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This Issue

Surveys show Millennials initially satisfied with their new jobs but also that they leave on average within the first 3 years. The contention of this paper is that Millennials fail to find meaning and interest in their work and to successfully navigate their workplace; volunteer work experience can change this. Findings show volunteer work experience significantly enhances Millennial job satisfaction. Based upon this, separate analyses compare volunteer Millennial with non-volunteer Millennial job satisfaction. Findings show significantly different reactions of volunteer and non-volunteer Millennials to pay, establishment size, unions, co-workers support; no differences with respect to extreme hours worked and irregular schedules.

Restricted bequests to not-for-profit organizations can be challenging. Often there is significant lag time between commitment of bequest and death of donor, when operational changes in the beneficiary organization may occur that make adherence to bequest restrictions difficult. Governance systems, external to and within the organization, should exist to monitor the organization's acceptance and use of bequests. Using the $138 million bequest by Donald and Mildred Othmer to Long Island College Hospital as an example, we consider the stewardship of charitable bequests and the failure of the governance mechanisms in accepting and maintaining bequest restrictions.

Micro-aggressions are the subtle verbal and nonverbal slights, insults, and disparaging messages directed towards an individual due to their gender, age, disability, and racial group membership, often automatically and subconsciously. The authors of this manuscript contend that companies should adopt an ethic of care approach to managing diversity, and take some meaningful steps to ensure that their minority employees are treated with respect. The paper proposed a broken windows approach to reducing micro-aggressions within firms via leader acknowledgement, management by walking around, and micro-aggression training.

Electronic waste or E-waste is one of the main sources of harmful toxic pollutants (polyvinyl chlorides, polychlorinated biphenyls, lead and mercury). E-waste also represents a potent source of valuable metals such as gold, silver, palladium, and copper. As such, the end-of-life management of consumed ICT goods presents a multifaceted site for scholarly research. We developed an empirical method of performance evaluation and conducted a comprehensive assessment of Canadian e-waste management practices and discourse. Although Canada has environmental regulations on e-waste, we find that some Canadian e-waste management companies espouse a discourse of corporate responsibility that is contradicted by actual practice.

Does our scholarly research serve the interests of our key stakeholders? Using the perspectives of agency and stewardship theories, we encourage our colleagues to address important questions surrounding the sustainability and ethics of what we do as social scientists.

This paper reports on a project designed to identify the extent to which and in what ways retaining talented leaders and aspiring leaders in the African public sector is a problem and the underlying reasons for any leadership talent retention problem. A qualitative research methodology is adopted, specifically a constructivist Grounded Theory Research Method (GTRM) approach. Data were collected through thirty-nine semi-structured interviews with public sector HR professionals from 14 African countries. The research found that talent retention of leaders in public sector organizations in Africa is a challenge and a concern. Interviewees reported a wide range of underlying reasons for the problem citing both internal and external barriers such as low prioritization of talent management, corruption, lack of funding and a skilled labor shortage. The study has advanced our knowledge on talent retention of leaders in the ever-changing and increasingly dynamic public sector. The paper highlights a number of potential future research opportunities. The study is limited by the sample size and a single-perspective of only the views of HR managers. There are potentially significant practical implications for those who design, implement and manage talent retention initiatives and for those who manage human resources more generally. The study provides public sector practitioners with helpful information to better address talent retention challenges. The authors contend that this is the first empirical, multi-country study of talent retention for leaders in the public sector in Africa

Authentic, ethical and transformational leadership in 21st century business leaders is needed. This research posits that ethical, authentic and transformational leaders are more effective, that there are incremental improvements in a leader's effectiveness for each of these leadership qualities, and that transformational leadership moderates the impact of the leader's authentic and ethical leadership on the leader's outcomes. Analysis shows that authentic, ethical and transformational leadership behaviors make incremental independent contributions to explain leader effectiveness. The study did not find support for transformational leadership as a moderator of the relationships between authentic and ethical leadership behaviors and a leader's effectiveness.

The complexity of business environments necessitates the need for responsible and conscientious decision making processes in organizational management domestically and globally. Employee trust or confidence in an organization is motivated through the demonstration of constancy in ethical decision-making. This paper will be concerned with the integration of theoretical ethics with practical decision-making in organization and management (business ethics). First, I discuss the historical thoughts that shape the concept of ethics in management and organization through today. Then, I address various contemporary theories of ethical decision-making such as Ethics of Virtue, Cultural and Ethical Relativism, the Ethics of Justice and Kantian Ethics, and the Ethics of Care and Feminist Ethics. Last, I compare and contrast the Ethics of Virtue, Ethics of Care, and Ethics of Justice theories in terms of their applicability to practice relative to global conditions. Organizational leaders and managers have the responsibility to make decisions that are governed by moral principles. Organizations can, therefore, succeed in any environment providing that the decision makers make the effort to adhere to standards that are moral, fair, caring, and just.

This research examines the role of strategic leadership (SL) against competitive positioning (CP) through two intervening variables, intellectual capital (IC) and usage of accounting information system (usage of AIS). Data obtained from the dissemination of the questionnaire to 300 managers who work in the listed public company city of Surabaya, the result is there are 196 valid questionnaires. The data processed by using Partial Least Square (PLS), the results show that a positive relationship between strategic leadership and usage of AIS, intellectual capital, and competitive positioning. The relationship between usages of AIS against competitive positioning showed a positive relationship, while the last hypothesis is not seen a significant relationship between intellectual capitals against competitive positioning. This research also shows that the intervening variable intellectual capital (IC) and usage accounting information system (usage of AIS) cannot strengthen the relationship between strategic leadership against competitive positioning.

GUIDELINES FOR SUBMISSION

Journal of Leadership, Accountability and Ethics
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Domain Statement

The *Journal of Leadership, Accountability and Ethics* is dedicated to the advancement and dissemination of business and management knowledge by publishing, through a blind, refereed process, ongoing results of research in accordance with international scientific or scholarly standards. Articles are written by business leaders, policy analysts and active researchers for an audience of specialists, practitioners and students. Articles of regional interest are welcome, especially those dealing with lessons that may be applied in other regions around the world. Research addressing any of the business functions is encouraged as well as those from the non-profit and governmental sectors.

Focus of the articles should be on applications and implications of management, leadership, ethics, and governance. Theoretical articles are welcome as long as there is an applied nature, which is in keeping with the North American Business Press mandate.

Objectives

- Generate an exchange of ideas between scholars, practitioners and industry specialists

- Enhance the development of the management and leadership disciplines

- Acknowledge and disseminate achievement in best business practice and innovative approaches to management, leadership and governance

- Provide an additional outlet for scholars and experts to contribute their ongoing work in the area of management, leadership and ethics

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Articles should be submitted following the American Psychological Association format. Articles should not be more than 30 double-spaced, typed pages in length including all figures, graphs, references, and appendices. Submit two hard copies of manuscript along with a disk typed in MS-Word (preferably).

Make main sections and subsections easily identifiable by inserting appropriate headings and sub-headings. Type all first-level headings flush with the left margin, bold and capitalized. Second-level headings are also typed flush with the left margin but should only be bold. Third-level headings, if any, should also be flush with the left margin and italicized.

Include a title page with manuscript which includes the full names, affiliations, address, phone, fax, and e-mail addresses of all authors and identifies one person as the Primary Contact. Put the submission date on the bottom of the title page. On a separate sheet, include the title and

an abstract of 100 words or less. Do not include authors' names on this sheet. A final page, "About the authors," should include a brief biographical sketch of 100 words or less on each author. Include current place of employment and degrees held.

References must be written in APA style. It is the responsibility of the author(s) to ensure that the paper is thoroughly and accurately reviewed for spelling, grammar and referencing.

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Volunteer Work Experience: Can It Help Millennials to Find Meaning and Interest in their Work and to Negotiate their Role Within the Workplace?

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Surveys show Millennials initially satisfied with their new jobs but also that they leave on average within the first 3 years. The contention of this paper is that Millennials fail to find meaning and interest in their work and to successfully navigate their workplace; volunteer work experience can change this. Findings show volunteer work experience significantly enhances Millennial job satisfaction. Based upon this, separate analyses compare volunteer Millennial with non-volunteer Millennial job satisfaction. Findings show significantly different reactions of volunteer and non-volunteer Millennials to pay, establishment size, unions, co-workers support; no differences with respect to extreme hours worked and irregular schedules.

INTRODUCTION

Longitudinal surveys show Millennials initially satisfied with the jobs they get. These same surveys however also show Millennials becoming dissatisfied and subsequently leaving their jobs on average within the first 3 years of employment. Despite employer compensation packages and workplace policies offerings to create satisfying work environments and jobs, Millennials are not engaged and are not being retained. So why don't they stay? What happens within this very short time period?

It is the contention of this paper that two elements are missing: Millennials seek but often do not find meaning and interest in their work and although they are confident in their ability to navigate their workplace, they often do not succeed in doing so. Given these missing elements, we often observe the reported "negative" behavior of Millennials: they are bored; they do not persist; they will not go the extra mile; they do not communicate well; they need constant attention from supervisor; they are not team players; they are overly confident; they are risk-averse; they like structure but seek autonomy; they expect more responsibility with few years of experience. Employer compensation packages and workplace policies offerings fail to facilitate engagement and ensure retention.

Previous research has demonstrated that volunteer work experience instills and enhances certain abilities, skills, and personal characteristics which enable employees to successfully adapt to their work roles and negotiate their place in the work environment; and ultimately enable them to find meaning and interest in their work.

Based upon this, the first primary hypothesis tested within this study is that the experience of unpaid volunteer work experience will enhance **Millennials'** *job satisfaction.* A cross-sectional sample of one thousand, four hundred 26-27 year old Millennial employees (not including self-employed) drawn from the NLSY97 (BLS, 2016) database for the year 2012-13 (round 15) is utilized to test a model of Millennial employee job satisfaction with volunteer work experience included.

Then based upon the significant finding of the effect of unpaid volunteer work experience on *Millennial* job satisfaction, separate analyses are performed which compare volunteer Millennial job satisfaction with non-volunteer Millennial job satisfaction. Given that job satisfaction is a work attitude and as such is an evaluative (cognitive) and emotional (affective) *reaction* to job and work environment characteristics, the *primary inquiry of these analyses is: Do volunteer Millennial employees react differently to corporate offerings and elements of their work environment than non-volunteer Millennial employees?* Are the correlations between job satisfaction and the compensation package and job and work environment characteristics different for these two groups?

The modest but provocative findings of these analyses suggest that volunteer work experience is one experience that has the potential to significantly affect Millennials' reactions to certain job and work environment characteristics and thus facilitate engagement and potentially affect retention.

BACKGROUND

Why Job Satisfaction? The Evidence

Job satisfaction is now considered a core indicator of workers' evaluations of their jobs (Hodson, 2004). As a concept, job satisfaction assumes that workers evaluate all aspects of their job situations, consider their alternatives, and through an internal calculus arrive at an overall evaluation of the quality of their jobs. Job satisfaction is a work attitude and as such is an evaluative (cognitive) and emotional (affective) reaction to job and work environment characteristics (Hulin & Judge, 2003).

Evidence suggests that job satisfaction is consistently and significantly correlated with retention (Coomber & Barriball, 2007) and low job satisfaction to be a determinant of quits and intention to leave the workplace (Bockerman & Ilmakunnas, 2005). Longitudinal studies show Millennials' job satisfaction to be higher and intention to leave lower than previous generations. However when Millennials become dissatisfied, they move more quickly and more certainly to quit their jobs and move on than previous generations. In this sense, low job satisfaction poses more immediate challenges to employers than might be at first glance (Families & Work Institute, 2006; U.S. Bureau of Labor Statistics, 2013).

Low job satisfaction negatively affects motivation and absenteeism (Tharenou, 1993). Looking specifically at Millennials, job satisfaction and motivation are strongly impacted by intrinsic work values (Twenge et al, 2010). Low intrinsic satisfaction has been shown to significantly reduce overall job satisfaction (Decker et al, 2009) and thus may lower Millennials' job satisfaction.

Low job satisfaction negatively affects both the physical and mental health of employees and lowers productivity resulting in some cases in counterproductive behavior (Rubin, 2004). Little is known with regard to the effects of work and various work environments on Millennials' health. However one form of counterproductive behavior is failure to contribute to team efforts. Millennials are known to be individualistic rather than team-oriented in the workplace (Kowske et al, 2010).

Millennials – A Review of Research and Derived Conclusions

As newcomers entering the workforce, Millennials must learn about tasks and social expectations through socialization processes, as well as how to adapt to and negotiate their roles. They must learn how to gain others' acceptance of them as participating members in the workforce (De Vos et al, 2003). Organizational socialization is interactive, involving newcomers' and old timers' evaluations and commitments to each other and to the organization (Myers, 2006).

A key starting point for examination of Millennials' workforce attitudes and behavior is to understand their work-related values and personality traits. From this examination, one could hypothesize how these might impact Millennials' ability to learn job tasks, social expectations, and the organization; how these might impact their adaptability and ability to negotiate their roles in the workplace; and how these might impact their assessments of their co-workers, supervisors, and organizational and industry practices.

Focusing first on the work value, work ethic, several time-lag studies have found that Millennials place less value on work for its own sake (Twenge et al, 2010) and express less interest in working hard, putting in overtime, and taking pride in their own work than previous generations (Marston, 2009). Yet

the Family and Work Institute time lag study found 23-27 year olds actually worked more hours in 2002 than in 1977 (Families and Work Institute, 2006). This reflects the general labor force trend towards working more hours in the U.S. and employer- and industry-driven practices. All of this may reflect the larger underlying trend towards valuing work less, and for Millennials, it may be caused by or in spite of the longer hours worked by them.

The work value, work centrality, has declined across generations. For Millennials, work and building a career are less significant parts of their personal identities. Millennials are less work-centric and more family-centric (Families and Work Institute, 2006) and more focused on leisure exhibiting an increase in the value of leisure compared to previous generations (Twenge, 2010). Although younger employees typically have a strong desire to advance, this desire to advance has been decreasing across generations.

Extrinsic work values, status, respect, and money, are however, more important to Millennials than to previous generations (Twenge et al, 2010). Millennials tend to be focused on their own individual goals and success rather than career or organizational aspirations (Marston, 2009). The importance of extrinsic values may then reflect their need for recognition and the outward signs that accompany this recognition.

Several additional time-lag studies have also examined generational differences in personality traits. Millennials score higher than previous generations on *positive individualistic traits* such as self-esteem and assertiveness (Gentile et al, 2009) and on *negative individualistic traits* such as narcissism. This supports their belief in the right of individuals to succeed and contribute in the workplace regardless of their background and to treat people as individuals rather than members of groups. However, this may contribute to their observed impatience and lack of perseverance, wanting to get ahead faster (Twenge & Foster, 2010).

When individualism reaches the level of narcissism, it could support a sense of entitlement. Reflective of this is perhaps the observation that Millennials often require (believe they are entitled to) a clear path to success with well-defined rubrics and expectations. In their minds achievement of success requires constant feedback from their supervisors (Myer & Sadaghiani, 2010). However Millennials are also more risk-adverse than previous generations, so they may have difficulty communicating their needs and expectations within the workplace *for fear of appearing less competent.*

Despite the decline in work centrality and work ethic, and the changes in personality traits towards individualism, the importance of *intrinsic work values* has not changed across generations over time. To find meaning and interest in work, Millennials need to feel some degree of challenge, autonomy, and responsibility in their jobs. Challenge, autonomy, and responsibility within the organizational setting are associated with proven talent and demonstrated commitment. Unlike previous generations, Millennials do not persist long enough to achieve these intrinsic values. It is the contention of this paper that:

> *What seems to have changed is:*
> *… Millennials'* **ability** *to negotiate their role and adapt to their work environment*
> *…* *and therefore their* **ability** *to find meaning and interest in work.*

Volunteer Work –Could It Help Bridge these Millennial Ability Gaps?

Volunteer work is an example of intrinsically motivated behavior (Snyder et al, 2004). Every fourth American citizen spends one or more evenings per week engaged in unpaid activities in which he or she helps another person, group, or cause (U.S. Department of Labor, 2009). The U.S. Bureau of Labor Statistics (2013) reports Millennials volunteering at historically high rates.

Two basic inquiries guide volunteer work research. The first of these explores the antecedents of volunteer work, focusing on the self-selectivity into volunteer work and thus the demographic characteristics and personal resources of the individual. The second explores the consequences of volunteer work for the individual, net of their demographic characteristics and personal resources that may have initially self-selected them into volunteer work. This paper will investigate the effect of volunteer work on Millennials' job satisfaction.

Several frameworks have been utilized to investigate the specific effects of volunteer work on the work experience of employees. One framework derives from the *multiple domain* literature where the

relationship between the work domain and the volunteer work domain is explored. Volunteer work as a separate domain is becoming increasingly important for individuals who distinguish it from other activities in their lives (Pilivan & Siegl, 2007). One means to tie the two domains together is through the notion of *meaningfulness*. Generally speaking, people seek out meaningfulness in their lives and desire significance and value in their lives (Pratt & Ashforth, 2003). The sense of meaningfulness that can be derived from both work and volunteer work is a form of intrinsic satisfaction and motivation.

Millennials are seeking intrinsic meaningfulness in their jobs; something to ignite their passion. This meaningfulness could help Millennials find their place in the workplace and perhaps enable them to make a "less than perfect job", their own.

When employees engage in volunteer work in addition to paid work, it could be asked: does volunteer work act to compensate for lack of meaningfulness (intrinsic satisfaction) in their jobs? Or does it act to enhance the meaningfulness already present in their job?

In comprehensive studies of the interplay between work and volunteer work, support is found for both compensation and enhancement. Specifically Rodell (2013) and Geroy et al (2000) find a positive relationship between job meaningfulness and volunteer work. This lends support for the view that volunteer work enhances the intrinsic value of work and job meaningfulness.

Rodell (2013) further finds that the interaction of job meaningfulness and volunteer work meaningfulness also provides support for the compensation perspective. Employees who report lower levels of job meaningfulness may also increase volunteer activity to the extent that it provides desired meaning. Thus the relationship between volunteer work meaningfulness and volunteer work is more positive when job meaningfulness is low. This would be a way for *employers to retain those Millennial employees they would otherwise not retain*.

Enhancement here also suggests that volunteer work experience may positively influence individual employees' attitudes and behaviors in the work domain. A distinct but related query therefore is the impact of volunteer work on *on-the-job behavior*. On-the-job behavior refers to task performance, citizenship behaviors, and counterproductive behaviors. Task performance reflects in-role behaviors to accomplish a job's core tasks; citizenship behaviors are positive discretionary actions that contribute to a company's functioning; and counterproductive behaviors are negative discretionary behaviors that harm a company.

Two questions address volunteer work's impact on employee on-the-job behaviors: Does volunteer work have the potential to interfere with work? Or does it help individuals be more absorbed in their jobs? Are there synergies such that there is the potential for benefit from volunteer work that leads to job absorption? Or are there conflicts such that there is potential for harm from volunteer work that leads to job interference?

Job interference premises that individual employees have a finite amount of psychological and social resources and therefore adding volunteer work to a regular job may drain resources away from work and interferes with the job. When job interference occurs, task performance suffers; employees are less likely to engage in citizenship behaviors; and more likely to engage in counterproductive behaviors (Greenhaus & Powell, 2003).

Job absorption on the other hand, premises that volunteer work has potential beneficial job effects where psychological and other resources accumulate from experiences in one domain and expand to others. More absorbed employees are more likely to be invested in their jobs; more likely to collaborate with co-workers; more likely to engage in citizenship behaviors; and more likely to question unethical and unproductive behavior (Greenhaus & Powell, 2003).

Support is found for job absorption and domain synergies: A significant positive relationship between volunteer work and job absorption is found (Rodell, 2013) and a significant positive indirect relationship between volunteer work and all three of the above aforementioned on-the-job behaviors is also found (Rodell, 2013). Employees who volunteer are more likely to be invested in their jobs; more likely to collaborate with co-workers; more likely to engage in citizenship behavior; and more likely to question unethical and unproductive behavior (Rodell, 2013).

Millennials often are technically qualified and can perform job tasks well, but are bored and do not display appropriate discretionary behaviors. Volunteer work has the potential to change this. This is what Millennials need, to find interest and meaning in work; an appreciation for co-workers and the value of teamwork.

Another research framework utilized to investigate the effects of volunteer work on the work experience of individual employees is *the need to recover from work*. Mojza et al (2010) frame volunteer work as a specific form of leisure time activity for the recovery process. They define leisure time experiences that contribute to successful recovery from work as: psychological detachment from work, mastery experiences, and community experiences.

Psychological detachment from work refers to the feeling of being mentally away from work and of "switching off" from work and fully immersing oneself in an activity that is different from one's job (Stebbins, 2004). Volunteer work is associated with cherished experiences, self-expression, and a combination of superficial enjoyment and deep satisfaction. It restores resources that have been depleted during work time and helps undo the strain initiated during work. Although Mojza et al (2010) do not find support for detachment, Demerouti, et al (2009) do.

For Millennials this may link their high value of leisure with better coping mechanisms that enable them to persist and handle work experiences that may be less than perfect in their minds. By reducing stress or its perception, these recovery experiences may put Millennials' job and work experience into perspective.

Mastery experiences are experiences that arise during learning or when successfully meeting challenges during leisure time (Sonnentag & Fritz, 2007). Individuals learn new skills and further develop existing skills including interpersonal and leadership skills. People may also find challenges in volunteer work which compensate for the lack of challenges at work. Mastery experiences contribute to successful recovery by helping to replenish and buildup additional psychological resources such as self-efficacy, optimism, and ego-resilience (Fredrickson et al, 2008).

Mastery experiences of volunteer work may be particularly important for Millennials. They are supposed to have a lot of confidence yet they are risk-adverse. A volunteer can work without the pressure to perform that paid work entails. This may enable Millennials to develop better interpersonal skills; the ability to persist; more realistic expectations; and a "real life" demonstrated confidence. It may further reduce the need for constant feedback from supervisors and allow them to operate with desired autonomy. These experiences then provide intrinsic work values. A further implication for employers is that employees with volunteer work experience would then have skills to meet problems head-on and pursue lines of action that further not only their own goals but those of the organization.

Another of the recovery experiences gained from volunteer work is community experience which provides social contacts and connectedness and the cultivation of relationships (Sonnentag & Fritz, 2007). Volunteer work is associated with a gain of social resources. Many volunteers work together with friends and colleagues, maintaining their relationships while volunteering. It exposes volunteers to new people of different cultures, financial circumstances, world experiences, and generations. Volunteers make new connections as similarity is found, communication is facilitated, and feelings of connectedness and community occur (Piliavin & Siegl, 2007).

These community experiences will contribute to Millennials' ability to work and communicate with co-workers and supervisors and thus navigate through the required socialization processes. Millennials may then develop the ability to connect to their workplace organization through this realization and acceptance of differences among people within the workplace.

The evidence suggests a win-win. Volunteer work either indicates that an employee's job meaningfulness inspires them to do even more (enhancement with job absorption) or if the job lacks meaningfulness, volunteer work can compensate and provide needed intrinsic satisfaction. It also suggests that employers need not worry that volunteer work will distract their employees. Rather it will enhance their on-the-job behavior with employees more likely to be absorbed in their work and to engage in positive citizenship, and less likely to engage in counterproductive behavior. Employers will also benefit from the additional personal, social, and cultural resources gained by Millennial volunteers as

demonstrated in better copying strategies, better communication and interpersonal skills, and an appreciation for organizational connection.

METHODOLOGY AND DATA

Given the ordinal nature of the dependent variable and the skewed distribution of responses, the measures in Model 1 and Model 2a and 2b are analyzed with ordered logistic regression. The ordered logistic regression model estimates a model chi-square (with *df* equal to the number of predictor variables in the model) that shows the reduction in the log likelihood compared with a model that contains only the intercept. Individual-level logistic regression models are estimated.

The data utilized in this study are drawn from the National Longitudinal Surveys (NLS) which are a set of surveys designed to gather information at multiple points in time on labor market activities and other significant life events of several groups of men and women. The sample utilized here is drawn from one of these surveys, the National Longitudinal Survey of Youth 97 (BLS, 2016). The NLSY97 is designed to document the transition from school to work and into adulthood. It consists of a nationally representative sample of approximately 9,000 youths who were born in the years 1980-1984 and were 12-16 years old as of December 31, 1996. Youth have been interviewed on an annual basis since then.

This study utilizes a cross-sectional sample of one thousand, four hundred 26-27 year old Millennial employees (not including self-employed) drawn from the NLSY97 database for the year 2012-13 (round 15) to test a model of employee job satisfaction. The sample data utilized includes information on employee job satisfaction, compensation, job characteristics, work environment characteristics, and employee volunteer work activities.

DESCRIPTIVE STATISTICS

Table 1 lists the descriptive statistics for all variables utilized in this study. The sample is nearly evenly split in terms of gender, with 48% of sample members male. Twenty four percent of sample members are Hispanic; 21% married marital status, and most are relatively healthy on a scale of 1-5, 1=excellent, with a mean value of 2.4. On a scale of 1-5, 1=dislike very much, the mean value of job satisfaction is 3.18. In terms of compensation, the mean hourly wage is $22.53; 28% have medical insurance provided; and 39% have paid leave days provided. In terms of job and work environment, 22% have a flex time option; 31% work 50 hours or more per week; and 37% work an irregular schedule. Eighteen percent of these employees are unionized, working on average at a medium-sized establishment, 1=small (0-49 employees), with a mean value of 2.41; and 69% receive some co-worker support. On a scale of 1-4 (1=never), the mean value volunteer work is 1.57.

MODEL 1: HYPOTHESES AND VARIABLE MEASUREMENT

Model 1 represents the initial primary analysis in which volunteer work is added to the traditional job satisfaction model for all sample Millennial employees (n=1400).

> *Job Satisfaction = f (Volunteer Work, Pay, Medical Insurance, Paid Leave, Flex Time,* (1)
> *Extreme Hours, Irregular Schedule, Small Establishment Size, Union Coverage,*
> *Co-Worker Support, controls)*

Measuring the Dependent Variable Job Satisfaction: The job satisfaction variable utilized here measures global job satisfaction. In the NLSY97 data used here, workers respond to the question: how satisfied are you with your job overall? Response categories include: like very much; like fairly well; think it's OK; dislike somewhat; and dislike very much. As shown in the descriptive statistics section, the categories are re-ordered to facilitate interpretation of the results.

Measuring Volunteer Work: The NLSY97 data asks each respondent whether they have done any volunteer work during the past year. Given volunteer work, it then asks the primary reason for the volunteer work: court ordered, required for school (strictly speaking these are not volunteer) or strictly voluntary. This study's sample consists of employees who have voluntarily performed volunteer work. The NLSY97 data then provides a recoded variable of the number of times an employee performs unpaid volunteer work during the year; 1=never, 2=one to four times; 3=five to eleven times; and 4= twelve times or more. Note, even though most Millennials volunteers were coded 3or 4, non-volunteers were coded 1 (=never). The mean value is therefore skewed downward towards 1.

TABLE 1
DESCRIPTIVE STATISTICS

Variable	Definition	Mean	Standard Deviation
Independent			
Comp & Benefits			
Rate of Pay	Wage	22.53	14.690
Medical	1 = Provided	0.28	0.448
Paid leave	1 = Provided	0.39	0.932
Job & Work Char			
Flex	1 = Available	0.22	0.448
Union	1 = Union Coverage	0.18	0.323
Extreme50	1 = Works ≥50 hours	0.31	0.423
Emp Size	1 = Small, up to 49	2.41	0.531
Irregular	1 = Irregular schedule	0.37	0.892
Co-worker	1 = Receives support	0.69	0.624
Controls			
Ethnicity	1 = Hispanic	0.24	0.379
Gender	1 = Male	0.48	0.166
Marital St	1 = Married	0.21	0.381
Health	1 = Excellent (scale 1-5)	2.40	0.906
Volunteer Work	1 = Never (scale 1-4)	1.57	0.466
Dependent			
Job Satisfaction	1 = Dislike very much (scale 1-5)	3.18	1.040

Corporate Offerings and Policies: While employers have offered an array of compensation and workplace policies, there are also employer-driven practices and industry norms that must be examined in light of the work values and personality traits of Millennials and employers' failure to retain.
Control Variables: Individual demographic and personal variables are included as controls to account for self-selectivity: ethnicity, gender, marital status, and general health.

Several hypotheses are set forth with respect to *Millennials'* job satisfaction:

Hypothesis 1: The initial primary hypothesis of this paper is: *volunteer work will substantially and positively affect global job satisfaction of Millennials.* Volunteer work has the capacity to enable Millennials' ability to negotiate their role and adapt to their work environment and has the capacity to provide and enhance intrinsic motivation and satisfaction derived from work.

Hypothesis 2: Pay will substantially and positively affect Millennials' job satisfaction. Millennials value extrinsic factors such as money more than previous generations (Twenge et al, 2010). This importance of

extrinsic values may reflect Millennials' need for recognition and the outward signs of success that accompany this recognition (Marston, 2009).

Hypothesis3: Provision of medical benefits will positively affect Millennials' job satisfaction, given that Millennials are more risk-adverse than previous generations (Twenge et al, 2010; Families & Work Institute, 2006).

Hypothesis 4: Paid leave will positively affect Millennial job satisfaction, given that Millennials have lower work centrality and a higher value of leisure relative to previous generations (Twenge, 2010).

Hypothesis 5: Flex time will positively affect Millennials' job satisfaction, given that Millennials value work arrangements that offer them more flexibility (Hershatter & Epstein, 2010) and that they prioritize work-life balance (Cennamo & Gardner, 2008).

Hypothesis 6: Working extreme hours will substantially and negatively affect Millennials' job satisfaction. Regardless of the reason for the intensity, some have argued that a "new normalized intensity" exists with respect to hours worked on the job (McCann et al, 2008). Longitudinal studies find that despite a decline in Millennials' work ethic, 23-27 year olds actually worked more hours in 2002 than in 1977 (Families and Work Institute, 2006). Does this reflect a discrepancy between Millennials' work values and their behavior or does it reflect the reality that most of the new normal intensity is employer-driven? Could Millennials' negative attitude to overtime and long hours reflect the reality of overtime and excess hours on top of already long hours?

Hypothesis 7: Irregular schedules will substantially and negatively affect Millennials' job satisfaction. Irregular, multiple shifts per day mean that some employers have made hours divisible according to their own needs to maximize customer service and minimize labor costs (McMenamin, 2007). Millennials may be more willing to work irregular shifts and hours to establish their lifestyle and/or increase their earnings (Hewlett & Luce, 2006) or they may balk at these schedules which may interfere with their valued work-leisure balance and their increased value of leisure time. It is expected that the latter will be stronger.

Hypothesis 8: Small size of establishment will substantially and positively affect Millennials' job satisfaction. Evidence suggests that job satisfaction tends to be lower in larger establishments due to their more impersonal and bureaucratic nature and less satisfactory management-employee relations. Larger employers can however provide more varied pay and promotional opportunities as well as the latest technology (Tansel & Gazioglu, 2006). Evidence suggests that Millennials prefer organizations with central decision making, clearly defined responsibilities, and formalized procedures (Hershatter & Epstein, 2010); all of which would suggest a match to larger organizations. Millennials are however also prone to want to choose the specific tasks they will perform and the conditions and timing under which they do them (Twenge, 2010). They need supervisor direction and feedback while desiring autonomy and freedom. This description may suggest a match with smaller more flexible organizations.

Hypothesis 9: Establishment union coverage will negatively affect Millennial job satisfaction. Unions traditionally provide professional and social network contacts as well as sources of information and potential grievance resolution (Bluestone & Rose, 1997). However union influence also represents the establishment and enforcement of seniority systems. Given Millennials strong sense of individualism, they may not consider union influence a positive one.

Hypothesis 10: Co-worker support will substantially and positively affect Millennial job satisfaction, given Millennials' substantial need for support and guidance to achieve their individual career development and goals. As Millennials enter the workplace they must evaluate their organization and whether they like working with co-workers and supervisors (Scott & Myers, 2010). Evidence suggests

that employees *who perceive* more co-worker support obtain more job resources and that this support motivates employees to persist in meeting requirements of their jobs (Chuang et al, 2012). Co-worker support is measured as "someone at work to talk to about work-related issues".

RESULTS MODEL 1: JOB SATISFACTION with VOLUNTEER WORK

The results from Model 1 are presented in Table 2. Both the parameter estimates b_k and the exponential parameter estimates (e^b_k) are reported. Overall the global chi square statistic indicates that the Model 1 logit regression is highly significant (Chi square statistic=98.437; p<.01).

It was expected that given the importance of extrinsic values to Millennials, the variable pay would substantially affect job satisfaction. However although pay positively contributes to job satisfaction, it does so only moderately (b=0.124; p<.10). Both paid leave (b=0.220; p<.10) and flex time (b=0.397; p<.10) are moderately significant and positively affect job satisfaction. Given Millennials' increased value of leisure and the importance of balance between work and leisure, both were expected to positively affect job satisfaction.

TABLE 2 RESULTS: MODEL 1 JOB SATISFACTION MODEL With VOLUNTEER WORK		
Variable	b_k	e^b_k
Independent		
Rate of Pay	0.124*	1.132
Medical	-0.148	0.862
Paid leave	0.220*	1.246
Flex	0.397*	1.487
Union	-0.392**	0.676
Extreme50	-0.601***	0.548
Emp Size	0.312***	1.366
Irregular	-0.289***	0.749
Co-worker	0.127*	1.135
Volunteer Work	0.501**	1.650
Ethnicity	0.200	1.221
Gender	-0.182	0.834
Marital St	0.201*	1.223
Health	0.436**	1.439
Global Chi-Square Statistic	98.437***	

Note: e^b_k is the exponentiated parameter estimate and represents the factor change in the odds of the outcome produced by a one unit increase in the value of the independent variable (Sell and Cleal, 2011).
*p<.10; **p<.05; ***p<.01.
n=1400

Both extreme hours (b= -0.601; p<.01) and irregular schedules (b= -0.289; p<.01) are found to be highly significant and to substantially reduce Millennials' job satisfaction, as hypothesized. Each of these

makes it difficult for Millennials to find and maintain balance in their lives. Even if Millennials are working long hours and irregular schedules to earn more money or to keep their jobs or both, both seemingly important outcomes to Millennials, these realities do not translate into satisfaction and are soundly rejected by Millennials as the means to achieve their goals.

It was hypothesized here that union influence would negatively affect Millennials' job satisfaction. Millennials' significant individualism and confidence lead them to reject strict seniority rules and to downgrade the importance of experience on the job, tenets of union operations. What was surprising was the strength of the negative influence of unions on Millennials' satisfaction (b= -0.392; p<.05).

Given the importance of individualized supervisor support to Millennials, evidence has suggested that small establishments are more likely to address this need. The results here show that small establishment size is a highly significant positive contributor to job satisfaction (b=0.312; p<.01). Co-worker support on the other hand, is a moderately positive significant contributor to job satisfaction (b=0.127; p<.10). In the past, co-worker support has been found to be a significant source of help and direction for new employees. Millennials however often view their co-workers and team members as friends.

With respect to the initial primary hypothesis, volunteer work is found to positively and significantly affect Millennial job satisfaction (b=0.501; p<.05). Volunteer work experience could provide Millennials with skills to negotiate their role and adapt to their organization and also provide their much desired intrinsic values. Intrinsic satisfaction directly increases global job satisfaction of Millennials.

MODEL 2: HYPOTHESES

Given the significance of volunteer work in Model1 and the wide ranging effects of volunteer work on employees who do such volunteer work and the fact that Millennial employees as a whole seem to be having difficulty in the workplace, a second set of analyses is performed in which the sample is split into two groups. Equations 2a and 2b allow comparison of volunteer Millennial employees' job satisfaction with non-volunteer Millennial employees' job satisfaction.

Job satisfaction model for Volunteers (n=574) (2a)
Job satisfaction model for Non-Volunteers (n=826) (2b)

The primary inquiry: Do volunteer Millennial employees react differently to corporate offerings and elements of their work environment than non-volunteer Millennial employees? Could the experience of volunteer work help Millennials find meaning and interest in their work; will it help them navigate their role and adapt to their workplace?

The focus for Model 2 analysis will be on the six variables from Model 1 in which there were strong and/or unexpected results: pay (weaker, unexpected), extreme hours (strong, expected), irregular schedules (strong, expected), union coverage (strong, unexpected), small establishment size (strong, expected), and co-worker support (weaker, unexpected). Hypotheses for Model 2 are:

Hypothesis 1: *Pay*: *Volunteer Millennial employees will react more positively to higher pay* than non-volunteer Millennial employees. Even if the extrinsic factor pay is not directly linked to intrinsic values and represents the employer-practice to offer higher pay for lack of meaningfulness in the job, volunteer work experience may compensate for this lack of job meaningfulness.

Hypothesis 2: *Extreme hours*: *Volunteer Millennial employees will react less negatively to extreme hours* than non-volunteer Millennial employees. Volunteer work contributes to enhancement of collaborative on-the-job behavior as well as the job's own meaningfulness. This may give Millennials a different perspective on long work hours as a means to gain experience and with that, responsibility and challenge. It may allow them to see beyond the narrow focus of their individual goals to the wider vision of the accomplishment of organizational goals through teamwork.

Hypothesis 3: *Irregular schedules*: *Volunteer Millennial employees will react less negatively to irregular schedules* than non-volunteer Millennial employees. Volunteer work may teach employees the skills necessary to cope with the stress associated with these types of schedules. It may enable Millennials to navigate the challenge of balancing work and leisure and to persist in less-than-perfect conditions.

Hypothesis 4: *Union coverage*: *Volunteer Millennial employees will react less negatively to union policies and practices* than non-volunteer Millennial employees. Volunteer work reduces narcissism and exposes Millennials to community experiences. This may help these Millennials to re-assess the value of their co-workers' on- and off-the-job experience and the place this experience holds in the functioning of the workplace. This may further enable Millennials to appreciate the role of unions as part of the tapestry of the work environment.

Hypothesis 5: Small establishment size: *Volunteer Millennial employees will react less positively to small establishment size* than non-volunteer Millennial employees. Volunteer work contributes to self-esteem, a sense of control, and a sense of mastery. These promote realistic expectations and "real life" confidence that enable Millennials to achieve some level of autonomy with less need for supervision. Volunteer work may compensate for lack of meaningfulness in their jobs and enable them to persist and navigate the more complex bureaucratic culture of larger organizations.

Hypothesis 6: Co-Worker Support: *Volunteer Millennial employees will react more positively to co-worker support* than non-volunteer Millennial employees. Volunteer work increases employees' social resources by enhancing exposure to and connections with a more diverse community of people. This may help Millennials to navigate the various organizational socialization processes and as a result to appreciate the value of organizational knowledge embedded in their co-workers. It may also help to bridge any differences in communication styles and use of technology between themselves and their co-workers.

RESULTS: MODEL 2: COMPARISON VOLUNTEERS with NON-VOLUNTEERS

Results are shown in Table 3. Overall the global chi square statistic indicates that the Model 2 logit regressions (2a and 2b) are highly significant (Chi square statistic=99.023; p<.01 and Chi square statistic=100.210; p<.01).

Volunteer Millennials react more positively to "pay" than non-volunteer Millennials as hypothesized in hypothesis 1(b=0.134; p<.05 vs b=0.111; p<.10). Volunteer Millennials are perhaps now able to see pay just as a means to their desired lifestyle end and do not need it to be directly linked to intrinsic values.

Contrary to hypothesis 2, volunteer work experience does not reduce the highly negative significance of extreme hours compared to non-volunteer Millennials (b= -0.476; p<.01 vs b= -0.491; p<.01). Contrary to hypothesis 3, volunteer work experience does not reduce the highly negative significance of irregular hours compared to non-volunteer Millennials (b= -0.319; p<.01 vs b= -0.402; p<.01).

Volunteer work experience reduces the negative contribution to job satisfaction of union coverage as put forth in hypothesis 4 (b= -0.491; p<.10 vs b= -0.328; p<.05). The community experiences and the resultant increase in social resources of Millennial volunteers may help them to understand and accept the union's institutional rules and seniority system.

As hypothesized in hypothesis 5, volunteer work experience dramatically reduces the importance of small size establishment (b=0.197; b=p<.10 vs b=0.841; p<.01). Millennials with volunteer work experience gain personal resources that lessen the need for a smaller employer.

TABLE 3
RESULTS: MODEL 2 JOB SATISFACTION
VOLUNTEERS vs. NON-VOLUNTEERS

	Volunteers		Non-Volunteers	
Variable	b_k	$e^b{}_k$	b_k	$e^b{}_k$
Independent				
Rate of Pay	0.134**	1.143	0.111*	1.117
Medical	-0.051	0.950	-0.148	0.862
Paid	0.263*	1.301	0.120	1.127
Flex	0.400*	2.519	0.271	2.210
Union	-0.491*	0.754	-0.328**	0.753
Extreme50	-0.476***	2.683	-0.491***	2.697
Emp Size	0.197*	1.217	0.841***	2.319
Irregular	-0.319***	0.727	-0.402***	0.669
Co-worker	0.282**	1.326	0.186*	1.204
Ethnicity	-0.138	0.871	-0.102	0.903
Gender	-0.123	0.884	-0.110	0.896
Marital St	0.422*	1.525	0.531*	1.701
Health	0.672**	1.742	0.538**	1.561
Global Chi Square				
Statistic	99.023***		100.210***	

Note: e^b is the exponentiated parameter estimate and represents the factor change in the odds of the outcome produced by a one unit increase in the value of the independent variable (Sell and Cleal, 2011).
*p<.10; **p<.05; ***p<.01.
n=574; n=826 respectively

As hypothesized in hypothesis 6, volunteer work experience may increase perception of the helpfulness of co-worker support (0.282; p<.05 vs b=0.186; p<.10) through exposure to and connections with a more diverse community of people.

CONCLUSION

The results of *Model 1* show that although Millennials value extrinsic aspects of the job more than previous generations, pay was found to be only modestly associated with job satisfaction. This may reflect two observations suggested by the literature: one the corporate practice of offering high pay to attract Millennials without any follow up mentoring or social orientation; and two high pay may be used to distract from more serious negative aspects of job and work environment; subsequently Millennials are enlightened to these practices.

Both paid leave and flextime, highly valued by baby boomers, were expected and found to be only moderately important to Millennials' satisfaction. Although these were found to be very useful means for baby boomers to help balance work and family/leisure, Millennials may see these as more fixed means to be flexible. Flexibility to Millennials involves notions of autonomy and choosing the when, where, and how of doing their work.

Both sources of potential human workplace support to Millennials, small establishment size and co-worker support are significant positive contributors to job satisfaction. However the magnitude of the effect of establishment size is substantially greater than that of co-worker support. In seeking intrinsic

value in their work, Millennials are highly satisfied with smaller establishments where it is more likely that they find the challenge, autonomy and even responsibility that they seek. Smaller organizations may simultaneously provide supervisor attention while allowing these Millennials the flexibility in the doing of their jobs, the learning of multiple tasks, and the ability to take on responsibility in a more open-ended environment. Unlike flex time or paid leave, this is the *life-balancing flexibility Millennials seek.*

Millennials were only moderately impacted however by co-worker support. Co-workers represent a vital means to orient new employees to their workplace. The perception of co-worker support helps employees gain more job resources, resulting in more motivated and absorbed employees. Perhaps these Millennials do not have the skills to be able to perceive the potential value of this help. They will often instead socialize as friends with co-workers.

Given the current declining prevalence and influence of unions, it was hypothesized that union establishment coverage would negatively influence job satisfaction. Unions historically played an important role in the determination of compensation and job retention, and in the orientation of new employees to the work environment. However Millennials' highly significant negative reaction to union coverage means that in their overall rejection of union tenets of seniority and collectiveness, they are unwilling to see any positive union effects.

Both extreme hours and irregular schedules are soundly rejected by Millennials. Many argue that working long hours, defined here as 50 hours or more per week, reflects what some have referred to as the "new normalized intensity". For previous generations, working extreme hours was an institutionalized norm to demonstrate their commitment to the organization. After years of "proof", baby boomers held on for the extrinsic rewards. Millennials seem to need the intrinsic side of rewards immediately. Without finding meaning and interest in their work, they will not stay.

The reality of irregular schedules is that they are an employer-driven practice to make hours divisible according to employer needs only. More than likely the rejection reflects Millennials' high value of work-life balance. These schedules also contribute to the failure of many Millennials to orient themselves to the culture of the organization, *keeping these employees marginalized.* It is also likely that the types of jobs that require these schedules are unattractive in many respects, with irregular schedules just adding to these.

Volunteer work is found to be positively and highly significantly associated with Millennial employee job satisfaction. It has the potential to enhance or provide meaningfulness and build additional psychological, personal, and social resources. Millennials could then acquire skills to negotiate their role and adapt to their organization and acquire their much desired intrinsic values.

Thus the primary focus of *Model 2* was the comparison of volunteer Millennial employees' and non-volunteer Millennial employees' reactions to corporate offerings and elements of their work environment. Model 2 analysis focused on six variables from Model 1 in which there were strong and/or unexpected Millennial reactions: pay (weaker, unexpected), extreme hours (strong, expected), irregular schedules (strong, expected), union coverage (strong, unexpected), small establishment size (strong, expected), and co-worker support (weaker, unexpected).

Volunteer Millennial employees react more positively to pay than non-volunteer Millennials. Even though the extrinsic reward of pay is often not tied to the intrinsic meaning and interest of work, the potential compensating meaningfulness of volunteer work may allow volunteer Millennials to see pay as an acceptable means to a monetary lifestyle end and thus react more positively to higher pay.

The strong need that Millennials have demonstrated for close supervisor attention and aspects of intrinsic satisfaction was seemingly easier to find in smaller establishments. With an increased sense of mastery and control, Millennial volunteers may more successfully navigate the more complex, bureaucratic structure and culture of larger organizations. Millennial volunteers' "real life" confidence gained through their volunteer experiences may allow them the freedom (autonomy) to achieve their goals, the mastery skills to meet challenges, and the maturity to accept the correlation between responsibility and proven performance.

Co-worker support takes on significantly more importance for Millennial volunteers. The increase in emotional intelligence and maturity resulting from volunteer work experience may afford Millennials the

skills to navigate the various organizational socialization processes and appreciate the value of organizational knowledge embedded in their co-workers. It may also help to bridge any gaps in communication styles and use of technology between themselves and their co-workers.

For union principles and norms to function, employees must be able to conceive the collective. Millennials with volunteer work experience become less narcissistic and learn the value of community. As a result they may be better able to assess and accept the value of their co-workers' on- and off-the-job experience and the place this experience holds in the functioning of the workplace. For unions, this could mean Millennials' individualistic vision and goals could embrace the value of union goals.

The experience of volunteer work does not reduce the negative significant reaction to extreme hours or to irregular schedules. Although volunteer work experience contributes to enhancement of collaborative on-the-job behavior and organizational commitment, the negative effect of extreme hours on job satisfaction remains strong. Millennials, even those with volunteer work experience, soundly reject the "new normalized intensity". Likewise although Millennials often acquire better coping strategies through their volunteer work experience, the potential application of these skills did not change Millennials' rejection of the employer-driven practice of irregular schedules.

In final conclusion, experiences such as volunteer work experience have the potential to dramatically change both employee and employer workplace experiences. Given all the benefits of volunteer work experience discussed above including the compensating meaningfulness of volunteer work, volunteer Millennial employees are able to accept pay as simply income and recognize co-workers as valuable assets. It changes their reaction to both small establishment size and union establishment coverage. With this experience, Millennials are better equipped to understand and navigate both organizational and union culture and to both appreciate and envision the convergence of their individual goals with those of these organizations. However Millennials with and without volunteer work experience reject both the new normalized intensity and the employer-driven practice of irregular schedules.

IMPLICATIONS

Regardless of the job or the skill level required of the job, employee turnover is costly and disruptive. Employee retention however is not a singular event but rather part of an ongoing process. The process begins with employee recruitment, continues with on-the-job learning and hopefully ends with productivity and organizational commitment. There is no such thing as the perfect employee or the perfect job. For the employment process to work, both employer and employee must adjust and adapt, teach and learn, in recognition of individual and organizational needs and goals. Clearly volunteer work experience has the substantive potential to help employees and employers in their quest to "fit" together.

The modest but provocative findings of this paper suggest that volunteer work experience is one experience that has the potential to significantly affect Millennials' reactions to their job and their work environment. In doing so, volunteer work experience facilitates the required adaptations and adjustments, learning and mentoring that must occur. Volunteer work experience has the potential to change Millennials' reactions to unions, large companies, and co-workers. These changes can precipitate positive changes to union and corporate policies. Millennials' individualism, seeing people as individuals rather than members of a group, could foster both union and corporate recruitment of underrepresented individuals. Mentoring programs can and should be available, but can now be designed for a higher level of functionality as opposed to day-to-day supervision.

However corporate practices using pay as an intrinsically unconnected enticement for new recruits, requirements of extreme hours of work unconnected to explicit individual productivity goals, and schedules designed solely for narrow definitional cost reduction goals appear significant obstacles to Millennials' job satisfaction, even those with volunteer work experience. Employers will not retain Millennial employees until they re-examine some of their unpalatable practices and institutionalized norms and re-focus their attention to the value of human resources – training, health and respect – otherwise all their recruitment efforts will be for naught.

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Transparency and Accountability for Bequests:
The Case of Long Island College Hospital

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Restricted bequests to not-for-profit organizations can be challenging. Often there is significant lag time between commitment of bequest and death of donor, when operational changes in the beneficiary organization may occur that make adherence to bequest restrictions difficult. Governance systems, external to and within the organization, should exist to monitor the organization's acceptance and use of bequests. Using the $138 million bequest by Donald and Mildred Othmer to Long Island College Hospital as an example, we consider the stewardship of charitable bequests and the failure of the governance mechanisms in accepting and maintaining bequest restrictions.

INTRODUCTION

For over 100 years, Long Island College Hospital (LICH) was a leader in hospital care to the residents in the Brooklyn area of New York City. But during the 1990s the hospital suffered significant financial difficulties due, in part, to changes in the health care industry. A bequest in 1999 of approximately $100 million from the estate of Mildred Othmer, a gift that joined an earlier $37 million bequest in 1996 from Mildred's husband Donald, increased the cash position of the hospital. The wills provided that the gifts become a permanent endowment, with only the income from the endowment available for yearly general expenditures (Will of Mildred Othmer, 1988; Will of Donald Othmer, 1994). Yet this did not occur. Less than one year after receiving the funds from Mildred's estate, the hospital petitioned the court in a cy pres argument to change the terms of the bequest and to use the permanent endowment as collateral on financing. Later, with subsequent petitions to the court the permanent endowment was invaded to pay for operating expenses and malpractice claims of the hospital. Within 15 years, the hospital had ceased to exist, having used the funds at the behest of its board and with the approval of the courts. The Othmer's bequest, intended as a permanent endowment, was misdirected for other uses without, seemingly, any accountability for this.

Using LICH as an example, this paper will consider the stewardship of charitable bequests. The paper analyzes the accountability of the multiple stakeholders - donors, the trustee of the estate, the board of the recipient organization and the courts in overseeing the bequests - and considers the failure of the governance mechanisms in accepting and maintaining bequest restrictions.

RELATIONSHIP OF THE OTHMERS AND LICH MANAGEMENT

Donald and Mildred Othmer lived in Brooklyn approximately ½ mile from Long Island College Hospital. Natives of Omaha, Nebraska, they were original investors in a Warren Buffet partnership, which later became part of Berkshire Hathaway. Both Donald and Mildred invested $25,000 in the Buffet partnership. The investment was valued at approximately $780 million when Mildred, the surviving spouse, died. The wills of Donald and Mildred, written in 1988 (and Donald's amended in 1994 shortly before his death in 1995) specified that their sizable estate would be divided among 12 institutions), with LICH as one of the primary recipients.

Donald had a long history with LICH, serving on its board for 22 years. But, the management that he knew was not the management in place when the bequests were received. In 1998, Continuum Health Partners took over the operations of LICH and became its sole member. LICH continued to maintain a separate board to oversee its operations, but Continuum held the authority for naming new board members. Eventually, the original board members were replaced with a board common to all the boards of Continuum's hospitals - LICH, Beth Israel Medical Center, and St. Luke's Roosevelt Hospital (Correspondence, January 4, 2008). The board made significant changes in hospital management, appointing a new executive team with the replacement of the CEO, CFO, and COO (Form 990, 2000). It is likely that the relationship Donald had with the hospital executives when he served on the board and when writing his will did not exist with the new management who were new to the hospital.

LICH'S FINANCES

LICH experienced financial difficulties in the mid and late 1990s, years after the Othmer's wrote their wills. Congress' Balance Budget Act of 1997 reduced Medicare reimbursements, with a phase-in period of five years beginning in 1997. The regulatory environment in New York also changed with deregulation of hospital charges; New York State's Health Care Reform Act of 1996 lowered reimbursement rates, while the city also slowed payment of claims (Surrogate's Court of New York, 2000). A 1996 report by the General Accounting Office stated that New York hospitals had the "weakest credit rating in the nation" in part due to the state's reimbursement system (GAO, 1996). The 2008 report "Deteriorating Financial Condition of New York City's Nonprofit Hospitals" stated that the regulatory rate changes in 1996 essentially permitted hospital bankruptcies (Fass & Cavanaugh, 2008). Additionally, in the late 1990s, LICH experienced an increase in uninsured patients, and the revenue mix changed from the higher revenue inpatient care to ambulatory care. LICH also faced increased competition, as other New York City hospitals expanded their service area into what previously had been LICH's territory. For the years 1998 through 2001 LICH's external auditors Ernst & Young gave the hospital a going concern opinion, expressing its concern about the viability of the organization to survive. LICH may have received going concern opinions earlier than 1998. However, the audit opinion for prior years is unavailable in public records. But it is clear that the financial strength of LICH at the time the will was written was quite different from the viability of LICH years later when the bequest was received.

MONITORING BEQUEST RESTRICTIONS

Several inherent problems exist with restricted bequests. One, while donations typically occur soon after donor commitment, bequests may have a lag time between commitment in the will and death of the donor. Significant changes in the beneficiary organization can occur during this period. It is incumbent to monitor the organization to determine whether the recipient or restrictions should be altered in the will prior to the death of the donor. Two, once a bequest is received by a not-for-profit, the organization has full control over the assets and could misdirect the assets due to lack of transparency about its operations. Governance systems, both external to the organization and within the organization, should exist to monitor the adherence to the restrictions. The party most interested in maintaining the restriction, the

donor, is no longer alive to monitor the organization. Other governance mechanisms are needed to fulfill this responsibility.

Responsibility of Donors to Monitor

During the life of the donor when publicly information about the financial health of an organization is available, the donors have some responsibility to determine if the future bequest and restrictions are appropriate. The Othmers were very familiar with LICH when their wills were written, and it was reasonable to assume at that time that LICH could honor the restrictions of the bequests. As the surviving spouse, Mildred should have been responsible for continuing to monitor the ability of LICH to honor the bequest restrictions. Yet Mildred suffered from Alzheimer's Disease as early as 1993, making her incapable of assuming this responsibility. Impairment of elderly donors is not an isolated example. Jack Lunzer donated a collection of 13,000 Jewish books and manuscripts to Valmadonna Trust Library with the restriction that the pieces, when sold, remain together and available for public review. However, in December 2015 the library separated the collection when it sold several manuscripts. Lunzer, still alive, has dementia and thus was in no position to monitor his gift (Lokting, 2015). Expecting donors of bequests to personally monitor the viability of the restrictions may be unreasonable, particularly as aging donors may have decreased capabilities. Other monitoring mechanisms are needed.

Responsibility of Executor Prior to Bequest Distribution

If donors are unable to monitor bequest restrictions during their lifetime, then a donor representative could serve in that capacity if provided with the legal authority. Additionally, upon the death of the donor, the executor of the estate could assume this role, as wills can be drafted to provide for an executor to alter bequests under specific conditions.

Article 11 of Mildred's will contained a provision that allowed changes to the will if the gift could not be executed as requested. Specifically, "if at the time of distribution of any gifts . . . a condition placed upon the gift is not satisfied, the amount otherwise distributed thereto shall instead be distributed to the charities named as recipients under Article 10 (that) satisfies such conditions" (Will, Mildred Othmer, 1988). The executor of the Othmer estate could change the gift allocation if there was concern about the financial health of LICH. And concern there should have been. It is unknown whether the executor considered the financial health of the organizations before disbursing funds; a review of publicly available information on LICH's financial conditions at the time of Mildred's death should have revealed the financial difficulties of the hospital.

Responsibility of Executor Subsequent to Bequest Payment

Once a gift is made, donors and, in the case of bequests, their representatives have little legal standing to safeguard a donation subsequent to payment of the gift. This is due in part to the tax deductibility of the donation, where the donor must vacate any right to the assets in return for a charitable tax deduction, and due to state laws that limit donor ability to monitor their gifts. However, there are some exceptions where donors have monitored past contributions and bequests. The children of Charles and Marie Robertson sued Princeton University for the return of their parents' donation and subsequent growth in asset value, as Princeton's spending was incongruent with the restrictions of the original gift (Goodwin, 2009).

For LICH, the possibility of donor/executor involvement subsequent to the gift occurred when, in 2011, the Supreme Court of New York asked Othmer's executors to provide an opinion about how LICH used the restricted funds. The Attorney General of New York had argued unsuccessfully that the executors had no standing in the case. One executor of the estate, Ted Wagner, claimed that his "duty as executor was already discharged" and he had "no interest in current proceedings" (Correspondence, April 28, 2011). The executor believed that the executor's responsibility to the estate had ended once the Othmer funds were distributed, and he disavowed any additional responsibility to monitor the bequest.

While the Othmer's bequests were not established with other protections, additional conditions can be written specifically into contracts to monitor that the bequest is used as intended. Donors interested in a continued monitoring of the restricted donation after their death may designate a specific legal entity to

act as donor (Josephson, 2010). There would be a cost associated with this continued monitoring, one borne by the original donor.

Responsibility of Organization's Board

For nonprofits that depend upon charitable contributions as a significant source of funding its operations, governance mechanisms controlled by the organization are critical to provide the necessary assurance to donors and potential donors about their contributions. In 2015, Independent Sector, an organization that promotes governance and transparency for nonprofit organizations, updated its Principles for Good Governance and Ethical Practice and added a principle for the responsible use of donations. The principle states "contributions must be used for purposes consistent with the donor's intent, whether as described in the relevant solicitation materials or as specifically directed by the donor" (Independent Sector, 2015). Best practices also suggest that organizations have policies related to the acceptance of donations (Independent Sector). There is no transparent means to ensure the policies are reasonable and being followed unless the organization voluntarily provides this information. The challenge for not-for-profits, then, is to provide transparency about the governance systems over donations and bequests.

When acceptance policies of donations are in place, boards of nonprofits are not usually involved in the acceptance of ordinary donations or bequests. However, when the donation is other than cash or includes some restrictions as to usage, the board of the organization should consider whether the gift should be accepted and to be transparent with donors and executors when the restriction may not be met. Additionally, when the troubles of the nonprofit are not publicly known and only held by insiders, then the nonprofit may have increased responsibility to inform the potential donor about the difficulty of fulfilling the terms of the gift.

Board minutes may have provided evidence about LICH's consideration of acceptance of the Othmer bequest However, minutes are not required to be made public, and our requests made to the Board's attorney and the Charities Bureau, responsible for monitoring LICH, were denied. Without the minutes, it is unknown what conversations occurred amongst board members about acceptance of the bequest or whether LICH revealed concerns about its financial viability to Othmer's executor. However, major concern about the health of LICH was documented in publicly available information at the time of the bequest, and LICH's request to the courts to alter the terms of the bequest so soon after receipt suggests that the board may have failed in its responsibility of transparency to the executor prior to acceptance of the bequest.

State Responsibility to Protect the Endowment

In the United States, oversight on nonprofits is vested primarily in the state (Blodgett & Melconian, 2012). This has created an uneven system of controls over nonprofits with sporadic monitoring if any. However, a formal and ongoing role for the state occurs when an organization asks state courts, in a cy pres filing, for a formal change in endowment restrictions.

Cy pres, or "as near as possible", allows a nonprofit to petition the state court to permit a change in the terms of a restricted gift or bequest when it is no longer possible for the organization to spend the money in accordance with the donor's original intent. Usually cy pres is used only in rare situations and often years after receipt of the original donations. Cy pres is state specific, thus rules in one state may differ from those in another. In New York, where Long Island College Hospital was located, the rules are codified in Estate Powers and Trust Laws, EPTL section 8-1.1 (New York Code). Three specific conditions must apply for approval of a cy pres request: the gift is charitable, the will specifies language suggesting that usage of funds is for general rather than specific expenses, and the original restriction is nearly impossible to follow.

The parties who may participate in the decision for cy pres are limited. Since the donated funds are now part of the nonprofit, the only parties affected are the nonprofit and the Attorney General (AG) of the state who is the "protector of public interest in charitable gifts" (New York Attorney General, 2009, p. 3). The donor, even if alive, would not necessarily be a party to the cy pres application, although some states

have relaxed the provision that disallowed donors from enforcing the restricted funds provision (Smith, 2007). The Uniform Prudent Management of Institutional Funds Act (2006), adopted by 49 states, reiterates that charitable organizations do not need to contact the donors in cy pres hearings, although they may choose to do so.

LICH initiated three separate cy pres filings. In April 2000 LICH filed a cy pres request in Kings County Surrogate's Court, New York to allow $89.1 million of the Othmer's permanent endowment to be used as collateral for additional debt that would fund capital projects of $63.4 million and working capital needs of $25.7 million. Included in this was approval for spending up to $10 million for a medical building (Surrogate's Court Kings County, New York, 2000). A second cy pres, filed in 2006, asked to borrow $25 million from the Othmer Endowment Fund (Surrogate's Court Kings County, New York, 2006). The third cy pres filing in 2011 permitted use of $85.7 million of the Othmer bequest to establish a Malpractice Trust to pay for malpractice claims during the time LICH did not carry malpractice insurance (Supreme Court Kings County, 2011).

Monitoring by the state in cy pres cases can be haphazard and results can vary dependent upon the individuals involved in the process. William Josephson, head of the Attorney General's Charities Bureau during the 2000 cy pres proceedings, would only permit LICH to use the Othmer assets as loan collateral. If conditions deteriorated requiring LICH to declare bankruptcy, the value of LICH's property would be sufficient to repay LICH's liabilities, leaving the Othmer Endowment for charitable purposes consistent with their wishes (Josephson, 2013). Josephson stated he never would approve an actual invasion of the permanent endowment (personal interview, 2016).

By 2006, different individuals and courts were monitoring the endowment than in 2000, and they enacted a fundamental change in the structuring, permitting LICH to invade the permanent endowment. Although the 2006 and 2011 cy pres decisions required repayment to the Othmer Endowment for any funds used, a ruling in 2015 by the New York Supreme Court eliminated this requirement (Supreme Court Kings County, 2015). With the closure of the hospital and subsequent sale of the hospital grounds to a real estate developer in July 2015, whatever funds remain in the Malpractice Trust after payment of all claims are to be given to Downstate Health Science Center at Brooklyn Foundation, which will need to file another cy pres to determine how to spend the remaining funds.

From 1999 to the closure of LICH in 2015, the state's Attorney General's Charities Bureau was in frequent contact with LICH, ostensibly monitoring the Othmer funds. Through the Freedom of Information Act (FOIL), we reviewed hundreds of pages of correspondence between LICH and the state's Attorney General's Charities Bureau for the time period May 7, 2004 to August 19, 2013. (The Attorney General office claimed no documentation was available prior.) Often the Charities Bureau requested specific financial information, such as an accounts payable aging schedule or financial projections. The large amount of documentation collected by the Attorney General's office suggests an effort made at monitoring LICH's usage of the Othmer funds. Yet, there was a failure by the state at protecting the Othmer endowment. This failure is apparent when the Charities Bureau and the court approved spending the permanent endowment. An argument also can be made that approval of the first cy pres request was a failure in adequate monitoring.

LICH justified the initial cy pres request by highlighting its deteriorating financial condition since 1995, an explanation that resonated with the court. In its opinion, the court stated that the Othmers "could neither have foreseen the extensive changes that would occur in the health care industry in such a short time nor have known how detrimental such changes would be to LICH financially" (Surrogate Court Kings County New York, 2000). Yet, LICH began preparing for a cy pres request in the same year as receipt of the Othmer gift, suggesting a lack of good faith at the time of the gift to maintain the restriction. The Charities Bureau and courts failed to investigate this timing.

External Interested Parties

While external parties may attempt to monitor spending by nonprofits, external parties have little legal standing. However, if the external parties have either media attention or a dogged pursuit, then they

may help force transparency. This, however, is an ineffective means for monitoring as it relies upon interested outsiders that may not exist for most organizations.

For LICH, both media attention and an active independent monitor continue to bring attention to the Othmer's bequest although with little success to date at protecting the funds. When a decision was made to close LICH, community groups and employees of LICH sought legal recognition as acting on behalf of the community. The community groups had support from many in the community who in the past had been served by the hospital in what they characterized as life-saving work. While the court did not recognize the employees as a stakeholder, importantly the court did recognize a community stakeholder, acknowledging the need for a community voice not being registered by the board. "The Community Groups have established that its members possess a real and substantial interest in the outcome of this action and their motion to intervene is granted." (Supreme Court of New York Kings County, 2013).

The fight for the LICH endowment continues; in 2016 a case was won by a community activist related to a FOIL request (Supreme Court of New York Albany County, 2016). Even with a very public fight in local papers and in the courtrooms, the bequest has not been protected. Endowment funds have been used for malpractice claims without a means to replenish the endowment, and the developer is continuing to plan the property development. To date, no accounting of the remaining Othmer funds is publicly available.

External Monitoring System – Audited Financial Statements

Nonprofits may be required by grantors or creditors to have their financial statements audited. Audited financial statements follow the format as prescribed by generally accepted accounting standards and, as such, information disclosure is standardized. This may hinder transparency about usage of bequests, as required information specific to bequests is limited.

LICH's audited financial statements offered little information about the Othmer gift and subsequent cy pres amendments to the restriction. The 1998 financial statement included a footnote that stated "the Hospital received approximately $105 million in the form of an endowed bequest from a former board member and his spouse. The corpus is to be held in perpetuity while income generated from the corpus is unrestricted" (Annual Report, 1998). In the 1999 audited financial statements, the permanently restricted endowment increased for the amount of the gift, but the only information in the footnotes about the gift was very general in nature. "During 1999, the Hospital has been the beneficiary of certain residual interest endowments from third parties" (Annual Report, 1999). Additionally in Note 1 the Hospital discussed the concern to continue as an operating entity and stated that it planned to obtain regulatory approvals during 2000. The note did not disclose that the approvals included the cy pres request related to the bequest. In the 2000 audited financial statements, Note 1 stated that some of the permanently restricted net assets were used for the purchase of assets; "such transactions are permitted under donor's stipulations" (Annual Report, 2000). No information about the cy pres was disclosed, and the Othmer assets continued to be reported as permanently restricted. The audited Annual Reports of 2001, 2002, 2003, and 2004 did not specifically disclose information about cy pres or the Othmer Funds, although in the long-term debt footnote LICH disclosed that substantially all of LICH's assets were collateral for the debt. This would include the permanently restricted Othmer assets, although not specifically acknowledged. In the 2006's Annual Report, a note described the 2006 cy pres approval while the net assets of the permanent endowment remained unchanged. Thus, it would be difficult to gain a full understanding of the gift, the restrictions, and the subsequent usage of the funds from a close review of the audited Annual Reports.

External Monitors – Independent Auditors

External auditors perform the financial statement audits of not-for-profits. Their focus is on auditing the statements, which provide limited transparency on policies and uses of bequests and donations. Thus, external auditors serving in the capacity of auditing financial statements do not serve as an effective monitoring system about specific bequests and donations.

Yet, auditors have a responsibility to the users of the audited statements. Per the Code of Professional Conduct of American Institute of CPAs (AICPA), auditors serve the public interest, where the public is

defined as "clients, credit grantors, governments, employers, investors, the business and financial community, and others" and public interest is broadly defined "as the collective well-being of the community of people and institutions that the profession serves" (AICPA, Code of Professional Conduct section 0.300.030). For a nonprofit hospital, the public includes donors, patients, and the community that rely upon the services of the nonprofit. The Code acknowledges that not all situations can be specifically articulated in its code; rather, CPAs are to make determinations of "what is right and just" (AICPA 2015, 0.300.040 Integrity).

It may be difficult to state that justice was done to the Othmers or the community relying on LICH. While a defense of auditors may be that their responsibility did not include verifying the ability of the organization to meet the restriction of the bequest, this example may indicate why auditor responsibility should be expanded.

CONCLUSION

While multiple opportunities exist for the monitoring of restricted bequests, internal governance is not observable and external mechanisms may be flawed resulting in governance mechanisms over donations and bequests that are ineffective. The executors of the Othmer estate allowed the bequest to a financially weak hospital and failed to assert the Othmers' rights when given an opportunity years later by the courts. LICH's management and Board of Directors failed to inform the Othmers prior to acceptance of the bequest that the restriction would be difficult to maintain and later failed to protect the restriction. The financial statements described the general financial condition of LICH but lacked specificity about donations and cy pres proceedings. The state, through court cy pres rulings and the Charities Bureau, provided some external governance mechanism but failed to protect the gift. Additionally, changes in personnel over time affected the level and focus of monitoring. Oversight, such as that initiated by employee groups or community organizations, occurred due to the diligent efforts of a few community organizers and interested employees. Such ad hoc mechanisms cannot be relied upon for regular monitoring. Had the executors of the Othmer estate, LICH's management, the board of LICH, the external auditor or the Attorney General's office been more attuned to the viability of the hospital, the bequest would have been protected either through initial denial of the gift to LICH or through subsequent protection of its restriction. Instead the bequest was wasted on an organization that now has ceased to exist.

An opportunity exists for not-for-profit organizations to differentiate themselves on stewardship of donations and bequests. A formal governance mechanism for bequests and donations could improve accountability and encourage transparency of the organization, in particular in relation to significant donations. For instance, nonprofits can provide additional voluntary information about donations that address their fiduciary responsibilities, and auditors can provide assurance about this information, much like they do in social responsibility audits. Auditors can provide an opinion on management's assessment of the internal controls over the contribution process, similar in scope and design to that required for for-profit firms. An expanded role for the auditor also can include additional review of the acceptance and management of donations and determine if the nonprofit is able to meet the restrictions attached to the assets. Additionally, auditors can provide an operational audit that provides a critical analysis of the mission and assessment on the execution of that mission.

These additional options would come with a financial cost, something that some nonprofits may be reluctant to incur. Yet, just as some firms voluntarily provided audits before they were required as a way to lower their cost of capital, charitable organizations can use these options to increase their level of donations by removing any donor uncertainty, proving fiscal responsibility and providing transparency about its operations.

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Tackling Micro-Aggressions in Organizations:
A Broken Windows Approach

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Micro-aggressions are the subtle verbal and nonverbal slights, insults, and disparaging messages directed towards an individual due to their gender, age, disability, and racial group membership, often automatically and subconsciously. The authors of this manuscript contend that companies should adopt an ethic of care approach to managing diversity, and take some meaningful steps to ensure that their minority employees are treated with respect. The paper proposed a broken windows approach to reducing micro-aggressions within firms via leader acknowledgement, management by walking around, and micro-aggression training.

INTRODUCTION

In their seminal article on Broken Windows theory, Wilson and Kelling (1982) stated that it is important to maintain and monitor urban environments to prevent small crimes such as vandalism, public drinking and toll-jumping to help create an atmosphere of order and lawfulness, thereby preventing more serious crimes from happening. One may be wondering what this has to do with tackling micro-aggressions. This paper posits that the broken windows theory can be used to effectively reduce micro-aggressions, and manage diversity. Managers and employees alike can maintain and monitor the workplace and themselves, and prevent micro-aggressions in order to create and maintain a positive diversity climate, thereby reducing workplace incivility, turnover intentions and employee disengagement.

Micro-aggressions are the subtle verbal and nonverbal slights, insults, and disparaging messages directed towards an individual due to their gender, age, disability, and racial group membership, often automatically and subconsciously. They are usually committed by well-intentioned individuals who are

sometimes unaware of the hidden messages being communicated. Micro-aggressions have been likened to carbon monoxide - invisible, but potentially lethal (Sue & Sue, 2003).

In this paper we are extending the existing literature on workplace diversity by utilizing a well-known and sometimes controversial theory in criminology as a way to help reduce micro-aggressions in the workplace, and potentially eradicate it before it snowballs into other forms of workplace incivilities and counterproductive work behaviors that may result in inflicting more harm on the individual and organization alike. This article makes a novel contribution to the diversity literature by taking a theory used in criminology that is often criticized as being used to victimize minorities with measures such as stop and frisk in New York, and "flipping it" in order to help minorities and other disadvantaged groups from being victims of micro-aggressions. The broken windows theory has the potential to be an effective tool in ensuring that employees regardless of age, gender, religion, disability, and ethnicity are treated with respect within their organizations.

DIVERSITY MATTERS

Organizations that want to remain competitive must be knowledgeable about the diversity that is present in the current workforce and marketplace if they hope to have a sustainable business. These organizations are facing many new challenges and opportunities that our national diversity presents, such as attempting to understand the differences in the workforce and ways to create a cohesive team regardless of the differences that do exist. Other challenges and opportunities include understanding the ethical issues that come with employing a more diverse workforce. If embraced, diversity has the potential to offer increased innovation via new perspectives, ideas, and ways of working, that more homogenous employees and teams may not offer.

The increasing diversity in the United States is reflected in places of employment where employees of all races and ethnicities represent a microcosm of race relations in our society. The United States is projected to become more racially and ethnically diverse in the coming years. Interestingly, most of the population growth is projected to be of visible racial/ethnic minority groups. Such demographic changes are due primarily to recent immigration rates of documented immigrants, undocumented immigrants, and refugees. Furthermore, Colby and Ortman (2014) proposed that mothers that come from racial/ethnic minority groups have more children per mother than White mothers. It is estimated that more than half of all Americans are expected to belong to a minority group (any group other than non-Hispanic White alone), and by 2060, nearly one in five of the nation's total population is projected to be foreign born (Colby & Ortman, 2014).

Given the population growth projections, the workforce of the United States will likely undergo a drastic change. These changes are significant for the world of work, and our society. The economic implications of these changes will be dramatic. The new workforce, a majority of people of color, will be the driving force in contributing to social security as the baby boomers, primarily Caucasians, retire. Nevertheless, if this trend continues, it will likely reduce the retirees' future securities. Current data reports that people of color continue to be the most underemployed and unemployed when compared to Whites (U.S. Department of Labor, 2015). The representation of people of color in higher levels of employment is much lower (except for Asians) than Whites in management and professionally related occupations: 35.5% of Whites, 26% of African Americans, and 17% of Hispanic/Latinos (Sue, 2010). This trend validates the feelings of many employees of color finding the workplace reflecting the power and privilege of their White counterparts.

In the past, organizations tended toward homogenizing their workforces, getting everyone to think and behave in similar ways (Suarez-Orozco, 2002), perhaps as a result of the melting-pot metaphor, where people of color and newly arrived immigrants were expected to assimilate into a larger American identity. Also according to Erica Folder, an NYU Professor, and author of the book The Color Bind, "part of the problem, particularly in hiring, is that employers look for the right "cultural fit," which often means someone who is similar to the person doing the hiring (Race and Reality, 2015). For many, the melting pot phenomenon symbolizes societal pressure to assimilate to White American values, norms, and culture

while ignoring and devaluing the culture of people of color. We anticipate that more organizations will begin to recognize that diversity can be a competitive advantage. In the next section we will look at micro-aggressions and the ways in which it harms employees.

MICRO-AGGRESSIONS: AN INVISIBLE THREAT

It can be said that most discriminatory laws that restrict privileges for persons of color have been abolished, and many argue that racism no longer exists in the United States due to less instances of overt forms of racism, such as denying privileges based on race. However, the nature and expression of racism has evolved into a subtler and ambiguous form, perhaps reflecting society's belief that overt and blatant acts of racism are unjust and politically incorrect (Dovidio, Gaertner, Kawakami, & Hodson, 2002). In other words, racism has become more camouflaged and covert.

In reviewing the literature on subtle and contemporary forms of bias, the term micro-aggression seems to best describe the phenomenon in its everyday occurrence (Sue et al., 2007b). Sue (2010) defined micro-aggressions as brief, everyday exchanges that send denigrating messages to a target group - people of color, religious minorities, women, people with disabilities, and gay, lesbian, bisexual, and transgendered individuals. Whether intentional or unintentional, these micro-aggressions can be demonstrated verbally, nonverbally, visually, or behaviorally. The term racial micro-aggression was originally coined by Chester Pierce to describe the subtle and often automatic put-downs that African Americans face (Pierce, Carew, Pierce-Gonzalez, & Willis, 1978). Sue et al. (2007a) proposed that micro-aggressions (a) tend to be subtle, unintentional, and indirect; (b) often occur in situations where there are alternative explanations; (c) represent unconscious and ingrained biased beliefs and attitudes; and (d) are more likely to occur when people pretend not to notice differences, thereby denying that race, sex, sexual orientation, religion, or ability had anything to do with their actions. The forms of micro-aggressions are (a) micro-assaults, (b) micro-insults, and (c) micro-invalidation (Sue et al., 2007a).

The experience of micro-aggressions is not new to people of color, women and other marginalized groups. It is the constant and continuing everyday reality of affronts and invalidations disseminated by well-intentioned friends, co-workers, employers, and educators. The power of micro-aggressions lies in their invisibility to the perpetrator, who is unaware that he or she has engaged in a behavior that threatens and demeans the recipient of such a communication (Sue, 2010).

There have been many discussions that the United States is currently in a post-racial era since the 2008 election of a bi-racial president (although labeled as African American) whose biological mother is White and biological father is African. However, many may recall that during the 2008 Democratic presidential nomination campaign, then Senator Joe Biden described then-Senator Barack Obama as "articulate and bright and clean" in a manner that suggested that people do not expect African Americans to be articulate and intelligent (Thai & Barrett, 2007). This is an illustration of a micro-aggression that demonstrated how unintentional it was for Senator Biden because he revealed that he was actually complimenting Senator Obama, whereas many within the African American community found his remarks offensive.

MICRO-AGGRESSIONS IN THE WORKPLACE

Employers now recognize that their workforce must be drawn increasingly from a diverse labor pool. The economic viability of businesses will depend on their ability to manage a diverse workforce effectively, allow for equal access and opportunity, and make appropriate multicultural organizational change (Stevens, Plaut, & Sanchez-Burks, 2008). Due to the changing demographics of the workforce, there has been a movement toward diversity training to assist in the transition. Nonetheless, people of color continue to describe their work climates as hostile, invalidating, and insulting because of the many micro-aggressions that assail their race, restrict their work options, lower their work productivity, generate suppressed rage and anger, stereotype them as less worthy workers and detrimentally impact

their recruitment/hiring, retention, and promotion in organizations (Hinton, 2004; Rowe, 1990; Sue, Lin, & Rivera, 2009).

Micro-aggressions are especially problematic because of their invisibility and difficulty in being proven (Rowe, 1990), and because they are often minimized as trivial and innocuous (Sue et al., 2007b). As such, many places of employment have focused on the overt forms (e.g., racist jokes or epithets) of discrimination. More difficult to control are complaints by employees of color that they are "watched over" more carefully than their White coworkers (Sue, 2010). The message behind this micro-aggression is that people of color cannot be trusted or are less capable, and therefore require close monitoring. This work environment creates an unwelcoming climate for people of color. Rather than being able to focus on the tasks of the job, many people of color have to cope with these daily hassles that may result in feelings of anger and frustration.

What people consciously believe or say (e.g., "I treat everyone the same... I don't see color") is oftentimes at odds with what they actually do. The micro-aggressions are manifested in being ignored or not invited to have lunch with coworkers, receiving little feedback or mentoring, closer supervision, the supervisor forgetting or mispronouncing the employee's name, being assigned to lesser job tasks, and a continuing onslaught of other verbal micro-aggressions (Sue, 2010). To the person of color, these events could demonstrate a hostile work climate.

While many companies are seemingly making efforts to recruit more employees of color, they are often unsuccessful, especially for upper management positions and professional occupations. "We would gladly hire an African American or Latino for the position, if we could find one who is qualified." This statement represents a micro-aggression. It is a denial of racism and an assumption of inferiority, that helps disguise unconscious biased decisions that justify not offering a position to the African American or Latino applicant. Often, hiring managers may ponder, for instance, whether the African American or Latino applicant will "fit in." This questions what criteria are being used to determine qualified applicants. When people of color are recruited, and the company's management or administration has low minority representation, this propels a powerful message, to the person of color, that advancement opportunities are slim and the environment may be uninviting.

When underrepresented groups are hired, companies may have challenges retaining them. Low retention rates may be the result when minority groups are constantly bombarded by organizational policies, practice, programs, and structures that make them feel unfairly treated (Sue, Lin, & Rivera, 2009). This is often compounded by interpersonal micro-aggressions, or what Hinton (2004) referred to as "*micro-inequities of the vast power of the small slight*".

Within the workplace, micro-aggressions can occur in peer-to-peer or superior-to-subordinate relationships (Sue, Lin, & Rivera, 2009). These interactions, along with company policies and practices, constitute the organizational culture and climate. With the diversification of the workforce, it is imperative that we understand the relationship between micro-aggressions and their impact on diverse work groups in the workplace. Change must occur at both the systemic and individual levels.

Micro-aggressions are difficult to detect. Most individuals who perpetrate micro-aggressions are unaware that their views are hurtful and would vigorously deny that they are discriminatory. This modern form of discrimination is often unintentional, but cannot be eliminated unless people are willing to examine their own contribution to a hostile and uninviting work climate. For example, racial micro-aggressions do not overtly hurt the recipient because of it being a relatively "minor" incident, but an accumulation of micro-aggressions can become burdensome. The counterproductive behavior of micro-aggressions can be costly for an organization both indirectly (by lowering morale and driving off valuable employees) and directly (through financial liability if the organization responds inappropriately).

The next section will examine the controversial Broken Windows theory, and its applicability to the reduction of micro-aggressions within organizations.

BROKEN WINDOWS THEORY

Prior to the development and implementation of broken windows theory, law enforcement professionals and scholars focused primarily on methods of reducing serious crime facing society such as murder, rape, robbery, etc. Wilson and Kelling (1982) in their article entitled *Broken Windows* took a different approach to reducing crime in communities. They viewed serious crime as the final result of a lengthier chain of events, and theorized that it emanated from disorder, and that if disorder were eliminated, then serious crimes would not occur. This was a significant departure from conventional methods that were previously used to tackle crime, especially in urban areas, and it occurred to us that this often criticized theory may be useful in the struggle to eliminate micro-aggressions and other more serious offenses or "disorders" that are harmful to diverse employees within the organizational context.

Wilson and Kelling (1982) highlighted the importance of foot-patrols in communities that had a crime problem, and its role in making a neighborhood safe. They also stated that *what foot-patrol officers did was to elevate, to the extent they could, the level of public order in these neighborhoods. Though the neighborhoods were predominantly black and the foot patrolmen were mostly white, this "order-maintenance" function of the police was performed to the general satisfaction of both parties*. There are implications for managing diversity in the workplace. The concept of Management By Walking Around (MBWA) may be an effective method for organizational leaders to check with employees to determine their emotional well-being, status on projects, and if they need resources that can help them perform their job more efficiently and effectively. According to Mohan, Kumar and Subrahmanyam (2013), MBWA is one of the most important ways to build civility and performance in the workplace. Management guru W. Edwards Deming once said *"If you wait for people to come to you, you'll only get small problems. You must go and find them. The big problems are where people don't realize they have one in the first place"* (Management by walking about, 2008).

It may be necessary for managers to interact with employees on a regular basis to assess their needs, and to find out what is troubling them. Organizational leaders may also play a very active role in being more emotionally intelligent, and determine whether their minority employees are the victims of micro-aggressions in the workplace. MBWA makes supervisors, managers, and human resources staff more accessible to employees and also makes it more likely that inappropriate behaviors may be directly observed or extinguished (Bland & Stalcup, 2001). The manager or supervisor who has regular contact with employees will be able to notice behaviors that may indicate someone is being harassed, such as increased absenteeism; employee withdrawal, and observable discomfort around certain persons (Bland & Stalcup, 2001). If they engage in MBWA, managers can play an active role in reducing micro-aggressions, as their presence would deter perpetrators. The latter may refrain from engaging in uncivil behavior, and if they do exhibit such behavior, it will be more quickly noticed and addressed by authority figures. Employees may also feel more comfortable voicing their discomfort in an environment that is striving to eliminate micro-aggressions in the workplace, thus influencing increased commitment to the firm that is demonstrating that it cares, and reducing turnover intentions.

> *Proposition 1: There is a negative relationship between Management by Walking Around (MBWA) and Workplace Micro-aggressions and between MBWA and Turnover Intentions.*

According to Wilson and Kelling (1982), if within a community petty crimes such as vandalism and graffiti are dealt with swiftly and decisively, it sends a signal that the residents care about their neighborhood, and that they take action when problems arise. It also signals willingness on their part to monitor their community, and contact the police as needed. This requires residents to acknowledge that small crimes may eventually escalate into more serious crimes within their neighborhoods. This has implications for tackling micro-aggressions in organizations.

Organizations that are serious about eliminating micro-aggressions should encourage organizational leaders to acknowledge that they really do exist. A clear message must be sent throughout the entire firm

that micro-aggressions negatively interfere with interpersonal dynamics in the workplace, and impede organizational success, and that they will not be tolerated. According to Judith Williams, Google's global diversity and talent programs manager, "We all have unconscious biases because of our exposure to images in the media and our families of origin, but if we're aware of it we can work together to combat it (Lewis, 2015).

A clear message was also sent by Janet Napolitano, former Secretary of Homeland Security who currently serves as the President of the University of California system. In 2014, President Napolitano invited faculty members to get trained in recognizing micro-aggressions and the messages they send (Watanabe & Song, 2015). One handout, adapted from one of the leading micro-aggression researchers, Derald Wing Sue, offered examples: *Telling people of color they speak English well sends a message they are perpetual foreigners in their own land or asserting that America is a "melting pot" denies the significance of a person's racial or ethnic experiences* (Watanabe & Song, 2015).

> *Proposition 2: There is a positive relationship between Leader Acknowledgeable of Micro-aggressions and Micro-aggressions awareness.*

Wilson and Kelling (1982) stated that *if a window in a building is broken and is left unrepaired, all the rest of the windows will soon be broken….one unrepaired broken window is a signal that no one cares, and so breaking more windows costs nothing*. This has implications for effectively managing diversity in the workplace. For example, if a minority employee is a victim of micro-aggression in the workplace, this may send a signal (consciously or subconsciously) that it is acceptable to engage in workplace incivility. The minority employees may think that it is appropriate to reciprocate that behavior, and in turn they may also behave in an uncivil manner with fellow co-workers and customers. For example, in a recent study by Foulk, Woolum, and Erez (2015), that investigated the contagion effect of rudeness in organizations, they found that low-intensity negative behaviors like rudeness can indeed be contagious. Their research also showed being the target of rude behavior, or even witnessing rude behavior, induces rudeness.

Individuals exposed to rude behaviors tend to have concepts associated with rudeness activated in their minds, and consequently may interpret ambiguous but benign behaviors as rude. More significantly, they themselves are more likely to behave rudely toward others, and to evoke hostility, and negative effect, and even revenge. This has implications for organizations that are rife with micro-aggressions. For example, minority employees who feel hurt and disrespected may themselves engage in different forms of workplace incivilities based on the contagion effect of rudeness. Also other individuals who witness micro-aggressions may themselves become "micro-aggressors".

> *Proposition 3: There is a negative relationship between action against micro-aggressions and workplace incivility, and between action against micro-aggressions and tolerance for workplace incivility.*

Wilson and Kelling (1982) mentioned the 1969 study by Phillip Zimbardo, in which he tested the broken windows theory by leaving a vehicle untended in a neighborhood in the Bronx and within minutes the car was vandalized. They further suggested that "untended behavior" also leads to the breakdown of community controls. According to the authors,

> "*A stable neighborhood of families who care for their homes, mind each other's children, and confidently frown on unwanted intruders can change, in a few years or even a few months, to an inhospitable and frightening jungle. A piece of property is abandoned, weeds grow up, a window is smashed. Adults stop scolding rowdy children; the children, emboldened, become more rowdy. Families move out, unattached adults move in. Teenagers gather in front of the corner store. The merchant asks them to move; they refuse. Fights occur. Litter accumulates. People start drinking in front of the grocery; in time, an inebriate slumps to the sidewalk and is allowed to sleep it off.*

Pedestrians are approached by panhandlers…At this point it is inevitable that serious crime will flourish or violent attacks on strangers will occur (Wilson & Kelling, 1982)."

The presence of workplace incivility affects the organizational climate, and the negative effects multiply if left unchecked (Felblinger, 2008). This suggests that "untended" behavior, such as micro-aggressions, has the potential to snowball into further undesirable behaviors in the workplace and may manifest itself into a negative diversity climate. It is quite possible that the proliferation of micro-aggressions may snowball into a larger problem for firms. Employees from marginalized groups who experience micro-aggressions may view their firm as a place where incivility and discrimination are tolerated by the organization. Therefore, companies that take action to reduce micro-aggressions will send a message to marginalized employees that they care about their welfare, and may result in those employees having a positive perception of their workplace.

> *Proposition 4: There is a positive relationship between action against micro-aggressions and positive diversity climate.*

According to Wilson and Kelling (1982), "untended behavior" leads to the breakdown of community controls. They contend that vandalism and other small crimes can occur anywhere once the sense of mutual regard and the obligations of civility are lowered by actions that seem to signal that no-one cares. It can be argued that a negative diversity climate within organizations may lead to a breakdown of organizational controls that regulate civil behaviors within the firm. According to Boehm, Dwertmann, Kunze, Michaelis, Parks, and McDonald (2014), at the individual level of analysis, perceptions of a positive diversity climate within firms have been linked to various desirable outcomes. It can be inferred that a negative diversity climate may result in negative outcomes.

Cortina (2008) extended the notion of incivility by examining it through lenses of gender and race. The central argument is that incivility, in some cases, is not "general" at all, but instead represents contemporary manifestations of gender and racial bias in the workplace. Furthermore, a recent study by Cortina, Kabat-Farr, Leskinen and Huerta (2013) tested a theory of selective incivility to demonstrate whether it can be considered a modern manifestation of sexism and racism in the workplace. Their study found that women and people of color reported more instances of workplace incivility on the job than men and Whites. There is a possibility that firms that possess a negative diversity climate may experience more occurrences of workplace incivilities in the form of "selective incivilities."

A study by McKay, Avery, Tonidandel, Morris, Hernandez, and Hebl (2007) found that diversity climate influences employee retention. Their findings suggested that organizations should pay greater attention to the diversity climate concerns of black employees given their heightened sensitivity to racial conditions in the workplace. Their study results also suggested that organizations that take steps to improve diversity climate perceptions among Blacks will have the added benefit of reducing turnover intentions for other employee racial (and gender) subgroups (McKay, et al, 2007).

According to Stevens, Plaut and Sanchez-Burks (2008), an all-inclusive multicultural (AIM) approach that promotes a positive diversity climate enhances positive relationships, resulting in heightened employee engagement and individual and organizational performance. With that being said a negative diversity climate may lead to greater instances of employee disengagement.

> *Proposition 5: There is a positive relationship between negative diversity climate, workplace incivility, employee disengagement, and turnover intentions.*

It can be inferred from the broken windows theory that greater instances of crime resulting from community and societal decay are associated with decreased civility and lawful behavior. With that being said, it can also be inferred that greater instances of workplace incivilities, turnover intentions, and employee disengagement stemming from a negative diversity climate may lead to decreased productivity. According to Stewart, Volpone, Avery, and McKay (2011), employees' perceptions of the diversity

climate in their workplace are known to have a significant impact on their job attitudes and behavior. For example, Cortina and Magley (2009) found that employees who are the targets of workplace incivility are likely to experience stress, distraction, and negative emotions as well as lower job satisfaction and sometimes even reduced creativity. This has serious implications because it may decrease productivity in the workplace.

Turnover intentions also have the potential to impact organizational productivity. Krishnan and Singh (2010) found that greater intentions to quit lead to less performance orientation, higher organizational deviance, and fewer organizational citizenship behaviors. On the basis of theories in social exchange and psychological contracts, they further stated that once the employee feels that the psychological contracts have been broken and the quality of exchanges is no longer good, this will lead to less performance orientation, citizenship behaviors, and higher deviant behaviors. Kickul, Neuman, Parker, and Finkl (2001) highlighted, from the perspective of the psychological contract, that these behaviors are employees' reactions to unmet expectations and lack of fair treatment. As it pertains to a negative diversity climate, minority, women, and disabled employees may develop turnover intentions if they are negatively impacted by micro-aggressions, and other unfair treatment, as they may determine that their psychological contract has been broken.

Research from Towers Watson found that the more engaged employees are, the better the company performs (Towers Watson, 2011). According to this study, organizations with high levels of employee engagement were able to improve their operating income by 19.2 percent (Towers Watson, 2011). At the other end of the spectrum, companies with low levels of employee engagement experienced a 32.7 percent decline in their operating income (Towers Watson, 2011). Employees that perceive themselves as the target of micro-aggressions may be more disengaged at work, resulting in lower performance measurements.

Proposition 6: There is a negative relationship between productivity and workplace incivilities, turnover intentions, employee disengagement, and negative diversity climate.

FIGURE 1
A PROPOSED RELATIONSHIP BETWEEN MICRO-AGGRESSIONS
& PRODUCTIVITY
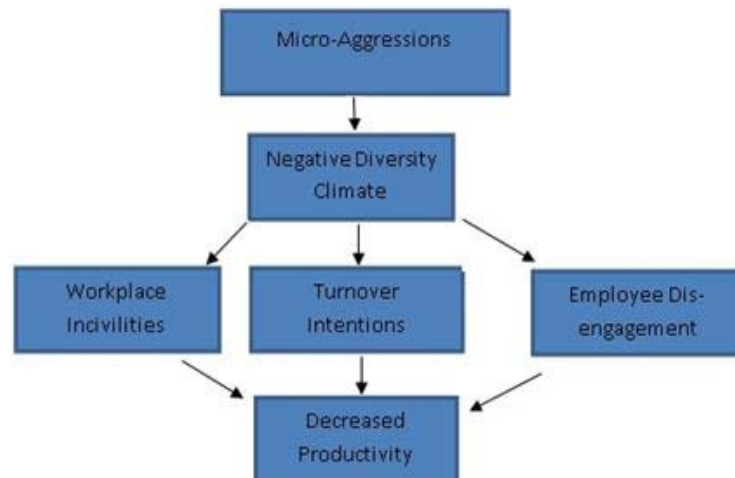
AN ETHICS OF CARE PERSPECTIVE

Organizations need to be progressive in the ways they exhibit care to their employees. Tronto (1993) explained that the ethic of care is a practice, rather than a set of rules or principles, and that the necessary qualities or elements that should be established are attentiveness, responsibility, competence, and responsiveness. Caring requires consideration and concern for others' needs, the acceptance of the burden of these needs, the ability to meet these needs, and a readiness to consider others' positions as they express it and to be engaged from their standpoints. In order to reduce micro-aggressions, the practice of an ethic of care is needed in organizations to ensure that attention is paid to the needs of diverse employees, valuable stakeholders whose well-being should be viewed as essential by managers. Freeman (1984), in his landmark book entitled "Strategic Management: A Stakeholder Approach," explained that if organizations are to be successful, then multiple stakeholder groups must be taken into account, as well as the effects of strategic issues on these stakeholders, and strategies must be implemented to address concerns.

In today's prevailing view, employees are identified as stakeholders of the organization from almost all stakeholder perspectives. "Managing for stakeholders involves attention to more than simply maximizing shareholder wealth, and attention to the interests and well-being of those who can assist or hinder the achievement of the firm's objectives is the central admonition of the theory" (Phillips, Freeman, & Wicks, 2005). Burton and Dunn (1996) argued that the ethic of care can ground decision making in a stakeholder model, thereby making that model a viable option for those managers interested in operating according to moral principles. However, the applicability to managing a diverse workforce has been largely ignored. Organizations should consider all their stakeholders, including their minority, female, and disabled employees, and take their needs into account. Effective management is critical for creating a positive diversity climate, and thus, the stakeholder approach and the caring perspective should be considered.

Organizations now increasingly understand the importance of caring about its workforce. In the 21st century we have noticed that a language of care and relationship-building is now prominent, and firms often speak of "nurturing" and "caring" for its employees. It has been recognized that all employees play a significant role in determining the firm's success or failure and that the organization should exhibit an ethic of care. The practice of an ethic of care by organizations that are truly committed to eliminating micro-aggressions may facilitate the connectedness required for attentiveness, responsibility, and competent responsiveness. McDowell (2004) conveyed the belief in the applicability of an ethic of care based on mutual obligations and relations of trust. Thus, care is often reciprocated. For example, The University of California is striving to create a university environment that values all employees regardless of their differences, and that is why there is a focus on micro-aggression training. All organizations should consider doing the same.

IMPLICATIONS FOR POLICY AND PRACTICE

At the organizational level, companies should adopt an ethic of care approach to managing diversity, and take some meaningful steps to ensure that their minority employees are treated with respect. One way to engender goodwill and trust from minority employees is an acknowledgement from organizational leaders that micro-aggressions are indeed real and should be eliminated within the firm. People of color, and other marginalized groups have suffered silently for a long time, and the acknowledgement of this stressor should play a major role in improving the diversity climate of organizations. We are not naïve to think that a simple recognition of micro-aggressions is the cure-all for this organizational "disorder," and with that being said, the top management team has to lead the way in using formal and informal communication channels as well as instituting repercussions to let the entire organization know their commitment to improving the diversity climate by eliminating micro-aggressions.

Since micro-aggressions are so subtle and disguised, micro-aggressions can be a major challenge for the top management team to address the detrimental effects of micro-aggressions within their workplace.

Several important changes and activities are suggested to enhance the workplace environment. Change must occur at both the systemic and individual levels. A strong case can be made that the organization's philosophy, vision statements, and values directly influence the organizational culture and climate, and the actions of its workers. Organizational leadership should take a careful assessment of their corporate climates and whether the underlying assumptions of inclusiveness are based upon mistaken notion of color, gender, and sexual-orientation blindness. Although unintentional, the "blindness" or "neutral" approach to difference can cause great harm to culturally diverse populations in the workforce (Sue, 2010).

We suggest taking a multicultural philosophy. Instead of the common rhetoric of "I treat everyone the same," "I don't see color," or "we need to become more tolerant," the multicultural philosophy emphasizes the benefits of diversity which could help marginalized groups feel more valued. If leadership understands the importance of diversity and its benefits to the organization, the multicultural philosophy would push organizational leaders to questions pertaining to underrepresented groups such as "What obstacles are preventing certain groups from being recruited, retained, and promoted?" and "How can our organization overcome these obstacles?"

Authenticity and commitment from top leadership must be present. While organizations can effectively develop a multicultural philosophy to combat systematic micro-aggressions by instituting initiatives, programs, and activities, it is equally important for these initiatives to be supported from top down. It is just as important for leadership to be extensively educated on micro-aggressions via training. This education should begin with awareness. Increased awareness means examining their own stereotypes and biases. For leadership to examine their own predispositions can be especially challenging because they must acknowledge their hidden biases and stereotypes, and become motivated to change their perceptions of groups different from their own. Secondly, leadership should become knowledgeable of the cultures of their subordinates with regards to the sociopolitical system of how these groups are treated by society. As leaders become equipped with the knowledge of understanding the perspectives of diverse groups via training, this knowledge provides the understanding that many individuals from diverse cultures may interpret events differently.

We acknowledge that it is far more comfortable and feels safer for those in leadership to maintain the status quo regarding cultural diversity. We further acknowledge that for many leaders who may encounter cultural diversity, may have to work harder to function in that environment; however, organizations that want to remain competitive and sustainable must embrace cultural diversity, not merely tolerate diversity. We maintain that the return of investment in self-awareness and knowledge of diverse cultures could greatly reduce the occurrences of micro-aggressions.

After extensive micro-aggression training of all organizational leaders, the top executive team will also need to instruct managers to engage in "Management by Walking Around" to discourage engagement in micro-aggressions, and to address those that are observed and/or reported, as these micro-aggressions may directly or indirectly negatively impact employees as well as the organization. This method will play a role in giving the affected employees voice, which has been shown to increase employee goodwill towards the organization. Minority employees may appreciate this demonstration of an ethic of care and this may increase their engagement on the job.

Upon examining the challenge of utilizing Broken Windows Theory to assess and reduce micro-aggression in the work place, there are two main factors that can support an environment that allows needed changes. Those factors are leadership and education. As expressed, leadership is important and dictates the culture of a company. However, leadership should not only take on the disciplinary role but should also be exemplary. Leadership, or those responsible for enforcing an anti-micro-aggression policy, such as the HR team, should reflect the demographic makeup of the company and show an understanding and interest in the dynamics of the cultural and ethnic backgrounds represented in the workplace. Likewise, establishing collaborative teams that reflect the makeup of a company allow for fair representation in the delegation of company projects. This builds a subconscious effort to establish equality throughout the workplace and a foundation with which to build policies and training programs that encourage inclusiveness and cohesiveness.

Training and education are pertinent to the success of an anti-micro-aggression initiative. The development of the appropriate supportive policy, however, must take into account the nature of the company as well. This is why a "cookie-cutter" approach to diversity management is unfavorable in most cases. Policy must accommodate the group of individuals it is meant to serve and protect. Micro-aggression training is needed to educate all employees, especially the micro-aggressors into gaining an understanding of this "organizational disorder" and the ways it negatively impacts the psyche of their fellow employees. According to McKay and Avery (2005), diversity training must be designed to bring subtle forms of discrimination to the fore and teach employees how to counteract them. Before this training is delivered, there should be a thorough needs assessment or diversity audit that determines whether the company has a positive or negative diversity climate. If the firm does indeed have a negative diversity climate, the HR professional(s) need(s) to investigate what are the root causes of the negative climate, and whether micro-aggressions are playing a role. A thorough needs assessment followed by a training intervention that is tailored to the unique complexities of that particular organization is a more suitable solution than a cookie-cutter, one size fits all approach.

In an interview with Joan C. Williams, law professor at the University of California, she described a situation in which Google systematically changed the culture of the company by revising policy and procedure to fit the demographic makeup of the company (Lewis, 2015). In the situational analysis, Google found that their promotional tactics were invariably biased toward one gender over another. This inherently caused an unequal representation of leadership and a lack of opportunity for one gender to obtain leadership roles (Lewis, 2015). By addressing the underlying causes of prejudices within the company, Google was able to establish a fair and balanced leadership team (Lewis, 2015).

It is essential for organizations to tackle micro-aggressions in the workplace. One way is by asserting the effort through acknowledgment, oversight, and training. Policy and rules within the company must effectively include an acceptance of all ethnic cultures, genders, and other forms of diversity represented in the organization. It is the underlying characteristics of a company that fuels the level of micro-aggression in the workplace. At that foundational level, micro-aggression in the workplace cannot simply be eliminated overnight. Rather, companies will have to take a long-term approach to addressing seeds of micro-aggression before it develops and infiltrates the culture of the company.

FIGURE 2
A BROKEN WINDOWS FRAMEWORK FOR REDUCING MICRO-AGGRESSIONS
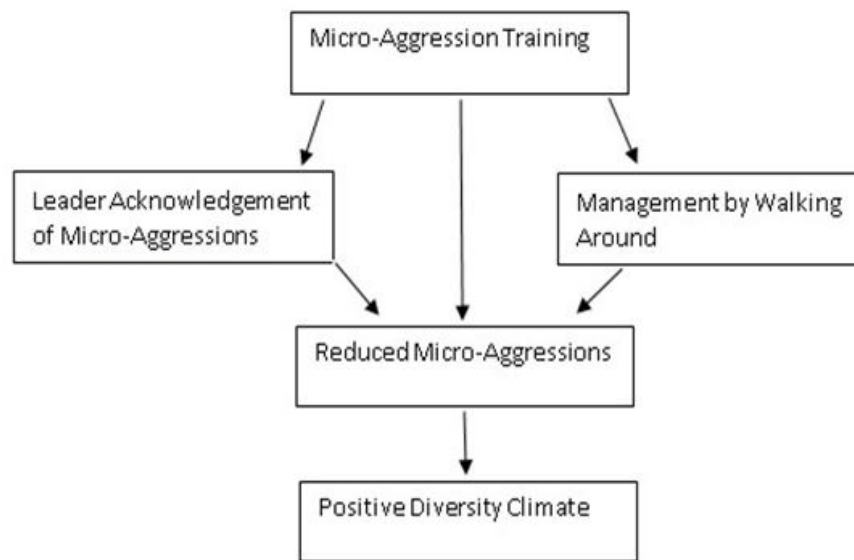
CONCLUSIONS

There was a statement in a recent article in *The Atlantic* entitled "How to Make Your Company Less Sexist and Racist" asserting that "*the dwindling numbers of minorities and women as you cast your eye up the ranks of any business or professional field lend credence to the argument that existing diversity efforts just aren't working*" (Lewis, 2015). The statement rings true for people of color, women, individuals with disabilities, and other disadvantaged groups, and it justifies the conceptualization of novel methods to address issues (including micro-aggressions) facing these groups.

Organizations should consider exhibiting an ethic of care to all employees to ensure that the organizational climate is conducive to their welfare. One possible solution to ensure that minority employees are no longer plagued by micro-aggressions is to utilize a broken windows approach to managing diversity. Organizational leaders who are serious about facilitating a positive diversity climate with their firms need to acknowledge that micro-aggressions are real, and that they do indeed cause harm to minority employees. Some progressive organizations are already leading the way to ensure that micro-aggressions do not snowball into a negative diversity climate, and other forms of incivilities, and it is wise for other firms to follow their lead and ensure that all of their employees feel welcome and valued. Micro-aggressions may seem to be harmless to some, but if it is ignored by organizations, greater problems will occur.

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A Critical Interrogation of e-Waste Management in Canada: Evaluating Performance of Environmental Management Systems

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Electronic waste or E-waste is one of the main sources of harmful toxic pollutants (polyvinyl chlorides, polychlorinated biphenyls, lead and mercury). E-waste also represents a potent source of valuable metals such as gold, silver, palladium, and copper. As such, the end-of-life management of consumed ICT goods presents a multifaceted site for scholarly research. We developed an empirical method of performance evaluation and conducted a comprehensive assessment of Canadian e-waste management practices and discourse. Although Canada has environmental regulations on e-waste, we find that some Canadian e-waste management companies espouse a discourse of corporate responsibility that is contradicted by actual practice.

INTRODUCTION

The production of information communication technology (ICT) and electrical and electronic equipment (EEE), including eventual disposal as waste electrical and electronic equipment (WEEE), represents a significant source of environmental pollution and energy use (CO_2 production). Accounting for one percent of Canada's waste, WEEE already contributes 70% of heavy metals poisoning in the waste stream (McKerlie et al., 2005). In addition to its toxic content and ubiquity, WEEE represents a potent and readily available source of valuable metals – if processed in advanced materials recycling facilities (Barba-Gutierrez et al., 2008; GeSI, 2008; Hischier et al., 2005; McLaren et al., 1999; Socolof et al., 2005). According to Industry sources the electronics industry is believed to use (as a fraction of global annual metal supply to produce new ICT/EEE goods each year) up to a full nine percent of the world's supply of gold, 36% of tin, 25% of cobalt, and 15% of palladium – and hence, it could make good business sense for industry to increase the use of recycled materials in the production cycle (GeSI, 2008). Despite this, one of the main preconditions – as consistently observed in the literature – for establishing sound environmental management practices is that political will and environmental regulation is required (CCME, 2009; C.D. Howe Institute, 2010; CIELAP, 2008; Cui & Zhang, 2008; EnvironmentCanada, 2004; Kang & Schoenung, 2005; Khetriwal et al., 2005; Khetriwal et al., 2007; Widmer et al., 2005;). The

lack of environmental law and regulations, particularly in developing nations, has been cited as a limiting factor preventing proper management of WEEE (Fraige et al., 2011).

Meanwhile, the effectiveness of environmental regulations (regarding e-waste management) in developed nations has not yet been subjected to critical research and scrutiny. In many nations, e-waste management systems have been implemented through the Extended Producer Responsibility (EPR) policy framework (Lee et al.,, 2000; Liu et al., 2006; McKerlie et al., 2005; Nnorom & Osibanjo, 2008b; Wagner, 2009). EPR programs provide a mechanism for ICT/EEE producer companies to establish e-waste management systems offering WEEE recycling services within a particular province or jurisdiction; and such systems generally implement a shared fiscal responsibility with consumers, and often include some form of pricing signals to promote better product design (McKerlie et al., 2005). As WEEE is itself a tradable commodity, it represents lucrative business opportunity for unregulated operators (Geyer & Doctori Blass, 2010; Hicks et al., 2005; Nnorom & Osibanjo, 2008a). In nations where effective environmental law and regulation does not exist, WEEE may be processed using crude recycling techniques (Huo et al., 2007; Deng et al., 2006; Leung et al., 2007; Li et al., 2007; Wong et al.,, 2007; Yu et al.,, 2006). As such, e-waste management is caught up in international (yet highly regionalized) trade networks facilitating the breakdown of WEEE into its component parts and materials – representing an unregulated value chain of end-of-life ICT goods as global inequity continues to be strewn from rich nations to the less developed (Lepawsky & McNabb, 2009).

Managing the social and environmental impacts of WEEE occurs on the precondition that either industry or both government and industry partners agree to confront the issue. Canadian e-waste management systems have been designed, and are managed by foundations owned by technology companies. Little is known about how technology companies use discourse to shape our collective decision-making processes (Cukier et al., 2009). This is a subtle argument that may be routinely overlooked. We use Swales and Rogers (1995) to give example of a study that includes a rigorous discourse analysis method. After comprehensively reviewing a large corpus of corporate mission statements for American companies, Swales and Rogers then conducted an in-depth contextual analysis of the mission statements of two well-known companies. While statements of the two companies shared rhetorical and linguistic similarities, further contextual analysis revealed stark differences in the communicative purposes and likely intent of the two original statements. Crucially, any differentiation of corporate value or culture remained indistinguishable from the vantage of the first (textual) reading (Swales & Rogers, 1995). They demonstrate the power of text; and suggest that any textual analysis that excludes context may ultimately lead to incomplete and possibly suspect results.

The aim of this study is to investigate the impact of e-waste management systems and practices in Canada over the period of 2000-2010. Our main research question is: how and to what extent are Canadian e-waste management practices designed and implemented in the context of global sustainability discourses and goals regarding CO_2 reductions? To investigate this, we present a novel approach RoSI by employing both qualitative and quantitative methods known as critical discourse analysis and two-stage least squares regression. Our study shows that in spite of much effort undertaken at both provincial and federal levels to regulate WEEE in Canada, many of Canada's e-waste management systems are currently operating at lower performance.

EVALUATING DISCOURSE AND PRACTICE IN E-WASTE MANAGEMENT STUDIES

Prior to describing our methodology for performance evaluation in the next section, we modify a theoretical framework from the domain of IS research (Melville, 2010). We use this framework to demonstrate the conceptual difficulty in addressing complex social research problems. The Beliefs-Actions-Outcomes (BAO) framework provides us with three primary vectors to consider: *belief formation*, *action formation*, and *outcome*. The first examines *beliefs* about the environment; the second represents *actions* undertaken as part of sustainability initiatives or systems; and the third encompasses the environmental performance *outcome* that results in an empirically measurable impact on macro-level variables such as per capita CO_2 (Melville, 2010). The BAO framework is a useful framework to group e-

waste management research into three distinct categories. The first variety (focused on *beliefs* and *belief formation*) can be observed in Fraige et al. (2011). Households are one of the major consumers of ICT/EEE, and ultimately are primary generators of WEEE. It was observed that, in Jordan, more than half of the households surveyed knew the term WEEE or e-waste; however, more than three quarters of the households were not aware of proper WEEE disposal options available to them, and even 11% believed (incorrectly) that they could dispose of WEEE by tossing with municipal trash (Fraige et al., 2011). Given that households assume a dual role as consumers of ICT/EEE and generators of WEEE, gauging consumer awareness represents an important contribution to scholarly research on e-waste management.

Among examples of the second approach (*actions*) and (*action formation*) is provided in McKerlie et al.'s (2005) evaluation of Canada's implementation of the EPR policy framework. In Canada jurisdictional responsibility is split between multiple levels of government. As mentioned by (McKerlie et al., 2005) there is no effective federal WEEE regulations and this has resulted in a range of different stewardship approaches across the various provinces. They explain how jurisdictional boundaries have impacted waste management practices in Canada; and the fact that Canadian municipalities have limited tools and funding to successfully reduce levels of waste generated in Canada. Nonetheless, in Canada e-waste management is under provincial jurisdiction. The identification of these constraints provides insight into the *action formation* and boundary conditions facing industry and government stakeholders. The third approach can be seen in the work of Green IS scholars, notably in Dedrick (2010), Melville (2010), Watson et al. (2010), and Hilty and Ruddy (2010). Research from this third domain builds upon the argument that ICT and systems innovation will play a pivotal role in generating social impact and environmental performance that affects macro-level variables, such as per capita CO_2. Nonetheless, it is problematic to speak of *outcome* without also calculating the vectors that preceded it. It is with the above stated intentions that we develop, in the next section, a new methodology of empirical systems impact measurement.

The Rubric of Systems Impact (RoSI)

To accommodate this inherent uncertainty between text and context, between discourse and practice, as found in this study, we have proposed a dialectical method from science studies and have applied it directly to the management sciences. We have taken Melville's BAO framework and have re-interpreted it using the lens of 'the mangle'[1] – Andrew Pickering's work on human and material agency (Pickering, 1993). The result, shown in FIGURE 1, is our rubric of systems impact (RoSI) framework. We have replaced Melville's previous link 2 (*actions*) with the 'actual' system that is now in operation (*agency gate*, C•D); and have regrouped the domains of *belief formation* and *action formation* under the label 'human agency' and subjected them to discourse analysis (*language gate*, A•B).

FIGURE 1
RUBRIC OF SYSTEMS IMPACT (ROSI) FRAMEWORK; EXTENSION OF MELVILLE, 2010
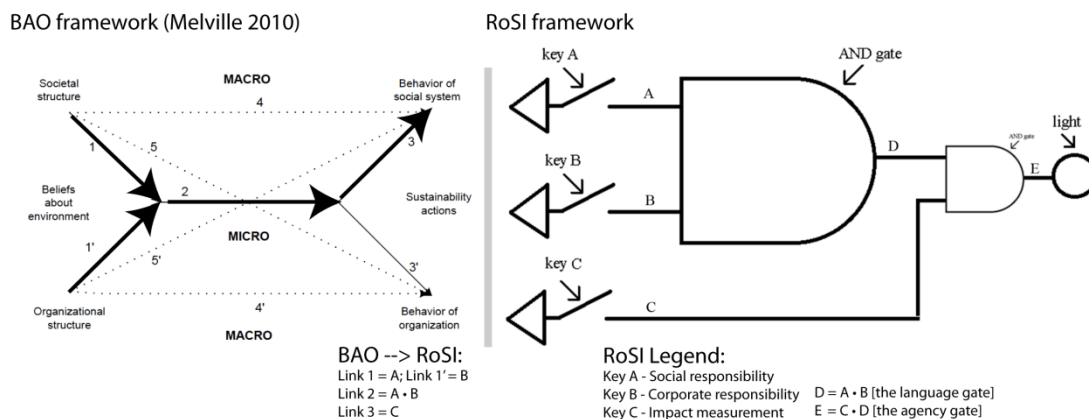
We posit performance of environmental management systems (such as e-waste management systems) is itself a construct that is best represented as a circuit that passes through two gates. To pass the first (language gate) members of the social system must generally accept the discourse of responsibility (key A), as it relates to e-waste management and behavioural expectations of the public in general (e.g. Fraige et al., 2010); and – as we will argue in this study – technology companies must present a coherent discourse regarding their corporate responsibility and sustainability practices (key B). Passing the second (agency gate) requires both a coherence of human agency (gate 1 open) and a consistently demonstrable orchestration of material agency (key C), leading to an observable impact on macro-level variables such as per capita CO_2, C•(A•B) or *outcome* as per the BAO framework. Our methodology for impact measurement and the systematic strategy under which this research has been conducted is documented in the following section.

METHODS AND MATERIALS

We bring information systems (IS) research perspectives to the literature on e-waste management. Our principal thesis is that systems performance depends on coherence of discourse and practice. Our analysis suggests that when a company is not coherent in how it *'uses'* responsibility in its annual reports and other public communications, the associated e-waste management system will be unable to achieve high levels of performance. These assertions are tested using two research methods: critical discourse analysis (hereafter, CDA) and two-stage least squares regression (2SLS). In the preceding section we presented our RoSI framework (FIGURE 1), and described environmental performance of management systems as a construct that can be understood as a circuit that passes through two gates: the language gate, and agency gate. We now describe the empirical methodology and mixed-methods design that we have used in this study as it relates to these two logical gates.

Critical Discourse Analysis and the Language Gate

To pass the language gate we argue that Canadian e-waste management discourse and practices should not contain contradictions regarding corporate responsibility and sustainability practices. We have used CDA in this study to surface and reveal any uses of strategic communication (FIGURE 2). Stahl (2006) describes CDA's purpose as opening up dialogue by exposing ideologies and presenting better arguments. The CDA method in this present study is based on an empirical CDA technique developed in Cukier et al. (2009), which is based on the social theory of Jürgen Habermas, and his theory of communicative action (TCA). At its core, TCA asks the researcher to empirically assess the authenticity of speech acts. As can be seen in FIGURE 2, communicative action can lead to shared understandings and cooperation. However, this outcome is not assured. As noted by Cukier et al. (2009) distorted communications may lead to outcomes that are not based on cooperation and mutual understanding. As a research method CDA critically investigates social inequality and involves analysis of how language is used in practice, to observe how social inequity becomes represented or legitimized by discourses and language use (Wodak, 2001). However, there is no established and singular means to conduct CDA.

FIGURE 2
COMMUNICATIVE AND STRATEGIC ACTION AND DISTORTED COMMUNICATION
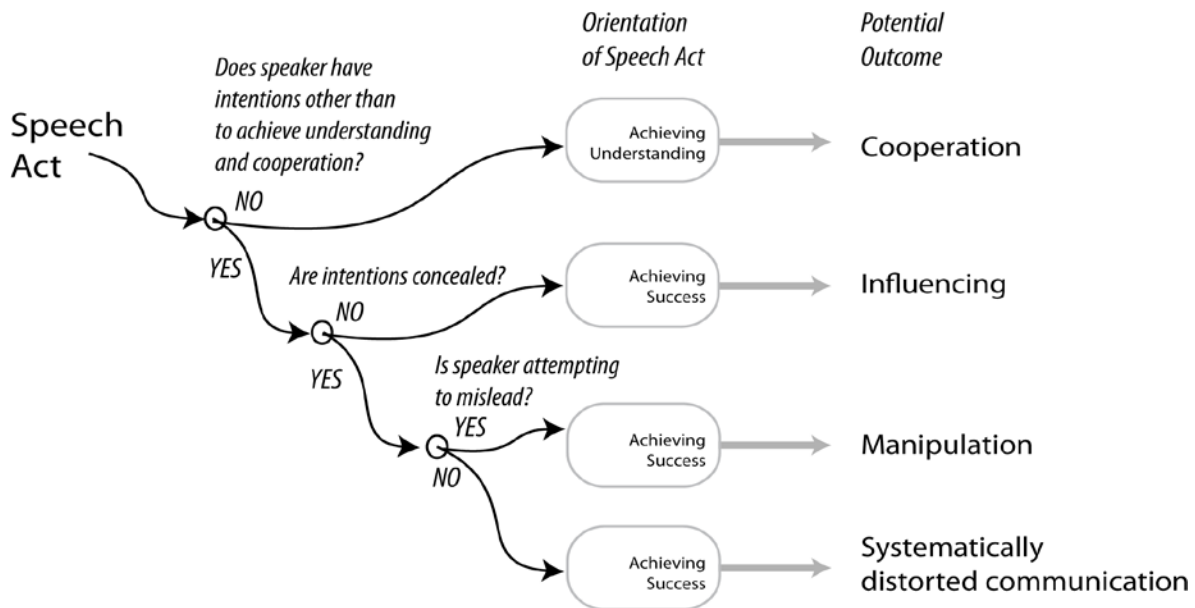
Adapted from Cukier et al. (2009)

One of the objectives of this study is to examine whether technology companies and to some extend the existing laws and regulations have distorted the public discourse on e-waste and to determine whether responsibility to manage WEEE (consumed ICT goods) is lessened through this discourse. This is accomplished through an analysis of language and written documents referred to as speech acts. Speech acts that are communicative action promote cooperation and are oriented towards achieving an understanding that is shared. If the intended outcome of a speech act is to influence or manipulate, then strategic action is employed instead. We argue that discourse must be interrogated from the perspective of each of the four validity claims of TCA. To do so requires us to systematically interrogate each communication (in the form of a 'text' – e.g. speech transcript, news release, annual report) testing lines of text against the four validity claims (comprehensibility, truth, sincerity and, legitimacy). If the speech act does not pass all four validity claims, additional contextual analysis will be conducted. The first claim, *comprehensibility*, asks whether a communication is expressed clearly in plain language. Comprehensibility violations result from incomplete messages and also from information overload or strategies of excessive language use. The second claim is *truth*, which establishes the factual correctness of a statement. To determine this one must appropriately contextualize the communication. This objective is to obtain consolidated understanding of specific texts in the discourse and to evaluate the defensibility of argumentation structures used. The third claim, sincerity, examines the kind of language used (e.g. connotative; overly technical; emotionally-laden) and determines whether language use choices reveal inconsistencies between what the speech act says versus what the actual actions of the speaker are. The fourth claim is *legitimacy*. For a communication to be legitimate it must be in accordance with relevant social norms and values – for instance, regarding who is considered an expert, or whose opinions get represented, or in the inclusion or exclusion of dissenting voices. The output of this method is a set of empirical observations that reveal any inconsistencies between speech and action with respect to e-waste management.

DATA COLLECTIONS AND ANALYSIS

Critical Discourse Analysis

The CDA method used in this study can be described in four highly iterative steps. In step 1, we defined the corpus of data to be analyzed. In this study, we limit our search to publicly available documents. As such we employed a targeted CDA approach and focus on the annual reports and public communications of relevant industry organizations, including relevant governmental and non-governmental advisory bodies. An intensive search process was undertaken to support this study. Empirical data was collected by searching the Internet using Google search with the following parameter: e-waste WEEE "e-waste management" Canada. This query was then subsequently repeated using the names of the provinces and territories. A targeted search strategy was then used to discover all relevant reports published by industry: +pdf +"[name of PRO]". The same search was repeated for the national industry body: +pdf +"Electronic Product Stewardship Canada". We then reviewed the results on the order prioritized by the search algorithm. Except in instances where insufficient results were returned, generally at a minimum we reviewed top 250 results in which 105 relevant documents were selected. Associated websites of these organizations were also included using a manual process. In instances where relevant content was found on websites, the content was printed to Adobe PDF format. Additionally we supplemented the corpus with documents from industry, government, and other relevant advisory bodies. Appendix A lists the source organizations and the number of articles used in our study. As noted above, a total of 105 relevant articles were selected; and each article was then assigned an identification code EM1-EM105. The process became highly iterative upon completion of step 1.

In step 2, content is analyzed and coded. Validity claims were used to identify relevant empirical observations. Speech acts were then examined for the types of arguments made, their frequency, or any other relevant patterns or characteristics. Each source was first imported as Adobe PDF documents into NVivo software, and was then coded twice using the following categories: (a) statements regarding the advantages and disadvantages of e-waste management; (b) terms used to describe e-waste management systems - adjectives, metaphors, associative language; (c) experts and spokespeople for e-waste management in Canada; (d) specialized language or jargon; and, (e) statements regarding responsibility and legitimacy of e-waste systems. Data was also coded for source organization. In step 3 a textual reproduction of all empirical observations were then extracted to Excel as a table. All selected statements were each read individually – and were also read several additional times as part of a series of table sorts (by category, source organization). In step 3 all speech acts were analyzed for meaning. Each statement was tested against the four validity claims. Additional search processes were then undertaken to find empirical evidence that would refute the statements' validity. An additional (final) reading was then undertaken; themes were identified; and all statements were grouped (where warranted) by similarity/theme. Upon adequate completion of steps 2 and 3, the findings are then related in step 4 as an Excel table containing a total of 149 statements, inclusive of 17 statements that failed one or more validity tests.

Two-Stage Least Squares Regression

The regression method used in this method is Two-Stage Least Squares (2SLS). With respect to the present study, we examine the relationship between Canada's CO_2 emissions per capita and an 11 year panel dataset of actual values of e-waste recycled per capita across Canada (measured as a percentage of total available stock of ICT goods consumed in the same year). Our dependent variable of interest is: CO2PC – the level of CO_2 per capita for Canada. Two independent variables of interest are: ICTEWASTE - a ratio of e-waste recycled to index of ICT usage; and, REGULATION – a ratio of jurisdictions with e-waste regulations to provinces without. By using 2SLS and introducing additional control variables, we are able to triangulate and observe statistical relationships that exist in the data between the control variables and CO2PC. An 11 year panel dataset was used, including years 1999-2010. Additionally, the following control variables are included in our regression analysis warranted by prior literature review: GDPP – gross domestic product (GDP) per capita; URBAN – the level of urbanization

(by region/province); GDPENERGY – the increased level of energy consumption due to increased GDP per capita.

Secondary data in the form of annual reports from e-waste companies, consultants' reports submitted to the government, academic publications, and industry publications was obtained. It was necessary to determine what actual capacity exists for e-waste processing within Canada. How much of the e-waste generated in Canada is actually recycled? This information was obtainable using target search strategies and found in publicly accessible reports. ICT variable is a composite index obtained from ITU and UNDP dataset covering the following main ICT components: Residential phone lines per 100 households; Internet users per 100 inhabitants; TV equipped households per 100 households; Internet hosts per 1,000 inhabitants; Internet users per 100 inhabitants; Number of PCs per 100 inhabitants; Digital lines/mainlines four main components: Fixed telephone lines, mobile cell. Data for GDP per capita, urbanization index, CO_2 emission and the Canadian energy consumption was obtained from UNDP dataset. The regulation index was obtained from Heritage Foundation. E-waste data in Canada was collected from multiple sources including: (Government of Canada & Recycling Council of Ontario, 2000; NRCan, 2011; PHA Consulting Associates, 2006; RIS International Ltd., 2003; CSR, RIS International Ltd.,MacViro Consultants Inc. & Jack Mintz & Associates Inc., 2005; Waste Diversion Ontario, 2005). Following the literature review, the following regression model (equation 1) was applied on panel data:

$$co2pc_t = \alpha_0 + \alpha_1 ictewaste_t + \alpha_2 regulation_t + \alpha_3 gdpp_t + \alpha_4 gdpenerg_t + \alpha_5 urban_t + \varepsilon_t \qquad (1)$$

Where the subscripts refer to year (t); α_0 is a constant,; α_1 through α_5 are variable coefficients and ε is the error term. We assume that the index of co2pc depends on *ictewaste*, *regulation* and a number of control variables, which, according to previous literature, may be related to CO_2 emissions. Among the control variables we include GDP per capita (*GDPP*), the level of energy consumption due to increased GDP per capita (*gdpenerg*) and the percentage of the urban population (*urban*). In this study we used Stata software version 9.1 to test the above equations. We used 2SLS structural regression analysis to estimate the above equation. Given the relatively small sample size found in our study, it was necessary to use the Stata software 2SLS regression with an option called 'small' which is designed for small panel data sets that accompany the scale of this study. To test multicollinearity among variables the Variance Inflation Factor (VIF) was estimated. Our panel's VIF shows a value of 1.94 which is far from the severe multicollinearity value of 30. In addition the model's R-squared value is estimated at 0.4939.

EVALUATING THE LANGUAGE GATE

We have evaluated the truth, sincerity, legitimacy, and comprehensibility of speech acts regarding Canadian e-waste management. When a speech act was found to be strategic (FIGURE 2), further analysis of the statement was undertaken. We have used CDA to produce descriptive analysis to depict the e-waste management systems and practices in place across Canada. We have conducted a rigorous process of discourse analysis, and have systematically revealed statements that fail one or more validity claim. In this section we will present some examples from our analysis. The first validity claim is truthfulness. The primary claims made in the public sphere regarding EPR/e-waste systems are consistent with those depictions observed in the extant literature. There is wide consensus on the benefits of e-waste management. It can displace demand for virginal resource extraction (EM04,EM43,EM56,EM86,EM91); decrease the impacts of production through design for environment, e.g. reduced packaging, increased recyclable content, reduced toxicity (EM20,EM43); increase diversion rates from landfill and reduced disposal via export (EM04,EM23,EM29,EM32); protect information security (EM29,EM75). It is also claimed to be an important business or market opportunity (EM02, EM56). Negative aspects of e-waste management systems are limited (see Appendix A to cross-reference EM to source).

On balance there is little disagreement over the benefits and operational realities of EPR/e-waste systems in Canada. Despite this, some strategic speech acts were observed. For instance, Electronics

Products Stewardship Canada – the national organizational body that represents the interests of corporations in Canada's electronics industry – claims that "'greener' products are not only better for the environment, but they also appeal to consumers due to better performance, reduced costs and overall convenience" (EM30). No evidence is provided to support these arbitrary claims; for instance, there is no clear linkage between convenience and 'green'. Ontario steward, OES claims that Ontario small businesses can prevent a serious and costly data breach, but only if they work with OES to implement an enterprise e-waste management plan (e.g. recycle their old computers with OES). They make the unfounded claim that '[t]he only way therefore to protect your customers from identity theft, shield your corporation from liability, and protect the environment is by ensuring the proper disposal of e-waste' (EM75). While proper disposal of e-waste is important to protecting information security (EM29, EM75), information security as a practice cannot be reduced to e-waste management – certainly numerous other threats to information security exist that spans the entire lifespan of ICT equipment. Saskatchewan steward, SWEEP claims that a change to a nationalized system 'should have minimal impact on the day-to-day operations of the program' (EM100). The truthfulness of this claim is in dispute because substantial evidence exists to suggest that provincial stewards are not all operating using the same business model. Furthermore, SWEEP claims that the current e-waste regime in Canada is 'no longer sustainable' (EM100). No adequate evidence is provided for this claim.

The second validity claim is that of sincerity. Sincerity implies congruity between that which is said, what is actually meant; another illustration of insincerity can be observed in the use of hyperbole, imagery, or metaphor – which despite the apparent untruth and insincerity – can have a reinforcing effect on certain perspectives in the public sphere (Cukier et al., 2009). Predominantly positive language is found in descriptions of EPR/e-waste. The annual reports and business plan documents of provincial e-waste stewards use language such as efficient, consistent, streamlined, transparent, greater accountability (EM13); further invest, strive for better, important work, pioneering outreach (EM48); proud, hard-work, commitment, efficient, cost-effective, convenient, environmentally and socially responsible (EM04); level playing field, no cross subsidization, environmental improvement, efficiency improvements, increased harmonization; focused on equitable, efficient and effective system (EM100); committed, open, transparent, integrity, respect, professionalism, partnership, cooperation (EM100). Despite the ideal and intended limits to responsibility legislated through EPR/e-waste programs, there is a wide range of actual outcomes that may occur in practice – from equitable and efficient (EM20,EM38,EM43,EM56) to anti-competitive (EM43,EM104) and characterized as monopsony (EM43). In a 2008 report from GeSI's Climate Group (EM02), the broad topic of ICT for environmental sustainability is examined (e-Sustainability, 2008). The focus of the report is to understand the contribution of ICT to enabling the 'low carbon economy in the information age'. While GeSI is a highly credible and reputable organization, evidence is found that promotes a diffused responsibility as described above. In a foreword to the report, CEO of the GeSI Climate Group emphasizes the challenges now facing us as citizens of a global society:

> "Putting a man on the moon was one of the greatest technological challenges of the 20th century. In the 21st century we face an even greater test – tackling climate change. In contrast to the space race, the solutions required today must encompass us all. This is not just about one man walking on the moon, but about 7 or 8 billion people, the population of 2020, living low carbon lifestyles in harmony with our climate" (GeSI, 2008, p. 8).

While the above statements may be true, it may also be considered a distorted communication (see FIGURE 2). While response and action are warranted on the climate change issue, it is equally important that we respond correctly. An example where positive imagery can effectively divert attention away from issues of a more critical nature can be found with Ontario steward, OES (EM75). A claim is made that 7 jobs are created for every 1,000 tonnes of e-waste recycled in Ontario. While the truth of this statement is not at issue, the fact is that the Ontario EPR stewards as 'monopsony purchasers of waste services' (EM104). This program does not promote competition in Ontario (EM104). Moreover, in the comments section of an OES program plan, working concerns were raised against OES - 'Generally, the Ontario

program has been the most difficult. Our company belongs to the other four provincial programs, and dealing with their program is extremely simple compared to OES' (EM27). Another independent body claims the Ontario case is troublesome 'as stewards set the targets themselves with review by [Waste Diversion Ontario] and approval by the ministry' (EM43). The 7x job multiplier cited by OES carries positive connotation; additional analysis would be required to determine if other stewards across Canada achieve higher levels of job creation. In light of the above reflections, the sincerity of this claim remains in doubt.

The third claim is legitimacy. As has already been cited, concern has been consistently raised over the practices of Ontario steward, OES (EM43, EM104, EM27). Clear violations to the principle of legitimacy can be observed in OES documents (EM66, EM67, EM70, EM71, EM73). At issue is the validity of the public consultation process during the design and implementation of the OES program plan. Based on reports published by OES (notably, EM27), consultation with the general public consisted of numerous one-way communications - background paper posted on website, additional website communications, press releases, e-newsletter, notices sent to a total of 11 community or industry groups. One additional meeting was reportedly held with representatives from selected NGOs in a second round, discussing a revised program plan: 17 people were invited; 4 attended this meeting. This is the stated entirety of OES's public consultation process, as presented in EM27 – and cited elsewhere, EM66, EM67, EM70, EM71, EM73. Due to the non-representative sample size, serious legitimacy concerns are raised by these observations. The fourth claim is comprehensibility. Failures on the validity of comprehensibility test, are typically in the form of incomplete communications. We observed one possible (mis)use of specialized language – wherein a typical reader would not realize they have received an incomplete message. The policy of the federal government of Canada now ensures safe and environmentally sound disposal of all its electronics equipment (EM31). However, this policy did not come into effect until 2010. Prior to this time, an attempt would be made to recycle through provincial EPR/e-waste programs (if they existed) or by donation to recognized charities – but 'E-waste that cannot be reused and does not qualify for provincial programs can be recycled via the national standing offer for recycling services' (EM29). The national standing offer for recycling services ultimately means that prior to 2010 the Government of Canada could not assure that its own e-waste was responsibly recycled. Substantial attention is given to proper packaging etiquette, but the fact that federal e-waste being carefully packaged for potential export was obscured by the use of specialized language – national standing offer for recycling services (EM31). Certainly EM29 and EM31 are truthful, sincere, and legitimate. But its comprehensibility is violated because, to the average or typical reader, the words 'national standing offer' in no way communicate the risk of export and ultimate disposal through crude recycling techniques as would reasonably occur in the absence of an adequate EPR/e-waste program.

Evaluating the Agency Gate

FIGURE 3 shows the results of 2SLS regression analysis with a confidence of 95%. This shows our variable for e-waste management system performance (ICTEWASTE) having a negative correlation with per capita CO_2. This means that Canadian e-waste management practices on the whole appear to reduce CO_2 emissions, but this impact in Canada is not yet statistically significant (P>|t|=0.619). This indicates that the EPR/e-waste recycling programs (across Canada on aggregate) are not effective enough. Nonetheless, the direction of the sign is correct (negative) as per our predictions. Given the newness of these programs these findings are perhaps consistent. The impact of current efforts to manage e-waste in Canada is not making (as of 2010) a difference of any statistical significance. In the case of Canada, the presence of EPR/e-waste regulation is negatively correlated with per capita CO_2. Nonetheless, variable regulation is only significant at 90% level (P>|t|=0.084). While this shows a positive impact of environmental regulations in reducing CO2 emissions, however, Canada needs a stronger environmental regulation regime for responsible management of ICT goods across and beyond its borders.

FIGURE3
3 2SLS REGRESSION RESULTS

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Two-stage least-squares regression

Equation        Obs   Parms       RMSE     "R-sq"     F-Stat        P

co2pc            11     3       .5952633    0.4939      2.28     0.1214
2co2pc           11     2        .705644    0.1872      0.92     0.4194


                  Coef.    Std. Err.        t     P>|t|     [95% Conf. Interval]

co2pc
      gdpp1      5.401176    2.540111      2.13    0.050    -.0129422    10.81529
  regulation    -.4927801    .2662541     -1.85    0.084    -1.060287    .0747271
    gdpenerg     .075203     .1411753      0.53    0.602     -.225705    .3761111
       _cons    -37.97507    25.3405      -1.50    0.155    -91.98707    16.03693

2co2pc
    ictewaste   -.0085377    .0168342     -0.51    0.619    -.0444189    .0273435
        urban    .0875549    .2767523      0.32    0.756    -.5023288    .6774386
        _cons   10.3678      22.62614      0.46    0.653    -37.85868    58.59427

Endogenous variables:   co2pc
Exogenous variables:    gdpp1 regulation gdpenerg ictewaste urban
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DISCUSSION

Using the RoSI framework to focus in on e-waste management systems in Canada, our study demonstrate that despite the presence of environmental regulations, attempts by industry to address their responsibility (in at least one instance) has resulted in systems whose design is based on incoherent or contradictory uses of the construct 'corporate responsibility'. To determine this, we used the RoSI framework (FIGURE 1) and conducted two separate analyses. The first test (language gate) was not passed. Neither was the second (agency gate). There are several general observations made during this study. We have provided these with references to both literature and articles used in CDA (Appendix A, EM1-105). Political will is required to achieve an efficient, equitable e-waste management system, EM02,EM23,EM30,EM32,EM38,EM56 (CCME, 2009; C.D. Howe Institute, 2010; CIELAP, 2008; Environment Canada, 2004). EPR can be an effective policy framework to deal with e-waste (EM20, EM23, EM43, EM56, EM104; McKerlie, Knight, & Thorpe, 2005; Liu et al., 2006; Lee et al., 2000; Nnorom & Osibanjo, 2008b; Wagner, 2009). EPR/e-waste systems can be equitable and efficient, EM20, EM23, EM43, EM104 (CIELAP, 2008; CCME, 2009). Design of EPR/e-waste systems is very important; in particular, to avoid threat of anti-competitive practices, EM20, EM23, EM38, EM43, EM56, EM104 (CCME, 2009; CIELAP, 2008; EnvironmentCanada, 2004).

There is a moral responsibility to reduce export of e-waste, EM04, EM23, EM29, EM32 (Lepawsky & McNabb, 2009). E-waste displaces demand for virginal resource extraction, EM04, EM43, EM46, EM56, EM86, EM91 (Cui & Zhang, 2008; Government of Canada, 2011). Public awareness is an important factor; given at point of purchase the consumer has yet to play the critical (moral/social) role in closing the loop of responsibility, ensuring proper e-waste disposal by Canadian stewards. Note, these values constitute key A in our RoSI framework (FIGURE 1). Ontario currently achieves the lowest value of (total) e-waste collected per capita at 3.63kg. Incredibly, Manitoba has demonstrated the strongest performance on this measure at 10.5kg (with the exception of Alberta, the country's first and longest operating steward). Based on all above analysis, we find that in particular, Ontario steward, does not perform efficiently compared to other provinces in Canada.

Our argument is based on the use of discourse analysis. The relevance of discourse analysis to policy and management studies is taken up in Hilding-Rydevic and Akerskog (2011). They examine the

implementation of Swedish local spatial planning policy in conjunction with the European Union's 'Strategic Environmental Assessment Directive' (SEA). This is conducted using hermeneutic and content analysis techniques wherein and elements of discourse are systemically examined (Hilding-Rydevik & Akerskog, 2011). Ultimately the researchers demonstrate that structural contradictions persist in both the discourse and practice associated with Sweden's local spatial planning and land-use policy. It is clearly demonstrated that the SEA discourse does not adequately address how local land-use planners are to achieve SEA benefits through the use of existing sets of policies, practices, and resources; specifically a consistent presentation that no extra costs would follow from this implementation is clearly suspect (Hilding-Rydevik & Akerskog, 2011). The scholars offer our first basic standpoint: *how* a discourse – surrounding any concrete problem – gets articulated, ultimately impacts the practices of those implementing the solutions; hence, if planning is insufficient in both scale and scope, implementation will necessarily be hindered (Hilding-Rydevik & Akerskog, 2011). We believe our study demonstrates a parallel finding. Thus, and this is our second and final basic standpoint: if the relationship between discourse and practice contains structural contradictions, the effectiveness of any associated systems and practices will necessarily be lessened.

CONCLUSIONS

The discourse on e-waste management in Canada requires efforts at all levels (corporate, social, environmental, legal, and fiscal). While all Canadian e-waste stewards currently not exhibit in their full potential performance, the case of Ontario steward, Ontario Electronics Stewardship is particularly unsatisfactory. Based on the findings from our CDA method (language gate), we predicted these low performance ratings. Based on the findings from our 2SLS regression (agency gate), we have further demonstrated that performance and systems impact of Canadian e-waste management systems are not (as of 2010) contributing in a satisfactory way to per capita CO_2 reduction. We believe that this result helps promote a better understanding of the construct of corporate responsibility. If structural contradictions exist between the discourse of corporate responsibility and actual sustainability practice, we posit the associated system will be unable to achieve high levels of environmental performance. The findings of both methods support this presentation. Our findings demonstrate the value of mixed-methods approach, discourse analysis, and critical methodologies for use in the evaluation of environmental systems' performance. In sum, planning and good design matters when implementing systems that involve multiple social actors (such as e-waste management systems). Coherence of discourse and practice is a necessary condition of any system that is able to consistently achieve high levels of environmental performance.

ENDNOTE

1. In his 1993 publication, Andrew Pickering offers a view of science as an emergent field of human and material agency. He articulates two postulates for a *real-time* theory of scientific knowledge production. First, the academy must learn to accommodate temporally emergent phenomena. Second, the de-centering of the human in the process of scientific innovation must be reconciled. Pickering's argument is that traditional research methods have proven insufficient to render a real-time account of scientific practice (Pickering, 1993).

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APPENDIX A

SOURCES OF EMPIRICAL MATERIALS INCLUDED IN THE STUDY

Commentary from Canadian Research Institutes: C.D .Howe Institute(EM43); Carlisle Institute(EM38); CIELAP(EM56); Conference Board of Canada(EM65).

Global voices: Basel Action Network(EM21,EM78); United Nations(EM32); United Nations Environment Programme (EM06).

Government and governmental: Canadian Council of Ministers of the Environment(EM23,EM46,EM47); Environment Canada(EM20,EM44); Federal Government(EM29,EM31,EM41,EM86); Canadian Border Services Agency(EM93,EM94);

Environmental Regulations: Alberta(EM07); British Columbia(EM88); Manitoba(EM01); Nova Scotia(EM89); Ontario(EM74); Saskatchewan(EM34,EM58); Prince Edward Island(EM33)

Industry Stewards: Atlantic Canada Electronics Stewardship(EM12,EM13,EM14,EM15,EM16); Alberta Recycling(EM05;EM08; EM09; EM10; EM11; EM19; EM22; EM24; EM25; EM26; EM35); Green Manitoba(EM18,EM40,EM52,EM54,EM55,EM63); Electronics Products Stewardship Canada(EM30,EM50,EM53,EM76); ElectronicsStewardshipAssociationofBritishColumbia(EM03,EM04,EM42,EM48,EM49,EM51); OntarioElectronicsStewardship(EM27,EM28,EM57,EM66,EM67,EM68,EM69,EM70,EM71,EM72,EM73,EM75); Saskatchewan WEEE Program(EM95,EM96,EM97,EM98,EM99).

Qualified recycling vendors: eCycle(EM36);GEEP(EM59);Recycle Logic(EM87);SCRI(EM92).

Other: Inter Group Consulting(EM77); Information Technology Association of Canada(EM61); Global Sustainability Initiative(EM02,EM91); International Telecommunication Union (EM64); Northwest Product Stewardship Council(EM79)

Not referenced:EM17,EM37,EM39,EM45,EM60,EM62,EM80,EM81,EM82,EM83,EM84,EM85,EM90

The Sustainability and Ethics of Management Research: Are We as Management Faculty Unprincipled Agents or Engaged Stewards?

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Does our scholarly research serve the interests of our key stakeholders? Using the perspectives of agency and stewardship theories, we encourage our colleagues to address important questions surrounding the sustainability and ethics of what we do as social scientists.

Management faculty generally have three broad areas of responsibility: teaching, research, and service. Although universities place varying levels of emphasis on those three categories, academic research has long been considered of primary importance. Research production is widely used to determine initial job placements, raises, promotions, tenure decisions, and resource allocations. Career success often hinges primarily upon research output in a large percentage of business schools worldwide.

An agency theory approach would question whether our research fulfills our principals' goals or is simply the folly of unprincipled agents seeking to maximize their own rewards. Should measures be taken to further align our goals with those of our principals? Is the principal-agent relationship even relevant in this context, or is stewardship theory more descriptive of our roles as academicians? Agency theory suggests agents employed by principals make decisions on their behalf. Those agents are viewed as self-interested actors who likely pursue goals counter to the desires of principals and are difficult/expensive to monitor. The management literature typically portrays agents as senior executives and principals as owners of the organization. Eisenhardt (1989) argues that agency theory can be applied in a variety of contexts, including employer-employee relationships.

But *who are our principals, and what do they expect of their agents*? If we faculty are agents, on whose behalf are we acting? As thought leaders, society in general has a vested interest in our work. Moreover, the vast majority of us were educated in doctoral programs at public (thus largely taxpayer supported) institutions, potentially creating at least some level of responsibility to society with regard to our work product. Is "society" the principal in this case? With regard to faculty at state universities, one could argue that the more salient principals are those who employ us more specifically, namely the taxpayers of the various states in which we work and perhaps the students/families who pay tuition. For scholars at private universities, the determination of the agent(s) is a bit "cleaner" because taxpayer funds are less significant to the operation of the university, and tuition revenues from students/parents are paramount. (We acknowledge, however, the key role played by federal funds granted to universities of all types.) "Students-as-principals" is surely a controversial topic among faculty, and rightly so. Students are on our campus to be evaluated, challenged, and sometimes removed from the process due to poor

performance. And does it make sense to view them, perhaps, as quasi-principals? Within the context of universities (especially public ones), there is a unique hierarchy of principals with potentially divergent goals for their agents and their interactions with those agents. Thus, the traditional "agent-as-employee" model is not a perfect lens through which to examine our responsibilities, but it does provide insights.

The agency problem is exacerbated in situations when the behavior or output of the agent is difficult to observe. Given the obscure nature of academic research (relative to, say, piecework in a manufacturing context), we suggest that agency-related risks are particularly salient within the context of management scholarship. In particular, it is expensive for our principals to monitor our work (or even understand our output), leading to the suggestion that our behavior be controlled contractually. This is in essence what occurs in business schools. Expectations are set for us with regard to teaching, research, and service, and annual reviews are designed to ensure our conformity with those expectations. However, are our principals' goals for us reflected in those agreements, particularly with regard to where many of us spend the majority of our time, namely, in producing research?

We do not presume to fully understand the expectations placed upon us by the taxpayers, though as long-time employees of state universities, we *should* have a good understanding of this. Nevertheless, it seems reasonable to suggest that they expect us to create value in our three areas of work. (Of course, this assumes that teaching, research, and service are themselves the desired categories.) But, how do they define "value," especially with regard to research? Several options come to mind. The one that appears most reasonable to us, based upon extensive conversations with business leaders about the topic of empirical management research, is that non-academics have an expectation that our work will be practically relevant.

This seems a rather straightforward expectation, but it clearly places an obligation upon us as scholars to determine specifically the challenges our principals are facing, as well as ways in which we can structure our research to help them address those challenges. This begs the question, how do we determine what their needs/concerns/challenges are? Are we doing enough to build a robust bridge between research and practice so that our research creates enough value to justify our existence and, thus, enough value to be sustainable?

What about our other principals – the students and their families who are paying tuition? A recent study by the Higher Education Research Institute at UCLA found that the top two criteria used by students in selecting a university is the school's academic reputation and the extent to which the school's graduates find good jobs. Clearly, then, our student-principals would desire faculty to be engaging in behaviors that help them secure meaningful employment and improve the university's academic reputation. Does management research, as currently operationalized, achieve these two aims? Should it?

What about the contributions of our research to the ability of our students to gain meaningful employment? If our research enhances the academic reputation of our institutions, are employers more likely to hire our graduates? Do our research agendas lead us to better prepare our students for successful careers, or is the time spent on research a distraction from our teaching that ultimately hurts our students' chances of long-term career success? Are certain types of scholarship more likely to result in an increased ability of our universities to produce successful graduates? And are other types of scholarship aimed at pure research more likely to replenish current knowledge in the long run and achieve longstanding goals of the university at large?

Answers to these questions require considerable exposition beyond the scope of this paper, and not only through the agency lens. Stewardship theory has much to offer as well, and arguments can be developed that integrate agency and stewardship theories. On one hand, professors, deans, provosts, and presidents alike have an obligation to understand better these issues, or we all risk being viewed as unprincipled agents who behave unethically. On the other hand, doctoral programs require extensive training, commitment to the profession, and the bearing of opportunity costs. These requirements are descriptive of stewards who stake much of their identity on the sustainability of their institutions. Universities vary widely in their relative emphases on teaching, research, and service and the type of scholarship desired. Given increasing imperatives that missions be linked to promotion and tenure, we academics likely find employment in contexts that are best suited for our particular research focus. A key

question then becomes whether we are enhancing or jeopardizing the sustainability of our field by failing to focus our research agendas in ways that satisfy our principals' needs.

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Retaining Leadership Talent in the African Public Sector: An Assessment of the HR Challenge

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This paper reports on a project designed to identify the extent to which and in what ways retaining talented leaders and aspiring leaders in the African public sector is a problem and the underlying reasons for any leadership talent retention problem. A qualitative research methodology is adopted, specifically a constructivist Grounded Theory Research Method (GTRM) approach. Data were collected through thirty-nine semi-structured interviews with public sector HR professionals from 14 African countries. The research found that talent retention of leaders in public sector organizations in Africa is a challenge and a concern. Interviewees reported a wide range of underlying reasons for the problem citing both internal and external barriers such as low prioritization of talent management, corruption, lack of funding and a skilled labor shortage. The study has advanced our knowledge on talent retention of leaders in the ever-changing and increasingly dynamic public sector. The paper highlights a number of potential future research opportunities. The study is limited by the sample size and a single-perspective of only the views of HR managers. There are potentially significant practical implications for those who design, implement and manage talent retention initiatives and for those who manage human resources more generally. The study provides public sector practitioners with helpful information to better address talent retention challenges. The authors contend that this is the first empirical, multi-country study of talent retention for leaders in the public sector in Africa

INTRODUCTION

The topic of talent management has been popular in the academic literature for a decade or more now and it continues to maintain momentum. The interest is, arguably, in large part due to the value that well designed and implemented talent management strategies promise to deliver. This extends to talent management being increasingly viewed as a critical factor in developing successful organizations and as an important strategic priority for businesses generally (Davies and Davies, 2010). Furthermore, effective talent management practices have been linked to an organization's ability to compete successfully (Whelan &Carcary, 2011;Collings &Mellahi, 2009; Lewis &Heckman, 2006); to increasing productivity (Nilsson and Ellström, 2012; Whelan and Carcary, 2011); increasing profitability, retention rates and employee effort (Ellehuus, 2012; Christensen-Hughes& Rog, 2008) and improving recruitment outcomes and generating higher levels of employee engagement for organizations (Christensen-Hughes& Rog, 2008).

While the scholarly output on talent management in the industrialized world, and especially in western countries, remains prodigious, scant regard has been paid to the subject as it pertains to Africa. In a very recent paper reviewing the research on talent management, Gallardo-Gallardo & Thunnissen (2016) criticized the literature for being heavily Anglo-Saxon in focus, lacking in social contextualization and only minimally culturally aware. Furthermore, the academic literature on talent management is almost exclusively focused on the private sector: we really know nothing about talent management, and specifically talent retention, in the public sector. Yet the modern public organization, increasingly challenged to be structured and managed as if a private entity, has as much need to retain its best leaders as does the average company and this is as true in Africa as it is elsewhere. There exists a wealth of scholarly literature on the corporatization of the public sector in Africa to support this observation (Yeboah-Assiamah, 2015; Akinboade *et. al.,* 2012; Mahadeo & Soobaroven, 2012; Schouten & Buyi, 2010; Marobela, 2008; Otenyo & Lind, 2006). Corporatization has dramatically changed the public sector and these changes make it critical that the new competitive and lean public entity retain its most talented leaders.

The study that is the subject of this paper collected data through interviews with human resource (HR) team leaders, supervisors, managers, and directors. Some were HR specialists in particular domains such as compensation, recruitment or employee relations while others were HR generalists. HR professionals were chosen as the subjects for the research because talent management is a core responsibility of the broad HR function and the work of HR is inextricably linked with hiring, developing and retaining high performing employees as evidenced in dozens of studies including, for example: George, 2015; Doh *et. al.,* 2011; Uren, 2011. The literature review discusses in detail the links between HR initiatives and talent retention. This paper on leadership talent retention in the African public sector is arranged as follows: firstly, there is a review of the most recent and relevant literature on the topic. This is followed by an explanation of the research design, data collection and data analysis methods. The third section provides a presentation and discussion of the research findings followed by the concluding section which discusses the study's implications, limitations and opportunities for further research.

REVIEW OF LITERATURE

Talent Retention, HR and Desirable Business Outcomes

HR professionals and the suite of personnel initiatives they design and administer impact talent retention outcomes. Talent retention, as part of a broader talent management strategy, is interdependent with all other HR activities. Through the interplay with other HR initiatives, talent retention can also deliver important benefits to the organization. For example; employee engagement can increase retention rates of committed employees (Bhatnagar, 2007; Towers-Perrin, 2003) and committed employees regularly exert a superior level of effort which in turn can influence variables such as service quality, customer satisfaction, productivity, sales, and profitability (Hughes &Rog, 2008). Career management that is tailored to the needs of different generations has similarly been linked to productivity, employee satisfaction and retention (Hageman & Stroope, 2013). Job design is another HR role which has been linked to talent retention. Careful design of jobs that provide challenging tasks that allow talented employees to realize their potential and utilize their full range of skills has been linked to better organizational outcomes. Through job rotations and cross-departmental projects employees can deliver tangible benefits to the organization as they are multi-skilled, adaptable and have a whole-of-business knowledge (Dries *et al.,* 2012;Karaevli and Hall, 2006). Cabrera (2007) also found that job design along with career progression have a positive impact on employees' intentions to leave when designed and managed well. Engaging, meaningful and satisfying jobs along with a clear career path act as a motivator for talented employees to remain with their employer. As turnover is expensive for organizations, retention saves the outlay of avoidable recruitment, selection and onboarding costs. High employee organizational commitment is also an important contributor to talent retention. In order to achieve high commitment, organizations need to establish an employment relationship with their talented employees based on mutual benefits (Dries *et al.,* 2012). An organization aiming to retain its most valuable

employees through commitment-building must also provide them with a continuous work experience that is difficult for competitors to replicate (Bhatnagar, 2007).

Other HR initiatives which have been found to positively impact on talent retention when well designed and managed include work-life balance initiatives (Deery & Jago, 2015; Deery, 2008); accommodating different employee learning styles and the design of leadership development programs (D'Amato & Herzfeldt, 2008) and building a high quality leadership pipeline (Palmer & Gignac, 2012). In India, Doh *et. al.,* (2011) conducted a study which found that performance management, professional development, quality management and corporate social responsibility all had a positive relationship with employee pride in and satisfaction with their organization. Their study further found that a lack of employee pride in and satisfaction with their organization had a strong relationship with both employee intentions to leave and then subsequent turnover.

Talent Management in Africa

It has been argued that there are no clear practical guidelines on how to develop the required knowledge, skills, and abilities African employees need to ensure the realization of the continent's potential (Kamoche *et al.,* 2015). Perhaps this is why African countries continue to rate poorly in terms of their competitiveness (Spies, 2011). Competitiveness requires knowledge creation, which is based on the development of human capital (Mitra *et al.,* 2011). A part of that is hiring, developing and retaining talented employees. In South Africa, there is a gap between those skills that are viewed as critical to improve competitiveness and those that employees regard as strengths in self-evaluation reports (Spies, 2011). The shortage of skilled labor in Africa is a major challenge to talent management (Kock &Burke, 2008; Ghebregiorgis & Karsten, 2006). There is also evidence that western talent management practices such as participative management and the free exchange of ideas, open collaboration and constructive criticism do not work well in the African context (Bagire, 2015; Silva *et al.,* 2015). In Nigeria, further challenges include issues of tribalism, AIDS, bribery, corruption, and resistance to change; moreover, managers mostly rely on word of mouth when selecting new employees rather than transparent practices which seek to hire the best possible candidates (Okpara &Wynn, 2008). In Mozambique, too, there is a considerable reliance on personal networks for recruitment while poor quality training, low financial compensation, and poor working conditions combine to effectively thwart or sideline talent management initiatives (Webster &Wood, 2005).

Despite the challenges, there are examples where other HR initiatives (not talent management) have had a positive impact on employee and organizational outcomes in Africa suggesting that talent management could have an impact too. In Nigerian manufacturing companies, for example, Oladipo & Abdulkadir (2011) found that line management development, innovative recruitment and selection, regular training and development, an equity based compensation system, systematic performance appraisal, effective career planning and active employee participation in decision-making has positively influenced organizational performance. Other studies in Nigeria have returned similar findings (Ihionkhan & Aigbomian, 2014; Onyema, 2014; Akinyemi & Iornem, 2012). In Kenya, training and development as well as adequate reward systems are key human resource practices that positively influence employee job satisfaction (Njuguna et al., 2015) and organizational performance (Dimba, 2010). HRM practices such as recruitment and selection, training and development, performance appraisal and compensation are also positively related to employee job satisfaction in Ethiopian banks, which in turn leads to decreased absenteeism and turnover intentions and assists in better achievement of overall organizational goals and objectives (Ijigu, 2015). In South Africa, non-financial rewards have been found to have a positive effect on an employee's perceived attractiveness of a job offering especially for female employees (Schlechter et al., 2015) and on organizational commitment (Bagraim & Sader, 2007).

HR has also been found to play a positive role in mergers and acquisitions in Africa through employee training, organizational culture building, leadership development and staffing. There is evidence from Ghana (Adomako *et al.,* 2013); South Africa (Singh, 2014) and Nigeria (Anifowose *et al.,* 2011). Finally, in the sole paper addressing HR contributions to employee and organizational outcomes relating to the public sector, Umeh (2008) discovered that HR can improve public sector performance,

but only if officials invest in HR. But again, any investment in human capital is unlikely to have any real impact until corruption is effectively dealt with (Everhart, 2010).

RESEARCH DESIGN

This research study adopted a qualitative research methodology applying the Grounded Theory Research Method (GTRM) as the framework for guiding data collection and data analysis. It has been observed that Grounded Theory is currently the most widely used and popular qualitative research method across a wide range of disciplines and subject areas (Bryant &Charmaz2010). There are numerous variations of the GTRM itself. These differ, for example, in terms of process, the epistemological inclination of the researcher, and the coding method and types adopted (Bryant, 2014). A review of popular 'how to' texts on GTRM highlights the diversity within the Method (*see, for example:* Quinn-Patton, 2015; Urquhart, 2013; Birks &Mills, 2012; Oktay, 2012; Noeranger-Stern &Porr, 2011; Corbin &Strauss, 2008). This research project has adopted the GTRM proposed and primarily developed by Cathy Charmaz (2006; 2007; 2008; 2014).Charmaz's GTRM is paradigmatically and epistemologically constructivist which contrasts with the 'discovery' orthodoxy. Constructivist GTRM places the researcher as an active participant in each stage of the research process. According to Charmaz (2006), GTRM is a systematic, inductive and comparative approach for conducting research that has the goal of generating a theory.

Semi-structured interviews were chosen as the primary data collection method. Aside from semi-structured interviews being a proven and popular data collection method in qualitative research, they were chosen for this project for some additional, specific reasons. For example; according to Brinkmann (2014), semi-structured interviews are well suited to research which seeks to understand people's experiences and the problems they encounter in their work. Semi-structured interviews also fit well with the constructionist orientation to research because when interviewing the interviewer is an active participant in the construction of shared meaning and the production of talk (Brinkmann, 2014; Cooksey &McDonald, 2010). Semi-structured interviews are also well suited to exploring emergent issues which materialize unexpectedly (Cooksey &McDonald, 2010); very appropriate for this study where very little is understood about the research topic. And finally, semi-structured interviews are widely advocated as being very suited to GRTM generally (Bryant, 2014; Urquhart, 2013; Creswell *et al.,* 2007;Charmaz, 2006;Douglas, 2003). Consistent with GTRM, data collection and analysis were conducted simultaneously (Charmaz, 2006; 2014). Data were analysed using a coding process which makes the data progressively more focused and the analysis progressively more theoretical. Data analysis was conducted manually whereby interview transcripts were initially coded line-by-line (open coding) and then subjected to three further coding processes (selective coding; axial coding and theoretical coding). In addition, the authors made use of analytic Memoing (Saldana, 2014; 2012) during data analysis. The exact coding process the authors followed to analyze data is detailed by Charmaz (2009).

Thirty-nine (39) public sector HR team leaders, supervisors, managers and directors from a range of sub-Saharan African countries participated in interviews. The interviews were conducted in Johannesburg and Cape Town during a series of HR workshops facilitated by this paper's lead author. Twenty-eight (28) interviewees were female and eleven (11) were male. The median age of the interviewees was 37.3 years and the median professional experience of the group in HR roles was 8 years. The participants came from the following countries: South Africa (9); Tanzania (5); Ghana (4); Botswana (4); Kenya (4); Namibia (3); Angola (2); Mozambique (2); Lesotho (1); Swaziland (1); Gambia (1); Cameroon (1); Senegal (1) and Zambia (1). The interviewees worked in various types of public sector organizations including transportation services; energy and utilities; regulatory authorities and general government departments providing different types of public services. Interviews typically lasted for about an hour and were audio recorded with the participants' permission. Standard protocols relating to informed consent, participant privacy, data access, usage and storage, information confidentiality and interviewing ethics were adhered to.

The literature review elicited eleven questions on talent retention which were asked of participants during the interviews. These eleven questions are discussed in the following section.

RESEARCH FINDINGS AND DISCUSSION

Q1. Is your organization currently adopting a formal talent retention strategy; why / why not?

The literature review strongly indicated that talent retention strategies are not widely applied in Africa. This was borne out by the research findings which discovered that only seven of the thirty-nine interviewees said that their organization had adopted a formal talent retention strategy as part of a wider talent management strategy.

We do. We started about six months ago but there are problems getting support from leaders and interest from employees. It is hard to get people to see it is important.
(Female, South Africa, aged 33)

No because there are so many things that take priority and, I think, we don't know enough to do it well. Where do you begin?
(Male, Ghana, aged 44)

Q2. If yes, what benefits has the strategy delivered to the organization / employees?

Consistent with the literature, those who said their organization had adopted a talent retention strategy all named some specific benefits that their organization and employees had enjoyed.

Employees see that we care about them if they want to be part of the future with us, if they want to progress through the organization
(Male, South Africa, aged 45)

It has enabled us to show everybody that HR is thinking strategically and contributing to the development of our business
(Female, Tanzania, 38)

Q3. Do you think talent retention is important to the public sector; why / why not?

Thirty interviewees said that they believed talent retention to be important to the public sector while seven said that it was not. This finding generally supports the literature which identified that the corporatization of the public sector has increased competition and therefore the importance of retaining talented employees.

It is very important in my view. We can't afford to lose people who we have invested in.
(Female, Kenya, 29)

Talent retention is critical to having key jobs filled and for business to run smoothly. The government and the public rely on us to deliver services.
(Male, Zambia, aged 37)

Q4. Do you believe that talent retention is closely associated with the HR role; whose job is talent retention?

Thirty-five interviewees said that talent retention is closely associated with the broader HR role; four disagreed. This strongly endorsed the literature which demonstrated a strong link between a wide range of HR responsibilities and talent retention. However, only twenty-five interviewees said that talent retention was exclusively the job of HR. Other responses included a shared responsibility between HR and line managers or senior leadership or everybody.

I think it is a part of the HR role and it is the job of HR to lead the talent strategy
but everybody has to be involved to guarantee success
(Male, Cameroon, aged 31)

Well, talent management is closely associated with HR such as hiring people and performance appraisal. But senior leaders should take the lead because many people don't listen to HR
(Female, Mozambique, aged 30)

Q5. Which HR initiatives does talent retention interplay with?

Consistent with the literature review, the interviewees named a wide range of different HR functions and programs which they considered were inter-twined with talent retention.

Pretty much everything is linked in HR. So things like workforce planning, career development and recruitment all link with retention of talent
(Male, Ghana, aged 44)

When you do the HR strategy you must integrate all aspects of HR. That means talent management would be integrated with training or with career planning or leadership development
(Male, Tanzania, aged 40)

Q6. Is there a skilled labor shortage in your market and if so, is that a challenge to talent retention?

The interviewees all said that to some degree in their country or region in their country that there was a shortage of the skilled labor they needed and that this is a barrier to talent retention. Some said the shortage was most acute regarding lack of required qualifications while others said the shortage related to relevant or sufficient experience, skills or knowledge. The literature review did highlight a labor shortage in some countries, but the literature did not reflect the extent to which the interviewees highlighted the severity of the labor shortage they perceived.

Oh yes, for sure. Unskilled people are plentiful but we don't need them. For well educated and experienced people, these are hard to find. How can you retain people
if you cannot even hire them first?
(Female, Ghana, 27)

We have been searching for some specialized positions for months but qualified people prefer the private companies. It means we must then retain not the best talent, but the next best level;
it is having to compromise unfortunately.
(Female, Botswana, 27)

Q7. Do you think western talent management strategies work in the African context?

While the literature review highlighted examples where western talent management practices had limited application to the African context, the interviewees were divided. Twenty-three said that they believed western talent management practices were not well suited to Africa while sixteen said that they believed western talent management practices were applicable in Africa. Of those sixteen, half said that western practices should be modified or adapted to the local environment. Five interviewees stressed the importance of a flexible approach to implementing western talent management practices. The literature review highlighted the Anglo-Saxon bias in the talent management research and many interviewees only cautiously endorsed western practices. Perhaps the development of more culturally-specific talent practices would be welcomed in Africa and might encourage a greater engagement with talent management generally.

Yes and no. I mean sometimes some approaches can work and sometimes other approaches do not work. We are not western and I think we need approaches for our own culture or our own organization
(Female, Angola, aged 50)

Personally I think they don't work, no. Senegal is different with different issues than the US. At least we must change the western ideas for our own needs
(Male, Senegal, aged 41)

Q8. Is tribalism or corruption an issue for your organization and does this affect talent retention efforts?

Nineteen respondents said that tribalism or ethnic affiliation was an issue in their organization but only thirteen said that this affected talent retention efforts. However, thirty interviewees said that some form of corruption (bribery; nepotism; favoritism) affected their organization and twenty-seven said that this corruption impacted on talent retention. The impact was expressed as providing friends and relatives opportunities they did not merit and that this forced out talented employees. Further, that talented employees missed out on opportunities they deserved and subsequently left the organization.

Of course yes. There's a lot of corruption in South Africa; from the very top to the very bottom. Well, it affects talent retention in many ways like useless or lazy people are
retained first if they have connections
(Male, South Africa, aged 28)

Tribalism and tribal loyalty is very important for us. It affects every decision in life and work like who to hire, or to promote or give benefits and favors to
(Male, Ghana, aged 44)

Q9. To what extent are 'word-of-mouth' or personal networks influential in your organization regarding recruitment and promotion?

Twenty-six interviewees said that to some extent word-of-mouth and personal networks did influence promotions and recruitment. The literature review found that such covert, informal and non-standardized approaches hinder the effective retention of talent. Therefore, the interviewees largely confirmed the observations in the literature.

Definitely I would agree that finding the new employees we rely a lot on recommendations and this saves time and money to fill the position
(Female, Namibia, 36)

Well, that is a reflection of our culture and small country with small population. Not everybody knows everybody, but everybody knows a lot of people and we like to help each other
(Female, Swaziland, aged 36)

Q10. Has the work of HR in your organization had an impact on organizational or employee outcomes?

All of the interviewees were able to highlight at least one way in which HR had had a positive impact on their organization or on its employees. Many interviewees gave detailed examples of current HR projects with tangible and measurable results. This is consistent with the literature review which highlighted many ways in which HR in African organizations had delivered valuable outcomes.

It has had a big impact on many things that I have seen such as staff morale, effort of employees, developing skills, well, everything
(Male, Tanzania, aged 40)

For the organization there has been cost savings and better customer service because of the efforts of the HR team
(Female, Kenya, aged 29)

Q11. If you do not have a talent retention strategy, do you think it could have a positive impact on employee or organizational outcomes?

Of the thirty-two interviewees who said that their organization did not have a talent retention strategy, twenty-five said their organization had never had such a strategy. Of the other seven, five said the strategy had been a failure and so discontinued while two said the strategy had achieved some success but was discontinued because of a lack of money. Thirty of the thirty two said that a talent retention strategy could have a positive impact on both employee and organizational outcomes depending upon variables such as financing, leadership support, adoption to the African or local cultural context, employee support, internal resources to run the strategy and the implementation and ongoing management of the strategy. None of the interviewees said success would be easy. The literature review suggested that talent retention strategies could be successful in African organizations because other HR initiatives have been successful. However, the interviewees were tentative and cautious in their agreement and the stipulations they noted underscore not only why such strategies could easily fail but perhaps why organizations have not enthusiastically endorsed talent management initiatives in Africa to date.

I think it would have some benefits, yes. But how the strategy is introduced and managed must be excellent because our employees are suspicious of new things
(Female, Gambia, aged 35)

It must make a difference I expect because retention reduces turnover which reduces hiring costs, so that would be a big benefit
(Female, Lesotho, aged 26)

IMPLICATIONS, LIMITATIONS AND FURTHER RESEARCH

The research has uncovered some important insights into leadership talent retention in Africa. The findings shed new light on some issues such as the extent of the skilled labor shortage on the continent, the widespread use of informal means of recruiting and promoting talent and the common perception that western talent retention strategies should be adapted for the African context. The research has also

furthered our understanding on the value of talent retention to organizational and employee outcomes and the ways in which tribalism and corruption conspire to the detriment of effectively retaining the public sector's best leaders. The findings endorse the importance of talent retention to the public sector and, while few are actively pursuing a talent retention strategy now, the commonly held view that talent retention does benefit employees and organizations. This means there are significant implications for HR professionals who seek to initiate, plan, implement and manage talent retention strategies for public sector leaders. They are challenged by both external problems (skills shortage, lack of workable approaches and corruption) and internal forces (lack of funds, skeptical colleagues, competing priorities and informal approaches to HR practices). Yet the positive perception of talent management generally provides at least the impetus to make a start. There are also clearly implications for employees and organizations who are not benefiting from talent management activities in terms maximizing organizational effectiveness by building competitiveness, rewarding achievement and maximizing productivity.

This study is limited in sample size and perspective in that it is based upon the views and experiences of a small number of exclusively HR professionals in sub-Saharan Africa. Readers would be wary of transferring the study's findings to even north Africa. Further, perhaps quantitative research, encompassing a larger and more geographically and vocationally diverse sample might deepen our understanding of the issues raised here and could go on to explore other related issues such as the development of leadership talent, the opportunities to adapt western talent retention approaches or the requirements for indigenous talent retention strategies.

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The Impact of Authentic, Ethical, Transformational Leadership on Leader Effectiveness

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Authentic, ethical and transformational leadership in 21st century business leaders is needed. This research posits that ethical, authentic and transformational leaders are more effective, that there are incremental improvements in a leader's effectiveness for each of these leadership qualities, and that transformational leadership moderates the impact of the leader's authentic and ethical leadership on the leader's outcomes. Analysis shows that authentic, ethical and transformational leadership behaviors make incremental independent contributions to explain leader effectiveness. The study did not find support for transformational leadership as a moderator of the relationships between authentic and ethical leadership behaviors and a leader's effectiveness.

INTRODUCTION

The early twenty-first century was plagued with extensive and disheartening leadership failures among US business leaders. As a result, scholars and practitioners called for a renewed focus on restoring hope, confidence, integrity and honor to its leaders. In response to this crisis, researchers urged that leaders possessing more than charismatic, seemingly transformational qualities, be sought. The desire was to expand effective leadership theory beyond charismatic qualities, to include components of authentic and ethical leadership. Leadership theorists began to argue that leaders should be selected based on their values based leadership behaviors and their ability to look out for the best interests of others, and for the best interests society as a whole.

In 2005, a national symposium and subsequent dedicated issue of *Leadership Quarterly* emphasized the need for U.S. institutions, both public and private, to consider revamping their leadership criteria and accept that for a leader to be effective and achieve positive long-term corporate and societal outcomes, authentic, ethical leadership was paramount. This new standard would reward leaders whose moral character and ethical behavior influenced their vision and direction.

Over the past decade, numerous researchers have outlined that values based leaders are more effective. Specifically, authentic (Avolio and Gardner, 2005; Avolio, Gardner, Walumbwa, Luthans, & May 2004; Gardner, Avolio, Luthans, May, & Walumbwa, 2005; George, 2003; George, Sims, McLean, & Mayer, 2007; Luthans & Avolio, 2003;May, Chan, Hodges & Avolio, 2003), ethical (Brown and Treviño, 2006; Ilies, Morgeson, & Nahrgang, 2005; Kalshoven, Hartog, & Hoogh, 2011; Mahsud, Yukl, & Prussia, 2010) and transformational (Bass, 1985; Bass & Avolio, 1994) leaders were found to be more effective. The purpose of this study is to advance the discussion of ethical, authentic, and transformational leadership and evaluate the effect that these combined behaviors in a leader have on leader outcomes. The

framework for the study is that0020transformational leadership influences follower behavior; however, to be truly transformational, a leader must also be moral, ethical and authentic (Bass and Steidlmeier,1999).

Prior research has outlined that authentic, ethical and transformational leadership behaviors have each individually contributed to explaining improved levels of leader effectiveness (Bass, 1985; Bass & Avolio, 1994; Brown et al., 2005; Copeland, 2015). Additional research is required to further understand the relationship of authentic, ethical and transformational leadership. Prior research has not assessed if a leader possesses two or all three coalesced leadership behaviors if this will make a significant contribution, beyond only one behavior, to explaining leader effectiveness. This theory is posited by this study. Additional research is required to determine if the combined attributes of these three behaviors augment or improve a leader's ability to produce more effective outcomes. This study also examines whether transformational leadership moderates the relationship between authentic and ethical leadership and leader effectiveness, a second theory not examined previously.

LITERATURE REVIEW – AUTHENTIC, ETHICAL AND TRANSFORMATIONAL LEADERSHIP

Studies have concluded that authentic, ethical and transformational leadership behaviors incrementally contribute to explaining and predicting the effectiveness of a leader (Bass, 1985; Bass & Avolio, 1994; Brown et al., 2005; Copeland, 2015). While Bass and Steidlmeier (1999), Avolio and Gardner (2005) and Brown, Treviño, and Harrison (2005) have argued that authentic and ethical behavior in leaders is necessary to avoid the ethical and moral leadership failures that occurred in the past two decades, the actual research is minimal. The model researched in this study extends Bass and Steidlmeier's (1999) theory positing that transformational leadership necessitates a moral, ethical, and authentic foundation.

The theories of authentic and ethical leadership have received increased attention in the past decade, largely in response to the tumultuous ethical leadership failures observed in the early 21st century, an era tainted by corporate meltdowns, worldwide terrorism, political upheaval, and international health issues such as the perceived SARS and HIV epidemics (Avolio & Gardner, 2005; Brown & Treviño, 2006). Scholars, practitioners and America as a nation began to call for a renewed focus on restoring hope, confidence, integrity and honor to its leaders (Avolio and Gardner; Brown & Treviño; George, 2003; Luthans & Avolio, 2003; May, Chan, Hodges & Avolio, 2003). Decades of charismatic and transformational leadership promotion had left scholars, practitioners, shareholders and the nation as a whole experiencing an urgent need for reform, as many charismatic, persuasive leaders had emerged that lacked integrity, honor and morality (Avolio & Gardner, 2005; Brown and Treviño, 2006; Cooper, Scandura, & Schriesheim, 2005; George, 2003; Ilies, Morgeson, & Nahrgang, 2005).

These events resulted in many responses and proposed new leadership constructs that attempted to address the leadership deficiencies observed. Table 1 identifies emerging leadership theories that Copeland (2014) noted were in response to the decline in morality and ethics identified in many leaders. These theories incorporated an element of morality and proposed a revised standard for evaluating whether leaders were truly effective.

TABLE 1
EMERGING CONSTRUCTS IN RESPONSE TO ETHICAL AND MORAL DEFICIENCIES IN LEADERS (IN CHRONOLOGICAL ORDER BASED ON FIRST OCCURRENCE)

Values Based Leadership Theories	Author
Servant leadership	Greenleaf, 1977; Patterson, 2003; Parolini, Patterson, & Winston, 2009
Stewardship	Block, 1993
Connective leadership	Lipman-Blumen, 1996
Self-sacrificial leadership	Choi & Mai-Dalton, 1999
Authentic Transformational	Bass & Steidlmeier, 1999
Complex leadership	Regine & Lewin, 2000; Marion & Uhl-Bien, 2001; Knowles, 2001, 2002
Contextual leadership	Osborn, Hunt, & Jauch, 2002
Shared leadership	Pearce & Conger, 2003
Spiritual Leadership	Fry, 2003
Authentic leadership	Avolio, Gardner, Walumbwa, Luthans & May, 2004; Avolio, Luthans, & Walumbwa, 2004; Luthans, & May, 2004; Avolio & Gardner, 2005; Gardner, Avolio, Luthans, May, & Walumbwa, 2005
Ethical leadership	Brown, Trevino & Harrison, 2005; Brown & Treviño, 2006; De Hoogh & Den Hartog, 2008; Kalshoven, Hartog, & Hoogh, 2011; Copeland, 2015

Data Source: (Copeland, 2014)

Of these theories, authentic, ethical, and spiritual leadership shared core constructs of morality, ethics, integrity and putting the interest of others above the leader's self interest (Brown & Treviño, 2006).

Prior to accessing and understanding the emerging ethical, authentic, transformational leadership paradigm, we will review earlier prevailing leadership theories to gain an understanding of this study's extension of these theories.

AUTHENTIC LEADERSHIP

Avolio and Gardner (2005), proposed the need for the development of authentic leadership as they observed glaring deficiencies in the development of leaders. George (2003) emphasized that authentic leaders were those who had a deep sense of purpose, possessed ethical and solid values, understood their purpose, lead with their hearts, established connected relationships and demonstrated self restraint and discipline.

Gardner *et al.* (2005) posited that authenticity is a prerequisite for an authentic leader. Gardner *et al.* outlined authenticity as accepting and acknowledging ones thoughts, emotions, needs, wants, preferences,

or beliefs and acting consistently with those beliefs and one's inner person. An authentic person seeks to know oneself and confidently conveys their beliefs in speech and action (Gardner *et al*.). Avolio, Luthans, & Walumbwa (2004) extend the description of authentic leaders to those that are self aware of their own "values/moral perspective, knowledge, and strengths" and that authentic leaders are "confident, hopeful, optimistic, resilient, and high on moral character" (p. 4). Luthans & Avolio (2003) argue that while authentic leadership is a "root construct" that "could incorporate charismatic, transformational, integrity and/or ethical leadership," and that these constructs may overlap in individuals, they can also be distinct from each other (p. 4).

Brown and Treviño (2006) summarize that "self-awareness, openness, transparency, and consistency are at the core of authentic leadership," and that "being motivated by positive end values and concern for others (rather than by self-interest) is essential to authentic leadership" (p. 599).

ETHICAL LEADERSHIP

The ethical leadership construct gained increased momentum in the second half of the 2001-2010 decade as scholars observed that a greater intersection of leadership and ethics was essential if our nation was to recover from the apparent lack of moral deficiency identified in many 21st century leaders (Brown and Treviño, 2006; Brown, Treviño & Harrison, 2005; Treviño, Brown & Hartman, 2003;). Brown & Treviño argue that ethical leaders, like authentic and transformational leaders are "altruistically motivated, demonstrating a genuine caring and concern for people" and "are thought to be individuals of integrity who make ethical decisions and who become models for others (p. 600). According to Brown and Treviño, an ethical leader's proactive concern for the ethical behavior of their followers is their differentiating characteristic from authentic and transformational leaders. Ethical leaders communicate and place great emphasis on the establishment of ethical standards as well as accountability for adhering to those principles (Brown & Treviño).

De Hoogh & Den Hartog (2008) outlined that ethical behavior is vital for organizations, and that lapses in ethics on the part of leaders can have costly organizational consequences. Organizations should take care in selecting managers who show integrity and act in an ethical manner, and who are not self-serving or exploitive of others (De Hoogh & Den Hartog). De Hoogh and Den Hartog concluded when leadership is perceived as ethical, upper level management is perceived as more effective and subordinates express greater optimism about the future potential of the organization. Copeland (2015) found that ethical leaders in the accounting profession were reported as more effective by their subordinates and superiors.

In summary, prior studies of authentic and ethical leadership suggest that leaders who are more authentic or ethical are more effective leaders and therefore can lead their organizations more successfully. Research had not assessed if leaders who are both ethical and authentic are more effective than those that possess only one of these two behaviors.

TRANSFORMATIONAL LEADERSHIP

Burns (1978) is credited with first proposing the theory of transformational leadership. Burns compared transactional leadership with transformational leadership and noted that transactional leaders exchanged follower fulfillment of tasks for rewards while transforming leaders sought to appeal to and influence the moral values of the followers and inspire them to reform and revamp their organizations. Bass (1985, 1990) posited that transformational leaders seek to motivate their followers to accomplish more than they originally intended, encourage their followers to look beyond their own interests and to consider the best interests of the organization as a whole, and assist and empower their own followers in becoming leaders. Bass and Avolio (1993) contended that transactional and transformational leadership have varying characteristics and results, but they are not mutually exclusive. Yukl (2006) states that both leaders seek to motivate others to achieve common goals, but the behavior of the leader and the effect on the follower are different with each style. Bass (1985) asserts that while transformational leaders are more

effective than transactional leaders at motivating and empowering others, the most successful leaders combine the strengths of each of these styles.

Avolio, Waldman and Yammarino (1991) established the concept of the four I's of transformational leadership. The four I's are idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Bass (1985, 1990) later asserted that authentic, transformational leadership necessitated a moral foundation congruent with the four I's theory. The four I theories were foundational in the expansion of transformational leadership theories to include components of ethical and authentic leadership theory. It was the beginning of the viewpoint that to truly impact and to be truly beneficial to individuals, organizations and society as whole, transformational leaders needed to possess some inner qualities beyond characteristics of effective charisma and transformational leadership. (Avolio, Gardner, Walumbwa, Luthans, & May, 2004; Bass and Steidlmeier, 1999; Gardner & Avolio, 2005). Leadership theorists were beginning to posit that leaders' moral character and ethical values that influenced their vision and direction were critical for effective leadership that had positive long term corporate and societal outcomes.

AUTHENTIC, ETHICAL AND TRANSFORMATIONAL LEADERSHIP

The model being researched in this study utilizes seven leadership characteristics that were previously outlined by Brown and Treviño (2006) as traits that were found in authentic, ethical and transformational leaders.

Table 2 below summarizes the common and differentiating traits between the three constructs, according to Brown and Treviño.

TABLE 2
ETHICAL, AUTHENTIC AND TRANSFORMATIONAL LEADERSHIP CHARACTERISTICS

Leadership Trait	Ethical Leadership	Authentic Leadership	Transforma-tional Leadership	Ethical Authentic Transformational Leadership
Altruism	X	X	X	X
Ethical decision-making	X	X	X	X
Integrity	X	X	X	X
Role modeling	X	X	X	X
Ethical leaders - Moral management	X			X
Authentic leaders – authenticity and self- aware		X		X
Transformational leaders emphasize vision, values, and intellectual stimulation			X	X

Source: Brown and Treviño (2006)

The model proposed in this study extends Brown and Trevino's model and proposes a theoretical categorization of leaders based on their combination of authentic, ethical and transformational leadership behaviors. This proposed model theorizes the impact of different combinations of authentic, ethical and transformational behaviors. The theory suggests that these combinations place leaders in different groups that summarize their potential for leadership effectiveness.

MODERATING EFFECTS OF TRANSFORMATIONAL LEADERSHIP

Kouzes and Posner (1995) noted that true transformational leadership characteristics increase trust and lead to exemplary leadership. Avolio, Waldman, and Yammarino, (1991) outlined that a transformational leader is one who demonstrates inspirational motivation, idealized influence, is intellectually stimulating and who shows individualized consideration for each of their followers.

This study will assess transformational leadership defined and measured as a single construct (Carless, Wearing, & Mann, 2000). Carless *et al.* defined a transformational leader as one that: (a) communicates a vision, (b) develops staff, (c) provides support, (d) empowers staff, (e) is innovative, (f) leads by example, and (g) is charismatic. The proposed moderating impact of transformational leadership is explained in relationship to Carless, Wearing, and Mann's definition of transformational leadership.

A leader's charisma (or ability to be a vision seeker), to have idealized influence, to be confident, and to set high standards for others to follow are behaviors of a transformational leader. When a leader is ethical and authentic, by definition, their values are morally uplifting, according to Burns (1978). A transformational leader augments an ethical/authentic leader's effectiveness by creating enthusiasm around the good, noble and excellent principles that ethical/authentic leaders possess. A leader that lacks vision, the ability to empower, or charisma would find it difficult to enthusiastically transfer their enthusiasm for ethical and authentic behaviors to those they lead. In other words, they may have great ideas, be very ethical and authentic, but would fail to create or transfer this vision or moral persuasion to others. A transformational leader who also is authentic and ethical is better able to translate their authentic, ethical behavior into action and vision to impart to their followers.

Bass and Steidlmeier (1999) noted that the Inspirational Motivation of a transformational leader "provides followers with challenges and meaning for engaging in shared goals and undertakings" (p.188). In the Carless, Wearing, and Mann's (2000) model, staff motivation increases as leaders support and empower staff. Transformational leaders are better able to motivate and empower staff. Brown, Trevino and Harrison (2005) demonstrated that ethical leaders are more effective, and Avolio, Gardner, Walumbwa, Luthans, & May (2004) showed that authentic leaders are more effective. When these leaders are also transformational -- more effective at developing, supporting and empowering their staff -- their authentic and ethical qualities are augmented. If a leader is simply authentic and ethical, but lacks positive empowering transformative qualities, their authentic/ethical leadership will have less of an impact.

The goal of furthering ethical and authentic ideology is an intellectual pursuit that often requires leaders to challenge followers to a higher level of thinking and acting. In the Carless, Wearing, and Mann's (2000) model, intellectual stimulation is seen as leaders develop their subordinates. An authentic/ethical and transformational leader uses staff development and intellectual stimulation to challenge, communicate and transfer beliefs and values to others. Leaders who are ethical and authentic, but who do not engage staff on a transformative or intellectually stimulating level may have greater difficulty conveying the intellectually challenging concepts to their followers. Similarly, leaders who lack the capacity to develop others will have less ability to motivate staff. Or worse, a pseudo-transformational leader may be confident and intellectually stimulating for amoral or unethical pursuits. As Bass and Steidlmeier (1999) note, these pseudo-transformational leaders may "influence ignorant, scared, angry, frustrated people for personal gain in the name of doing good for the entire nation or race" (p.189; Lockman, 1995).

The ability to be innovative and to lead by example are other aspects of transformational leadership that result in greater effectiveness in an authentic/ethical leader. As authentic/ethical leaders are innovative, or as they model the way for their followers, the follower is more likely to respond to and

listen to the leader's ethical, moral beliefs. Through coaching, mentoring and encouraging growth opportunities (Bass, 1985), transformational leaders develop and transfer the positive aspects of their authentic/ethical leadership to inspired, motivated followers.

Bass (1985, 1990) outlined that certain qualities make leaders transformational and this leads to greater leader effectiveness. Research has established that core ethical and authentic qualities in a person also result in improved leadership outcomes. When this transformational leadership is also present in one that is ethical and authentic, the goals of the organization become ethical and moral rather than self serving, and become focused on the well-being of the followers and organization as a whole. Authentic, ethical, transformational leadership provides an enthusiasm and support for that which is good and moral, and fosters trust and enthusiasm. This research proposes that this combination of behaviors, leads to greater leader effectiveness.

Research Questions and Hypotheses

The specific research questions in this study are: 1) Does the presence of all three: ethical, authentic and transformational leadership behaviors, predict higher levels of leader effectiveness and 2) Does transformational leadership behavior magnify the effectiveness of authentic and/or ethical leadership?

To answer these questions, the following four research hypotheses were tested:

H1: There will be a positive relationship between the levels of ethical, authentic and transformational leadership behaviors and leader effectiveness.

H2: Authentic, ethical and transformational behaviors will each make an incremental contribution to the explanation of leadership effectiveness.

H3: Transformational leadership will moderate the impact of the relationship between authentic leaders and leader effectiveness,.

H4: Transformational leadership will moderate the impact of the relationship between ethical leader effectiveness.

THE THEORETICAL MODEL

The research hypotheses were based on the following proposed model, which outlines how combined authentic, ethical and transformational leadership qualities impact leader effectiveness. The independent variables include define ethical and authentic leadership qualities. The dependent variable was leadership effectiveness. Transformational leadership in a leader was posited to be a moderating variable. It was proposed that the presence or absence of transformational leadership traits, when coupled with authentic or ethical leadership, explained why ethical or authentic leadership qualities incrementally increased or decreased leader effectiveness. The investigation controlled for several variables that on their own may contribute to improved leader effectiveness. Control variables for the study included: the years an individual had worked for the leader and the organization and the participants' age. The study also collected additional demographic data on the participants, the leaders and organizations being studied so that demographic diversity could be established. Participant's gender and title as well as the leader's title and the type of organization were collected for this purpose.

Methods

To test the proposed hypotheses, data were collected to measure the ethical, authentic and transformational qualities in a leader. It was also necessary to collect data to determine if transformational leadership moderates the impact that authentic and ethical traits have on a leader's effectiveness.

Research Method and Design

Sample

Data were collected from a population of individuals who are employed at a variety of organizations and had daily contact with leaders in their organizations. The sample size was 175 individuals. Nineteen percent (n = 34) of the sample was made up of Masters in Strategic Leadership (MSL) students from a small, liberal arts college in the Northeast. The remaining eighty-one percent (n = 141) of the sample were collected from a large email list of employed adults from a variety of organizations.

Inquiries were made of 263 individuals and 175 responded, resulting in a 67% participation rate. The participants were employed in a variety of industries with 49% from for-profit businesses, 10% from non-profit businesses, 8% from government agencies, 11% from non-secondary schools, 11% from colleges and universities, 10% from churches and 1% from other types of entities. The sample included 47% men and 53% women, who on average were 43.3 years (SD= 10.3) of age. The average time participants had worked at their organizations was 7.7 years (SD = 7.8) and the average amount of time they had worked for their supervisor or leader was 3.6 years (SD = 3.5). Tenure with an organization ranged from 0 to 37 years and average time working for their leader ranged from 0 to 20 years.

Measures

Authentic Leadership

To measure the independent variable of authentic leadership, the study used the Authentic Leadership Questionnaire (ALQ), developed by Walumbwa, Avolio, Gardner, Wernsing and Peterson (2008). The ALQ measures authentic leadership using a 16-item scale that measures five dimensions of authentic leadership. The internal consistency and reliability measures in the Walumbwa, Avolio, Gardner, Wernsing and Peterson study was self-awareness, relational transparency, internalized moral perspective, and balanced processing. The alpha for these dimensions in this sample was .97.

Ethical Leadership

To measure the independent variable of ethical leadership, the study used the Ethical Leadership Survey (ELS), developed by Brown, Treviño and Harrison (2005). The ELS measures ethical behavior in leaders. The survey attempts to isolate ethical behavior from other related leadership behaviors that also possess a moral component, such as authentic and spiritual leadership. The ELS focuses on measuring ethical leadership behaviors "related to consideration behavior, honesty, trust in the leader, interactional fairness, socialized charismatic leadership (as measured by the idealized influence dimension of transformational leadership), and abusive supervision" (p. 134). Brown *et al.* contend that the ELS can be used to measure and help assess ethical behaviors that lead to ethical leadership and the resulting leader's effectiveness. The scale was a 10-item scale and the corresponding alpha from this sample was 0.96.

Transformational Leadership

To measure transformational leadership, the moderating variable, the study used Carless, Wearing and Mann's short measure of transformational leadership. Carless, Wearing, and Mann (2000) provide an alternative to the traditional measurements that have been used to assess an individual's transformational leadership behaviors. Carless, Wearing, and Mann developed a measurement, the Global Transformational Leadership scale (GTL) that is much shorter, yet reliable and valid. The GLT is able to capture whether or not a leader is transformational by having a follower evaluate the leader's vision, and their ability to develop their staff, lead in a supportive fashion, empower others, think innovatively, lead by example. The GLT also considers whether the leader is charismatic or highly competent, which translates into being respected by their followers.

Carless, Wearing, and Mann's measurement contains seven questions. Their instrument has been determined as reliable and valid in measuring whether or not a leader is transformational by having a follower evaluate the leader's: 1) vision, 2) their ability to develop their staff, their ability to lead in a supportive fashion, 4) the effectiveness in empower others, 5) innovative thinking, 6) propensity to lead

by example, and 7) ability to be seen as being highly competent which translates into being respected by their followers.

Carless, Wearing, and Mann's (2000) outlined the following items supporting the validity and reliability of the GLT. Carless, Wearing, and Mann's (2000) study outlined that: a) there was "a good fit between the observed variance-covariance" (p.397), b) "using the Bagozzi and Heartherton formula, the reliability of the GTL was calculated to be .93" (p. 398) and overall the findings" outlined that the "seven-item GTL is highly reliable" (p. 398), c) there was evidence that supported convergent validity of the GTL, d) "the pattern of high correlations with the hypothesized constructs" provided "evidence that the GTL corresponds to other measures of transformational leadership" (p. 398), e) "the high correlations between the GTL and the LPI and MLQ provide evidence that the GTL has strong convergent validity" (p. 400), f) T-tests and other "findings provide substantial evidence of the discriminate validity of the GTL, g) the descriptive statistics showed that with a possible range in score from 7 to 35 and a mean of 25 and standard deviation was 6.76. This supports a conclusion that there is "adequate dispersion of scores on the GTL" (p. 400), and lastly, h) Cronbach's alpha was .93 which supports the conclusion that the GLT is a reliable measure of transformational leadership (p. 400). In summary, the researchers have solidified that the GTL is a reliable measure as a single measurement of transformational leadership by outlining when a leader is "visionary, innovative, supportive, participative and worthy of respect" (p. 400). The high correlation between the GTL and other measures of transformational leadership suggests that the GTL is an acceptable "alternative short measure of transformational leadership with a broad range of potential" (Carless, Wearing, and Mann, 2000, p. 402). As with other measures, high scores describe a leader that uses transformational leadership extensively and a low score is received a leader who is seldom transformational. The GLT was developed from the study and assessment of prior literature, research studies and other instruments that measured transformational leadership behaviors in leaders. The Cronbach's alpha for transformational leadership in this study was .95.

Leadership Effectiveness

The dependent variable, leader effectiveness, was measured using Ehrhart and Klein's (2001) six item measures of leadership effectiveness. Leader effectiveness is a difficult outcome to define and measure. Ehrhart and Klein's tool assesses six factors that outline leader effectiveness, specifically, 1) a subordinate's willingness to work at a high level of performance for the leader, and agreement that they would 2) enjoy working for, 3) get along with, 4) admire the , and 5) find their work styles compatible with the leader. Lastly 6) assesses whether that they have similar ideals as the leader. The alpha for the scale for leader effectiveness in this sample was .95.

Survey Procedures

The investigation utilized questionnaires to collect data and test the outlined hypotheses. To collect data, the study utilized both a manually completed sample of master's level students and an online survey of employees from various organizations. The participants were asked to evaluate a direct supervisor or leader of an organization that they are currently a part of. They were asked to respond to all questions describing the attributes of the same leader.

Two sets of procedures were utilized due to the fact that surveys were administered both online and manually. Procedures for each varied slightly and are outlined below. Participants completing manual and on-line survey's were identified separately to ensure that neither method produced a bias or unusual result.

Manually Completed Surveys

Graduate students in the MSL program at an upstate New York liberal arts college participated in the manual survey collection. To obtain permission to survey the participants, the researcher initially met with the director of the college's Master's in Strategic Leadership (MSL) program. The Director later emailed the faculty, introduced the researcher and the study, and approved participation by faculty who were willing to have their classes surveyed. Each faculty member was contacted in advance to get their

approval and to facilitate arrangements to visit their class. To survey the students whose classes were visited, the students were asked to complete a survey. Participation was optional and responses were confidential and anonymous.

To facilitate timely data collection, the researcher scheduled a time to visit each class to have survey's completed at that time. All individuals in attendance were asked to complete a survey (participants were encouraged but not required) to minimize the potential bias that may come from collecting only from those who voluntarily offered to participate, which could result in a disproportional collection of data from those who felt positive or negative about their supervisors (Kerlinger and Lee, 2000). These survey procedures were discussed with course instructors in advance. The manually completed survey included an outline of the research procedures and how confidentiality and anonymity would be maintained. Prior to administering the survey, these details were reviewed with the participants. . The MSL students then received a self-administered questionnaire to evaluate their direct supervisor or leader. On average, 84% of students attending class participated in the survey.

On-Line Surveys

The remaining eighty-one percent (n = 141) of the sample were collected from a large email list of employed adults from a variety of organizations. These were individuals that the researcher knew from consulting and community involvement and was made up of a diverse group of individuals. These individuals were asked directly if they would be willing to participate. Two hundred twenty five email requests were sent out and sixty-three percent responded. Participants completed the questionnaire on line and answers were confidential and anonymous. The on-line survey tool allowed for a tracking of cookies on one's computer to ensure that no one responded twice. As in the classroom scenario, participation was encouraged, but optional.

Results

Descriptive Statistics

The means and standard deviations are shown in Table 3 for the control, predictor and criterion variables of the study. Transformational and authentic leadership behaviors as well as leader effectiveness were measured using a 5-point Likert scale. Ethical leadership was measured using a 7-point Likert scale.

TABLE 3
DESCRIPTIVE STATISTICS (N = 175)

Variable	M	SD
1. Leader Effectiveness	4.33	1.13
2. Transformational Leadership	4.0	.96
3. Authentic Leadership	3.94	.94
4. Ethical Leadership	6.0	1.46
5. Gender[a]	1.47	.50
6. Age	43.02	10.31
7. Tenure	7.71	7.75
8. Years worked for supervisor	3.65	3.49

a. gender was coded 1 for female and 2 for male

Reliability

Prior to creating the scales for transformational, authentic and ethical leadership; and leadership effectiveness, it was necessary to test the reliability of each of those measures. The Cronbach's Alpha for each of the scales was .95 or greater.

Correlations
Table 4 summarizes correlations among the study variables.

TABLE 4
CORRELATIONS (N=175)

	Leader Effective-ness	Transfor-mational Leade-ship	Authentic Leader-ship	Ethical Leader-ship	Gender	Age	Tenure	Yrs working for super-visor
Leader Effectiveness	-	0.875**	0.887**	0.907**	-0.078	0.150*	-0.076	0.200
Transformational Leadership		-	0.898**	0.878**	-0.116	0.137	-0.067	0.095
Authentic Leadership			-	0.924**	-0.103	0.121	-0.064	0.056
Ethical Leadership				-	-0.064	0.146	-0.043	0.087
Gender						-0.270	-0.034	-0.003
Age						-	0.216**	0.224**
Tenure							-	0.501
Yrs working for supervisor								-

Note: ** denote that the correlation is significant   **$p < 0.01$ and * $p < 0.05$

While correlation between authentic, ethical and transformational leadership was noted, Copeland (2015) calculated the tolerance value and its inverse, the variance inflation factor (VIF) to definitively measure the degree to which each independent variable is explained by the set of the other independent variables. Hair et al. (2006) recommended that the tolerance value and its inverse, the variance inflation factor (VIF) should also be computed to definitively measure the degree to which each independent variable is explained by the set of the other independent variables. Hair et al. outlined that the tolerance is the "amount of variability of the selected independent variable not explained by the other independent variables" (p. 227) and is calculated by taking $1-R2$. The VIF is then calculated by $1 \div$ the tolerance value. Hair et al. outlined that when a VIF exceeds 10, the colinearity among the variables is problematic. The VIF calculation for the study sample had a VIF of less than 10, which outlines that multicollinearity or high correlations amongst the study variables is not problematic in this study.

Regression Analysis
Hierarchical regression analysis was used to test the hypotheses and relationship of the independent and dependent variables. Results of the various regressions are reported in Tables 5 through 10 and are outlined as follows:

Hypothesis 1
The regressions, reported in Tables 5 through 7 were run to test hypothesis one, which stated that there would be a positive relationship between the levels of authentic, ethical and transformational leadership and leader effectiveness. The results of the regressions supported this hypothesis.

TABLE 5
SUMMARY OF HIERARCHICAL REGRESSION ANALYSIS FOR AUTHENTIC LEADERSHIP PREDICTING LEADER EFFECTIVENESS (N = 175)

Leadership Effectiveness	b	SE b	β
Step 1			
Tenure	-.021	.013	-.141
Age	.018	.009	.166*
Gender	-.178	.170	-.079
Years worked for supervisor	.017	.028	.053
Step 2			
Tenure	-.002	.006	-.013
Age	.006	.004	.054
Gender	.030	.080	.013
Years worked for supervisor	-.011	.013	-.035
Authentic Leadership	1.060	.043	.883**

Note: R^2 = .043 for Step 1; ΔR^2 = .748 for Step 2 (p < .01). Note: **p< 0.01 and * p< 0.05.

TABLE 6
SUMMARY OF HIERARCHICAL REGRESSION ANALYSIS FOR ETHICAL LEADERSHIP PREDICTING LEADER EFFECTIVENESS (N = 175)

Leadership Effectiveness	B	SE B	β
Step 1			
Tenure	-.021	.013	-.141
Age	.018	.009	.166*
Gender	-.178	.170	-.079
Years worked for supervisor	.017	.028	.053
Step 2			
Tenure	-.002	.005	-.016
Age	.004	.004	.033
Gender	-.047	.072	-.021
Years worked for supervisor	-.019	.012	-.058
Ethical Leadership	.700	.025	.906**

Note: R^2 = .043 for Step 1; ΔR^2 = .785 for Step 2 (p < .01). Note: **p< 0.01 and * p< 0.05.

TABLE 7
**SUMMARY OF HIERARCHICAL REGRESSION ANALYSIS FOR TRANSFORMATIONAL
LEADERSHIP PREDICTING LEADER EFFECTIVENESS (N = 175)**

Leadership Effectiveness	B	SE B	β
Step 1			
Tenure	-.021	.013	-.141
Age	.018	.009	.166*
Gender	-.178	.170	-.079
Years worked for supervisor	.017	.028	.053
Step 2			
Tenure	.002	.006	-.015
Age	.005	.004	.045
Gender	.058	.083	.026
Years worked for supervisor	-.026	.014	-.081
Transformational Leadership	1.040	.045	.881**

Note: R^2 = .043 for Step 1; ΔR^2 = .730 for Step 2 (p < .01).Note: **p< 0.01 and * p< 0.05

Hypothesis 2

The regression outlined in Table 8 was used to test hypothesis two, which stated that authentic, ethical and transformational behaviors would each make an incremental contribution to the explanation of leadership effectiveness.

TABLE 8
SUMMARY OF HIERARCHICAL REGRESSION ANALYSIS FOR ETHICAL, AUTHENTIC AND TRANSFORMATIONAL LEADERSHIP (COMPUTED SEPARATELY) PREDICTING LEADER EFFECTIVENESS (N = 175)

Leadership Effectiveness	B	SE B	β
Step 1			
Tenure	-.021	.013	-.141
Age	.018	.009	.166*
Gender	-.178	.170	-.079
Years worked for supervisor	.017	.028	.053
Step 2			
Tenure	-.002	.005	-.016
Age	.004	.004	.033
Gender	-.047	.072	-.021
Years worked for supervisor	-.019	.012	-.058
Ethical Leadership	.700	.025	.906**
Step 3			
Tenure	-.001	.005	-.010
Age	.004	.004	.036
Gender	-.014	.070	-.006
Years worked for supervisor	-.017	.012	-.054
Ethical Leadership	.469	.062	.606**
Authentic Leadership	.389	.097	.324**
Step 4			
Tenure	.001	.005	.004
Age	.003	.003	.032
Gender	.010	.067	.005
Years worked for supervisor	-.023	.011	-.070*
Ethical Leadership	.394	.062	.510**
Authentic Leadership	.187	.104	.156
Transformational Leadership	.343	.083	.291**

Note: R^2 = .043 for Step 1; ΔR^2 = .785 for Step 2 (p < .01); ΔR^2 = .015 for Step 3 (p < .01); ΔR^2 = .015 for Step 4 (p < .01). Note: **p< 0.01 and * p< 0.05.

Hypotheses 3 and 4

The regression below in Table 9 was run to test the third hypothesis which stated that transformational leadership would moderate the impact of authentic leadership on leader effectiveness. The regression in Table 10 was run to test the fourth hypothesis which stated that transformational leadership would moderate the impact of ethical leadership on leader effectiveness. Regression results failed to support either hypothesis.

TABLE 9
SUMMARY OF REGRESSION ANALYSIS TO TEST IF TRANSFORMATIONAL
LEADERSHIP IS A MODERATOR FOR AUTHENTIC LEADERSHIP. (N = 175)

Leadership Effectiveness	B	SE B	β
Step 1			
Tenure	-.021	.013	-.141
Age	.018	.009	.166*
Gender	-.178	.170	-.079
Years worked for supervisor	.017	.028	.053
Step 2			
Tenure	.001	.006	.007
Age	.005	.004	.043
Gender	.055	.074	.024
Years worked for supervisor	-.020	.012	-.062
Transformational Leadership	.494	.088	.418**
Authentic Leadership	.616	.088	.513**
Step 3			
Tenure	-.001	.006	-.005
Age	.005	.004	.043
Gender	.050	.074	.022
Years worked for supervisor	-.019	.012	-.059
Transformational Leadership	.672	.147	.569**
Authentic Leadership	.804	.152	.670**
Trans * Authentic	-.053	.035	-.304

Note: R^2 = .043 for Step 1 ΔR^2 = .781 for Step 2 (p < .01) ΔR^2 = .002 for Step 3; Note: * and ** denotes a significance **p< 0.01 and * p< 0.05.

TABLE 10
SUMMARY OF REGRESSION ANALYSIS TO TEST IF TRANSFORMATIONAL
LEADERSHIP IS A MODERATOR FOR ETHICAL LEADERSHIP. (N = 175)

Leadership Effectiveness	B	SE B	β
Step 1			
Tenure	-.021	.013	-.141
Age	.018	.009	.166*
Gender	-.178	.170	-.079
Years worked for supervisor	.017	.028	.053
Step 2			
Tenure	.001	.005	.004
Age	.003	.003	.030
Gender	.003	.067	.001
Years worked for supervisor	-.024	.011	-.074*
Transformational Leadership	.412	.074	.349**
Ethical Leadership	.467	.048	.603**
Step 3			
Tenure	-.001	.005	.005
Age	.003	.003	.031
Gender	.006	.067	.002
Years worked for supervisor	-.025	.011	-.076
Transformational Leadership	.316	.145	.268*
Ethical Leadership	.416	.081	.538**
Trans * Ethical	-.017	.023	-.144

Note: R^2 = .043 for Step 1 ΔR^2 = .812 for Step 2 (p < .01) ΔR^2 = .001 for Step 3; Note: * and ** denotes a significance **p< 0.01 and * p< 0.05.

    The initial hypothesis proposed that there would be a positive relationship between the levels of authentic, ethical and transformational leadership and leader effectiveness. The results of the regressions supported this hypothesis. The fit of the regressions predicting leadership effectiveness increased significantly when each variable was added independently. After eliminating the effects of the control variables, the regression analysis showed a significant increase in R^2 of .748, .785, and .730 when authentic, ethical and transformational leadership, respectively, were added individually to the regression model.

    The results also supported the second hypothesis that posited that there would be an incremental effect of each of the leadership behaviors (authentic, ethical and transformational) on leader effectiveness. Each of the non-control independent variables, authentic, ethical and transformational behaviors made incremental contributions to explaining leader effectiveness. The change in R^2 supported this, as it was noted that in each new model, when the next independent variable was added, resulted in a significant change in the R^2 from the previous model. The regression showed that leaders that had traits of authentic, ethical and transformational leadership incrementally increased the level of leader effectiveness. Analysis of the Beta or std coefficients also showed the relative contribution of each of the independent variables tested. Ethical leadership was the strongest predictor of leader effectiveness, with transformational leadership being the second and authentic leadership contributing the least.

    Results did not support hypothesis 3 or 4 as the results did not support transformational leadership as a moderator for either authentic or ethical leadership.

Limitations of Measurement Tools and Proposed Methodology

There were some limitations to the data collection instrument and methodology utilized in this study. Limitations were as follows:

Limited Data Collection

Objective questions and a quantitative data collection approach, potentially limit the information that is collected. Including a mixed method design with some open ended questions or limited interviewing may have provided additional insights that a study that includes only an objective survey may fail to uncover (Creswell, Kerlinger and Lee, 2000).

Differing Company Dynamics and Roles

The research design included studying leaders in multiple organizations in attempt to collect data on multiple levels of supervisors and increase the external validity that would come from surveying participants from a variety of companies and organizational levels. The downside of this is that interpretation of questions may differ from company to company.

Sample Size

The sample size was small (n= 175) and was not selected randomly, which can impact both the predictability and reliability of the research.

PROPOSED FUTURE RESEARCH

Future research could address the impact that combinations of levels of leadership behaviors have on leader effectiveness as in outlined in Table 4. Specifically, for example, what are the outcomes if a leader is high on authentic, low on ethical or high on ethical and low on authentic, etc? In addition, continued research that assesses strategies for and the impact of leader training and mentoring to increase a leader's authentic, ethical and transformational leadership behaviors. The initial focus of this research should be on ethical leadership, given that it is the most significant contributor to leader effectiveness.

CONCLUSION

The research provides evidence that leaders that are ethical, authentic and transformational are more effective and that each of these behaviors can incrementally improve the positive outcomes of a leader. Of the three leadership behaviors, ethical leadership was the greatest predictor of leader effectiveness with transformational being the next highest and authentic being the least. The research did not support the theory that the transformational leadership conduct of a leader moderated the impact of the leader's authentic or ethical leadership on the leader's effectiveness. Additional research is encouraged that assists academics and practitioners in determining how these combined leadership qualities may be further developed in leaders to add to their overall effectiveness.

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The Integration of Theoretical Ethics with Practical Decision-Making in Organization and Management

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The complexity of business environments necessitates the need for responsible and conscientious decision making processes in organizational management domestically and globally. Employee trust or confidence in an organization is motivated through the demonstration of constancy in ethical decision-making. This paper will be concerned with the integration of theoretical ethics with practical decision-making in organization and management (business ethics). First, I discuss the historical thoughts that shape the concept of ethics in management and organization through today. Then, I address various contemporary theories of ethical decision-making such as Ethics of Virtue, Cultural and Ethical Relativism, the Ethics of Justice and Kantian Ethics, and the Ethics of Care and Feminist Ethics. Last, I compare and contrast the Ethics of Virtue, Ethics of Care, and Ethics of Justice theories in terms of their applicability to practice relative to global conditions. Organizational leaders and managers have the responsibility to make decisions that are governed by moral principles. Organizations can, therefore, succeed in any environment providing that the decision makers make the effort to adhere to standards that are moral, fair, caring, and just.

INTRODUCTION

The complexity of business environments necessitates the need for responsible and conscientious decision making processes in organizational management domestically and globally. The sensitive aspect of this concept is that organizational leaders and/or managers must choose to lead by ethical standards in business circumstances that require them to make hard decisions preferably in areas of conflicts and interests. Velasquez (2006) expresses that the foundation of an organization is its values and practices. Needless to say, when an organization faces situations that require tough decisions, adherence to strict ethical business codes could facilitate decision making. Cottone and Tarvydas (2007) acknowledge that demonstrating constancy in ethical decision-making encourages employee trust or confidence in the organization.

According to Gena (2000), ethical decision making in an organization is derived from applying ethical theories to practical dilemmas from top-down and that predominant decision making paradigms require more than a single ethical theory. Keatings and Smith (2000) described ethical theory as a systematic compilation of interrelated principles and rules that guide moral behavior. LaFollette (1991) and Rachels (2003) confirmed that a single theory or a set of rules founded on a theory is adequate to direct ethical actions in general especially management practice.

This paper will be concerned with the integration of theoretical ethics with practical decision-making in organization and management (business ethics). I will, first of all, discuss the historical thoughts that

shape the concept of ethics in management and organization through today. Then, I will address various contemporary theories of ethical decision-making such as Ethics of Virtue, Cultural and Ethical Relativism, the Ethics of Justice and Kantian Ethics, and the Ethics of Care and Feminist Ethics. Lastly, I will compare and contrast the Ethics of Virtue, Ethics of Care, and Ethics of Justice theories in terms of their applicability to practice relative to global conditions.

HISTORICAL EVOLUTION OF ETHICS IN ORGANIZATION AND MANAGEMENT

Velasquez (2006) posited that the concept of ethics is generally coined to the thoughts of Greek philosophers as Socrates and Aristotle and the ideas of hedonism and stoicism. These legendary ideas, in context, addressed issues and questions about morality - good and evil, right and wrong, and justice and virtue.

Socrates was one of the primary Greek philosophers to persuade intellectuals and ordinary citizens to direct their attention away from worldly conditions to human conditions. This shift in knowledge would allow human life to be eschewed higher than any other available knowledge. An awareness of self was considered a necessity for success. In the book "Idea of great philosophers" William Sahakian and Mabel Sahakian (1993) explored the values and beliefs of Socrates acknowledging that the conduct of a self-aware individual is totally construed in his/her highest capabilities or competencies. In their writing, they concurred to Socrates' beliefs that if an individual desire to obtain self-knowledge, he/she must be conscious of every detail of his/her existence. Socrates proposed that people have a natural alertness to do good only if they are aware of what is right. Sahakian and Sahakian accepted Socrates' concept that bad or evil actions derive from ignorance (not-knowing) and that people who genuinely know what is right will automatically do the right thing. Socrates essentially associated knowledge with morality and morality with happiness. Sahakian and Sahakian posited, according to the values of Socrates, that an honest prudent (intelligent and sensible) individual with complete knowledge of what is right, will only do what is good, and experience happiness. These early concepts of right and wrong, good and evil, adopted by Socrates, influenced the fundamental concept of ethics or moral philosophy.

Sahakian and Sahakian (1993) did not stop at the beliefs of Socrates in acknowledging ethical values, but also paid close attention to the writings of another Greek philosopher, Aristotle. Aristotle's concept or system of ethics can be recognized as self-realization (the consciousness of a person's nature and talent development) in comparison to Socrates' self-awareness. Sahakian and Sahakian stated that, according to Aristotle's viewpoint, whenever an individual behaves in line with his/her natural-self and becomes conscious of his/her complete capabilities, that person will execute good and be satisfied with doing good. Aristotle believed that the cause of unhappiness and dissatisfaction was an individual's inability to realize their potential. Like Socrates, Aristotle accepted happiness as a person's greatest goal. In fact, Sahakian and Sahakian accepted that self-realization was the most assured way to happiness. Moreover, they submitted to the ethical beliefs of Aristotle that people should not barely live, but instead live happily with behaviors that are governed by modest and judicious virtue, realizing that virtue entails doing the right thing to oneself and to others, subject to the right time, within the right boundaries, in a manner that is correct, and for the right cause.

Another historical thought that paved the way to ethics in organization and management is hedonism. Hedonism proposed that the standard code of ethics is to maximize pleasure and minimize pain (Sahakian & Sahakian, 1993). The concept of hedonism has been filtered into Christianity in what has been identified as Christian Hedonism. John Piper (1986) posited that a pleasure-seeking, self-gratifying (hedonistic) practice ought to be the primary determinant for living a Christian lifestyle. He acknowledged that the mind of almost everyone within a society is consumed with seeking pleasure and self-gratification. Hedonism, in fact, adheres to the philosophy that happiness and pleasure is the best good in life. Sahakian and Sahakian accept hedonism as an ethical theory that the achievement of an individual's own happiness is the right ambition of all conduct. The ethical concept in hedonism, however, is to maximize pleasure as well as happiness for the majority.

In light of the ethical concept of hedonism that most people should maximize pleasure and happiness, Epictetus, a Stoic philosopher, accepted that the best good was happiness (satisfaction) and tranquility (serenity, peace). In their writings about stoicism, Sahakian and Sahakian (1993) acknowledged Epictetus' philosophy that an individual's greatest value was peace of mind and that a person who learns to master his/her emotions and passions will enjoy spiritual peace. Epictetus believed that the will of people should never be violated and that it ought to be independent. Furthermore, life's difficult situations ought not to be circumvented, but instead they should be embraced. He recognized the value of abstinence implying that it should be chiefly desired and that to abstain in the midst of temptation was a victory won of which the victor should be proud (Sahakian & Sahakian).

The early ideas in ethics from Socrates (a self-aware person will do what is right and enjoy happiness, Aristotle (self-realization – that people will execute good and be satisfied with doing good), hedonism, (maximize pleasure and happiness), and Epictetus, (the best good was happiness and tranquility) paved the way to modern ethics of consequentialism and deontology.

Consequentialism is rooted in ethical theories that posited that the consequences of specific deeds served as the foundation for any justifiable ethical judgment relative to that deed. In effect, an ethical action can be considered as an action that results in good or consequence. Anscombe (1958) has been credited for coining the concept of consequentialism. In her article "Modern Moral Philosophy", Anscombe discussed the central mistakes she detected in ethics theories. For example, Anscombe stated that there need to be an explanation in contemporary philosophy to determine the declaration of an unjust man as bad man or an unjust act as a bad act. She proposed that the explanation for this declaration could only come from ethics. This explanation, she stated, cannot start until people are equipped with a solid psychological philosophy. Anscombe asserted that in order to declare an unjust man bad, society would need an affirmative description of justice as a form of morality. Mackie (1990) added that the features which define consequentialism or moral theories are the level of attention that is placed on evaluating the consequences of right and wrong actions. The consequences of an action oftentimes offset other concerns. According to Mackie, the kinds of consequences that should be of importance are the ones that count as good conditions. Consequentialism, however, echoes the consequences of actions.

Deontology, unlike consequentialism which emphasizes consequences of an act, is considered an ethical approach that establishes good or right by examining actions (acts). Slote (1993) affirmed that deontologists examine duties and rules. According to Olson (1967), an act or action may be considered judged as the right thing to do under three circumstances: if it produced a bad consequence, if it adhered to the rules, and if the individual who did the act lacked virtue and had a bad intent in performing the act. Swanton (1995) implied that people have an obligation to act in ways that are intrinsically good or to adhere to and respect mandatory rules. The consequences, therefore, of an action and an individual's intent are not significant by themselves alone.

The twentieth century brought about an expansion of critical theory. The ideas of Karl Max had permeated various beliefs and created a standard for recognizing the interactions between individuals and their society. Hoy (2004) explained post-critique ethics as the responsibilities that imply that they are necessary to be accomplished, but they are, however, neither pushed nor enforced on anyone. Singer (2000), on the other hand, submitted various thoughts about what is not ethics. He claimed that ethics is not a moral or ethical code for a specific group. Ethics, according to Singer, is not a system that is theoretically or practicably good. He accepted theory as being good only when it is realistic or practical. Ethics can be considered as universal, but in a practical manner it provides the best consequences and fosters the concerns of the affected individuals. Hoy believed that people resist ethics when they realize that power is being exerted on them and forcing them to specific responsibilities. These obligations, due to the virtue of force they contain, would be considered unethical. He accepted that the people who exercise ethics are those who have no power and others uphold it because of personal opposition. Contemporary theories of ethical decision-making have shaped today's organization and management decision-making process.

Ethics of Virtue

Ethics of virtue describes the nature of a moral person as a motivating force for ethical behavior. The concepts of ethics of virtue was born from the early writing of Socrates and Aristotle who proposed that an ethical person is a virtuous person, that is, an individual who has specific and particular qualities or intrinsic worth (Rachels, 2003). It refers to a compilation of subscriptions from philosophers who emphasized being instead of doing or rather, the virtues that makes an individual a virtuous person. The argument resulted in a list of characters that represented or depicted virtue, that is, compassion, generosity, courage, honesty, dependable, and charity to mention a few.

Virtue, therefore, refers to an individual's nature to do the right thing for the right cause or reason in a suitable manner. This entails being affective and intellectual (Rachels, 2003). The virtuous individual, however, consistently does the right thing for the right reason and realizes that this is the only right thing to do. Velasquez (2006) summarized ethics of virtue in light of four concepts: Aristotle's belief that habits allow a person to live in accordance with reason; Aquinas' idea that habits permit an individual to live rationally or practically in this world and then will be united with God in the next world; McIntyre's concept that disposition enables an individual to attain the good which human efforts aim to achieve; and Pincoff's idea of dispositions one uses when deciding between persons or prospective future selves. Virtue, however, does not only provide a standard for assessing actions, but it also offers a standard for assessing organizational and managerial practices.

Cultural and Ethical Relativism

Cultural relativism indicates how morals and ethics changed over time and among different cultures. Rachels (2003) affirmed that cultural relativism cautions about the dangers of cultural or racial intolerance and shows how to maintain an open mind. In essence, people should not be quick to judge the ethical or moral values and principles of other cultures because that culture is not similar or the same as theirs. According to Rachels, all cultures have customary or common values that exist from common living. Cultures may only appear to have different values, but in essence they are all similar. Rachels accepted that what makes the difference is how each society practices those values.

Lafollette (1990) described ethical relativism as a theory or proposal that ethical standards, beliefs or judgments are subject to an individual or that individual's culture. The idea is comparative to cultural relativism with the exception that ethical relativism can be present within a specific society or culture. Lafollette, in referencing the civil rights movement, mentioned that the multiplicity of ethical rules can result in social transformation. Cultural and ethical relativism are essential for creating ongoing workplace relationships and respect for each individual.

The Ethics of Justice and Kantian Ethics

Keatings and Smith (2000) accepted Kantian ethics as a type of deontology, an extensive form of ethical theories whereby right and wrong is decided based upon rules and principles that are then assumed from ethical duties and responsibilities. Immanuel Kant, an eighteenth century writer, developed an unconditional requisite obligating the universality of morality systems. The rules and principles that provide guidance to behaviors are applicable to all places, times, and society. Ethical judgments, on the other hand, exercised in related situations at dissimilar times ought to be the same (Keatings & Smith, 2000; Burkhardt & Nathaniel, 2002). Davis et al (1997) proposed that a person should be treated as the end and not as the means of another person's purpose. This mandates respect for others and equal treatment. Kant's writing promoted equality, fairness, justice, and reason.

Ethics of justice embodies an enhancement of Kantian ethics and is sometimes referred to as the ethics of right. Botes (2000) affirmed that ethics of justice typifies reliable and verifiable decision making, fairness, equality, objectivity, and independence or self-sufficiency. From a theoretical standpoint, ethics of justice addresses the importance of equal rights for everyone, the treatment of people as an end, the formation of understandable and transparent rules that determine what is right and what is wrong, and the utilization of reason in decisions that are ethical.

Ethics of Care and Feminist Ethics

Conventional theories like Kantian ethics have received criticisms for a lack of attention to women's life experiences. Gilligan (1982), who studied the distinctions in moral development and moral viewpoints of women and men, claimed that women and men make ethical judgments in a different way. Gilligan affirmed that men usually approach moral concerns as issues that need to be resolved. They employ rules and reason (common sense) to circumstances of contending rights. Women, on the other hand, are prone to identify moral issues in relation to the relations between the affected parties (Keating & Smith, 2000). Furthermore, women have a greater tendency to find conflicting resolutions by applying a realistic communication method. Woods (1996) confirmed that overall men and women have more similarities than differences in the way they resolve ethical issues.

Davis et al (1997) credited the study of Gilligan (1982) as the basis for the advancement of the ethics of care and feminist ethics. They stated that, from a justice standpoint, an independent moral representative (for example, a manager) determines and utilizes a set of supporting rules by means of general and conceptual reason. From the care perspective, the fundamental concern is an openness and awareness of others that influences giving care, avoiding harm, and sustaining relationships.

Ethics of care is described as an ethic that puts emphasis on caring for the actual well-being of those that are interconnected with each other (Velasquez, 2006). Moral responsibilities arise from the relationships among the involved individuals, preferably between the one being cared for and the care giver. Whatever is employed to sustain the relationship comprises ethically respectable behaviors. In addition, more important aspects of ethics of care include sympathy, compassion, and assistance for each person, a holistic attitude about care giving, and thoughtfulness to the needs of other people (Velasquez).

COMPARING ETHICS OF VIRTUE, CARE, AND JUSTICE

The concepts of contemporary ethical theories as ethics of virtue, ethics of care, and ethics of justice are imperative for organization and management in their quest for making ethical decisions on a domestic and global scale. As more companies begin to explore global markets, it is becoming more and more important to understand various cultures, norms, principles, and standards that govern individual behaviors globally. Globalization has been defined as the practice of social, cultural, political, economic, and technological incorporation between countries around the globe (Luthans & Doh, 2009). Discussions on globalization are oftentimes shaped by nationalized interests which also includes ethical decision-making processes. It is, therefore, imperative that organizations and their managers seek out measures and processes appropriate for global disagreement solutions and mediation. Huntington (1996) proposed that the development of any type of global civilization must emerge progressively through investigation and extension of various commonalities. In effect, there ought to be consistent decisions that are governed by ethical or moral rules.

Ethics of virtue, care, and justice share common concepts imperative for organizations in a global environment. Virtue ethics emphasize the significance of individual characteristics and that which is looked upon as virtue. Different concepts of virtue ethics include sympathy (empathy), honesty, and compassion. These same concepts compass ethics of care and ethics of justice. Ethics of care focuses on providing care, avoiding hate, and sustaining relationships. Ethics of justice maintains reliable decision-making, equality, and impartiality.

Virtue, care, and justice address the idea of equality. As companies explore international markets, they will be faced with the challenges of varying cultures, personalities, sex, and race. It is imperative to make decisions that respect every aspect of human being. Decisions in a global market should take into consideration the moral good of everyone and not just the good of an organization.

In a global market, managers should also be concerned about establishing lasting relationships (Luthans & Doh, 2009). These relationships should be carefully managed in order to advance the organization's effectiveness and profitability. Care, virtue, and justice address the ideals of relationship implying that ethical decisions should be concerned with establishing, maintaining, and sustaining relationships. Robbins and Judge (2007) acknowledged that a great way to establish lasting relationships

is through an effective communication process. Communication, they discuss, must entail the transfer and comprehension of meaning.

Another concept that surrounds virtue, care, and justice ethics is self-sufficiency (independence and self-government). Managers operating an organization globally must not try to impose their culture on other cultures, but rather allow each culture and individual to practice their moral values and principles in a way that is beneficial to everyone. People within a society should not be looked down on because they do not do things the way that is common to everyone. Rachels (2003) asserted that while people are different, they also share very similar beliefs that could promote individuality and respect.

Virtue ethics, ethics of care, and ethics of justice share similar ideas that are imperative for organizational decision-making processes domestically and internationally. However, each theory shares different concepts that make them unique for application and for management.

CONTRASTING ETHICS OF VIRTUE, CARE, AND JUSTICE

Overall, virtue ethics is primarily concerned with virtue – the evaluation of moral characters. Ethics of care focuses on caring. Caring is concerned with the well-being of those within a specific group. Ethics of justice is concerned with what is fair. What is considered fair to one group could be considered unfair to another group.

According to Tenbrunsel and Smith-Crowe (2008), the difference between these ethical theories is based on their approach, that is, normative versus descriptive. Normative ethical approaches are concerned with what people ought to do while, descriptive ethical approaches are concerned with what people actually do. Virtue ethics is concerned with what people should do, that is, whether they should be moral or not (amoral). Justice and care ethics are descriptive because of their focus on people's exact actions. In different cultures, people are expected to be a certain way and in some cases, to do what an organization requires of them. Practicable, global managers would encounter greater difficulties making ethical decisions within an ethics of virtue because that would not allow self-sufficiency. People should not be enforced to ethical decisions, but should be able to follow specific rules and principles that allow them the freedom of choice. While virtue promotes what is to be done, justice and care adheres to individuals' consistent actions. These actions should not be taken lightly or for granted.

Another difference between virtue ethics, care and justice ethics is the significance of organizational decision makers' responsibility to make ethical decisions based solely on moral characters or awareness (Martin, 2007). As mentioned above, virtue ethics is ethics that evaluates the moral characters of people or groups. Within ethics of virtue, global managers would be required to make decisions based on what individuals, a group or culture consider moral. This would, in essence, negate the value of ethics of care (caring for the well-being of other people) and justice ethics (distribution of benefits and just burdens among individuals). March (1995) implied that the manner in which decision makers interpret the dilemma of making decisions based on morals only is critical to them because it would determine whether they attained moral responsiveness or not.

Ethical decisions domestically and internationally can pose a great challenge for organizational managers. They ought to be tact in their decision making processes and ensure that their decisions and/or results are not unethical. While moral awareness plays a significant role in ethical decisions (virtue ethics), the concepts of justice (dealing fairly with everyone) and care (caring for the well-being of those that interact together) are also significant and considerable for effective and efficient global organizational decisions. According to Hunt and Vitell (1986), theories of ethical decision making propose that managers ought to first recognize a situation to inhibit an ethical problem before enacting an ethical decision making practice.

CONCLUSION

Ethical decision making is a critical factor for effective and efficient organization and management. Ethics and the theories of ethics is not a resurrection story, but rather thoughts and influences that

promote growth and huge organizational opportunities especially under global conditions. Velasquez (2006) stated that business managers need to focus their attention on developing an all-inclusive theoretical proposal from which practical work in moral principles and moral values can remain. Gena (2000) proposed ethical decision making in an organization is derived from applying ethical theories to practical dilemmas from top-down and require more than a single ethical theory.

Greek philosophers like Socrates and Aristotle have influenced the concepts of early, modern, postmodern, and contemporary ethical theories. Socrates, for example, believed that people have a natural alertness to do good only if they are aware of what is right. Aristotle believed in the idea of self-realization, the consciousness of a person's nature and talent development. Ethics also evolved from the perspectives of hedonism, stoicism, consequentialism, and deontology. Contemporary theories of ethical decision-making have shaped today's organization and management decision-making process.

Ethics of virtue describes the nature of a moral person as a motivating force for ethical behavior. Virtue refers to an individual's nature to do the right thing for the right cause or reason in a suitable manner. It does not only provide a standard for assessing actions, but it also offers a standard for assessing organizational and managerial practices. Cultural relativism indicates how morals and ethics changed over time and among different cultures. Lafollette (1990) describes ethical relativism as a theory or proposal that ethical standards, beliefs or judgments are subject to an individual or that individual's culture. Ethics of justice embodies an enhancement of Kantian ethics and is sometimes referred to as the ethics of right. Ethics of care is described as an ethic that puts emphasis on caring for actual well-being of those that are interconnected with each other (Velasquez, 2006). Moral responsibilities arise from the relationships among the involved individuals, preferably between the one being cared for and the care giver.

Ethics of virtue, care, and justice share common concepts imperative for organizations in a global environment. They address the idea of equality and self-sufficiency, and are concerned with the establishment and sustenance of lasting relationships. The difference between the ethics of virtue, care and justice theories is based on their approach - normative versus descriptive. Another difference is the significance of organizational decision makers' responsibility to make ethical decisions based solely on moral characters or awareness (Martin, 2007). While these differences hold true to specific ethical theories, managers still have the responsibility to make decisions that are governed by moral principles. Organizations can, therefore, succeed in any environment providing that decision makers make the effort to adhere to standards that are moral, fair, caring, and just. Every unethical behavior, therefore, should be condemned.

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Strategic Leadership Influence towards Competitive Positioning Through the Usage of Accounting Information System and Intellectual Capital

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This research examines the role of strategic leadership (SL) against competitive positioning (CP) through two intervening variables, intellectual capital (IC) and usage of accounting information system (usage of AIS). Data obtained from the dissemination of the questionnaire to 300 managers who work in the listed public company city of Surabaya, the result is there are 196 valid questionnaires. The data processed by using Partial Least Square (PLS), the results show that a positive relationship between strategic leadership and usage of AIS, intellectual capital, and competitive positioning. The relationship between usages of AIS against competitive positioning showed a positive relationship, while the last hypothesis is not seen a significant relationship between intellectual capitals against competitive positioning. This research also shows that the intervening variable intellectual capital (IC) and usage accounting information system (usage of AIS) cannot strengthen the relationship between strategic leadership against competitive positioning.

INTRODUCTION

According to Gill (2004) leadership is crucial and it is important that affect the success of an organization. Furthermore, Rowe (2001), revealed that the Strategic Leadership is a leadership style that able to improve the continuity of a company in the long-term through a clear vision in addition to maintaining the stability of short-term financial satisfaction levels. According to Christensen (1997) strategic leadership, defined as the capability of a person to anticipate, envision, maintain flexibility, think strategically, and co-operate with others in order to make changes to create a better future for the organization. In order to achieve the organizational vision, a strategic leadership should be supported by the resources of the company that is intellectual capital. Many experts said that the intellectual capital has a huge role in increasing the added value to an organization. Intellectual capital consists of human capital, customer capital and structural capital (Bontis, 1996). Research conducted by Bontis et al. (2000) showed that human capital and structural capital become a significant factor in improving organizational performance. With the improvement of a good organizational performance then the competitive positioning of the organization will also increase. Competitive positioning is to be possessed by every organization who wants to survive in the business competition. In organizations, the establishment of competitive positioning is derived from the company's unique advantage is not easily follow by others organizations. According to Porter (1998) in the five-force models, there are five elements that can establish competitive positioning, they are the threat of new entrants, suppliers' bargaining power, customers' bargaining power, threats of substitute products, and rivalry within the industry.

According to Soudani (2012), AIS can be used by leaders of the organization as a tool to support the transformation of the financial information as decision-making within the organization. The proper decision taken by the management would be able to increase the competitiveness of the organization, including competitive positioning. Therefore Accounting Information System and Intellectual capital are well aligned in the creation of competitive positioning existing organizations.

Research on strategic leadership has not been too much discussed, especially in Indonesia, specifically in the context of the relationship between strategic leadership with the accounting world, usage of accounting information systems and intellectual capital. This made the researchers are interested in looking beyond the role of these two variables in the relationship between strategic leadership with competitive positioning.

Strategic Leadership

According to Ireland and Hitt (2005), strategic leadership is the ability to anticipate, imagining, maintain flexibility and empower others to make the necessary strategic changes in an enterprise. Strategic leadership has six key indicators of success according to what was conceived by Ireland and Hitt (2005):

1. Determining Strategic Direction is to determine the direction of the organization's strategy by developing a long-term vision of the company. The determination of the strategy is a very important thing to be able to respond immediately to the change required by the organization.
2. Exploiting and maintaining core competencies is to developing, maintaining and further exploring of the resources owned by the organization that can be unique when compared with competitors.
3. Developing Human Capital. Human Capital can be view as an asset of the company. In terms of maximizing the work result of the human resources, the manpower should meet the criteria of the organization. Organizational development is one the way to polish the knowledge and skill of employees.
4. Sustaining an effective organization culture. Essentially, all companies have different cultures. A good leader must be able to develop and maintain good culture owned organization.
5. Emphasizing ethical practices. Ethics is an important matter which is required in a company. Strategic leader is a reflection of a leader who is effectively able to priority against ethics within the organization.
6. Establishing balanced organizational controls. The leaders in the Organization must be able to balance and controlling both the financial aspects as well as the strategic. It means that organization must keep innovating by staying in control of investment cost required to implement these innovations.

In this research, the researcher using leadership strategic indicator which adopted from Ireland and Hitt (2005), as is also widely used by other researchers (Jooste and Fourie, 2009; Kamukama 2013; and Slawinski, 2007).

Competitive Positioning

In the Competitive Postitioning, Lings and Greenley (2005) explained that measurement against Competitive Positioning based on relative competitive positioning, meaning that the company's position in the competition based on the relative position of the company compared with competitors. Five forces by Porter (1998) can be applied in terms of measurement the competitive positioning of an organization, the concept consists of the intensity of rivalry, suppliers, the threat of new entry, the threat of substitution, and the bargaining power of buyers.

1. The intensity of the rivalry. The company's position in the competition will be strong if the company is able to follow the pattern of the competitor behaviour and able to follow the various strategy adopted by the competitors. Along with this, the company must also be able to compete with foreign companies that participated in the competition, companies with high competitive power will be able to maintain and expand market share and position.

2. The bargaining power of suppliers. Based on the supply chain, the position of the supplier is a party that provides the raw materials for the purpose of the company. The supplier force will be higher when less of reliable suppliers in terms of providing the raw materials needed by a company.
3. The threat of new entries. New comers will acuminate the rivalry that occurs in the market with more competitors enters the market will be divided because of a new competitor will explore the opportunity to open market, or even seize the enterprise market. The company's ability in presenting the products/services that is better than new entrants will strengthen the company to survive in the market.
4. The threat of substitution. Product replacement determines the company's position in the competition. An Increasing number of substitute products means that the probability of customers to switch to substitute products are larger, it would increase the threat forces on product substitution.
5. Bargaining power of buyers. Buyers are one of the forces that determine the position of the company in the competition. Buyer's forces will increase when buyers have many choices of business players that offer the same product or service. This means bargaining positioning buyers are stronger than sellers, therefore the company must continue to conduct innovation by creating a product and provide a unique service that it will further reduce bargaining positioning from the buyer.

In this research five components from the five forces have been applied to examine the Competitive Positioning. The concept of the five force adopted by the researchers to measure the position of the company in the company are done by Fung (2013); Kumarasinghe and Sachitra (2014); Pecotich, et al. (1999).

Intellectual Capital

According to Bontis (2000) in the research mentioned that there are three dimensional or intellectual capital indicator, which are human capital, organizational capital and social capital:
1. Human Capital. Human capital is the human resources which have an important skills for the development of the products and services within the organization, in order to compete with the competitor.
2. Organizational Capital. The second dimension is talking about the intellectual capital of the organization or embedded in the organization, such as infrastructure, technology or policy information such as hardware and software and other capital which is beneficial to increase competition organization.
3. Social Capital. This third dimension is an assest that is embedded in the form of relationships between employees, customers, suppliers, partners, alliances, and others. Social capital is generating innovation, increased productivity, service, and customer satisfaction.

This study uses indicators of intellectual capital that are based on the theory Bontis (2000) which is then developed in subsequent studies such as Choudhury (2010) or Sharabati et al. (2010).

Usage of Accounting Information System

According to Romney (2009), Accounting Information System is a process that consists of data collection, data entry and record keeping to process data into information that can be used in the decision-making process within a company. According to Hall (2011), Accounting Information System is a subsystem of both financial transactions and non financial transaction that directly impact in the financial transaction. Further Hall (2011) says there are three main subsystems in the Accounting Information System, specifically:
- Transaction processing system (TPS) is as a supporter of the daily business operations that are related to the recording of financial transactions.

- Financial reporting system (FRS) is a system that produces the traditional financial report such as profit and loss report, balance sheets, cash flow report, rollback tax and other reports which are the requirements of the law.
- Management Reporting System (MRS) is the system that provides a more strategic report in financial, including internal information that is required in term of decision making by a company. The report is produced by MRS such as profit and loss report, budget, and others variant internal reports. MRS reporting types are also called discretionary reporting, since the management could choose information type and how to distribute the information.

According to Anthony (2007), the dimension of the use of accounting information can be divided into three levels that in accordance with the management levels of the organization:

1. Strategic Planning (Top Level Management). Strategic planning is a process to determinizing the objectives of the organization and management of the resources used to achieve those goals and the policies to regulate the acquisition of existing resources.
2. Tactical control (Middle-Level Management), is the process by which the manager ensures that the resources used for the achievement of the objectives of the organization are used effectively and efficiently.
3. Operational Control (Operational Level Management). Operational control is the process to convince management that activity and technical operational tasks are carried out effectively and efficiently.

Based on the combination of opinion between Anthony (2007) and Hall (2011), that the accounting information systems, can be visualized in pyramid model that explains more about the usefulness of accounting information system in business organizations.

FIGURE 1
USAGE OF AIS IN ORGANIZATION
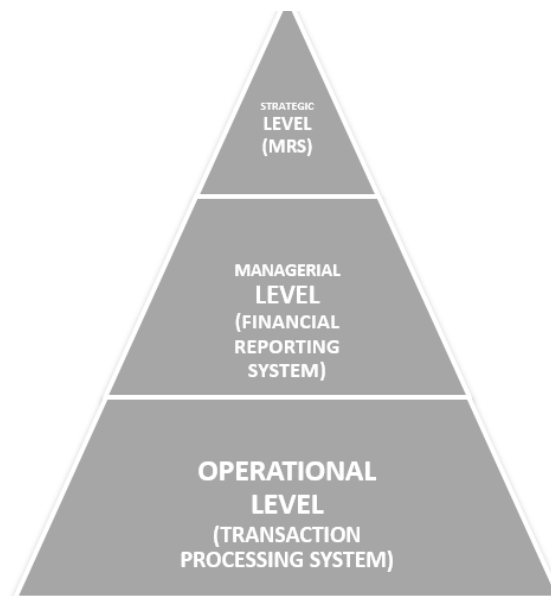
Is expected of each organization should be able to maximize the use of existing accounting information systems, it applies not only at the operational level but also on the level of managerial strategic.

The Relationship Between Strategic Leadership Against Competitive Positioning

Based on the result of previous research already mentioned about the importance of leadership style in relation to the company performance. Ojoku et al (2012) mentioned that leadership style has close links with the organization performance. As explained above the Strategic leadership as one of leadership style type, which means that strategic leadership can also be determinant on the performance of the organization. Many researchers (Elenkov, 2005, Ireland and Hitt, 2005) saw that without the existence of an effective strategic leadership (SL) organization will not be able to achieve and maintain competitive advantages positioning. Based on it, researcher then establishes hypothesis as follows:

H1: There is a positive impact on strategic leadership towards competitive positioning

The Influence of Strategic Leadership Against Intellectual Capital

Strategic leadership has a strong relevance to the way of managing company resources. In a study conducted by Singh and Das (2007) mentioned that the resources within the company will be allocated effectively by strategic leaders. Internal Resources organization consist of tangible and intangible resources. Leadership itself is an intangible asset, also has a strong influence and impact on others intangible assets (Muller and Raich, 2005). It strengthens indications that strategic leadership as one type of leadership which also had links to resources or intellectual intangible capital (Ortiz, 2011; Memon, Mangi and Rohra, 2009). From the empirical studies that have been mentioned above, the researchers set the second hypothesis is as follows:

H2: There is a positive effect among Strategic Intellectual against Intellectual Capital

The Impact of Strategic Leadership Against Usage of Accounting Information System

Information is one of the asset parts which can be used as a core competence of the company (Hooley, 2001), therefore strategic leader will attempt to use the information system that is not only for operational level but up to the level of the strategy. This means that with the existence of strategic leadership will be able to push information to the strategic knowledge to help in making a decision and even strategic arrangement precisely (Bozdogan, 2013). Based on the research that has been described above, researchers formulate the fourth hypothesis are:

H3: There are positive effects among Strategic Leadership to Accounting Information System

The Intellectual Capital Impact Against Competitive Positioning

Jardon & Martos (2009) define that there are two types of resources, tangible and intangible which known as intellectual capital. In the further research, explained that the intellectual capital and tangible resources both are suitable to create core competencies that will enhance organizational capabilities. Organizational capabilities will help an organization to increase strategic factor. The strategic factor can be defined as an organization's ability to produce a performance as expected by stakeholders, including customers and other external parties. It will eventually be able to improve the competitive positioning to the existing organizations. Based on that the researcher specifies the fourth hypothesis as follows:

H4: There is a positive impact among intellectual capital against competitive positioning

The Relationship Within Usage of Accounting Information System and Competitive Positioning

According to Lin, et al. (2005), when an organization has the ability to apply an effective system with supported by using the correct technology support is a key factor in improving the organization's position in the competition. In research conducted by Maloni and Benton (1999), explains that the factual information is able to provide guidance in order to make a decision regarding the organization empowerment resources. It will have an impact on improving the organization's ability in competition. Information system can be used as a tool that is able to manage the strength of the competition, the

strength of the supplier, the strength of new competitor as well as the strength of the substitution product and the strength of the buyer (Pecotich, et al., 1999), therefore an appropriate and accurate information as well the use of AIS that concern on the overall level of management will be able to strengthen the company's position in the competition. Based on previous research it can be formulated as the following hypothesis:

H5: The use of SIA has positive and significant impact on Competitive Positioning

The Deliberations and Discussion

The purpose of this research was to examine the effect of the strategic leadership impact toward competitive positioning through the usage of AIS and intellectual capital. This is a quantitative research with primary data distributed to public companies in the city of Surabaya, Indonesia. The questionnaire spread to 300 managers of public companies and there are 196 valid questionnaire and meet the criteria to be processed. To examine the hypothesis of the research used Partial Least Square (PLS) analysis with SmartPLS program.

FIGURE 2
PLS OUTPUT
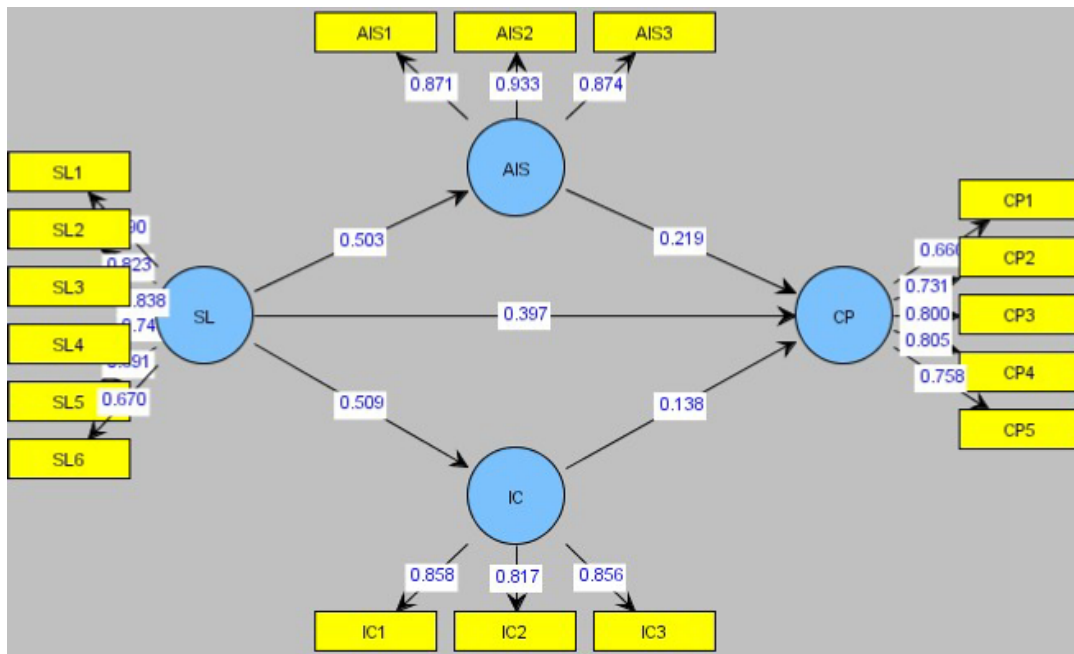
The result of SmartPLS process shows that the outer loading for each indicator variable strategic leadership, competitive positioning, usage of AIS and intellectual capital all have a value of more than 0.50. This means that the indicators used in this study has met the convergent validity, and therefore could be used to create a model for the study. The coefficient value which is influence from the strategic leadership against the usage of AIS is 0.503 with t-statistic 4,114 (>1,96). This shows that influence of the strategic leadership against usage of AIS is significant. The higher quality of strategic leadership within an organization, it has a real impact on the increase in usage of AIS. Therefore the first hypothesis is acceptable.

TABLE 1
T-STATISTIC FOR EACH CORRELATION

	original sample estimate	mean of subsamples	Standard deviation	T-Statistic
SL -> AIS	0.503	0.502	0.122	4.114
SL -> IC	0.509	0.541	0.103	4.940
SL -> CP	0.397	0.453	0.106	3.736
AIS -> CP	0.219	0.212	0.105	2.094
IC -> CP	0.138	0.124	0.127	1.083

As for the value of the coefficient of the influence of strategic leadership against intellectual capital is 0,509 with t-statistic 4,940 (>1,96). This shows the influence of strategic leadership against intellectual capital is significant. The higher the quality of strategic leadership within an organization, it impacting significantly towards improving the human quality, structural and customer capital. Therefore the second hypothesis is also acceptable. The coefficient value which is influence from strategic leadership against competitive positioning is 0,397 with t-statistic 3,736 (>1,96). It also shows the influence of strategic leadership towards competitive positioning is significant. The higher the quality of strategic leadership within an organization, it has the real impact on the increase in the improvement of the organization's ability to compete expressed with competitive positioning variable. Therefore the third hypothesis is also can be accepted. The fourth hypothesis, regarding the relationship between usages of AIS against variable competitive positioning, is also significant with the value of t-statistic 2,094 and coefficient value 0,219.

The last hypothesis (H5) is the coefficient value from an influence of intellectual capital toward intellectual capital is 0,138 dengan t-statistic 1,083 (<1,96). Therefore the fifth hypothesis is not acceptable. The quality of human, structural and customer capital within the organization that investigated this average has not been able to improve significantly the quality of competitive positioning. Since H5 is no significant, therefore the role of intervening intellectual capital variable could not be tested and it can be concluded that the intervening intellectual variable has not been able to performance well.

Based on observation regarding the role of intervening usage of AIS variable in the relationship between strategic leadership against competitive positioning, it can be concluded that it have not been too effective. It means that the usage of AIS variable has not been able to contribute to strengthening the strategic relationship between the leadership against competitive positioning. It is shown that a direct relationship with the competitive positioning of strategic leadership is 0.397 greater than the indirect relationship between strategic leadership against competitive positioning through the variable usage of AIS amounted to 0.111 (0,509 x 0,219). The relationships in the statistic known as the "suppressed", which means a direct relationship is more effective compared to indirect relationship through the usage of AIS, therefore it can be concluded that the leaders of public companies in Surabaya have not achieved a maximum performance of strategic leadership related to the information systems, which means that these leaders have not able to leverage the usage of AIS role in maximizing the quality of competition existing organizations.

CONCLUSION AND SUGGESTION

This research is to examine the relationship between strategic leadership against competitive positioning through the usage of AIS and intellectual capital. This research can be useful to organizations and managers to be able to recognize how the role of strategic leadership in building competitive positioning either directly or through the usage of AIS and intellectual capital. The result of research shown that strategic leadership has a significant relationship with competitive positioning, the usage of AIS and intellectual capital. Therefore the leaders within organizations need to improve their strategic

leadership skills in order to improve the performance of organization such as the competitive positioning, the usage of AIS and intellectual capital. Besides that, should also realize that a strategic skill alone is not enough, the leader also need to train themselves in managing the use of accounting information system more effectively. This can be done through performing interventions in the form of training and coaching over the concept of the usage of accounting information within the organization. It is the same with the intellectual capital, the leaders must understand how to maximize the impact of human capital, capital structural and capital relationship against competitive positioning.

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