and getting everybody aligned around that proverbial North Star.” P7 positioned his concern with the communications strategy within the context of lack of job resources; mission clarity, the absence of clearly defined goals, and objectives for operational teams, after the acquisition. The common factor between engagement and burnout may be the presence or absence of job resources; the physical, psychological, and organizational features that help employees achieve their goals (Gruman & Saks, 2011; Hernandez, Stanley & Miller, 2014). Supervisors play an important role in providing essential job resources to their staff.

Supportive supervisor behavior is essential to mitigating employee stress. Ten participants provided a variety of examples on how supportive supervisory behavior can help organizations with employee stress mitigation. The change years highlighted the importance of training and developing managers in employee engagement activities because the training helped mitigate employee stresses. Teoh, Coyne, Devonish, Leather, and Zarola (2016) found that social exchange theory explained the positive relationship between supportive manager behavior and employee engagement.

Kang and Kang (2016) asserted that perceived supervisor support significantly reduced employee job stress and reinforced the effect of high-commitment HRM practices in lowering employee job stress. Kinman and Jones (2005) observed that managers’ beliefs and attitudes regarding work-related stress and its impact on employees would determine the culture of the organization and inform its policies and practices on dealing with stress. During the change years managers had to focus on strategies that would help employee reduce disengagement and mitigate stress. The stress mitigation strategies required building and leveraging trusting relationships with employees by being available to employees, engaging in honest and transparent communications, listening with compassion, and helping employees cope with organizational change.

The dominant cause of stress participants reported hearing from their staff was the fear of losing their jobs after the acquisition. Referring to the frequent layoffs in the recent past, P6 stated, “I think people have it in the back of their minds that another shoe is going to drop.” This stressor remained dominant in employees’ minds despite attempts by the organization’s leaders to increase the frequency and types of communications and events. P9 confessed that attempts to obtain feedback from employees about their
job-related concerns generally devolved to the questions “when am I going to get fired, when am I going to get laid off, when is the next layoff?” P6, P7, P8, and P10 expressed distrust in leadership because of the perceived dishonesty about the number of organization changes that they experienced. Stress at work arises from issues such as work overload, conflicting goals, unclear tasks, emotional demands, lack of control, and lack of supervisory support (Corin & Bjork, 2016; Newton & Teo, 2013). P10 appeared to echo Balanescu (2017) by stating that, while he was keeping his employee options open, he worried about leaving a work environment that was supportive of his work-life balance needs. P5 felt that his staff feared change even though their skills were in high demand in the industry.

Six participants discussed the reasons why employees felt disengaged. The primary reasons for disengagement during the change years were ambiguity of mission, feeling uncertain about the future, unclear or unstated organizational objectives, and lack of clarity on employees’ roles in the future organization. Participants P1, P7, P9, and P12 differentiated between good stress and bad stress. They were unanimous in their belief that the organization had a history of coming together to resolve the good stress situations. Their staff had told them that the organization could have done a much better job of stating the organizations’ change objectives, reasons for the changes, and what they meant for teams and employees.

Mont and Beehr (2014) noted that supervisor communication and social support for employees had the largest positive effect on employees’ subjective wellbeing. Managers helped mitigate employee stress by sharing their own feelings honestly with their staff, providing examples of how they coped with their stress, and by channeling the conversation towards the tasks at hand that both, manager and employee, needed to focus on. Anthony-McMann et al. (2017) observed that organizations might be able to mitigate stresses caused by role conflict, role ambiguity, and role-stress fit through improved resource allocation, increased team collaboration, improved communications, and developing a culture in which employees can safely express their concerns. P4 and P12 allowed staff to vent their feelings by providing them a safe environment to do so and then helping them channel their feelings into focusing on tasks ahead. P9 helped employees face where they were in their “state of change” by facilitating team discussions where employees assessed their readiness to accept the organizational changes and focus on their daily tasks. P5 helped his staff see that despite the many changes in the organization leading up to and beyond the acquisition, nothing had changed about their tasks and their relationships with their internal customers. Consistent supportive behavior from managers can help employee engagement by providing job resources, emotional support, and appropriate working conditions (Byrne, 2015; Luchman & Gonzalez-Morales, 2013).

Tucker (2017) asserted that managers could encourage continued learning and development by their staff by helping them identify new learning opportunities and providing them with opportunities to connect with experts. Most manager participants invested their time in helping their staff deal with stressors and helping them with career growth options. P7 and P12 allowed staff time to pursue skills adjacent to their core skills and said, “I think the type of people you need to be able to grow an organization you have to bake time in to let them explore internally and to look at things and learn and bring something back that is different”. P8 found creative ways to help staff pursue low-cost training opportunities and by finding other roles within the organization. P9 spent a significant portion of each morning being available to staff and engaging in team and individual mentoring activities. P11 kept his team engaged by helping them acquire new skills related to their roles. Managers in the organization used stress mitigation strategies they learned as part of their HR sponsored leadership training programs. They were responsible for meeting the organization’s commitment to its customers and other stakeholders. Byrne (2015) asserted that employees see supervisors who demonstrate support for their staff and value individual employee contributions, as good role models. The elements of organization culture and employee engagement practices that remained in place allowed them to help their staff cope with the stresses during the change years.
Thus, participant responses spanning the organization’s golden years and change years provided a unique set of contexts to explore the themes that emerged and yielded information about the importance of the strategies the organization’s leaders used to mitigate employee stress and reduce disengagement. The intentional deployment of employee engagement strategies occurred within the context of the organization’s golden years. The strategies to mitigate employee stress and reduce disengagement, were realized to greater extent within the context of the change years. The conceptual framework theories of social exchange and planned behavior were adequate in identifying the four themes. These strategies might have useful applications to professional practices within the context of employee stress mitigation and employee engagement in other organizations.

RECOMMENDATIONS FOR ACTION

Many study participants reported that ambiguity of mission and objectives, and lack of role clarity were causing stress and disengagement among employees. The organization’s leaders should consider implementing a comprehensive communications plan that clearly presents the parent company’s mission, and the role that various divisions and teams within the organization play in achieving that vision. They should consider utilizing the available set of change management and communications practices developed by the HR department over time.

Given the dynamic nature of business environments in which organizations exist, senior executives and HR leaders in other area organizations could consider a proactive implementation of similar strategies to identify opportunities to mitigate employee workplace stress, reduce disengagement, and improve employee engagement and commitment to the organization. Leaders could engage with researchers on employee engagement to stay abreast of latest research on implementation outcomes. They could partner with organizations like Gallup to implement a data-driven employee engagement strategy. The leaders could experiment with these strategies in a relatively insulated division in the company to understand costs and benefits before full implementation. However, these strategies required significant, long-term investments and therefore might be available to a limited set of organizations. Organizations that consider themselves either as startups, or large companies with many geographically dispersed divisions, would need to address differing sets of challenges in implementing these strategies. Byrne (2015) cautioned against using a single approach to stress mitigation and employee engagement because organizational environments are likely heterogeneous in terms of organizational climate, job characteristics, and leadership style.

The benefits of implementing such strategies appear to be attractive, nonetheless. Workplaces that demonstrate high levels of engagement potentially may attract top talent (Joyner, 2015). Kaliannan and Adjovu (2015) supported Joyner and stated that organizations with high levels of engagement among employees experienced a 19% increase in net income and a 28% increase in earnings per share growth while those with low engagement levels experienced more than 32% drop in net income and an 11% decline in EPS. The organization had not been able to objectively relate their employee engagement initiatives to business outcomes, however. I propose recommendations for future research that could address this and other limitations of the study.

RECOMMENDATIONS FOR FURTHER RESEARCH

We conducted this case study research in a single healthcare organization in Franklin, Tennessee. Recommendations for future research include the following:

Conduct a quantitative study to determine the relationship between improvement in employee engagement score as the independent variable and reduction in healthcare costs for an organization as the dependent variable.
Conduct a follow-up case study after 12 months to understand the resiliency of the employee engagement strategy implementation in a post-acquisition scenario.

Conduct a comparative case study across two or more similar organizations to compare their approaches to mitigating employee stress and reducing employee disengagement.

Conduct research on employee stress mitigation and reducing employee disengagement in other types of healthcare organizations such as health plans and hospitals, using other conceptual frameworks such as social identity theory, organizational identity theory, and conservation of resources theory.

These recommendations may provide organizations additional insights into employee engagement practices and the long-term economic benefits of creating an organization culture that allows managers to develop productive, engaged, and committed employees.

**CONCLUSION**

Stress, whether it is work-related or from a person’s life outside of work, causes an increase in employee disengagement and a decline in employee productivity and workplace performance. Disengaged U.S. workers cost the country’s businesses $225 billion annually in lost workdays and overtime wages. In contrast, organizations with high levels of engagement among employees experienced a 19% increase in net income and a 28% increase in earnings per share growth while those with low engagement levels experienced more than 32% drop in net income and an 11% decline in EPS.

We explored strategies that HR leaders within a single healthcare organization in Franklin, Tennessee, used to reduce employee disengagement caused by stress and identified four themes related to business practice. The four themes were (a) integration of employee engagement practices into culture and business processes, (b) providing managers with the job resources they need, (c) intentionality, transparency, and honesty in communications, and (d) relying on supportive supervisor behavior. Senior executives and HR leaders should examine the feasibility of proactively implementing similar strategies to mitigate employee work place stress, reduce disengagement, and improve employee engagement and commitment to the organization.

**REFERENCES**


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