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Preface

Despite the extensive academic and practitioner literature available on leadership, one can easily assume that practitioners are far from having a coherent understanding of what leadership is about. Leadership is increasingly interpreted and reviewed referring to composite global socio-economic and environmental opportunities and risks framed in relation to sustainable development. This book, when compared to other books on leadership, is expected to present a new understanding of the essential features of leadership and it varies from the wealth of literature in the following ways: firstly, this book attempts to include leaders at all management levels within an organization and across various sectors. Focusing on the fact that the actual leaders must move within the context of a dynamic system of global pressures and trends, this book also aims to provide experiences and reflections across a variety of sectors and organizational structures rather than focusing on one set of definitions (as is the case in current leadership sources). In doing so, this book is expected to provide the reader with a broader perspective about leadership. Finally, this book is expected to offer a new perspective addressing and inspiring actual leaders today and potential ones and contributing to the existing debate on leadership.

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Section 1

Leadership Challenges in Educational Contexts

Chapter 1

The Relationship between Instructional Leadership Style, Trust and School Culture

Hülya Şenol and Figen Yaman Lesinger

Additional information is available at the end of the chapter

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Abstract

School culture is a phenomenon that is created by students, teachers, administrators, parents, and other school staff members. It is formulated and operated by the school administrators. School culture is acquired in form of habits, beliefs, perceptions, behaviors, and norms, and influences every aspect of how a school functions, including the methods of communication and the style of leadership of the school. Organizational trust in schools may not be formulated without school culture and the stakeholders of education are the key actors, who play crucial roles at the provision of organizational trust. Quality of the communication among administrators and other stakeholders plays an important role in constructing trust in a school, increasing motivation, and creating opportunities to express the needs and expectations to each other. Different perceptions among teachers and school administrators on educational leadership may cause problems regarding the organization of the school. This may in turn become a source of organizational conflict. This chapter involves the definition of instructional leadership, general features of an instructional leader, reconceptualization of instructional leadership as distributed leadership; concept of school culture and its features; and concept of institutional trust and role of instructional leadership in constructing school culture and trust in schools.

Keywords: instructional leadership, trust, school culture, education

1. Introduction

1.1. Instructional leadership

School effectiveness is the all efforts of schools to make changes to improve level of students' achievements, and this term has been widely used since the 1960s [1]. Instructional leadership is a term which has been used after the work of Edmonds [2], Bossert et al. [3], Hawley and Rosenholtz [4], and Purkey and Smith [5] on effective schools in the United States and has been accepted as a core element of school leadership [6]. Researchers of effective school movement during the 1980s compared effective schools with ineffective ones regardless of socioeconomic status and family background of their students. This body of research had drawn attention of policymakers and scholars that instructional leadership of the principals, who focus highly on teaching and learning, is needed for school effectiveness. According to Lezotte [7], the principal as an instructional leader communicates the mission to the staff, students and parents in an effective school, and the principal as a coach, a partner and a cheerleader will have to develop his/her skills. Lezotte [7] proposed seven correlates of effective schools as follows:

1. Instructional leadership
2. Mission which is clear and focused
3. Environment which is safe and orderly
4. Climate with high expectations for success
5. Frequent tracking of student progress
6. Home-school relations which are positive
7. Student time on task and opportunity to learn

During the 1980s, many models of instructional leadership were introduced by the researchers. Researchers have used the model proposed by Hallinger and Murphy [8] most frequently in their research about instructional leadership. This model proposes three dimensions of instructional management and ten instructional leadership functions as follows:

Dimension 1: School mission is defined:

a. School goals are framed clearly.
b. School goals are communicated clearly.

Dimension 2: Instructional program is managed:

a. Instruction is supervised and evaluated.
b. Curriculum is coordinated.
c. Student progress is monitored.

Dimension 3: Positive school climate is created:

a. Instructional time is protected.
b. Professional development is promoted.

c. High visibility is maintained.

d. Incentives for teachers are provided.

e. Incentives for learning are provided.

Dimension 1 proposes that academic goals of the schools should be clear as they are discussed and reviewed with staff regularly. These goals have to be supported and incorporated into daily life by the staff. Principals should communicate the school goals to teachers, students and parents through the formal communication channels such as the school handbook and assemblies or informal ones such as parent and teacher conferences [6]. Mission is a body of goals determined for bringing vision to life. Schools should have certain goals. The basic mission of the school is to ensure that the environment needed to deliver high-quality education to students is created. There may be different viewpoints among teachers as regards the mission of the school; thus, the instructional leader is responsible for developing a shared mission based on stronger values. School principals may create an effective public relations system so as to announce the school objectives to the stakeholders as public relations is related to providing an effective communication channel through which the target audience can be notified about institutional objectives especially academic ones, of the school and developed expectations for education, student, teacher and academic success. Defining a good school vision and assertive mission is not sufficient alone. Goals of the school must be put into life by planning and reviewed constantly depending on changing and developing conditions and redefined when necessary so that they are up to date.

Dimension 2 requires principles to have high knowledge in the school's instructional program, commitment for the improvement of school and expertise in teaching and learning so that the principal can coordinate and control academic program of the school [6]. Ensuring coordination between curriculum and activities in school is one of the important roles of a school principal. The purpose of inspection in schools is to increase the effectiveness of all school activities and to obtain high-quality education. Inspection applied by school principals includes focusing on teaching-learning processes. Ensuring the goals of their school are translated into classroom activities is the main task of the school principals. Teaching can be monitored in classroom through semi-official classroom inspections, then concrete feedback can be given to teachers on certain classroom activities, and it is ensured that they reach the desired level. A school principal who aims the development of education-teaching and teachers in the school are obliged to inspect and evaluate what happens at the school. The evaluation must not be with the purpose of scaring but inspiring. The working environment and trust must be established so that teachers will not feel any fear at the time of evaluation. In order to ensure that teachers perform their roles better, he/she acts with them, leads them, inspires them for self-development and keeps their motivation high. The purpose of course inspection is to obtain direct information about student success and ensure that the missing points are corrected, provide feedback to the course teacher about the negative aspects and encourage them in developing the positive aspects, which is a milestone in the road to success [9]. The school principal can discuss the test results with the staff and provide them with interpretive analyses so that student weaknesses can be diagnosed and results of changes that were made in the school's instructional program can be evaluated [6]. The school principal should create an evaluation system which appraises the academic success of students with the purpose of rewarding success and improvement displayed by students [10].

Dimension 3 proposes that if high standards, expectations and culture of continuous learning and improvement are developed, an academic press can be created by the schools [6]. Time planning is one of the most important elements at school. The opening, closing, holiday and resting times, class hours and breaks of a school are elements that interest the time dimension of teaching. The activity periods at school have to be determined according to priorities and effectively planned; it is also necessary that the school principal has a special time plan and has time management skills. Attention must be paid to ensure that teaching time is used for teaching and implementing new skills and concepts and it is not interrupted. This can be monitored and evaluated by school principals through regular classroom visits and enforced with school policies. The top priority of school principals is to provide the environment needed for supporting the professional development of teachers related to school goals so that they can:

- Ensure participation of teachers in several in-service training activities
- Organize seminars, conferences, workshops, etc., for improvement of teachers in the school
- Inform teachers on all kinds of education opportunities outside the institution

When the school principal observes classrooms, strolls in the building regularly and participates in personal development activities actively, teachers and students perceive the manager as a visible being. This also strengthens communication between stakeholders of education. An effective leader should value the success of both teachers and students. If they know that they will be rewarded due to a superior performance, they will be highly motivated to succeed better. Many researchers defined the characteristics of instructional leaders and their roles in effective schools [3, 11–26] as follows:

- Assertive
- Self-confident
- Strong disciplinarians
- Calm
- Decisive
- Persuasive
- Resists against hindrances
- Keeps high motivation for success
- Takes risks
- Strong

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- Directive leader
- Not strictly bureaucratic
- Adopts democracy
- Good communicators
- Good role models
- Orients strong results
- Has power of purpose
- Encourages other members of the school to be involved in decision-making
- Systematically monitors student progress
- Has high visibility during supervision
- Visits classes
- Observes teaching and then responds to those observations
- Experts in curricular development
- Experts in teaching
- Develops a common sense of vision among all members of the school
- Evaluates the achievement of basic objectives
- Focuses on building school culture
- Focuses on academic press
- Focuses on high expectations for student achievement
- Perceived as the person of a difficult work who pays effort to learn
- Performs lifelong learning, pioneers his/her environment for their learning
- Shows high level of performance
- Communicates easily and dynamically sets targets
- Has detailed information about teaching planning and learning theories
- Aware of the problems in the class
- Able to determine pedagogical objectives themselves
- Sets balance between their behaviors and values at school and in social life
- Supports empowerment and controlling for sustainability
- Prefers changing by risk-taking to sticking with the status quo and innovation to stability

- Individuals who execute education-teaching activities recruiting their power from expertise
- Able to create an organizational culture
- Manifests coherent education philosophy

2. Reconceptualization of instructional leadership: distributed leadership

Until the 1990s, researchers focused on school principals as leaders who frame goals of the schools, maintain great expectations for teachers and students, promote development of teachers, supervise instruction, coordinate curriculum, monitor progress of the students and develop school program as an expert [27]. Researchers have put a great emphasis on the leadership skills of principals in effective schools since the end of the 1970s, and they have considered that these skills are one of the main factors of school effectiveness [25]. Democratic and also participative organization of schools conflicted with the hierarchic position of instructional leadership in the late 1980s during effective school restructuring movement which aimed to empower teachers accepted as professional educators (Marks and Louis 1997 as cited in [21]). Because of the limitations of instructional model focused on principals, attention was switched to transformational leadership and subsequently to distributed leadership [28].

Increase in responsibilities and accountability of school leadership created the need for leadership distribution in schools. Hall and Hord [29] did a research related to fruitful change in schools and concluded that it is impossible for school principals to do it alone. This means that teaching cannot be improved by only school principal, and this work should be distributed across the school leaders [30, 31]. Then school leadership was reconceptualized as distributed leadership [32]. Distributed leadership is a collective action that can be exercised by the school principal, their assistants, heads of departments, teacher leaders and other members who aim the improvement of school [33–37]. Hargreaves and Goodson [38] note that distributed leadership is not an end in itself; it is distributed among instructional leaders. Instructional leaders share the responsibility of supervision of instruction, staff and curricular development.

During the 1990s, consideration of the role of teachers as leaders increased [39]. Principals have more chance to spend time in the classrooms of small primary schools to monitor teaching, but they may need teacher leaders or heads of departments to engage in curriculum in large secondary schools [40]. Youngs and King [41] stress that principals may build the capacity of school with the aid of teacher leaders. According to results of the studies done by Marks and Printy [21], schools become high-performing organizations when teachers share the instructional leadership with school principals. In this frame, it was defined who the teacher leaders are and what they do. Department chairs, curriculum managers, coaches, specialists, professional development coordinators, consultants, mentor teachers, resource teachers and demonstration teachers can be teacher leaders. Some of the teacher leaders can focus on different subjects or different grades, or they may focus on only one subject or one

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grade level [42]. Many of the teacher leaders may have full-time leadership role out of their classes, or some may take responsibility both as teacher and part-time leader [43]. Roles of teacher leaders for improvement of instruction and enhancing student learning are identified by researchers as follows:

- Promoting school vision
- Accepting school goals
- Strengthening school culture [44]
- Conducting workshops for professional development
- Co-planning and modeling lessons
- Observing teaching and providing feedback
- Collecting and analyzing data
- Facilitating dialog
- Giving reflective critique
- Promoting shared practices among teachers [45]

Peer coaching idea was first explored by Showers and Joyce [46]. They suggested that teachers should coach each other in complimentary ways. Coaching is a class-based support given by qualified, knowledgeable individuals to teachers and coaches to explore the ways on how to increase teaching practices of the teachers by using their own students [47]. Applications of coaching differ both within and between schools [48]. Coaches may focus one subject or grade or may work across grades or schools like teacher leaders, and they can be teacher leaders who coach in addition to classroom teaching, or they can be from outside the school [49]. Roles of peer coaches were identified by the researchers as follows:

- Focusing on the needs of teachers [50]
- Helping teachers plan and organize teaching lessons
- Managing activities
- Demonstrating lessons
- Organizing materials
- Analyzing data
- Providing professional development [51, 52]
- Supporting whole-school reform
- Building school capacity [52]

Teachers believe that coaches are not useful if they spent more time on management and administrative duties than their needs [51]. Based on the results of studies, it was noted that the quality of teachers' instructional practices for class discussions improved [53] and also student achievement increased with coaching program [33, 54, 55].

3. School culture

3.1. The concept of school culture and its features

Various and numerous definitions have been made regarding organizational culture. According to Schwartz and Davis [56], organizational culture is the whole of beliefs and expectations shared by members of the organization and the norms that shape the behaviors of groups and individuals in the organization. Some of the scientists who are interested in the concept treat the organization's culture as a set of widely shared beliefs about how people behave at work and the values that make it possible to distinguish which goals and tasks are important [57].

According to another point of view in the literature, organizational culture is the common beliefs and values that develop over time in an organization [58]. Hellriegel and Slocum [59] describe an organization's culture as a complicated structure that is composed of beliefs, ideas, expectations, attitudes, behaviors and values shared by members of the organization. Organizations are social systems. The most important elements of this social system are the people. These people, who make organizations dynamic, come to life with their knowledge, manners and beliefs, or briefly "culture," which they surround. Organizations are made up of people with different cultures. Social gaze, beliefs, rewards or punishment expectations, flexibility and fatalistic beliefs, that is, social expectations, which are shaped in the culture in which humans are located, cause them to look at the same phenomenon in the same context [60]. These people have come together with a number of professional criteria, and as a natural consequence of being a group, they have formed a system of beliefs and values that are relatively different from other organizations but within themselves. This system is "organization culture." School culture can change in time in order to obtain higher student achievement as the profiles enrolling at the school vary from one year to the other and a school should adapt itself to them [61].

In order to be able to compete in a constantly changing environment, the organization must adapt itself to this change, continually learn and practice what they learn [62]. Every organization should demonstrate value-based management. In other words, according to the development of events, there should be a set of values and decisions in the face of developing situations that do not take daily decisions [63].

3.2. Formation of school culture

Even though the definition of culture is difficult to measure and it causes some concerns, organizational culture offers a variety of benefits to its leader and organizational members [64, 65]. Organizational culture contributes to the organizational leadership in working more effectively and harmoniously with the organizational leader, as well as by providing regular procedures for the strategy and methods of putting the work into practice. Organizational culture leads to the emergence of new leaders who are identical in qualities to individuals who work within it and of its members. It provides a solid relationship between the individuals working in organizational culture and benefits such as contributing to the formation of cooperative working teams.

In their research, Kowalski et al. [66] stated that one of the most important elements of school cultures is sharing. According to Robbins [67], management refers to one of the functions of communication as providing sharing. As for Senge [68], communication manager has been included in the factors that make a leader. In the organizations, it is possible to produce, share, interpret and understand the meaning of organizational communication in the processes of management functions such as effective coordination of managers [69, 70]. In this context, it can be said that there is an important share of communication in the formation of organizational culture, which is expressed as organizational integration and assumptions leading to external compatibility [65, 67]. The creation and strengthening of school culture are seen as a fundamental necessity for supporting and sustaining success in school [71].

Finnan [72] notes that school culture is not a static element but is constantly being built and shaped through reflection and interactions between individuals.

3.3. Elements of school culture

School culture gives a sense of formal identity and draws a way for organizational processes through organizations, legends, rituals, meanings, values and norms [73].

a. **Values:** The values and actions of individuals in the organization are measured and evaluated. Values are wider and tighter when compared to norms. To legitimize norms, they must originate from cultural values [74].

b. **Beliefs:** According to Schein [75], beliefs direct the behaviors of members of an organization by telling them how they should think and feel. The more beliefs are similar and shared by people, the more they become settled and distinct in the culture. Reaching the goals will be easier when beliefs are internalized in an organization [75].

c. **Norms:** Norms are invisible elements. If organizations want to improve the performance and increase the profitability of their employees, the first element they need to focus on is norms [76].

d. **Heroes:** Heroes are important people who make organization culture or adopt organization culture. At the same time, the heroes are symbolic of the organization culture. In many organizations, heroes are role models [74].

e. **Stories and tales:** In relation to the organization, they are important events that members live or listen [74].

f. **Language:** One of the key elements of communication is the language and, at the same time, cultivation [74].

g. **Symbols:** Symbols are symbols and words in organizational culture. These include special meanings. Essential values forming the basis of the organization are expressed by symbols [74].

3.4. Dimensions of school culture

According to some researchers, several and various dimensions of school culture are determined. These dimensions are as follows:

1. Democratic management and participation

A democratic school management includes determination of representatives through elections, a transparent management philosophy, providing a free working environment to the employees, entrenching a system which allows employees and students to express themselves freely and creating a culture which adopts equality as a common value, etc., [78]. Some studies showed that the subordinates of participatory leaders have higher satisfaction than the subordinates of some rampant leader types and that an increase in participation and cooperation level also increases the level of identification of employees with their organizations; other studies indicated that there is a meaningful relation between increase in morals and efficiency and more participation and that when workers determine production targets themselves, they determined a target which is above normal levels and that they surpassed this target in a short period of time (Roethlisberger and Bavelas cited in Davis [77]), (cited in [79]). As a result, it can be thought that success is inevitable in organizations which have a democratic school culture.

2. Cooperation, support and trust

Cooperation can be defined in general terms as "a working partnership or business partnership created by individuals with same purposes and interests." Support is the degree of help and sincerity provided by managers to their subordinates [80]. In his definition of school culture, Senge underlines the need to support the process between attitudes, values and habits. The existence of a supported professional community prevents teachers from giving in to exhaustion and empowers and motivates them (cited in [81]). There are stronger relations between education employees who enjoy an environment of trust, as a result of which they can display common stance in the face of problems and everybody can make contribution to the solution. If an environment of trust cannot be created, the relations between employees are damaged and sharing and cooperation are reduced.

3. The relation between school and environment

The most important and explicit feature of school culture is that it receives the raw material (student) that it processes from the society, subjects them to the necessary education process and gives back to the society. It is also distinguished form other organizations in that all formal and informal organizations around the school direct or influence it. The development of a child at school must be in the same direction with the sensitiveness that the family shows to education. In this sense, two advantages of cooperation between family and school can be mentioned: first, the interest shown by the family to school and student provides motivation. Second, families that are familiar to the structure, values and standards of the school can direct their children in a better way [82]. A strong connection established between school and environment will have a positive impact on school culture.

4. Integration and sense of belonging

A distinct result of a strong culture is low employee turnover rate. In a strong culture, there is a high level of agreement among members on what the organization represents. Such a unity of purpose stimulates the senses of organizational belonging of employees, as a result of which the tendencies of employees to leave the organization are reduced [80]. Integration is the psychological commitment between an individual and the organization. This situation involves not only engagement of the individual to work and commitment to the organization but also his/her beliefs about the dominant values of the organization. Members of an organization can integrate with the group and the organization as well as its objectives through some shared cultural elements. For this reason, it is essential that the manager imposes an awareness of "us" in the organization so that employees benefit organizational integration and sense of belonging. In addition, in order to create a sense of belonging and community at the school, a stable group based on long-term togetherness is needed above all. Long-term togetherness of the staff is essential in terms of integration. Frequent turnover of managers or employees has a negative impact on the development of integration. On the other hand, the feeling of being a community is related to the sense of being a community that is related to all members of the school community accepting themselves as a part of the school and integrating with the school (Alavi et al., [83]).

3.5. Features of school culture

As an organization, school is an organization which adds the behavior needed to reach preset educational objectives in a planned manner and within a certain period. It is a system operating under public surveillance where transfer of knowledge and skills is realized in a programmed and systematic manner [78].

Features of a school organization can be listed as follows:

- The most important and explicit feature of a school is that the raw material that it processes is human who comes from and goes back to society.
- School has some values. The task of a school is to reconcile and balance these values.
- School is a special environment. A controlled environment is created by developing programs that will ensure the behavioral changes desired to occur in the student.
- School is an organization which is affected by and affects the environment.
- School is the leading organization which ensures cultural change.
- It is an organization which teaches cultural values to students and creates change in the cultural structure of the society.
- School has a unique culture and personality.
- School is a bureaucratic organization [84].

3.6. The benefits of school culture

Although the definition of culture is difficult to measure and causes some concerns, organizational culture offers a variety of benefits to this organizational leader and organizational members [64, 65].

- Organizational culture contributes to the organization's staff to work more effectively and harmoniously with the organizational leader, as well as providing regular procedures for laying out business strategies and methods so that they can work effectively.
- It increases commitment to the vision of the school.
- A positive and effective school culture has many benefits such as increasing commitment to the school, developing trust toward school and the management, preventing destructive conflicts, shaping the behaviors and expectations of teachers and students at the school and increasing school success, etc., [65].
- It increases the effectiveness and efficiency at school (such as academic success of students, performance of teachers) [85].

4. The concept of institutional trust

Trust can be shown as one of the most important factors in interpersonal relations and interaction. It has been subject to studies in the fields of organization, management and organizational behavior since the 1980s [86].

Cummings and Bromiley [87] define trust as a mutual belief between individuals or groups that they will not use the opportunities to obtain advantage by keeping the promises of a group or individual made to other group or individual. Studies on organizational trust examine trust under three main headings. These are:

- Trust to colleagues
- Trust to the manager
- Trust to the organization [88–90]

According to Hosmer [91], the five characteristic features of trust are as follows:

- Helpfulness (thinking about the wellness of others)
- Honesty (sticking to rightness)
- Consistency (showing similar behaviors in similar situations)
- Openness (sharing opinions and knowledge freely)
- Competence (being skilled)

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Handy [92] stated that trust:

- Is not blind
- Is strict
- Requires limits
- Requires constant learning
- Requires being connected
- Requires contact
- Has to be earned

Trust is fragile; for this reason, it is not expected to show continuity. The behaviors which develop and preserve trust can be listed as follows (Covey 2004 cited in [93]):

- Sharing essential information about oneself
- Accepting weaknesses and errors
- Asking for help and using the skills and experiences of others
- Accepting the questions and information about the scope of your irresponsibilities
- Giving the benefit of trust to others before reaching negative conclusions
- Being willing to be influenced
- Taking risk in offers for feedback and help
- Refraining from abusing others who are open to criticism
- Spending time and energy on cooperative benefit
- Behaving in fairness and stability
- Keeping promises

The recommendations for repairing trust in the case that trust is reduced or breached can be listed as follows [93]:

- Sincere apologies
- Not allowing the affected person to affect you
- Keeping promises

Establishment of organizational trust at schools is not an easy task. Education institutions are environments where changes in terminal behaviors are targeted and within this framework interpersonal relations are experienced in the most intense manner. Ensuring the formation of trust in education institutions can lead to developments which will affect the quality of relations with teachers, students and parents in the short term and the entire social life in the long term. School is an organization which produces services, and this service can be highly qualified only if a positive intra-organizational environment is provided. Good relations between the employees, specification of the tasks and responsibilities and also talented employees willing to show their work have critical roles in the formation of trust in the institution [94].

Trust and the reflections of trust phenomenon in organizations, meaning organizational trust, have been mentioned so far. In the end of theoretical explanation, details will be given about the reflection of trust and the phenomenon of organizational trust in the school. The place of trust phenomenon at schools is close to, if not more important than, the position of the trust phenomenon in other organizations as schools are institutions that are established to create behavioral change in individuals. Most part of school product constitutes the behavioral changes in the people that it educates. There are very few types of organizations where human element is as dominant as school. In an institution where human element is dominant, trust, which keeps people together and which is the result of relations between them, has huge importance. According to Tshanmen-Moran et al. [95], trust is necessary to achieve success at school and to establish a better environment between managers and teachers in terms of education. The five basic criteria for creating trust at school are helpfulness, trustworthiness, competence, honesty and openness. We can list the benefits that a strong organizational trust level can provide to the school as follows:

- It lays the foundation of a broad-based development and change that will be ensured at school.
- It gives hope to teachers about regulations and changes made at school.
- It ensures that teachers know each other better.
- It shows whether the works and operations at school are conducted in a healthy manner [96].
- Trust toward colleagues and school makes teachers open to innovation and change [97].
- A trustworthy school climate ensures that teachers think about how to provide a better learning environment [98].

According to Bryk and Schneider [99], below are the actions that can be taken to create a sustainable climate of trust at school:

- School personnel having the competence for performing their job
- All employees being open and honest in their relations
- Transparency between managers and employees

Taking into consideration the development and efficiency of school, trust represents a critical point. Trust lays the foundation of performing good and effective work at schools, whereas lack thereof appears as a factor which hinders such a development. At schools where trust does not exist, detachment between teachers and students and an unhealthy climate of communication exist. At schools with low level of trust, leaders pay effort to satisfy small interest instead of working for the group and the school. When lack of trust claims the school culture, it is not possible for the school to perform efficient work. In order to assure positive change at schools, we have to create an environment of relations based on trust. For the solution of many problems faced at schools, creating a trust-based working environment is the preliminary condition [100].

5. Role of instructional leadership in constructing school culture and trust

School culture is a phenomenon that is created by students, teachers, administrators, parents and other school staff members, and it is acquired in the form of habits, beliefs, perceptions, behaviors and norms. School culture influences every aspect of how a school functions including the methods of communication and the style of leadership of the school. Organizational trust in schools may not be formulated without school culture and the stakeholders of education as principals, teachers, students and parents. Quality of the communication among leaders of education, teachers and students plays an important role in constructing trust in a school. Trust will increase the motivation and morals and improve cooperation, school culture, organizational commitment and the impact of the instructional leaders on teams. How do the instructional leaders gain trust of others? Teacher leaders can gain trust of teachers if they help them as peers not as expert supervisors and avoid to give strict feedback about the teaching activities of the teachers [45]. They have to be facilitators by pointing out the weaknesses and showing the ways to increase the effectiveness of the activities. Teacher leaders are more effective when they are supported by the principals [40]. Principals may inform the teachers about the roles and importance of teacher leaders to increase school effectiveness and may provide sufficient time for them to work together [35]. Coaching can be effective when supported by the principals [101] and the teachers [102]. Principals can explain the importance of coaching to the teachers for improving teaching [37]. The works of the instructional leaders of a school are complementary of each other so that they have to trust and support each other. In this way, leadership can contribute to improve student learning by shaping the conditions and school climate based on the school objectives which target to meet the needs of contemporary society. Different perceptions among teachers and school administrators on educational leadership may cause problems regarding the organization of the school. This may in turn become a source of organizational conflict.

Taking into consideration the impact on the shaping of school culture, weaknesses and training needs of instructional leaders to succeed in their mission can be analyzed, and education opportunities can be provided to improve their instructional leadership qualifications; then measures can be taken against the factors that restrict instructional leadership. It is necessary that school leaders are aware of the importance of instructional leadership and positive, cooperative school culture is structured and developed at schools in order to ensure the effectiveness of schools and student success. In context of distributed leadership, principals, teacher leaders, deputy heads or coaches should work together, support each other as instructional leaders to reach the goals of the school. This may happen only in a climate of trust and mutual support which becomes an integral part of school culture. So school leaders should establish trusting relationships with each other if they place priority on effective instruction, student success and school improvement.

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Chapter 2

Workplace Deviance Behaviors

Ahmed Mohamed Fathi Agwa

Additional information is available at the end of the chapter

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Abstract

This research study employed a casual comparative approach to investigating the workplace deviance behaviors of educational leaders in the primary and high schools in Egypt. Random samples of 239 managerial employees in the primary and high schools were selected. The research study measures the workplace deviance behaviors of leaders. Chi-squares and t-test results revealed that no statistical differences were noted between the primary and high schools with regard to interpersonal deviance (ID), organizational deviance (OD), and workplace deviance.

Keywords: leader's workplace deviance, interpersonal deviance, organizational deviance

1. Introduction

The past 10 years have fostered an increased interest in the unethical behavior exhibited by firms. Large corporations such as Enron, WorldCom, and Tyco have brought public attention to the inherent dangers of unethical business practices [1]; therefore, employee deviance, such as theft, withholding effort, and maltreatment of coworkers, is a pressing issue for most organizations [2].

Deviant workplace behaviors are becoming a cause for considerable concern in organizations across the globe [3]. Australian national poll reported that about 31% of workers had been verbally abused by their immediate supervisor and about 35% by a coworker [4]; also, the US Chamber of Commerce estimates that between 33 and 75% of all employees have engaged in other aggressive behaviors such as theft, fraud, vandalism, and sabotage, 75% of all employees steal at least once [5, 6], and about 95% of all organizations experience employee theft [7].

2. Literature review

2.1. Concept of workplace deviance

According to Wikipedia workplace deviance in group psychology may be described as the deliberate (or intentional) desire to cause harm to an organization—more specifically, a workplace. The concept has become an instrumental component in the field of organizational communication.

Also, workplace deviance has been defined as a voluntary behavior that violates significant organizational norms and, in so doing, threatens the well-being of the organization, its members, or both [8].

DeVore (2001) insists that workplace deviance related to any intentional behavior on the part of an organization member is viewed by the organization as divergent and contrary to its valid or legitimate interests. Workplace deviance can be explained as the intentional or planned desire to cause damage to an organization [9].

Neuman and Baron [10] noted that there is much conceptual overlap between workplace deviance and workplace aggression as both involve hostile intent and motive. Despite many similarities, several critical components distinguish deviant behaviors from other constructs. For example, workplace deviant behaviors:

1. Are not accidental, but instead voluntary and motivated; deviance is conceptualized as a reaction to experiences at work.
2. Violate norms established by leaders of the organization; therefore, deviance happened as a reflection of the employees' personality.
3. Can be targeted at organizational members or at the organization itself; therefore, the deviance happened as adaptation to the social context at work [11, 12].

The employees who are abused by their supervisors will be more likely to engage in deviant workplace behaviors, but also not all employees retaliate in deviance [13]; Hollinger's [14] division of deviant work behaviors into property and production deviance recognized distinctions between attacks on organizational processes and attacks on material resources of the organization, but did not recognize deviant behavior with respect to persons.

2.2. Deviant behavior definition

Deviant behavior may be acceptable or not from the legal standpoint, but, importantly, it contradicts general social norms. For example, verbally abusing a coworker, lying, taking credit for others' work, or unfairly claiming more resources for the self may be legal or not. However, one of its common examples is that these behaviors violate significant societal norms and have the potential to harm others [15].

Robinson and Bennett [8] identified deviant behavior among individuals—interpersonal deviant—as one of the two primary categories of such behavior [16].

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But counterproductive work behaviors can be defined as a voluntary behavior that violates significant organizational norms and in so doing threatens the well-being of an organization, its members, or both ([8], p.556).

2.3. The dimensions of workplace deviance

Workplace deviance is enacted in a wide variety of forms that can vary from context to context [17].

According to Robinson and Bennett [8], they identified two dimensions of workplace deviance, severity and target; they use multidimensional scaling analysis as follows [18]:

Severity: The dimension of severity refers to the extent to which the deviant act violates important organizational norms and thus is perceived as more potentially harmful to the organization or its members. Relatively, minor forms of deviance include such behaviors as social loafing and unjustified absenteeism, whereas more severe forms might involve physical aggression or theft.

Target: The target dimension reflects whether the deviance is directed at the organization or organizational members. Organization-directed deviance might include, for example, vandalism, theft, or sabotage. In contrast, individual-directed deviance might include gossip or physical assault. Although a given act of deviance may harm both targets, organizational members will tend to direct their deviant actions at primarily an individual or an organizational target.

Bennett and Robinson [19] proposed two types of workplace deviance as shown in **Figure 1**. The first type, organizational deviance (OD), refers to deviant behaviors targeting the organization such as theft, sabotage, coming to work late without permission, or putting little effort into work; they see property and production deviances as both targeting the organization and labeling this organizational deviance. Conversely, the second type, interpersonal deviance (ID), pertains to deviant acts directed toward individuals in the workplace such as coworkers, supervisors, and subordinates and includes behaviors like making fun of others, playing mean pranks, acting rudely, arguing, and physical aggression; it is from behaviors targeted against other members of the organization [20].

For example, as shown in **Figure 1**, (a) production deviance related to offenses such as leaving early without supervisors' permission, promoting or participating in gambling within work premises, transmission or dissemination of obscene pornographic materials, and Internet surfing during work hours pertains to production deviance; (b) property deviance related to offenses such as obtaining office materials without permission, tampering, falsifying or forging of attendance card, and unauthorized use of company equipment pertains to property deviance; (c) political deviance related to offenses such as gossiping and rumor mongering represents political deviance; and (d) personal aggression related to offenses such as making malicious or obscene statements about another employee and acting disrespectfully toward supervisors pertains to personal deviance [3].

2.3.1. Interpersonal deviance

Interpersonal deviance can occur when misconduct target(s) of specific stakeholders such as coworkers' behavior falling within this subgroup of employee deviance includes gossiping

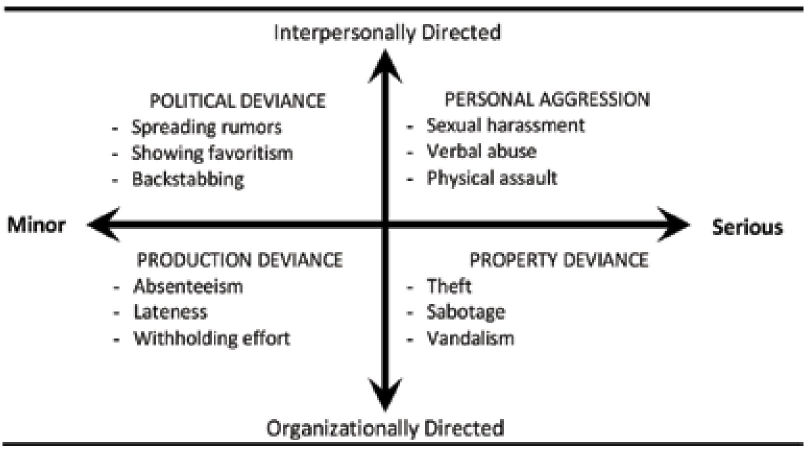

Figure 1. A typology of workplace deviance. Source: Lawrence and Robinson [18].

about coworkers and assigning blame to them. These minor (but unhealthy) behaviors, directed at others, are believed to occur as some employees perceive a sense of entitlement often associated with exploitation. In other words, they feel the need to misbehave in ways that will benefit them [21].

2.3.2. *Organizational deviance*

Deviant behavior typically aimed directly at the organization is often referred to as organizational deviance. Organizational deviance encompasses production and property deviance. Workplace deviant behavior may be expressed as tardiness or excessive absenteeism. These behaviors have been cited by some researchers as withdraw behaviors; such behaviors allow employees to withdraw physically and emotionally from the organization [22].

2.3.3. *Production deviance*

All behaviors in which deviant employees partake ultimately have a negative impact on the overall productivity of the organization. For this reason, all are considered production deviance. Production deviance is the behavior that violates formally the prescribed organizational norms with respect to minimal quality and quantity of work to be accomplished as part of one's job [21].

2.3.4. *Property deviance*

A more serious case of deviant behavior harmful to an organization concern is property deviance. Property deviance is where employees either damage or acquire tangible assets without authorization [21]. This type of deviance typically involves theft but may include sabotage, intentional errors in work, and misusing expense accounts [22].

2.4. Negative effects of workplace deviance

Organizations stand to lose millions of dollars through employees' theft and sabotages. Those employees who are targets of workplace deviance are more likely forced to quit, suffer stress-related problems, have decreased productivity, low morale, and lose work time [23].

Researchers have found that employee thefts resulted in a loss of between five and ten billion dollars annually and all forms of deviance together accounted for approximately $40 billion [5]. Accordingly, minimizing losses associated with workplace deviance is a priority for the current research and practice, yet few studies in this area have made any comprehensive comparison of broad to narrow variables and their relative merit [24].

Organizational deviance also extracts a significant human cost, employee performance, morale, and well-being which are all impacted by such deviant behaviors [25].

Deviant workplace behavior has accounted for a tremendous amount of revenue loss and even more permanent damage to a workplace environment. As an example, $4.2 billion in legal expenses and decreased productivity were lost in 1992 [26]. Other costs include insurance losses, tarnished reputations and public relations expenses, lost repeat business, worker compensation, and increased turnover [27]. Workplace deviance causes enormous social and economic losses to organizations and their members [28]. It is costly for an organization to pay employees who are not working efficiently.

2.5. Causes of workplace deviance

Researchers on the nature and causes of workplace deviance have identified organizational justice as a significant predictor of deviance [29]. Organizational justice related to employees' perceptions of fairness in the workplace has a significant influence on individuals' motivation and performance at work [30].

If such individuals feel abused or unfairly treated, they will be more likely to engage in deviant behavior directed toward the organization in general and sometimes toward the offending manager or other employees [31]. Managers may try to limit employees' sensitivity and negative affective and behavioral reactions to mistreatment by providing subordinates with feedback in a respectful and constructive manner as well as opportunities to utilize and develop their skills and other competencies [32], because employees refrain from responding to perceived mistreatment with acts of deviance when they hold lower power positions relative to the perpetrator [33].

Studies have identified that organizational factors such as job stressors, organizational frustration, lack of control over the work environment, weak sanctions for rule violations, and organizational changes such as downsizing are causes of workplace deviance; also, studies have shown that individual employees' personality, for example, socialization and impulsivity constructs, are causes of workplace deviant behaviors [34].

Based on a self-determination theory perspective, the negative effects of abusive supervision on organizational deviance should lie in abusive supervision's ability to threaten the fundamental psychological needs of the subordinate. By definition, abusive supervision encompasses behaviors which are likely to negatively impact an individual's basic psychological needs [35].

3. Research methodology

The purpose of the research study is investigating of workplace deviance in the primary and high schools in Egypt. Therefore, the study is an attempt to answer the following question:

Are there significant differences between the primary and high schools with regard to workplace deviance?

3.1. Research hypothesis

There are significant differences between the primary and high schools with regard to workplace deviance. Hence, we developed our other hypotheses as follows:

H1.There are significant differences between the managerial employees in the primary and high schools with regard to interpersonal deviance.

H2.There are significant differences between the managerial employees in the primary and high schools with regard to organizational deviance.

3.2. Samples

The study was conducted among a broad sample of managerial employees in the primary and high schools at Dakahlia region.

In total, 356 people are the sample size of study that are divided into 293 of managerial employees in the primary schools and 63 of managerial employees in high schools at civilization cities at Dakahlia region; the study did not include schools in village counties.

A total of 356 questionnaires were distributed to managerial employees in the primary and high schools at civilization cities at Dakahlia region.

Two hundred thirty-nine of the questionnaires were returned, 138 females and 101 males participated, 188 of these were managerial employees in primary schools, and 51 of these were managerial employees in high schools at civilization cities. 67.1% of the sample is shown in **Table 1**.

	Number of managerial employees	**Sample sizes**	**Respondent sample sizes**[a]	**Respondent percentage**
Primary schools	4051	293	188	64.2
High schools	866	63	51	80.9
Total	4917	356	251	67.1

[a]Calculated from data.

Table 1. Study samples.

Measures	Cronbach's alpha[a]
Interpersonal deviance	0.81
Organizational deviance	0.85
Workplace deviance	0.84

[a]Calculated from data.

Table 2. Reliability coefficients (Cronbach's alpha).

3.3. Measure

The study used self-report measure—a workplace deviance scale [19]— which is based on two-factor model. It has been the most used measure of workplace deviance scale [31].

The scale consists of 19 items, 12 items measured organizational deviance (OD) and 7 items measured interpersonal deviance (ID). Respondents were asked to rate how often they engaged in each behavior, from 1 (never engaging in the behavior) to 7 (engaging in the behavior daily). Overall deviance was computed as the unit average of ID and OD scale scores. Responses on these items were summed to form a total deviance score.

The unit of analysis for this study is individual. A total of 293 managerial employees in the primary schools and 63 of managerial employees in the high schools at civilization cities at Dakahlia region were randomly selected to participate in this survey. The questionnaires were distributed to them and administered personally by the researcher after preparing the translation of the workplace deviance scale instrument into Arabic language.

3.4. Method of analysis

Frequency distribution was used to obtain a count of the number of responses associated with different values of one variable and to express these counts into percentage terms. Next, reliability analysis was conducted as an indication for the stability and consistency with which the instrument measures the concept and helps to access the goodness of a measure as shown in **Table 2**.

Lastly, SPSS Version 17 was used for the statistical data analysis. Mean and standard deviation values of all variables used in this study were used to determine the level that primary and high schools performed for the interpersonal and organizational deviance variables. Chi-square and t-test were performed in order to examine the hypothesis of the research, by examining whether the mean scores on the interpersonal and organizational deviance variables were statistically different for the primary and high schools.

4. Findings

The main research question that was explored is whether or not there are significant differences between the primary and high schools with regard to workplace deviance.

	Schools	Mean	SD	t-test		χ^2 test	
Workplace deviance	Primary	3.34	0.93	t-Value	p-Value	χ^2 Value	p-Value
	High	3.28	1.05	11.24	0.28	53.19	0.17

Table 3. Workplace deviance means, standard deviations, chi-square, and t-test.

The initial step in the data analysis was to compute descriptive statistics for the workplace deviance and its variables related to interpersonal and organizational deviance used in research.

As shown in **Table 3**, means and standard deviations depict that workplace deviance has mean values more than 3.5, which is the median value of the scale. We can find that on the base of the respondents' opinion the workplace deviance is over than the midpoint of scale. p-Value of the t-test and Chi-square more than 0.01 that refers to *nonstatistical differences* was noted between the primary and high schools with regard to workplace deviance.

Means and standard deviation values didn't perform workplace deviance; it can be seen that the mean scores are 3.34 for primary schools and 3.28 for high schools, and they were under the midpoint of 3.5 on the rating scale.

The second step in the data analysis was to compute descriptive statistics for the interpersonal and organizational deviance used in research.

5. Discussion and conclusions

As shown in **Table 4**, the t-test value for the interpersonal deviance measure was (5.21), $p = 0.29 > 0.01$. Therefore, there are no significant differences between the managerial employees in the primary and high schools with regard to interpersonal deviance measure; therefore, we reject hypotheses 1 (H1).

Means and standard deviation values didn't perform interpersonal deviance; it can be seen that the mean scores are 3.32 for primary schools and 3.26 for high schools, and they were under the midpoint of 3.5 on the rating scale.

Also, as shown in **Table 4**, the t-test value for the organizational deviance measure was (7.86), $p = 0.22 > 0.01$. Therefore, there are no significant differences between the managerial employ-

	Mean		Standard deviation		t-Test	
Measures	**High schools**	**Primary schools**	**High schools**	**Primary schools**	**t-Value**	**p-Value**
Interpersonal deviance	3.26	3.32	0.87	0.72	5.21	0.29
Organizational deviance	3.09	3.17	0.61	0.66	7.86	0.22

Table 4. Descriptive statistics and the results of the t-test for interpersonal and organizational deviance measures.

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ees in the primary and high schools with regard to organizational deviance measure; therefore, we reject hypotheses 2 (H2).

Means and standard deviation values didn't perform organizational deviance; it can be seen that the mean scores are 3.17 for primary schools and 3.09 for high schools, and they were under the midpoint of 3.5 on the rating scale.

Table 5 presents the descriptive statistics and the results of the t-test for interpersonal deviance variables.

The t-test value for the variable "made fun of someone at work" was (2.18), $p = 0.11 > 0.01$; therefore, there are no significant differences between the managerial employees in the primary and high schools with regard to the mentioned variable.

Means and standard deviation values of the variable perform interpersonal deviance behaviors; it can be seen that the mean scores are 3.87 for high schools and 3.51 for primary schools for "made fun of someone at work" variable, and they were above the midpoint of 3.5 on the rating scale.

The t-test value for the variables "said something hurtful to someone at work," "made an ethnic, religious, or racial remark at work," "cursed at someone at work," "acted rudely toward someone at work," and "publicly embarrassed someone at work" ranges in-between 3.42 and 3.31, and P ranges in-between 0.21 and $1.42 > 0.01$; therefore, there are no significant differences between the managerial employees in the primary and high schools about the mentioned variables.

Means and standard deviation values of the variable didn't perform interpersonal deviance behaviors for "made an ethnic, religious, or racial remark at work" variable; it can be seen that the mean scores are in-between 3.26 and 3.37 for primary and high schools, and they were under the midpoint of 3.5 on the rating scale.

	Mean		**Standard deviation**		**t-Test**	
Measurable variables	**High schools**	**Primary schools**	**High schools**	**Primary schools**	**t-Value**	**p-Value**
Made fun of someone at work	3.87	3.51	1.26	1.21	2.18	0.11
Said something hurtful to someone at work	3.31	3.42	1.08	1.04	1.42	0.21
Made an ethnic, religious, or racial remark at work	3.26	3.37	0.98	0.92	2.31	1.15
Cursed at someone at work	3.22	3.19	2.01	1.32	1.82	1.82
Played a mean prank on someone at work	3.18	3.75	1.77	0.98	1.67	0.00
Acted rudely toward someone at work	3.14	2.64	1.32	0.87	1.69	0.96
Publicly embarrassed someone at work	2.35	3.04	1.07	0.90	1.64	0.32

Table 5. The descriptive statistics and the t-test for interpersonal deviance variables.

The t-test value for the variables "played a mean prank on someone at work" was (1.67), $p = 0.00 < 0.01$; therefore, there are significant differences between the managerial employees in the primary and high schools with regard to the mentioned variable.

Means and standard deviation values of the variable "played a mean prank on someone at work" perform interpersonal deviance behaviors for primary schools; it can be seen that the mean scores is 3.75, and it is above the midpoint of 3.5 on the rating scale. But means and standard deviation values of the variable didn't perform interpersonal deviance behaviors for high schools; it can be seen that the mean scores is 3.18, and it is under the midpoint of 3.5 on the rating scale.

The findings of the present study agrees with Shamsudin et al.'s findings [36] explaining that 68.7% variance was found.

Table 6 presents the descriptive statistics and the results of the t-test for organizational deviance variables.

The t-test value for the variables "taken property from work without permission," "spent too much time fantasizing or daydreaming instead of working," "falsified a receipt to get reimbursed for more money than you spent on business expenses," "taken an additional or longer break than is acceptable at your workplace," "neglected to follow your boss's instructions," "intentionally worked slower than you could have worked," and "used an illegal drug or consumed alcohol on job" ranges in-between 1.85 and 2.63, and P ranges in-between 0.18 and 0.96, > 0.01; therefore, there are no significant differences between the managerial employees in the primary and high schools about the mentioned variables.

Means and standard deviation values of the variable didn't perform organizational deviance behaviors; it can be seen that the mean scores are in-between 1.88 and 3.27 for primary and high schools, and they were under the midpoint of 3.5 on the rating scale.

The t-test value for the variables "come in late to work without permission," "littered your work environment," "discussed confidential company information with an unauthorized person," "put little effort into your work," and "dragged out of work in order to get overtime" ranges in-between 1.44 and 2.54, $P = 0.00 < 0.01$; therefore, there are significant differences between the managerial employees in the primary and high schools about the mentioned variables.

Means and standard deviation values of the variables "come in late to work without permission" and "littered your work environment" didn't perform organizational deviance behaviors for primary schools; it can be seen that the mean scores are 2.88 and 2.93 for primary schools, and they were under the midpoint of 3.5 on the rating scale. But the means and standard deviation values of the same variables perform organizational deviance behaviors for high schools; it can be seen that the mean scores are 3.68 and 3.59 for high schools, and they were above the midpoint of 3.5 on the rating scale.

Means and standard deviation values of the variables "discussed confidential company information with an unauthorized person," "put little effort into your work," and "dragged out

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	Mean		Standard deviation		t-test	
Measurable variables	**High schools**	**Primary schools**	**High schools**	**Primary schools**	**t-Value**	**p-Value**
Taken property from work without permission	2.73	2.82	0.92	0.62	2.63	0.29
Spent too much time fantasizing or daydreaming instead of working	3.06	2.68	0.95	1.16	1.85	0.38
Falsified a receipt to get reimbursed for more money than you spent on business expenses	3.18	3.24	1.03	1.14	1.88	0.18
Taken an additional or longer break than is acceptable at your workplace	3.03	2.85	0.98	1.25	1.94	0.71
Come in late to work without permission	3.68	2.88	0.85	1.17	1.44	0.00
Littered your work environment	3.59	2.93	1.34	1.28	2.22	0.00
Neglected to follow your boss's instructions	2.95	3.27	1.08	1.15	2.06	0.88
Intentionally worked slower than you could have worked	3.24	2.99	1.52	1.21	1.84	0.96
Discussed confidential company information with an unauthorized person	2.67	3.58	0.89	0.64	2.46	0.00
Used an illegal drug or consumed alcohol on job	1.88	1.96	0.98	1.41	1.93	0.47
Put little effort into your work	2.53	3.64	1.14	1.37	2.16	0.00
Dragged out of work in order to get overtime	2.43	3.77	1.07	086	2.54	0.00

Table 6. The descriptive statistics and the t-test for organizational deviance variables.

of work in order to get overtime" didn't perform organizational deviance behaviors for high schools; it can be seen that the mean scores are in-between 2.43 and 2.67 for high schools, and they were under the midpoint of 3.5 on the rating scale. But the means and standard deviation values of the same variables perform organizational deviance behaviors for primary schools; it can be seen that the mean scores are in-between 3.58 and 3.77 for primary schools, and they were above the midpoint of 3.5 on the rating scale.

This finding supported that the managerial employees in the primary and high schools reported low personal and organizational deviance variable scores; they were under the midpoint of the rating scale.

Also, we found that nonstatistical differences were noted between the primary and high schools with regard to most variables related to personal and organizational deviance, and the means level of primary schools was slightly higher than the means level of high school for interpersonal deviance and organizational deviance.

6. Limitation

The first limitation is that the study depends on the opinion of managerial employees in schools, and the other employees like teachers were not included in the study, and the second limitation is that the data came from questionnaire surveys; therefore, some limitations are associated with it like general issues of questionnaire understandability and readability, and some of the respondents could have provided socially desired answers.

7. Future studies

More studies require for more definitive and qualitative measurements in order to learn more about workplace deviance behaviors, to make sure that the deviant behaviors are understood, and put easier strategies to manage and solve their issues and move toward the workplace deviance-free that should be. Also, future studies could examine the relationship between ethical leadership and workplace deviance in goods and services organizations.

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Section 2

Leadership in Informal or Disadvantaged Settings

Chapter 3

Informal Institutions and Leadership Behavior: A Cross-Country Analysis

Sebastian Aparicio, Claudia Felix and David Urbano

Additional information is available at the end of the chapter

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Abstract

In today's increasingly turbulent environment, recognition of the institutional differences between countries is needed for the development of leaders. Although the current debate has evolved to more complex levels, knowledge about personal leadership and sociocultural context is still underdeveloped. This chapter attempts to empirically examine the effects of informal institutions on leadership using panel data models. Through a sample of a balanced panel, with data from 67 observations and 35 countries, we show that institutions such as tolerance, creativity, social capital and responsibility have a positive effect on leadership behavior, while other informal institutions (e.g. power) have a negative effect. From a conceptual standpoint, it is argued that informal institutions are relevant to understand differences in leadership, considering that values, beliefs and behaviors may determine the social desirability of being a leader in one country or another. The study has also practical implications regarding education and business, in terms of promoting institutional factors to have more developed societies.

Keywords: leadership, informal institutions, sociocultural factors, self-leadership

1. Introduction

Leadership is a decisive factor for growth, when seen as the capacity to lead ourselves and others [1]. In recent years leadership development has taken on far greater importance [2–4], highlighting a growing interest in self-concept or identity in leadership [5]. Identity is defined as the culmination of an individual's values, experiences and self-perceptions [6]. Despite its importance, very few empirical studies have combined the effect of an individual's values, experience and attitudes on the ability to lead, and even fewer studies have attempted to address this effect in different development contexts [7, 8]. Bass and Bass [9] point out the need to pay more attention to promoting and encouraging more empirical studies on leadership across cultures, considering differences in institutions, national styles, culture and performance.

Hence, this chapter empirically examines the influence of informal institutions on leadership, and especially on self-leadership. We use institutional economics [10, 11], focusing on the sociocultural approach that captures the influence of attitudes, values and norms on human behavior. The set of hypotheses proposed are assessed through a panel data model, which uses information from the World Values Surveys, International Monetary Fund and the World Bank. Throughout a sample of 67 observations from 35 countries in two waves (5-2005-2008 and 6-2010-2012), we find that tolerance, creativity, social capital and responsibility have a positive effect on leadership behavior, whereas greater power affects negatively leadership. This study contributes theoretically by extending the domain of institutional economics to the field of leadership behavior. Additionally, other managerial implications can be derived from our results. In this regard, firms and society might be interested in fostering features such networks cohesion, diversity and tolerance, creativity and responsibly managed ambitious.

Apart from this introduction, the chapter begins by discussing the relationship between institutions and leadership. The chapter then provides information on the data and our analytical approach. Results are presented for a series of models where informal institutions are the key independent variables. Finally, the conclusions consider the implications of our findings, discus potential limitations and suggest some areas for further research.

2. Theory and hypotheses development

One way of thinking about leader development is to consider self-concept or identity in leadership [12, 13]. This idea has great potential because identity transcends one-dimensional approaches such as behavioral or trait theories [5]. Self-concept or identity has also been associated with self-management in this way [14] and also self-leadership. Self-leadership is defined as "a process through which individuals control their own behavior, influencing and leading themselves through the use of specific sets of behavioral and cognitive strategies" ([15]: 270). This approach emphasizes attributes of leaders such as personality, motives, values and skills [14]. People who possess good self-leadership qualities know how to achieve high levels of self-direction and self-motivation [16]. Leadership research has noted the importance of individual identity in developing leadership skills and expertise as part of the leader development process [17]. Identity is important for leaders because it grounds them in understanding who they are, their major goals and objectives and their personal strengths and limitations [18]. Similarly, other research approaches have examined the cognitive and metacognitive skills at the core of leadership potential [19], as well as patterns of leadership skills [20]. All these approaches, involving skills, experience, learning and personality, are central to the notion of developing the expert leader [17, 18]. The literature generally considers as to how cultures and values influence leadership [21]. Schumpeter [22] predicted that leadership styles are dependent on a manager's adherence to certain values. Acknowledgement of the role of personal and cultural values is essential in order to understand the effectiveness and influences of management leadership style, particularly in cross-cultural settings [8]. Hundreds of studies have shown that a country's culture helps to explain leadership construals (e.g. [23, 24]), leader behavior (e.g. [25]), relationships between leader behavior and behavioral consequences (e.g. [23]), and so forth. Evidence also indicates that leadership is associated with cultures and countries in unique combinations [8]. Alvesson and Willmott [26] argue that identity is actively created by the environment. The importance of the context in the construction of identity is of great importance in leadership [7].

Various theories and methods of institutional analysis are used in the different branches of the social sciences [27]. A basic premise in research on international management is that organizations are embedded in country-specific institutional arrangements that differ from country to country [28]. Leadership and management have rarely been associated with the institutional approach, however, although some of its roots are related to this perspective [29]. Drucker's earliest managerial work discusses the emergence and the importance of management as an institution [30]. Drucker recognizes the role of informal institutions as cultures, practices and values. We consider it appropriate to address this research from an institutional perspective in the light of this literature. North ([11]: 3) proposed that "institutions are the rules of the game in a society, or more formally, institutions are the humanly devised constraints that shape human interaction." Institutions can be either formal (such as political rules, economic rules and contracts) or informal (such as codes of conduct, attitudes, values, norms of behavior and conventions), reflecting the culture of a society. In this sense, "informal institutions are a part of the heritage that we call culture" ([11]: 37). Informal institutions change very slowly compared with formal institutions [31]. The values that a person is committed to are deeply rooted in their social and the sociocultural background [32]. Given the importance of culture in defining the identity of, and the aspiration to be a leader, the focus of this study based on North [11, 12] is the informal institutions that affect leadership across countries.

2.1. Informal institutions and leadership

Recent findings suggest small but significant relationships between values, attitudes, cognitive ability with leadership emergence and effectiveness [33–37] with leadership styles [37] and also with exceptional global leadership [38]. In this chapter, we focus on tolerance, social capital, creativity, power and responsibility as informal institutions that influence the determination to be a leader. These informal institutions have been included in important leadership studies and culture studies, such as the World Values Survey and Schwartz Value Survey, and have also been related in the Big Five personality model [39], which provided an adequate structure for the socio-emotional roots of leadership [35, 40].

2.1.1. Tolerance and leadership

The extant literature shows that tolerance is associated with managerial effectiveness [9]. Effective problem solving requires an ability to remain calm and stay focused on a problem. In addition to making better decisions, a leader with high tolerance is more likely to stay calm and provide confidence [14]. The opposite of this variable is neuroticism, in the Big Five factors structure of personality, and this has been positively correlated with anxiety and negatively correlated with leadership effectiveness [35]. Tolerance is especially important for executives who must deal with adverse situations. Kajs and McCollum [41] summarized the relationship between a tolerance of ambiguity and various positive leadership behaviors. The major characteristics displayed by leaders who tend to be better at tolerating ambiguity include: being collaborative and receptive to working in a cross-cultural environment, having a tolerance for failure, taking risks and self-monitoring. The ability to identify and regulate the emotions of oneself and others is a critical skill for leadership [42, 43]. Tomkins and Simpson [44] argue that the idea of caring leadership is related to tolerance. This involves taking responsibility, balancing the need for a certainty of outcome and visibility of contribution, with the desire to encourage and enable others. It involves tolerance of complexity and ambivalence. Yao et al. [45] related complex situations and levels of stress with transformational leadership. Based on this theory the following hypothesis is presented:

H1. Favorable attitudes toward tolerance have a positive impact on leadership.

2.1.2. Social capital and leadership

Leadership could be understood as "social capital that collects around certain individuals" ([46]: 421). Leadership development is based on the development of social capital by "expanding the collective capacity of organizational members to engage effectively in leadership roles and processes" ([3]: 582). Social capital involves the relationships between individuals and organizations that facilitate action and create value [47, 48]. Leaders usually belong to more groups than do followers, and the effects of a leader's outside connections are well known [9]. McGowan et al. [49] explored the influence of social capital on entrepreneurial business leaders. Empirical support is strong for the idea that social networks contribute to a manager's strategic influence [50], and help them to leverage organizational resources for innovation [51], work engagement [52] and performance [53]. Other studies have suggested that social capital is related to transformational leadership (e.g. [54]). In the wider literature, social capital has been seen as one of the key factors in leadership development [3], and thus, the following hypothesis is formulated:

H2. Higher social capital has a positive influence on leadership.

2.1.3. Creativity and leadership

Creativity, the generation of new ideas, and innovation, the translation of these ideas into new products or services [55], have become critical concerns in most organizations [56]. Creative thinking skills have been associated with leadership in generating ideas [57], and also with leader performance [58]. Phelan and Young [59] specifically point out the importance of creative self-leadership, which refers to a reflective internal process by which an individual consciously and constructively navigates their thoughts and intentions toward the creation of desired changes and innovations. Creativity has shown significant relationships between self-leadership [59], transformational leadership [60, 61] and authentic leadership [62]. Creativity has also been widely investigated in different contexts. Also, recent studies have reported a significant relationship between leadership and creativity in China (e.g. [63]), India (e.g. [64]), Norway (e.g. [65]) and South Korea [66]. Thus, we formulate the following hypothesis:

H3. Favorable attitudes toward creativity have a positive influence on leadership.

2.1.4. Power and leadership

Podsakoff and Schriesheim [67] have pointed out that the French and Raven taxonomy is the most widely accepted conceptualization of power. This taxonomy included the coercive power-threat of punishment; reward power-promise of monetary or non-monetary compensation; legitimate power-drawing on one's right to influence; expert power-relying on one's superior knowledge and, referent power based on the target's identification with the influencing agent [68]. Power can be associated with social power, social status, prestige authority, wealth and preserving public image [69]. Many definitions of power involve the ability of one actor to overcome resistance in achieving a desired result. The ability to control others is important and power will be actively sought through the dominance of others, and control over resources [70]. Lockyer and McCabe [71] explored the dysfunctional consequences of the use of fear by leaders. There is considerable agreement in the psychotherapy literature that particular values as power are detrimental. For example, Strupp [72] explained that values of power, conformity, tradition and security are often considered unhealthy values. In contrast, values such as autonomy, responsibility and fairness to others are considered healthy values for leadership. Schwartz [69] found that power values correlated negatively with life satisfaction. In fact, servant leadership theory [73] rejects power as a genuine value of leadership. According to the previous literature the following hypothesis is formulated:

H4. Greater power has a negative influence on leadership.

2.1.5. Responsibility and leadership

Various studies found responsibility to be related to leadership. Leadership were seen to rate somewhat higher than followers on dependability, trustworthiness and reliability in carrying out responsibilities. A significant correlation has been found between conscientiousness and leadership [9]. Generally, leaders perceive their responsibilities to be broader and more far-reaching than other group members [74]. Individuals high in personal initiative and responsibility have a need to develop their own goals and to proactively shape the future, even in the face of substantial resistance [34]. One approach related to this concept involves the internal locus of control. People with a strong internal locus of control orientation believe that events in their lives are determined more by their own actions than by chance or uncontrollable forces. Research suggests that a strong internal locus of control is positively associated with managerial effectiveness [14]. Voegtlin [75] considered responsibility an important dimension of leadership. Based on this theory the following hypothesis is presented:

H5. Favorable attitudes toward responsibility have a positive influence on leadership.

2.2. The moderating role of the level of development on the relationship between informal institutions and leadership

Hofstede [23] consistently tested for the moderating effect of wealth or economic development between his cultural dimensions and many types of outcomes [8]. National wealth has been seen as an integral part of a country's culture [76]. Many studies take the view that gross national product per capita is a reflection of a society's natural resources, as well as its effectiveness in managing its external adaptation and internal integration challenges [77]. National wealth has a reinforcing effect that can help facilitate the relationship between culture or informal institutions, and other national features. Signals can thus be seen for successful and failed nations. Peters [78] suggested a number of determinants which signal nations that fail. These determinants are related to the informal factors analyzed in this study: the subjugation of women (related to tolerance);

restriction on the free flow of information (related to social capital); low value of education and innovation (related to creativity); domination by a restrictive religion, family or clan (related to power) and inability to accept responsibility, and low prestige attached to work (related to responsibility). Leadership development is handicapped by these same national sings [79].

Increasing development and increasing complexity tend to propel societies in the direction of higher income, better education, and more political and economic participation [80], as well as smaller power distances in organizations [24]. These elements of more developed and advanced societies tend to empower subordinates, and thus makes top-down decision making and close supervision in organizations less important and less effective [24, 80]. It has been suggested that some kinds of leadership, such as autocratic, will be seen as less effective and attractive in richer countries [81]. Hofstede [24] consistently tested the effect of economic and social conditions on the structure and functioning of a country's institutions or a country's identity; however, there have been few studies considering the moderating role of contextual factors in leadership [82]. Thus, the following hypothesis is formulated:

H6. The level of development of countries will positively moderate the relationship between informal institution and leadership behavior.

3. Methodology

3.1. Data and variables

Data for this study were taken from the World Values Survey (WVS) worldwide network of social scientists focused on the study of the changing values. Six waves of the WVS have been published that enquire into the basic values and attitudes of individuals, and thus this database is an excellent proxy for informal institutions. Following Inglehart and Baker [83], who analyzed aggregated nation-level data and carried out three waves of representative national surveys, we used data from the most recent WVS data bases, Wave 5 (2005–2008) and Wave 6 (2010–2012). These databases also contain the greatest number of countries with data in two or more periods of time. Our final sample consists of a balanced panel, with data from 67 observations and 35 countries.

3.1.1. Dependent variable

This variable was measured with an item in the WVS that represents leadership. This variable collects the degree of self-control and freedom, an important prerequisite for self-leadership [9]. Freedom or autonomy is related to identity and leadership [84] in order to consider that the freedom or the autonomy of the actor is the origin and the destination of their action [85]. This variable is measured by country using a Likert scale (1 = "none at all" to 10 = "a great deal of choice").

3.1.2. Independent variables

Five independent variables were considered in this study. These variables are in line with the Schwartz dimensions for studying informal institutions. Schwartz [71] used the 'Schwartz Value Inventory' (SVI) for a wide survey of over 60,000 people to identify common values that acted as 'guiding principles for one's life'. Informal institutions were operationalized through tolerance, social capital, creativity, power and responsibility, as follows. *Tolerance*: Percentage of individuals in a country who define tolerance as an important quality. *Creativity*: The respondents were questioned about the importance of coming up with new ideas and being creative, and doing things in one's own way. This variable measures the scale by country using a Likert scale (1 = "not like me" to 10 = "very much like me". *Social capital:* Percentage of respondents who belong to a professional organization by country. *Power:* The respondents were asked about the importance of being rich, having a lot of money and expensive things. This variable measures the scale by country using a Likert scale (1 = "not like me" to 10 means "very much like me"). *Responsibility*: Percentage of individuals who define hard work as an important quality, by country.

3.1.3. Control variables

Although we were interested in developing an institutional model, other factors may also influence leadership behaviors. Control variables were included to ensure that the results were not unjustifiably influenced by such factors: education level, the gross domestic product (GDP) at purchasing power parity (PPP), labor force and control of corruption. The data was obtained from the WVS. *Education*: While the level of education and the leadership have been positively associated [86], there are few studies that have used education as a demographic variable in their examination of leadership. Vecchio and Boatwright [87] found that persons with higher levels of education and greater job tenure expressed less preference for leadership structuring (task-oriented behaviors). This control variable was obtained from WVS and was controlled through elementary education. *Gross domestic product (GDP) at purchasing power parity (PPP) per capita* was a measure of the development of countries. Leadership is strongly correlated with wealth and other indices of socioeconomic status [88]. The data source used for the GDP-PPP variable was the International Monetary Fund World Economic Outlook database. *The labor force participation rate* is the proportion of the population aged 15–64 that is economically active: all people who supply labor for the production of goods and services during a specified period. The source of this variable was the International Labour Organization's Key Indicators of the Labour Market Database. *Control of corruption:* This indicator captures perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as the "capture" of the state by the elite and private interests. Values were between −2.5 and 2.5 with higher scores corresponding to better outcomes of institutions [89].

3.2. Statistical procedures

In this study, given the availability of data, we started with the simplest approach to analyzing panel data, a pooled regression, which omits the dimensions of space and time of the data, calculating an ordinary least squares regression. We therefore propose the following general model:

$$Leadership_{it} = \alpha + \beta_1 \, IIi_{t-1} + \beta_2 \, CVi_{t-1} + \varepsilon_{it}; \tag{1}$$

where i is county and t is time; IIi_{t-1}: matrix of informal institutions in country i in year t; CVi_{t-1}: matrix of the control variable in country i in wave t. Specifically, we estimated random and fixed-effects models and we used the Hausman specification test [$X^2(7) = 30.73$, Prob > $X^2 = 0.0003$] in order to verify the choice of the fixed- or random-effects model. The test suggested the use of the fixed-effects specification. We have corrected heteroskedasticity, estimating with feasible generalized least squares (FGLS).

4. Results

4.1. Descriptive statistics

Table 1 presents the descriptive and summary statistics for our measures. Some variables proved to be highly correlated, and therefore we also conducted a diagnostic test of multicollinearity (examining the variance inflation factors (VIFs) of all variables in the analyses and found that it was not likely to be a problem in this dataset. The VIFs were lower than 2.6 which is far from 5. A value of 5 indicates that a problem of multicollinearity may arise [90].

4.2. Test of hypotheses

In **Table 2**, we present the results of linear regressions with feasible generalized least squares (FGLS). Model 1 includes all the countries considered in the sample, Models 2–6 include interactions between informal institutions and the income of the counties. The Wald Chi square tests suggest that all the models are significant ($p < 0.001$) and have high explanatory power, explaining well over 60% of the variance of leadership. As expected, all informal factors are related to leadership behavior.

Hypothesis 1 suggests that the level of tolerance has a positive and significant effect on leadership behavior. Findings support Hypothesis 1. Hypothesis 2 suggests that social capital has a significant and positive influence on leadership. Our results support Hypothesis 2. Creativity shows a positive and significant relationship with leadership, supporting Hypothesis 3. On the other hand, as we expected, power value has a negative impact on leadership, supporting Hypothesis 4, and finally responsibility has a significant and positive influence on leadership behavior, supporting Hypothesis 5. Control variables such as low education have a significant negative impact on the dependent variable. Many studies have demonstrated that education made a difference in leadership [40, 86]. Finally, GDP-PPP has a positive significant impact on leadership. Scholars have typically argued that economic factors play a causal role in personal behavior [91]. Labor force participation has a positive effect on the dependent variable. On the other hand, the control of corruption shows counterintuitive results.

Hypothesis 6 proposed that the level of a country's development positively moderates the relationships of informal institutions with leadership behavior. Model 2 showed the interaction effect between development and tolerance. The coefficient was positive and statistically significant for tolerance, social capital, creativity and responsibility as we expected, and the coefficient of power was negative and significant. Although the main effect of tolerance was positive, the interaction of tolerance and level of development on leadership was negative and statistically significant ($p < 0.001$). The interaction terms show that while the level of development decreases,

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Variable	Mean	Std. dev.	1	2	3	4	5	6	7	8	9
1. Leadership	7.136	0.721									
2. Tolerance	0.706	0.128	0.388***								
3. Social capital	0.054	0.046	0.275**	0.214*							
4. Creativity	4.232	0.392	0.361***	0.181	0.115						
5. Power	2.963	0.671	−0.337***	−0.359***	−0.124	0.396***					
6. Responsibility	0.527	0.225	−0.200***	−0.377***	−0.056	−0.051	0.439***				
7. Education	0.277	0.187	−0.171	−0.172	−0.063	0.278*	0.318***	0.086			
8. LnGDPPPP	9.634	0.864	0.259*	0.301*	−0.067*	−0.239*	−0.595***	−0.427***	−0.502***		
9. Labor force	68.252	10.099	0.246**	0.015	0.261**	−0.163	−0.320***	−0.098	−0.196*	0.119	
10. Control of corruption	0.379	0.996	0.213*	0.311**	0.293**	0.032	−0.399***	−0.484***	−0.351***	0.576***	0.341***

*$p < 0.1$.
**$p < 0.05$.
***$p < 0.01$.

Table 1. Descriptive statistic and correlation matrix.

	Model 1		Model 2		Model 3		Model 4		Model 5		Model 6	
Independent variables												
Tolerance	1.234***	0.337	13.140***	2.931	1.349***	0.345	1.268***	0.351	1.605***	0.368	1.754***	0.330
Social capital	3.146***	0.712	3.239***	0.645	−10.215	10.007	3.035***	0.814	4.007***	0.685	2.590***	0.647
Creativity	1.102***	0.096	1.068***	0.088	1.078***	0.089	1.376	0.952	1.046***	0.093	1.006***	0.091
Power	−0.344***	0.051	−0.367***	0.048	−0.319***	0.053	−0.354***	0.060	−1.409**	0.721	−0.324***	0.047
Responsibility	0.302*	0.160	0.318**	0.147	0.287*	0.157	0.331**	0.161	0.286*	0.146	−5.175***	1.474
Interactions												
LnGDPPPP × tolerance			−1.173***	0.283								
LnGDPPPP × social capital					1.366	1.002						
LnGDPPPP × creativity							−0.027	0.096				
LnGDPPPP × power									0.118	0.078		
LnGDPPPP × responsibility											0.557***	0.156
Control variables												
Education	−0.449*	0.184	−0.628***	0.177	−0.339*	0.188	−0.481**	0.205	−0.346*	0.188	−0.439**	0.201
LnGDPPPP	0.244***	0.047	0.991***	0.187	0.123	0.085	0.347	0.399	−0.175	0.251	−0.193*	0.114
Labor force	0.008**	0.004	0.012**	0.004	0.011***	0.004	0.008*	0.004	0.008*	0.004	0.013***	0.004
Corruption	−0.235***	0.032	−0.221***	0.027	−0.221***	0.032	−0.229***	0.031	−0.207***	0.025	−0.182***	0.030
Constant	−0.363	0.689	−8.012***	2.179	0.517	0.842	−1.436	3.906	3.407	2.214	3.606***	1.082
Wald X^2	697.83		2046.39		513.49		605.84		850.27		1041.08	
Observations	67		67		67		67		67		67	
Countries	35		35		35		35		35		35	
R^2	0.613		0.614		0.646		0.633		0.613		0.696	

Note: The first column of each model corresponds to the estimation, while the second is the standard error. *$p < 0.1$.

**$p < 0.05$.

***$p < 0.01$.

Table 2. Linear regressions with feasible generalized least squares (FGLS).

leadership behavior is more sensitive to informal institutions such as tolerance. In other words, this negative interaction term indicates that the relationship between tolerance and leadership is stronger when there is a lower, rather than higher, level of development. This is in line with leadership literature that emphasizes the importance of tolerance and stress management in leadership, especially in times of crisis or ambiguity [8].

Although not fully synonymous, the intolerance of ambiguity (an individual cognitive state) and uncertainty avoidance (a behavioral phenomenon) are concepts that are likely to be positively related [92]. In Model 3, we presented a model with the interaction terms between social capital and development. In this model, the coefficients are positive and statistically significant for tolerance, creativity and responsibility. Otherwise, they are negative and statistically significant for power and not significant for social capital. The interaction of social capital and development with leadership was not significant. In Model 4, tolerance, social capital and responsibility were positive and significant and power was negative and significant. Contrary to expectations, the direct effect and interaction term for creativity and the level of development is not significant. Similar results have been found in studies such as Dubinsky et al. [93]. They argue that contradictory results could be explained because creativity intelligence seems vague or unformulated. Similarly, Model 5 presented the interaction term between power and development. Although the main effect of power was negative and significant, the interaction of power and development on leadership was not significant. Finally, in Model 6, we can see the interaction of responsibility and development with leadership. Although the main effect of responsibility was negative and significant, the interaction effect of power was positive and significant. This interaction means that countries with high levels of development experienced a stronger positive impact of responsibility on leadership. As we can see, all models confirm the importance of informal institutions, especially when these institutions are moderated by the development of countries. In Model 6, R^2 increases with respect to Model 1 indicating that in terms of R^2, it is a better model and it explains 70% of the total variation of leadership. Our results do not support Hypothesis 6, since not all informal institutions were significant when are moderated with level of development.

5. Discussion and conclusions

The current research integrates insights from the leadership literature and proposes institutional economics (particularly sociocultural approach) as a fresh perspective to advance leadership research, especially when we link leadership with the construction of an individual and collective identity. This study contributes to a better understanding of the mechanisms through which informal institutions such as cultural values, attitudes and practices influence leadership. Although informal factors such as tolerance, creativity, social capital, power and responsibility were found to be important predictors of the decision to be a leader, their effects are somewhat complex. Our results demonstrated that the level of country development exercise a complex pattern of the effects on the relationship between informal institutions and leadership behavior. This is one of the few studies that aim to integrate the study of leadership under an institutional approach.

From a conceptual perspective, the results confirm what scholars have long pointed out the importance of sociocultural factors in the decision to be leader [8]. Our study therefore provides insights regarding the informal factors that may strengthen leadership in the current complex environments. This study emphasizes that one of the most important approaches to understanding leadership is self-leadership [12] from a sociocultural perspective. Before a person can lead others, they must be able to lead and navigate by themselves, to attain desired behaviors [94]. A more recent approach found similarity between self-leadership and authentic leadership [95], reflecting the notion whereby an individual is “the master of his or her own domain” ([96]: 293). Therefore, for leadership to flourish, it is important to consider the context in which a person develops.

Practical implications can be drawn for education and business, regarding the informal factors to be studied and promoted in order to have more developed societies. Schools and organizations prepare new generations of leaders through strategies to encourage and promote rational thinking leaders, responsibility, social capital, acceptance and tolerance for diversity or complex situations. It is also important to understand how power can be exercised and leadership endorsed in various contexts. One recent approach, in line with these ideas, is mindfulness in leadership [97]. This approach suggests that leaders who navigate multiple demands develop and display certain personal and social qualities, such as tolerance [98] and creativity [99, 100]. The intention of the current work was to expand the leadership development concepts and ideas that make groups and organizations more psychologically safe [43].

Leadership is a complex and dynamic process [101], and therefore, this study should be interpreted in light of its key limitations. This analysis was conducted at country level; future research should integrate multilevel analysis [102] that includes individual, relational and collective levels [103, 104]. An individual self-concept might focus on traits that distinguish someone from others in the sociocultural environment. Relational or interpersonal self-identities are based on relationships between the individual and important others. Finally, collective self-concepts are those in which an individual defines the self in terms of membership of important groups or organizations [5]. This future research can take lessons from the sociocultural approach, specifically the cultural-cognitive dimension [27]. This dimension explains that internal interpretive processes are shaped by external (environmental) or cultural frameworks and that individual behavior depends on the interpretation of their contexts and the consensus within the group of reference [105]. Future research therefore needs to examine this topic in a longitudinal study that includes more periods of time or to use qualitative methods that may yield novel or unanticipated findings [106]. Future studies may provide more knowledge by exploring the effect of the context on leadership, incorporating the role of informal institutions, and not only trying to identify attributes that may (or may not) be universally endorsed or effective in different environments. Although leadership literature has considered national cultural contexts (defined by geography or cultural traits), few authors address topics related to micro cultures or individual identity obtained through a way of seeing the world and the context in which it was developed. Finally, due to the close relationship between leadership and entrepreneurship, to expand this study toward the analysis of the influence of leadership styles on entrepreneurial activity could contribute to the current debates on the leadership research [107, 108].

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Conflict of interest

We have no conflicts of interest to declare.

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Chapter 4

Understanding Leadership in Disadvantaged Peripheral Areas: The Case of Mayors and Local Leaders in Israel

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Additional information is available at the end of the chapter

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Abstract

Researching local leaders who must function under difficult circumstances, in disadvantage peripheral areas, is both complex and challenging topic. Theoretically speaking, one may argue that such peripheral places, by nature, are forced into a negative dynamic (being far from a metropolitan area, having low-level public services, selective migration, and so on). Such a situation may limit these local leaders' opportunities to realize their visions and goals, to apply their personal capabilities and biographies in the public sphere. The present article rejects the above logic, suggesting a more humanistic perspective. In support of the suggested approach, this article summarizes the findings of a series of empirical studies that describe a wide range of leadership modes exercised by Israeli local leaders functioning under demeaning peripheral conditions from 1983 to 2017. The study shows that, despite their similar circumstances, these Israeli leaders were highly distinct in many ways. Different leadership typologies are discussed that were observed in the Israeli peripheries during those years: hierarchical vs. egalitarian, reactive vs. proactive, transactional vs. transformational, radical vs. pragmatic-reformer. On a broad theoretical level, the findings clearly indicate the need for explanations that go beyond the mere geographical-political context, delving into the humanistic sphere to study each leader's unique personality and biography.

Keywords: community leadership, spatial periphery, mayors, urban leadership, disadvantaged towns, biographical resources, Israeli society, structuralism versus humanism, radicalism, transformational leadership, culture and leadership

1. Introduction: local leadership and the nature of urban dynamics in disadvantaged peripheral areas

When speaking about the nature and qualities of place-based leadership, we can outline three main approaches.

The first is a structural approach or 'the contextual thesis' [1]. Scholars who follow this line of thought, as political economists or Marxists (with its various theoretical extensions[1]), tend to highlight and empower major objective forces in politics, sociology and geography, in a manner that reduces the potential of local leaders to shape their own environments. Accordingly, the structural conditions within which certain local leaders are embedded and engaged (e.g., power relations, class structure, their actual location within the national, spatial hierarchy), together mold and fix a context that substantially influences the volume of their deeds, and the quality and effectiveness of local leaders. In this view, disadvantaged places, such as peripheral towns or poor neighborhoods in marginal areas, that suffer under macro contextual forces, such as globalization and neo-liberalization, negatively affect and worsen the welfare and living standards in their vicinities. Such conditions significantly restrict the abilities of local leaders, no matter who they are and what their cultural or biographical sources. In a structural analysis, such forces operate in a one-way direction: they redirect and shape the policy and decisions taken by local leaders, while the latter are unable to control theses forces. This structural mechanism may be even more rigid when it comes to municipal leadership. Beyond global or national forces, the fundamental nature of city politics is much more complicated and rife with conflictual and contradictory interests and values, as in: [5] real estate, community life, and municipal administration. Hence, leaders who represent disadvantaged communities are forced to face many exogenous problems and conflicts in a limited, by-the-book manner; they have almost no freedom to insert their visions, values, personalities, biographies and personal narratives. At best, they can solve problems reactively or sufficiently to cope by exchanging resources. As those who lack material, financial and political resources, and frequently face severe social problems, such local leaders are compelled to produce a distinct and narrow pattern of policy making, one that is oriented towards trouble shooting (i.e., finding immediate, short-term solutions), often producing poor strategies, rather than designing long-term, sustainable plans. Furthermore, seen from a Marxist viewpoint, local leaders, situated in places in desperate need of financial resources, will attempt to gain help by means of flexible, survivalist politics, shifting from one politician to another and turning to various ministries and philanthropic institutions. Their fundamental situation manipulates them to adopt and internalize a hierarchical and subjective politics—a position that obliges them to become integral parts of problem. Even those local leaders who are aware of this and make honest efforts to formulate policies designed to break the vicious cycle, will probably, eventually fall into a Sisyphean logic.

[1]See: [2]; for the Israeli context see [3, 4]. Tzfadia and Grinberg do point to active position taken by local leaders. However, in line with collective structuralism base of Marxist thinking, such reaction, shifts and other movements are not analyzed as they were an outcome of individual reaction but rather as a collective action that directed to challenge the capitalist super-structure.

The second and contradictory theoretical perspective is one that may be called a humanistic approach or 'the personality thesis' [1]. Scholars who take this viewpoint tend to empower the abilities of local leaders, while putting aside or ignoring objective material conditions. Such studies analyze leadership qualities by emphasizing personalities, values, characteristics and perceptions, presuming these leaders to be "a problem-solver, crisis-handler and the man-to-blame" [6]. As such, the extent to which a local leader appears on the political scene as an innovator, arbitrator, or mediator, this is not the outcome of particular objective circumstances nor of the municipal circumstances within which that local leader functions, but rather the outcome of that individual person's 'conception of office' [6]. In other words, scholars who follow 'the personality thesis' ignore or minimize the role of structural forces as autonomous powers that shape urban order and determine the wellbeing of the local residents.

The current study follows a third approach, which I suggest labeling 'the humanistic-interpretational approach' for analyzing local leadership. Scholars, who follow this approach [1, 5, 7–13] accept the notion that certain structural situations of disadvantaged places may have a negative impact and restrict the abilities of local leaders to accomplish their desired goals. Furthermore, unlike 'the personality thesis' (which is often correlated with conservative views), these scholars view real politics, material and macro structural conditions as being frequently manipulated by politicians and certain economic interests. However, unlike 'the structural-contextual thesis', they incorporate the leader as the one who *interprets* context and has the potential to become a powerful actor within the system. In other words, these scholars consider the local leader as an *independent variable,* shaped by structural forces and autonomously reshaping them at the same time.

Based on this humanistic-interpretational framework, the current study seeks to empirically examine and analyze the case of certain Israeli mayors and local leaders, who represent and lead relatively disadvantaged urban areas, by examining how they interpret and manage their difficult situations. This analysis addresses the following specific questions: To what extent have these local leaders succeeded in improving the wellbeing and quality-of-life of their resident citizens? What practical added value or improvement did their actions and policies provide? Were certain aspects of their personalities (e.g., perceptions, values, charisma, visions, political narratives or biographies) recognized and disseminated in the public sphere?

To address these questions, the present study summarizes a series of empirical studies that explored different types of Israeli mayors and local leaders in some peripheral Israeli municipalities during the period from 1983 to 2017. It also discusses the relationship and the dialog conducted between the examined local leaders and their constituents, as well as their entire socio-political environment.

2. The context: Israeli geographical peripheries

The local leaders under discussion in this article were, and some still are, leading Israeli medium-sized towns located in the peripheries of the State of Israel, categorized as having a low socio-economic status.[2] In broad terms, historically, these towns were labeled 'development towns' (Heb., *arei pitu'ah*). Shortly after the establishment of the State of Israel in 1948, the Israeli government and national planning authorities prepared to accommodate the large influx of Jewish immigrants, many from Arab states. To this end, during the 1950s and early 1960s, the Israeli authorities founded and built about 35 'new towns' in the frontier areas of the new state. These included the following towns (some of which later became large cities): Ashdod, Be'er-Sheva (Beersheba), Beit-She'an, Kiryat-Shemona, Lod (Lyda), Migdal ha-Emek, Netivot, Ofakim, Ramle, Yavne, and Yeruham.[3] In most cases, these new towns were located at a distance from the big metropolitan areas of Israel (Jerusalem and Tel Aviv). As such, they were disadvantaged and suffered from the significantly poor conditions that were typical of peripheral areas, such as: an employment base that rested on traditional and low-tech industries (e.g., food, textiles and mining industries); a high rate of unemployment; low income levels; high levels of socioeconomic instability; low quality public services; and a narrow tax base. In addition, for many years, these towns also suffered from a selective and negative pattern of emigration (the better-educated young people would leave to find work in larger and more affluent urban areas), a phenomenon commonly known as 'brain drain', that further reduced the socio-economic potential of those towns.

As for the sociological and ethnic aspects, the vast majority of the people who now live in those towns are the second and third generations of new immigrant parents from Muslim countries; many accustomed to traditional-hierarchical interactions with the broader political environment [14]. Since the early 1990s, in the greater national political arena, Israeli society has undergone a sharp move towards a neo-liberalized and globalized social order [15]—a dynamic that widened the socioeconomic and spatial gaps between rich and poor areas in Israel. In addition, since the beginning of the twenty-first century, Israeli municipalities have come under more scrutiny and have been subjected to tighter regulation by the Israeli Treasury and the Ministry of the Interior, particularly the poorest and lowest ranking municipalities.[4]

Based on humanistic-interpretational approach mentioned above, the goal of the following analysis is to address the question: How do leaders in those disadvantaged towns cope with and transcend their demeaning conditions? The following analysis and discussion address this question by identifying, conceptualizing, and classifying various types of local leaders using common leadership models.

The empirical analysis consists of three sections. The first section focuses on the personality and strategies of the Mayor of Yavne-Meir Sheetrit (1974–1992), describing his mayoral

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[2]According Israeli official statistic, each among all Israeli cities, towns and settlements categorized in one of 10 statistical clusters; each cluster represent a certain level of socioeconomic conditions. Settlements who appears in cluster 1 represent the lowest level of municipalities cluster 10 represent the highest level of urban standards. In the research period, the settlements that under consideration appeared in clusters 3–4.

[3]Up until 1948 Lod and Ramle were homogenous Arab cities. During the Israeli War of Independence (May 1948), these cities were evacuated and a short while later rebuilt as new town. Along the years they become ethno-nationally mix town, see below Section 5.1.

[4]Further, in many case the Israeli ministry of interior affairs intervene in the local municipal affaires of these municipalities, expropriating their powers and limiting local autonomy, as in some case reached to firing mayors replacing them with appointed high officials.

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activity, representing an entrepreneurial style of leadership. Second section analyses the relationship between the social and geographical conditions in Yeruham and the leadership qualities exercised by the mayors who served this town from 1983 to 2005. This includes a more detailed discussion of an egalitarian leadership style, as expressed by the personality and strategies of Mayor Moti Avisror, comparing it to other types of leadership, mainly hierarchical and meritocratic. The third section analyzes some common local leadership styles among politically-active Israeli-Arab civilians engaged in contemporary Israeli 'mixed cities and towns' (consisting of resident citizens/communities with different ethnic and national identities). This section specifically focuses on Faraj Eben-Faraj, a municipal council member (2012–present), who represents a new model of leadership, one which I call the 'pragmatic reformer'. Here, special attention is paid to the political narrative and to biographical resources, as crucial elements that support the attitudes and abilities of this leader, as well as any other leader.

3. The local entrepreneurial leader

Any city or town has a set of objective attributes—geographical, sociological or political that provide its relative advantage or, to use Michael Porter's term, its 'competitive advantage'. In general, this concept refers to the notion that the "endowments of inputs, such as labor, natural resources and financial capital […] enable the nation [or city] to productively *use* and *upgrade* its input" [16]. In an urban context, such input may be either 'fixed' (e.g., climate, or landscape, or the distance to a big metropolitan area) or 'dynamic', such as changes in state tax-benefit policies, or in commuter habits, or in housing and residential preferences. A crucial point regarding local leadership is that 'competitive advantage' cannot be always regarded as an explicit objective entity, but rather as something that *should be identified* or even invented (i.e., something bound to subjectivity). Successful leaders are those who are better at identify or inventing such advantages and utilizing them wisely on behalf of the city residents. The following discussion demonstrates this guiding principle by reference to Meir Sheetrit, the Mayor of Yavne (1974–1992) ([14], pp. 106–107; [17]).

3.1. Political, geographic and economic contexts

Meir Sheetrit was a young vibrant activist when first elected to be the Mayor of Yavne in 1974—a small Israeli town located at the southern border of the Tel Aviv metropolitan area. Yavne was established by Jewish immigrants from Morocco in the mid-1950s. During the 1960s and 1970s, Yavne ranked as one of the poorest municipalities in Israel, suffering from inadequate or lacking infrastructures and services, stigmatized and characterized by a high rate of social-welfare problems.

3.2. The mayor as an innovator of 'competitive advantage'

A short while after being elected, Sheetrit formulated a vision for Yavne as an attractive place that can provide 'equal opportunity housing' for local and non-local Israelis ready to live in

Yavne. He emphasized that, although Yavne was not within the Tel Aviv metropolitan area, it was, in fact, adjacent to it. Thus, Sheetrit claimed that Yavne has the potential to become an attractive suburb for middle- and upper-middle class populations. However, in order to attain that goal, Yavne would first have to gain a competitive advantage—something that would convince members of the middle class this Yavne is worthy.In the late 1970s, Sheetrit realized that many Israelis had changed their life styles and preferences in regard to housing, seeking for more privacy, wanting to live in private home with large yards. Acting on his intuition, Sheetrit prepared a strategic plan and took steps to make Yavne an attractive place particularly for middle-class emigrants from nearby (people who could not afford to live in Tel Aviv proper due to the very high cost of housing there). By doing so, he thought, Yavne would gain an advantage, one that would later spread and eventually benefit the older lower-class residents of Yavne. Unlike Yavne's former mayors, who had been passive and acted reactively, Sheetrit was proactive and determined to implement his municipal vision and strategy. In doing so, he initially rejected the existing official city plan (originally designed for building a new neighborhood of high-rise residential buildings), profoundly changing the urban master plan and essentially replacing it with a new design. Sheetrit's alternative master plan focused on the construction of a large new neighborhood, one suited to the current middle-class, ground-floor housing orientation and living standard.

Then, he made an advertising campaign promoting this new Yavne neighborhood targeting middle-class Israelis in the vicinity. Furthermore, knowing that there was a large Israel Defense Force military base not far from Yavne, inhabited by I.D.F. officers fitting the sociological profile of the Israeli middle class, Mayor Sheetrit initiated promotional meetings with those career officers, convincing them to buy homes in this neighborhood and to emigrate to Yavne; he succeeded in this mission. By the mid-1980s, a new upper-middle-class neighborhood had been built, bought and was inhabited in the western section of Yavne, consisting of about 1000 spacious, private homes, each with a large courtyard.

3.3. Overcoming challenging class conflicts

The next stage towards realizing Sheetrit's vision was the most crucial and difficult one. Sheetrit sought to utilize the socioeconomic advantages embodied by this group of I.D.F. personnel to benefit the entire population of Yavne. To that end, his general policy was to initiate or enable projects designed to integrate these new residents with the relatively-disadvantaged veteran residents of Yavne. This posed a complicated challenge, putting Sheetrit at a political crossroads. Seen from the perspective of socioeconomic classes, the natural tendency of members of the upper-middle class is to protect the use and exchange values of their properties, often by practicing self-segregation (such as by building sophisticated boundaries, both concrete and abstract, designed to discourage social integration). At first, this was the case in Yavne. For example, in the mid-1980s, young parents in the new neighborhood, established a new elementary public school, built especially to serve their own children and, thus, to avoid integration. As mayor, Sheetrit objected to their initiative, determined to create an integrative educational and sociological system, first and foremost, as a means to allow the disadvantaged children a chance to increase their social mobility. Officially, Sheetrit could reject this initiative since the Israeli law allow mayors to enforce integration in the school system[5]. However, he did not utilized this option. Instead, to overcome the middle-class resistance and to avoid bitterness, Sheetrit adopted a pragmatic approach, suggesting the new residents a deal. Unlike conventional thinking, in which politicians presume the logic of a 'zero sum game' when negotiating with outgroups, Sheetrit negotiated using a 'win-win' strategy. Working together with professional educators and experts, he adopted an educational model in which the curriculum and teaching process in the new school was not fixed, but rather highly flexible. The new school incorporated the 'individual teaching method'—a novel and, as yet, unfamiliar model in those days. In practical terms, this meant that the children of the relatively affluent families would not have to suffer at lower educational levels but would rather be encouraged to advance at their own speed, in accordance with their personal abilities. Meanwhile, the relatively disadvantaged children would not be harmed, still getting the necessary time and attention from their teachers. This enabled Sheetrit's goal to be met, as children from different social classes socialized in integrated classrooms with their classmates. By applying this model, Sheetrit and the educational staff succeeded in advancing the interests of both communities, while avoiding the conflict of interest.

Mayor Sheetrit's second attempt to block an unacceptable initiative, instigated for the purpose of avoiding integration, occurred later on, when some of the new residents wanted to open a sports club ('the water park') near their neighborhood; they established it as a non-profit association in which the owners (i.e., shareholders) of the potentially exclusive club were all residents of the affluent neighborhood. Mayor Sheetrit was once again concerned that this might encourage a pattern of segregation between new and old residents. However, being a pragmatic and creative leader, he did not reject this initiative outright, but insisted on establishing some prerequisite ownership criteria that would open the water park to other members. Sheetrit wanted to promote the circulation of social capital and to reshape the local social system, making it more inclusive and integrative. As such, his main precondition was that at least one third of the club's shareholders come from outside the affluent neighborhood. This obliged the founders to appeal to residents of the old neighborhoods and to convince them to accept partial ownership of the club.

By the beginning of the twenty-first century, Yavne had become much stronger, much less stigmatized, and much more integrated. The high school now includes children from all the social classes and socioeconomic levels. The local partisan-politics system is not strictly divided according to ethnic or class lines. The aforementioned sports club became an inclusive, rather exclusive, place and is not identified the upper-middle class. Since the 1990s (and more intensely since 2010), Yavne has raised its status and is currently considered a strong suburban magnet that attracts young couples from broader areas surrounding the Tel Aviv metropolis. Indeed, such improvements were also caused by other sources and mechanisms (steps taken by the three mayors who followed Sheetrit). Nonetheless, taking a broad perspective, the strategic steps made by Mayor Sheetrit during the 1980s caused a positive, fundamental shift, substantially altering the urban socio-cultural dynamics in Yavne. Not only

[5]According to the Israeli "Mandatory Education Law of 1949," while the municipalities were the official zoning authorities, school children were only to be registered in the schools within their own residential zones.

did Sheetrit correctly identify the competitive advantage of Yavne, he also tailored it to fit the target populations. Furthermore, after gaining this advantage, Sheetrit harnessed the abilities and high potential of his upper-middle class residents for the benefit of the greater Yavne community. Sheetrit accomplished these difficult and selfless tasks by remaining committed to his urban social vision, standing firm and engaging in tough negotiations with relatively strong people. To borrow a well-known typological model suggested by Svara [8], it seems that Sheetrit fits the *entrepreneurial* model of leadership (or the 'innovator'). According Svara, the *entrepreneurial* leader is one who sets a policy that strives to push forward *structural reforms* within the urban sphere and successfully carries them.[6]

The above analysis concentrated on the relationship between a mayor and his socio-political environment, showing that strong leadership can make a significant difference. However, this analysis may be deceptive and unintentionally lead some to a naïve attitude towards leadership, due to the use of the social-class perspective to analyze the 'leader-followers relationship', while taking for granted the cultural and value orientations of both the leader and the followers. To achieve a more comprehensive understanding of the mechanism of leadership, we must also incorporate the cultural context and the value orientation of the actors involved. The following section highlights and clarifies this aspect.

4. Hierarchical, meritocratic and egalitarian-transformational local leaders

The volume and quality of the resources given to politicians, whether material or abstract, existing or invented, may indicate very little about the real dynamics of leadership and urban change. Resources alone offer meager insight, if one ignores the question: What are the fundamental cultural values in a politician's background that guide the practical use of those resources? The following discusses this question and provides empirical comparisons of various types of local leaders in Yeruham.

4.1. The geographic, political, sociological and cultural context

Yeruham, inhabited by approximately 10,000 people [11], is a small disadvantaged town located in Israel's Negev desert, far from the biggest Israeli metropolitan areas. The political history of this town in the later twentieth century and early twenty-first century shows three substantial transformations, each with a distinct pattern: hierarchy, meritocracy and egalitarianism. Since its founding in 1955 and until the early 1983, Yeruham was markedly dominated by the Israeli establishment. The town was characterized by a high level of dependency and a client-patron-style relationship, further exacerbated in the 1980s, when it was governed by a mayor who employed a paternalistic and centralistic style (from 1983 to 1992). This mayor

[6]Svara ([8], Figures 2–4, p. 105). In Svara's words: the innovator is one who characterize by having a high level of "effectiveness in policy initiation" plus a high level of "effectiveness in implementation".

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regularly bypassed the professional suggestions made by other officials and uprooted local criticism by means of a tactic of co-opting political rivals. At that time, such leadership norms had a great impact on Yeruham's residents. For example, the citizens were deeply convinced that if they have a tangible problem, the best way to handle it would be by seeking political assistance by means of gaining personal favor with the mayor, rather than making an effort to deal with their own problems by themselves. This political pattern changed significantly in 1992, when a young local leader, Mayor Moti Avisror, entered the Mayor's Office (1992–2003).

Right after being elected, Avisror stated that he wished to substantially change the common practice in the Yeruham municipality and in city politics as a whole. Avisror took many steps designed to undermine the culture of dependency and to thwart the popular habit of leaning on exogenous political aid. He strove to make Yeruham a place where its citizens are prouder, more independent and self-sustaining. For instance, when local citizens would enter the Mayor's Office seeking help, Avisror would politely reject them, saying: "You should first go to the professional department manager, who'll gladly help you. If they can't help you there, then come back to me." Furthermore, in contrast to the former prevailing governing norms (based on access to the mayor being granted only to select political comrades or by nepotism), Mayor Avisror practiced norms based on professional considerations and meritocratic values. Thus, whenever the municipality of Yeruham sought to recruit professional contractors, Avisror insisted that the screening of potential candidates be given to impartial, private agencies that would examine them in accordance with professional criteria. He always explained to those seeking jobs within the municipality: "First, you should pass the external tests," (i.e., the relevant occupational aptitude tests). By applying such practices and policy, Avisror sought to change the 'old' well-established norms and to promote a political culture of professionalism and autonomy. Unsurprisingly, in late 1990s, the municipality of Yeruham received many awards from various Israeli ministries and state agencies praising Mayor Avisror and his staff on their excellence and professionalism in management and leadership.

However, many young people in Yeruham were deeply disappointed with this managerial style, and unlike the governmental ministries and officials, they did not consider it to be efficient or successful; they argued that the unavoidable outcome of choosing meritocratic values and higher professional standards is the deprivation and exclusion the weakest, most disadvantaged residents. To a certain degree, their criticism was justified. This highlights the paradoxical nature of applying the meritocratic model of leadership in marginal, disadvantaged peripheral areas; the inherent structure of this model promotes and benefits only the more professional and well-educated members of the lower class (often correlating with young people). In many cases, the less privileged, those most in need of help from local leadership, do not stand a chance in meritocratic competition.

A reasonable and logical solution to this problem might be to implement an egalitarian policy alongside the meritocracy, as, in fact, was done by Mayor Avisror. Although he insisted on establishing local norms based on higher professional standards, at same time, he advanced certain egalitarian projects, directly targeting the young strata of local residents, such as the high-school students, as described below.

4.2. The egalitarian-transformational leader

From the moment he took office, Mayor Avisror strove to shape the social order in a way that would provide local teenagers with an equal opportunity. He determined that the local formal education system was the best platform for the fulfillment of this vision and for the promotion of social mobility for the younger generation.

To that end, Mayor Avisror would have to overcome certain difficult structural problems to enable the application of such equal-opportunity policy and programming under the inherent conditions of peripherality and marginality. Although his policy appears to be worthy and achievable, a structural-cultural perspective may dampen that optimism. As implied earlier, local leaders who attempt to break free of the natural mechanism that maintains and perpetuates poverty, must inevitably deal with severe problems born of local cultural preconceptions, such as: clientelism [18], passiveness, fatalism [19], cultural distrust [20], and low-level expectations. Nonetheless, the following empirical analysis shows that this structural scenario was not necessarily practiced. Determined local leaders, who are well-apprised of local political culture, may successfully break the vicious cycle to introduce a totally different socio-cultural dynamic.

Until mid-1990s, Yeruham high-school students (there was only one high-school) presented poor achievements in terms of the rate of students who were awarded full high-school matriculation certificates. For three decades, the residents of Yeruham, especially the children and youth, passed through the low-quality educational system, characterized by low standards, low expectations, low professionality, and graduated, suffering from a sense of stigma and with a poor self-image. This negative dynamic significantly changed during the late 1990s under Avisror's leadership.

In 1994, the Israeli Ministry of Education decided to take affirmative action by applying a policy that granted poor municipalities (including Yeruham) some 40 million new shekels (about 10 million dollars) to improve their school systems. Avisror recognized this opportunity to apply his egalitarian vision by instituting a massive reform in the Yeruham school system. He stated that the ultimate goal of the Yeruham municipality is to raise the rate of students who graduate with full high-school matriculation certificates. To accomplish this, he hired an expert team of educators to execute an intensive intervention in the high-school, and to work together with the students, the parents, the teaching staff, and the Municipal Department of Education. By 1996, after the great efforts that had been invested, Yeruham began to enjoy the results, as the rate of high-school graduates with full high school matriculation certificates rose dramatically from a mere 20% to 60%, remaining stable since then. As will be shown in the analysis below, Avisror's success in accomplishing significant structural changes in organizational culture would not have come to pass without his personal leadership resources and his effective mode of interaction and persuasion with his constituency and the higher authorities.

This educational intervention project began in the summer of 1994, when Mayor Avisror held a general meeting (in the desert just outside the town), including the participation of: high-school students, parents, teachers, educators and representatives of the municipality. The official explanation given for this meeting was: “preparation for the upcoming school year.” Mayor Avisror recalled the proceedings as follows:

I remember myself sitting cross-legged [i.e., oriental style; body-language interpreted by Israelis as a genuine expression of spontaneity and authenticity]. I asked someone to speak briefly about his role and life story. When it was my turn, I said: "My name is Moti Avisror. I was born here in Yeruham. I had a poor childhood. About twenty years ago, when I was seventeen years old and still studying in our local high-school, I was enrolled in the study track designed prepare me and my classmate for a full high-school matriculation certificate. But then some officials from the Ministry of Education canceled that study track. This was traumatic news for me and my classmate; I was shocked and almost desperate. However, despite the difficulty, I decided to continue studying for the matriculation examinations on my own. I took myself in hand and made great efforts to achieve a full matriculation certificate. I wanted to improve myself and to prove to myself that I could do it--and I did!

So, you see--if I did it, there's no reason why all of you cannot! So, what I am asking now is that all you students sitting here with us, join the prep course and get yourself a full high-school matriculation certificate. Just do what I did--dare! Strive! Make an effort!"

This statement was not enthusiastically accepted by everyone present at that meeting. Some students, parents, teachers, educators, and even the school principal refused, at first, to take part in the mayor's vision, arguing that Avisror did not really know enough about the high-school. Initially, they did not understand what he was expecting of them. Some declared: "It's an impossible goal." Others believed: "It's a waste of time and energy."

This kind of reaction was not entirely unexpected; frequently marginal or disadvantaged communities are characterized by a low level of expectations and a political culture of distrust towards authorities and elites, often resulting from histories of bad collective experiences, similar to the socio-political history of Yeruham before Avisror became the mayor. The people of Yeruham had a long and bad experience with politicians (both nationally and locally), as well as with elite groups, all of whom had low expectations of them and never considered encouraging them to try harder, never thinking they might succeed.

Avisror sought to put an end to that negative dynamic. He refused to accept the rationalizations voiced by teachers, parents and students. He insisted on executing his novel intervention program. Shortly after that first general meeting, he held a conversation with the reluctant high-school principal and fired him, replacing him with a cooperative principal. The entire concept of classroom learning was substantially changed once the recruited professional contractors from outside Yeruham arrived. Meanwhile, Mayor Avisror interacted with various parties—bureaucrats, teachers, parents, students and contractors—revealing his fundamentally different mode of leadership to them (to break the old stereotype); he strove to change their fatalistic orientations and to raise their levels of expectation and optimism. Recall that in 1996, the official data received from the Israeli Ministry of Education was very positive, citing a dramatic rise in the number of students who completed the maximal high-school study track. Avisror also utilized this good news to generate positive, attitude-changing publicity via the local news media, posters in school corridors, announcements at official meetings, stressing one simple, blatant message: "Yes, you can!". Furthermore, whenever the mayor met the officials, teachers, parents and students who had attended that first meeting, he reminded them, pleasantly but firmly, of their original, skeptical reactions to his initiative, and he did this repeatedly on every possible occasion. Following Richard L. Daft's conceptual framework [21], Avisror utilized a storytelling technique in which the leader tells the followers a story, involving facts and myths, one that teaches an important lesson; that story is then often repeated by the followers. According to Daft, the more the leader repeats that story, the more likely it is that the followers will internalize and assimilate the desired message and the embedded values.

In summation, the above analysis shows that policy outcomes cannot be understood solely by analyzing the volume of the resources given to a community or a mayor (in this case, governmental financial assistance given to the municipality of Yeruham in the mid-1990s). Policy makers, as well as researchers, must also answer the question: How do leaders utilize gifted resources?

In light of these consequences, it appears that Avisror's policies fit the type of leader called a 'transformational leader' by Bass and Riggio [22]. Unlike a 'transactional leader', Avisror did not identify success with the satisfaction of his constituent, nor by exchanging gratification with them. Instead, he worked to reshape their expectations and consciousness; by doing so, he got them to internalize a valuable life lesson, *beyond* the specific, concrete outcomes (i.e., increased full-matriculation rates). That lesson was: "What may seem to be impossible at first may be possible. That depends on you!" Avisror formulized this particular message intentionally, in order to dash the negative presumptions (or *idees fixes*). According to Bass and Riggio, the main features that characterize "transformational leadership" are the reshaping of expectations, the setting of high expectations, the internalization of greater responsibility, and facing real challenges.

Thus far, this discussion has emphasized the notion that leaders (both Sheetrit and Avisror) have succeeded in their missions by utilizing personal internal resources: to motivate change, to determine which challenges to face and how to handle them, to conceptualize and analyze the state-of-mind of others, and to negotiate with conviction regardless of the others' reticence or skepticism. An additional subcategory within 'personal internal resources' is—'biographical resources'. The following section demonstrates the political use of biographical resources empirically by presenting it in a different context–that of local Israeli-Arab leaders in mixed cities and towns.

5. The pragmatic-reformer as a local leader

5.1. The political context

Israeli-Arab citizens compose about 20% of the Israeli population. Some live in homogenous Arab settlements; others live in mixed cities, such as: Yafo (Jaffa, a borough of Tel Aviv), Jerusalem, Haifa, and some small-medium towns like: Lod (Lyda), Ramle, Akko (Acre) and Nazareth-I'llit. The vast majority of citizens who live in those locations are Jews and none are governed by an Arab mayor. In other words, the Arabs citizens living in such places are minority populations at both the local-municipal and the national levels. Generally, the standard-of-living of those Israeli-Arab citizens residing in mixed cities and towns is lower than that of the Jewish citizens living in entirely Jewish cities (such as Yavne and Yeruham). Several factors dictate this relative inferiority ([13], pp. 261–268]): the political histories of the mixed cities and towns, the cultural and political heritage of their residents and, no less important, the political orientation (attitudes, values, perceptions) of the Israeli-Arab activists who are engaged in mixed-city/town politics. The following provides a more detailed discussion.

Until recently, Israeli-Arab citizens living in mixed cities and towns were dominated by two prototypical kinds of leaders ([13], pp. 261–268). The first kind is the traditional-hierarchical leader, who holds a pragmatic, relatively-subjective position towards the Israeli majority and the Israeli establishment. The basic rationale of this type of leader is that there is no point in even thinking about changing the existing power structure (i.e., the Jewish majority versus the Arab minority). Based on this perception, such leaders believe that by maintaining close ties with the existing power centers (e.g., municipal officials, mayors, Israeli politicians) and by respecting the rules of the game, they better serve the material and political interests of the Arabs residents and may benefit them more. In addition, unlike radical activists (more below), such Israeli-Arab leaders are deeply convinced that their local problems have nothing to do with national problems (i.e., the ongoing conflict between Jews and Arabs) that should remain separate. Hence, they feel that local problems can be resolved incrementally, by means of local arrangements made at the local level of governance.

In a sharp contrast, radical Israeli-Arab local leaders view the power system fundamentally differently; they firmly believe that national and local-municipal issues are intertwined. As such, they blame the Israeli establishment as being primarily responsible for their bad circumstances and the low standard-of-living in the mixed cities and towns. Due to this fundamental preconception, the radicals despise their more senior hierarchical opponents, blaming them for cooperating with the hegemonic power and being manipulated by it. Thus, the chosen strategy of radical Israeli-Arab local leaders is to ignore governmental and municipal activity. Instead, they favor taking part in various NGOs (through which they wish to promote psychosocial change in the minds of the Israeli-Arab public) and by appealing to the Israeli Supreme Court.

It seems that since the beginning of the twenty-first century, these two competing types of leaders are both being challenged by a third type of young Israeli-Arab local leader—one who severely criticizes both the traditional-hierarchical type and the radical type. Someone who clearly represents this new third type of Israeli-Arab leader is Faraj Eben-Faraj—a local activist in the city of Lod (Lyda). Before presenting a political profile of this person I'll briefly review the geographical context, i.e., the local condition upon which this leader interact and operate.

Lod (Lyda) is a small-medium mixed town located not far from Tel Aviv. In 2017, its total population was about 74,000 residents [23] and it ranked as one of the poorest municipalities in Israel. Two-thirds of the city population are Jews and the rest are Arabs. Most of residents (especially the Arabs) came from low socioeconomic strata and have, for many years, experienced poor levels of municipal services. In addition, this town is characterized by severe social problems, such as: serious ethnic conflicts; [24] a high crime rate; and a bad reputation as a commercial center for illegal drugs. Furthermore, since the early 1980s, many of Lod's residents have been concerned about housing; there is a severe lack of suitable housing, especially for the Arab population (most of whom live in illegal housing). Faraj Eben-Faraj was born into this context and is affected by it.

5.2. The pragmatic-reformer model

Faraj Eben-Faraj began his political activity during 2012 by calling the local Israeli-Arab residents to join him in an attempt to change the poor social conditions by suggesting a different model of leadership that I prefer to call *pragmatic-reformism*. The following discussion outlines the basic elements that define this model, while next subsection analyzes the biographical sources and resources that support it.

Eben-Faraj severely criticizes both the hierarchical and the radical activists with whom he used to socialize from time to time, mainly in his younger years (see below). As opposed to the radicals, Eben-Faraj adopted a pragmatic leadership style, one that does not sufficient with criticism and protest, but strives to advance practical solutions. Like the hierarchical leaders, he avoids the big national controversies relating to the ongoing Jewish-Arab conflict. Instead, he prefers to invest his energies in practical issues that seems achievable and affordable. He stated: "I don't care about al-Aqsa. I don't care about the issue of the occupied territories, nor about the conflict between the Jews and the Arabs" [28]. This is what differentiates Eben-Faraj from the radicals.

Eben-Faraj equally rejects the hierarchical model, arguing that such leaders do not effectively or comprehensively solve the real problems of the local Israeli-Arabs, because their actions are *ad hoc* (i.e., relating to specific, single cases) and *ad-hominem* (relating to a particular individual). Thus, applying the hierarchical model means providing individual solutions to specific problems, which does not benefit the vast majority of the local Arabs in Lod. Instead, Eben-Faraj advocates making real changes by promoting and executing serious, comprehensive reforms.

The fact is that Eben-Faraj did not reach these insights just by means of quiet reflection, nor were his personal political views shaped as a direct outcome of pure theoretical thinking; many of his ideas and opinions result from his personal experiences, especially during his childhood, and have become inextricable parts of his personality. Throughout his lifetime, he interacted and socialized with many people, with whom he had intense dialogs, eventually adopting, adapting and formalizing his own unique, personal political view. This holds an important lesson for the entire issue of understanding leadership. As shown below, the study of a leader's biography is necessary not because it is interesting but rather to comprehend the basic personal, psychosocial experiences that yielded the individual's potential for becoming a powerful mechanism able to shape real politics. The following subsection briefly clarifies this theoretical notion as a necessary step towards understanding the resources utilized by Eben-Faraj in contemporary local politics.

5.3. Biographical resources behind the pragmatic-reformer leader

Since the early 1980s, there has been a growing interest in studying the nature of the relationship between individuals and greater society by researching their 'biographical resources' [13, 25–27]. Concisely put, this concept refers to the notion that certain abstract resources, such as motivation and moral justification for action, cannot be considered to be outcomes of socialization or socio-political conditions (as is presumed by some strict 'orthodox' sociologists), but are also drawn from personal biography. Childhood experiences and significant events undergone by individuals during their lives may later become biographical resources. The crucial element lies in the nexus where objective experience meets subjectivity. The qualities of the biographical resources depend on how each individual, or leader, recalls his/her own existence and sees his/her position vis-à-vis the world and its organization (or urban environment) [27]. Lynn Froggett and Prue Chamberlayne argue that, by focusing on this, researchers may identify abstract attributes, such as motivation, moral justification for action, and the discourse of social enterprise. Let us now apply the study of biographical resources for leadership to our case of the pragmatic-reformer—Faraj Eben-Faraj.

Faraj Eben-Faraj was born in Lod in 1970 to a local Muslim Israeli-Arab family. During the 1970s and 1980s, his father, Ebrahim Eben-Faraj, had served as a council member in the Lod municipality. In those days, Ebrahim held political views and a position that reflected the above hierarchical pattern. His son, Faraj, was exposed to this pattern, but rejected it. As an adult, Faraj Eben-Faraj pointed to an ongoing childhood experience that had led him to criticize this kind of politics:

> *In the early 1980s, when I was ten-year-old boy, I remember many activists, council members, who used to come to our house. During these meetings, my mother was almost always in the kitchen preparing refreshments on behalf of our guests. My job was to bring them to the table where my fathers' colleagues used to sit and talk. I had no choice but to stand and wait nearby; after being in that position for years, I was forced to hear many conversations. I noticed that there was one general theme that ran through all those maybe hundreds of conversations. What these guests, actually politicians, wished to do was to solve local problems on a personal basis, on behalf of a specific man or woman. The repeated line was something like: "You should take care of this poor woman, because she has little kids, so we should appeal to the Department of Education [in the municipality] to give her special treatment. We can fix her a job as a kindergarten assistant." You see, I heard a great number of such conversations and I did not like it. I said to myself: "When I grow up, I'll never ever follow this political tactic." That's why the Arabs in Lod stay in the lower [socioeconomic] strata. We must take a totally different approach and push reforms in order to improve the socioeconomic mobility of the younger generation. [28]*

This quotation reflects a political narrative in which the leader rationalizes and explains his distinct political view. By doing so Eben-Faraj rationalized his fundamental objection to the hierarchical mode of leadership. Nonetheless, Eben-Faraj did not totally reject the values and worldview of his father and his father's close social milieu. Later, during the late 1980s, he had also been exposed to the different socio-political milieu that of radical activists who were strongly opposed to his father. Faraj Eben-Faraj remembered an interesting event that produced an additional pillar in the evolution of his personal political narrative and views:

> *When I was a boy, I saw and heard some Arab guys who belonged to the Communist Party. In general, they opposed my father, sometimes even despised him. I remember one day, two such guys were talking to each other, while my father and his buddy were sitting in the background. One said to his friend something like: "Ah…, leave them! After all, they don't actually understand the real nature of politics. I don't expect more from a taxi driver and his close friend, the bus driver (pointing to my father and his fellow)." You see, when I heard this talk, I was extremely angry. Why should a taxi driver know less than anyone else?! I know many common people who have a much better understanding of politics than some well-educated people! [28]*

This dialog caused Faraj Eben-Faraj to reformulate his political narrative in a way that rejected radicalism. Beyond natural rationalization, he also rejected radicalism for psychological reasons; as one who emotionally identified with his father, he could not accept the critique and the hate voiced by those two radical activists. On the whole, Faraj Eben-Faraj adopted a model of pragmatic-reformism, simultaneously rejecting both hierarchical and radical views, though taking the best of each.

Based on his revises model, Faraj Eben-Faraj intervened in Lod's local politics in a new and different way. After being elected to serve on the Lod Municipal Council in November 2012, he acted pragmatically by developing social relations with the Jewish mayor (Yair Revivo, 2012–present) with whom he carried out serious reforms, including the construction and improvement of physical infrastructures, especially in the Arab neighborhoods, including: bridges, roads and a club for local Israeli-Arab teenagers.

Furthermore, a clear expression of Eben-Faraj's political leadership style is seen in the way he handled the aforementioned explosive issue of all the illegal construction of Arab homes. From 2014 to 2016, the Israeli Ministry of Housing and Construction launched a program in an attempt to achieve a broader solution to local-Arab's housing problem. Unlike the radicals, Eben-Faraj enthusiastically joined this program as a representative of Lod's Arab population. Unlike the hierarchical leaders, who tended to address such matters on a house-by-house or person-by-person basis (often granting nepotistic preferential treatment), Faraj Eben-Faraj insisted on solving this problem comprehensively and for the long-term. To do so, he utilized his academic knowledge as a lawyer and the reputation he had gained in his ingroup by negotiating with the Israeli establishment.

To summarize, the above analysis points to an interesting relationship between social environment (at both macro and micro levels) and leadership. Eben-Faraj's biographical experiences became political narratives that, in turn, transformed into biographical resources, in this case, providing moral justification and motivation for his actions. These resources helped him achieve substantial practical and material benefits on behalf of the local Arabs in Lod.

6. Conclusions and discussion

The study and understanding local leaders functioning under demeaning conditions in disadvantaged peripheral locations may seem to be a pointless or fruitless endeavor, if one accepts that there is insufficient autonomy and that these leaders' initiatives will inevitably be stymie. However, the empirical case studies presented above clearly contradict such structural logic. Examples were given of Jewish mayors and Israeli-Arab local leaders situated in disadvantaged places who, nonetheless, succeeded in promoting their original socio-political views and achieving practical, beneficial reforms. Though context does matter, the fact remains that the under similar conditions, distinct types of leaders came to power (even in same town): hierarchical versus egalitarian; pragmatic-reformers versus radicals, questioning the 'context thesis'.

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Leadership also matters. A most significant finding is that the same bad conditions may either be considered as insurmountable challenges or as windows of opportunity, depending on those leaders' prior orientations, presumptions, and strength of character. The empirical section pointed to several strategies by which these local leaders were able to fight against the negative circumstances and find the fortitude to proactively improve their environments by identifying competitive advantages for making their places more attractive and worthy of local pride. Projects to bring more affluent residents as a means of potentially raising the overall socioeconomic status; reforms improving the local school system; construction and repairs of physical infrastructures, and other projects to improve wellbeing in the peripheries of Israel and to reform the quality of local government—all these outcomes fundamentally contradict the negative mechanism known in Marxist thought, that leaders of lower-class populations are forced to take an integral part in producing the problem. The Marxist notion of "production is at same time reproduction" limits to theoretical sphere.

The ultimate questions are: What enabled these particular local leaders to deal so well with their bad situations and to successfully transform negative social dynamics into positive outcomes? How are certain local leaders in disadvantaged areas able to overcome all the negative predispositions and preconceptions in order to forge new, positive, viable notions and methods of action in order to gain public cooperation and make real progress?

The analysis pointed to a set of abstract resources and abilities that drew from leader's personality. This set operate as independent variable, i.e., one that is not fully synchronized (and cannot be synchronized) with objective conditions. This include: values, perceptions, motivation, determination, creativity, charisma, family affection, formal education, memories, narrative and biographical resources.

The present findings reveal some answers in regard to practical policy and methods. Two subsystems must first be differentiated: the leader's value system and leader's resources. The first refers to the question: What are the basic values, perceptions or the cultural coordinates that guide a leader's path and policy? Is that leader hierarchical, meritocratic or egalitarian? Does he/she follow a competitive logic (win-lose) or a 'win-win' strategy? The second subsystem refers to the question: What are the personal abilities that this leader may utilize to implement his/her values and policies? Is this leader a conventional-rational thinker (following prevailing norms) or does he/she utilize (unique) personal biographical resources? Does he/she have an 'expert mind' or an 'open mind'? Does this leader interact with his/her constituents like a transactional leader or a transformational leader (i.e., utilizing intrinsic versus extrinsic resources)?

By getting answers to all these questions, policy makers, as well as researchers, can better analyze and evaluate both the direction and the depth of changes being made by local leaders regarding various issues.

Conflict of interest

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Section 3

Training, Evaluation and Reflective Practice in Leadership

The Concept of Leadership in the Health Care Sector

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Additional information is available at the end of the chapter

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Abstract

The health care sector is characterised by constant reforms aimed at the efficient delivery of safe, effective, and high-quality care. Effective leadership is required to lead and drive changes at all levels of the health system to actualise the goals of the ongoing reforms in health care organisations. Leadership in the health care sector is spread across management and clinical workforces, creating peculiar challenges. The chapter examines the concept of leadership in the health care sector within the context of the recent drive by health care organisations to identify essential competencies and training required by health management and leadership workforces for effective performance in roles. It concludes that further research is needed to build the evidence on the relationships between targeted training and professional development interventions, individual competence of leaders from health management and clinical backgrounds and organisational performance.

Keywords: health leadership, health management, competencies, training, professional development

1. Introduction

The health care environment is complex and dynamic; it experiences problems peculiar to its unique characteristics as well as those besetting organisations in other sectors [1–3]. Such problems include internal pressures arising from increased demands for transparency and accountability, increasing influence of various stakeholders, such as political and social groups, who have vested interests in the sector, and shortages of health care professionals due to the effect of ageing workforces [4–6]. Factors outside the health care environment, such as changing population demographics, economic factors, globalisation, government policies, and advancement in medical and information technologies, also exert profound influences on the health sector [7–9]. Thus, the health care sector undergoes constant reforms arising from the interplay of factors both within and outside its control. Such reforms are necessary to meet the expectations of the population and ensure the delivery of safe, effective, and high quality-health care.

Effective leadership has been recognised as crucial in shaping organisational culture and driving the implementation of reforms in health care sector. This is evident in the growing interests in the concepts of health management and leadership, especially since the turn of the century, as reflected in the prevalence of studies on health management and leadership across different countries. Countries include Australia [3, 10, 11], Canada [12, 13], Ireland [14], Latin America [15], New Zealand [16], South Africa [17–19], and the United States of America [20–23]. Current interests in health management and leadership are, however, geared towards identification and assessment of essential competencies (that is knowledge, skills, and attitudes) required by health managers and leaders for effective performance in roles. Identification of such competencies is central to initiating appropriate training or professional development to enhance individual competence and improve organisational performance [21].

The purpose of this chapter is to examine the concept of 'leadership' in relation to the health care sector. This is achieved through a review of key studies on health management and leadership to provide contextual understanding of the concept and identify key areas of focus by health care organisations and researchers related to leadership in the health care sector.

2. Overview of the concept of leadership in the health care sector

In the health care sector, the term 'leadership' is closely associated, and often used interchangeably, with 'management'. Thus, this section presents an overview of the concept of leadership in the health care sector, drawing upon both management and leadership as both terms are seen as being relevant to health care services.

In a general sense, management entails planning, organising, control, budgeting, implementation, and evaluation; it ensures efficient utilisation of resources to achieve organisational goals [24]. The concept of management has been described as 'unique' in the sense that it has no universal application but rather is dictated by context, that is the policies, structures, and cultural values in which it is practised [25]. There are different schools of thought in management; one such school is the 'traditional' or bureaucratic (scientific) approach to management which emphasises a clear management structure, based on hierarchical chains of command involving workers' control and accountability for performance [26]. A competing school is the human relations approach to management which focuses on involvement of workers in the design of their work (participation, self-governance), motivating workers, satisfying their needs, promoting quality of life at work and managing conflict [27]. Numerous other theories of general management have followed, including institutional theory, open system and resource dependence theories, strategic management perspective, and organisational ecology [27]. These theories are beyond the scope of this chapter. Leadership, on the other hand, revolves around vision, ideas, direction, and inspiration; it establishes direction [28, 29] and motivates others [30, 31] to achieve organisational goals rather than a focus on day-to-day implementation of those goals [24]. According to (Bennis and Nanus [32] p. 21), "managers are people who do things right and leaders are people who do the right thing. The difference may be summarised as activities of vision and judgment (effectiveness) versus activities of mastering routines (efficiency)". Regardless of the differences between management and leadership in terms of roles and functions, both are recognised as important to the attainment of organisational goals and objectives [24].

Although management and leadership may represent two distinct disciplinary and practice areas, distinguishing between the two concepts in practice may be difficult [24]. In certain instances, management functions can provide leadership while leadership activities can contribute to managing [24]. Additionally, managers and leaders are expected to function effectively in different situations, not limited by their traditional roles, reflecting the view that they (managers and leaders) are expected to be all things to all people [33]. This view is consistent with that of Bass and Avolio [34] who opined that effective leadership is a reflection of an optimal mix of different styles, including management and leadership practices. Furthermore, the concept of 'distributed leadership' [35], which suggests one does not need to have a formal position of managerial authority to be a 'leader', further renders the debates on management/leadership dichotomy as less important. Thus, while the distinction between management and leadership arises from the differences in roles and functions, the reality is that a role is often unconsciously chosen and not outlined explicitly in the organisation [36]. A role appears and changes as a result of gaps that need to be filled in the managerial jobs.

Arising from changes in the social context of health care, the dichotomy between management and leadership in the sector is increasingly narrowing [37]. Thus, managers (generalist trained managers, professional health service managers) fill management roles, perform management functions and provide leadership. On the other hand, clinicians (including doctors and nurses) and other professionals with no background in management may move into management roles and provide leadership. One change which has significantly affected the social context of health care is the increasing involvement of clinicians in the planning, management, and organisation of care in line with the concept of clinical leadership. Clinical leadership is provided by clinicians in clinical settings to ensure safe, effective, and high-quality care [38, 39]. Such roles are usually performed in collaboration with non-clinical management or leadership roles and functions. Thus, in the health care sector, a 'managerialism' model, dominated by generalist trained managers, is being replaced by a unified (collective) leadership structure for the effective running of health care services. Such an approach to management is somewhat similar to the concept of 'distributed' or 'shared' leadership (see below), where different actors engage in tasks that are 'stretched' or distributed across the organisation [40].

There are many leadership theories which underlie management and leadership practices; prominent among them is contingency theory. Contingency (or situational) theory emerged in the early 1960s due to inability of previous theories to explain different aspects of leader behaviour [36]. Contingency theory is based on the premise that the behaviour exhibited by a leader varies, depending on the prevailing circumstance or situation [41–44]. According to Smirich and Morgan [45], leadership is a product of interaction between the situation, the leader, and the followers. Other theories which have their roots in contingency theory include transactional and transformational leadership theories, which were introduced by Burns in 1978 [36]. Transactional leaders are associated with contingency rewards (exchange of rewards for compliance) and management by exception (either actively or passively) [27, 36]; they emphasise legitimate power and respect for rules and tradition [46]. In view of the practices associated with transactional leadership, some authors have connected this leadership style with management functions [42, 43, 47, 48]. In contrast, transformational leadership motivates and inspires followers to rise above their personal interest for the sake of the organisation; it empowers employees to participate in the process of transforming the organisation and initiate major changes and reforms [27, 34]. One important outcome of transformational leadership is 'empowerment', which entails sharing of leadership process between the leader and the followers [34, 42]. This feature is consistent with the original idea of Burns that leadership may be exhibited by anyone in the organisation in any type of position [42].

Closely related to the notion of 'shared leadership' is a concept known as 'distributed leadership'. As stated earlier, distributed leadership focuses on how actors engage in tasks that are 'stretched' or distributed across the organisation [35]; it sees leadership activities as a situated and social process at the intersection of leaders, followers, and the situation [49]. In practice, leaders from both health management and clinical backgrounds are expected to demonstrate leadership theories as they (the theories) underlie the basis of the knowledge, skills, and attitudes (that is competencies, see below) required by the health management and leadership workforces for successful performance in roles.

3. Health management and leadership competencies

The terms 'competency' and 'competence' are often used interchangeably and inconsistently in health management and leadership literature. However, both terms are distinct concepts. Competency refers to the knowledge, skills, and attitudes which health leaders require for effective performance in roles [10, 50, 51], and can be improved with training and development interventions [51]. Knowledge has been described as a demonstration of the awareness or understanding of the concepts, theories, guidelines, or principles required to successfully perform a task [52–54]. Skill, on the other hand, refers to the possession of the capacity to successfully carry out physical or cognitive tasks to achieve a specific outcome [54], while an attitude refers to "a relatively enduring organisation of beliefs, feelings, and behavioural tendencies towards socially significant objects, groups, events or symbols "([55] p. 150). Certain competencies are considered as crucial for successful performance of organisations; such competencies are known as 'core competencies', a concept first advocated by Prahalad and Hamel [56]. Core competencies have also been described as common competencies which overlap and complement one another and are shared by health managers in a wide range of positions and settings [5]. Although the concept of core competencies engenders understanding and collaboration among individuals, it has been criticised for not taking into consideration the specific needs of each manager in line with his or her dominant management or leadership role [5]. Thus, in addition to identifying core competencies, it may also be useful to identify specific competencies required by certain individuals or members of a professional body for effective performance [5].

Competence is the ability to consistently produce the outcomes (of behaviour) required for effective achievement of organisational goals [57]. In other words, a competent health manager or leader possesses the requisite knowledge, skills and attitudes that enable him or her to manage or lead effectively. The term 'proficiency', or 'competence level', refers to the level of expertise for a particular competency. A 'competency model' is a framework which contains competency statements in which essential knowledge, skills and attitudes desirable for specific roles are described [57], or a collection of competencies required for successful performance [58]. A 'competence model', on the other hand, refers to a framework which describes the process and work outputs required to achieve the set goals of specific roles [57].

Other terms commonly associated with competency are 'capability' and 'capacity'. Capability refers to the process which allows individuals to demonstrate or express the required competencies on their jobs; it is the ease with which the required competencies can be accessed, deployed, or applied by individuals [59]. Capacity, on the other hand, refers to the power or ability of individuals to hold or possess the required competencies at a level considered sufficient for a role [59].

As pointed out earlier, several studies have been conducted on health management and leadership. The majority of these focused on identification and/or assessment of essential competencies required by health managers and leaders for effective performance in management and leadership roles. The focus on competencies has been informed by the need to develop strong and competent health management and leadership workforces, given the pivotal roles of leaders from health management and clinical backgrounds in driving changes and leading development in health care organisations. This much has also been recognised by the World Health Organisation, which has advocated the need to strengthen management and leadership capabilities at all levels of the health system [60, 61]. Different approaches are being used to identify and assess essential competencies required by health management and leadership workforces. These approaches include literature review, position description analysis, the Delphi technique, surveys, interview of job incumbents and focus groups. The optimal approach recommended for identification and assessment of competencies involves the use of multiple methods to improve the credibility of findings [54, 62].

A major point of contention in health management and leadership is whether competencies are similar across countries and organisational contexts, or are contextually sensitive. While some authors have argued that certain 'core' competencies are applicable to most health contexts [5, 11], others have advocated for more contextually compatible competencies based on the premise that competencies may be influenced by contextual factors such as demographic characteristics of personnel, as well as the size, culture and needs of organisations [12, 22, 63, 64]. Notwithstanding the argument, certain domains of competencies have been identified across several studies as important for health management and leadership roles, regardless of the contexts in which those roles are performed. These domains include communication, interpersonal relationships, business skills, knowledge of the health care environment, professionalism, and leadership [5, 10, 11, 65]. A close look at these domains of competencies shows that some, including communication, interpersonal relationships, professionalism and leadership, are people and relationship centred. This is not surprising, given the fact that health care organisations are comprised of human systems where people of diverse backgrounds interact with one another for successful management of the health care system [66], and provision of safe, effective, and high-quality patient care [67, 68].

Although certain competencies may be common to most health contexts, in practice they are likely to be demonstrated differently, depending on certain factors such as management levels and sectors [5, 11, 14, 21]. In other words, while some competencies may be similar across most health contexts, the competence level (proficiency) required to demonstrate them will vary from one management level or organisational setting to another. Thus, in addition to identifying the essential competencies required by health management and leadership workforces generally, the health care sector should also focus on the competencies required by specific groups and organisations.

4. Leadership development in the health care sector

One of the main goals of competency identification and assessment in health care organisations is to facilitate the development of competency or competence frameworks which are applicable to specific organisations or groups of individuals. Competence-based systems serve as useful means of identifying gaps in proficiency to inform appropriate training, education, or professional development to improve individual competence and organisational performance [69]. The basis for the use of training and professional development to improve health management and leadership competence is found in the evidence that human behaviour can be developed in adulthood [70], and that individuals can change their behaviour, moods and self-images through training [71] and education [72].

The importance of improving the competence in health leadership in both management and clinical workforces has been widely emphasised [10, 11, 22, 39, 60, 61, 73]. In the health care sector, approaches and priorities may differ for health management and clinical leadership development. In the light of this, different training and professional development strategies are currently being used to address identified gaps in proficiencies, develop new competencies and improve existing ones. Such strategies include formal training and professional development in the form of structured academic programmes [74], and informal training approaches such as coaching, mentoring, role modelling, work-based or contextual learning and experiential learning [74, 75]. Both training approaches have been recognised as important in strengthening the capabilities of the management and leadership workforce [75, 76], especially in complex systems like health [74]. In health care organisations, competency-based training or professional development can be directed at improving the capabilities of individual managers or leaders for effective performance in roles, a concept known as 'leader development' [77]. On the other hand, such training or professional development interventions can be targeted at strengthening the collective capabilities of the entire management and leadership workforce to achieve 'leadership development' [78]. A more common approach, however, is to focus training and professional development on expanding the capacity of individual managers and leaders to be effective in management or leadership roles [77].

Notwithstanding the crucial place of training and professional development in health management and leadership, evidence of the impact of such development interventions on competence and performance is limited and contentious. While some authors have stated that the evidence linking competency-based training to improved competence and performance remains inconclusive [79–81], others have posited that a positive relationship exists between training and improvement in competence and performance outcomes [22, 82]. Thus, in addition to identifying requisite competencies and corresponding training or professional development opportunities, health care organisations and researchers should put in place appropriate mechanisms to assess the effects of such development interventions on individual competence and, mediated by competent leadership, organisational performance.

Although the competency-based approach has much to offer related to development of leadership capabilities, it has, however, been criticised for focusing mainly on developing specific behaviours considered as essential for successful performance in roles, while ignoring the internal processes which underlie those behaviours [83]. Such internal processes include emotions, mindsets and personal life experiences which significantly impact the behaviours exhibited by leaders [83]. Thus, an approach to leadership development, which focuses on leaders as complete individuals (as against the current practice of concentrating on specific behaviours), has been advocated to ensure holistic leadership development [83]. This model of leadership development is worth exploring in health care organisations.

5. Conclusions

The health care sector is complex, characterised by constant changes and reforms. Strong and competent management and leadership workforces are thus required to navigate the sector through the complex web of interacting factors and lead reforms for effective and efficient health care delivery. An added challenge to leadership development is that leadership is spread across health management and clinical workforces; while some clinical leaders may work in management roles, for others leadership is exercised from a clinical position. The need for competent management and leadership workforces has fuelled an upsurge in interest in health management and leadership, as reflected in the large number of studies examining the concept across different countries since the turn of the century. A notable trend in health management and leadership literature is the increasing focus on identification and assessment of essential competencies required by leaders from both health management and clinical backgrounds for effective performance in leadership roles. The purpose of competency identification and assessment in most cases is to inform the development of competency frameworks which are used to assess performance, identify gaps in proficiency and target appropriate training and development opportunities. However, evidence for the impacts of such training or development interventions on the competence of health managers and leaders is currently limited and contentious. Thus, further research is needed to build the evidence on the relationships between targeted training and professional development interventions, individual competence of leaders from health management and clinical backgrounds and organisational performance.

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Conflict of interest

The authors declare that they have no known conflict of interest.

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Chapter 6

Knowledge in Neuroscience Can Help Us Avoid Underperforming Leaders

Bertil Engelbert

Additional information is available at the end of the chapter

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Abstract

The aim of this review is to present a new thinking for the evaluation and recruitment of leaders, to avoid underperforming leaders. To understand the problem and better predict the outcome, we need to know what controls the decisions of leaders. State of the art in psychology and neuroscience today has tools to perform this. These tools do not include the traditional traits. Our decisions are controlled by a few information processing networks, where cingulate cortex and insular cortex probably have a controlling role. This is also where we would expect our first individual impressions to be stored. The consequences of having different early experiences have been documented in attachment research, including several longitudinal studies. This research has contributed to the knowledge explaining why some leaders underperform or are detrimental, and it can be used for predictions in a leadership context. A significant difference between persons who had a rich early development and those who had a poor early development is their abilities to handle complexity and uncertainty, to have a good moral judgment, to understand other persons, to have integrity in conflicts, and to distinguish between appearance and reality. The five basic features that are focused are: trust in others, trust in self, flexibility, truthfulness, and responsibility.

Keywords: causes of dysfunctional leadership, predicting dysfunctional leadership, influences of early development, basic leader criteria, truthfulness and responsibility

1. Introduction

The aim of this review is to present a new way of thinking for the evaluation, recruitment, and development of leaders, and the main focus is to avoid underperforming leaders.

Leadership involves the handling of a very wide range of environments and situations. The leadership literature is overloaded with (mostly anecdotal) writings about how to handle this.

However, the problem is that leaders with prosperous features unexpectedly underperform or fail too often. Therefore, this review will focus on how to avoid underperforming leaders.

A leader may be underperforming or even detrimental for the organization in several ways, a few examples are the following [1, 2]: by making bad decisions because of selfish priorities and/or lack of competence, by embracing an entourage of incompetent and often detrimental coworkers, by neglecting, suppressing or even bullying competent and loyal employees, and by being a bad role model, and worst of all, such leaders often are experts in disguising their true intentions [3–6]. This review will describe a few ways to get a look behind a false front, which often will reveal some of the (potential) faults.

The issues addressed in this chapter: In order to get the right person for a certain position, substantial resources are invested in professional solutions. Yet, there are a few troublesome facts to observe. The issues that will be addressed in this chapter, are the following: (A) too often, leaders do not meet self-evident expectations on responsibility and truthfulness when they get more power (and those deficiencies were not foreseen in advance) [1, 7]. (B) There are not sufficient methods available to specify what fundamental requirement should be met, by a new person on a certain position [4, 8]. (C) There are not sufficient methods available to reliably predict features or deficiencies of a person (i.e., if they were not clearly exposed on the current or previous positions) [4, 8].

This review will not present a description or a formula showing "how to do it," because there is no such formula, but will offer knowledge to understand the problem and to better predict the outcome. To successfully do this, we need to know more about what controls the decisions and the behaviors of a leader. State of the art in psychology and neuroscience today may actually give us some tools to do this.

This review does not refer to the traditional traits. The traditional traits and leadership styles that often are referred to in the literature about leadership, management, and organizational development [3, 6, 9, 10] may characterize important aspects of leadership; however, they have not been proven to be sufficient criteria for predicting leadership [7, 11–13]. The reason for this insufficiency may be that the traditional traits "emerged from the descriptive and lexical approaches to personality, which were aimed mainly at characterizing how people's behavior is described in everyday language" ([14], p. 203). In other words, the traditional traits were based on what people considered to be important. However, a careful examination shows that there are important factors of which people were not aware. The traditional perception of leadership has also been questioned as lacking a deeper analysis [4, 8].

1.1. A concept founded on basic features

1.1.1. A basic construct

The concept that this review will present is based on knowledge about early shaped features, features that are basic in the personal development. Some of the abilities that may be distinguished by this concept include the abilities to handle complexity and uncertainty [15, 16], to have an intrinsic sense of good moral judgment [17], to spontaneously cooperate with and understand other persons [18, 19], to have integrity in conflicts [16], and to distinguish between appearance and reality [20]. As these abilities are important in most decisions and behaviors of leaders [1, 3, 6, 21], important leadership qualities may be predicted using experiences from research regarding the early development of a person. In this chapter, these abilities will be called *General leadership abilities*. This approach would signify a new way of thinking for the evaluation and recruitment of leaders.

1.1.2. The origins of important human features

During the last decades, a consensus among scholars in the neuroscience field have developed (with increasing refinement as research methods have improved) that our decisions and actions are controlled by a few information processing networks in the brain. Two of the brain regions that are members in these networks, the cingulate cortex (CC) and the insular cortex (IC), are activated much of the time [22, 23]; you may assume that they have a central or even controlling role in these networks.

1.1.3. Where our mental development started

Looking back in evolution, when the mammals emerged around 220 million years ago, the development of a new and more advanced brain started at the CC and IC; the neocortex, with six neuron layers instead of three [24]. (The mammals most likely needed to be smarter because they gave birth to an off-spring who demanded more care.) Because these structures (CC and IC) were developed early in the mammal evolution, they also are ready for use early in the individual postnatal development. Therefore, this is where we would expect our first social impressions to be stored [25, 26].

1.1.4. A well-documented development

Caregivers are very different and give their infants very different early impressions, which are stored in relevant places in the brain, with CC and IC (the becoming control center) as coordinating units [26]. The consequences of these differences have been documented very thoroughly by scholars in the attachment theory field, during the last four decades [27]. The early attachment to a caregiver, which is an effect of these first impressions, can be measured by a well specified method; the Strange Situation Procedure (SSP) [28]. This research also includes several longitudinal studies relating the early attachment status to different aspects of adult life [29]. Although attachment is not an issue in leader development, attachment research has contributed with valuable knowledge about the development of personality [16, 17, 30]. This knowledge can explain why some leaders underperform or are detrimental, and thus, it can be used to make predictions in a leadership context.

1.2. Five basic features

Important parts of this concept are a few basic features that can help us to indicate the general leadership abilities that were mentioned above, features that emerge from fundamental, developmental and controlling processes in a person. The basic features are *trust in others*, *trust in self*, *flexibility*, *truthfulness* and an *intrinsic sense of responsibility*.

The reasons why these features can be believed to be particularly important are because the three first items can be detected very early [28], the first four items are established terms in attachment research [27], they are all fairly stable during life [19, 20], their brain networks have been indicated by neuroscience (with important nodes in CC and IC) [26], and they are important parts of our adult behaviors and decisions. Hence, one may assume that they are important also for leadership behaviors and decisions.

1.2.1. Features important in trusted positions

Two of these features, truthfulness and an intrinsic sense of responsibility, are particularly important in trusted positions: An essential part of leadership success relies on the ability to convince other people about the leader's visions and goals [21]. Then, it is very important that this ability will not be misused at the disadvantage of the organization.

1.2.2. These features are not statistically orthogonal

These basic features are developed in the same environment (the brain) and, although they may belong to different networks, their developments are highly intertwined. Therefore, the developments of these features can be assumed to progress in similar amounts and directions: When compared between adult persons, they are internally fairly covariant [20], which can be used to detect features that are not apparent at first sight. This is an important property since such indirect indications often are the only way to detect poor abilities that are disguised.

1.3. A few terms explained

In the following description a few terms that are important will be used; "adaptive model," "static schema," and "life management support," that are explained here before they are used:

1.3.1. Adaptive model

An *adaptive model* in this chapter is an early founded dynamic mental structure—like a flowchart—that guides a person on how to decide and act in a situation [18]. The guiding output may depend on the current state of things or a predicted future outcome, and so on. Persons who habitually use adaptive models often enhance their general ability to handle complex problems [25]. An adaptive model may be more or less well connected to the formal and informal structures in the environment, and in different ways, as is described as "Life management support" further down.

1.3.2. Static schema

A *static schema* is a fixed pattern of behaviors, procedures, attitudes, habits, symbols, templates, and emotions that are used in or are applied to the current situation [18, 31]. A static schema may also include interpretations of others' behaviors, attitudes, or symbols [25]. Everybody has a repertoire of schemas that are used in appropriate contexts. Some people (almost only) rely on a vast amount of static schemas and others are more inclined to use flexible models.

1.3.3. Life management support

During childhood and adolescence, a responsive parenting consists of both emotional interaction and different ways of giving the youngster some prerequisites for a good adaptation to the world in which she or he (s/he) is going to live [30, 32, 33]. These prerequisites include some moral and social guidelines (both formal and unspoken rules), knowledge about society and how working life functions, what life goals that may be worth striving for, how to best handle conflicts, troubles and misfortune, and so on. The optimal spectrum of influences varies with age and circumstances, and particularly during adolescence, the same sex parent is commonly the most important in supplying this support [33]). In this the picture of the self, abilities, personal significance and rights that the parents usually imprint is included [32]. Here this will shortly be called *Life management support* (which does not include emotional interaction).

1.3.4. General leadership abilities

This term was explained earlier, in the last part of the paragraph in Section 1.1.1.

2. How important features are shaped

This section describes some of the theoretical support for the predictions that can be made. This could easily be perceived as much too detailed if all the scientific evidences are presented. So here, a shortened and popularized version will be presented and the reader is asked to study the relevant details in the referred literature.

2.1. The early development

As can be understood from the previous description, the adult decisions and actions are to a high degree controlled by early established processes. You could say that the decisions you make emerge from those processes. When you are born, your brain is a fairly "empty space" with regard to knowledge about the environment. An essential part of the infant brain development is ingestion and structuring of impressions. However, it is the environment, the persons who "deliver" the impressions, who determine the content of the infant brain and its future functionality [18]. If the empty space is not filled with data that fit the intended use (which is to lay a foundation for the following development), the functionality will be severely impaired. Here, some of the typical basic consequences will be highlighted, that may occur when the infant brain is "filled with data—or not."

When discussing the very initial development of the personality one can think of the starting procedures of a computer, which in essence will determine the level of final functionality:

2.1.1. An analogy

When a computer is powered on, the processor reads and stores in memory a big set of instructions that is called the operative system (OS). The first part of the OS that is loaded is called the

Kernel, which is an administrative center for the different functions that the OS can perform. If the Kernel works well, then several programs and tasks that run at the same time is a natural thing (which is called multitasking), and seamless integration of applications is not a problem.

2.1.2. The storing of initial instructions in humans

If the caregiver is responsive, comforting, and predictable to the infant (for a description of caregiving, see Appendix A), then the first experiences will build up a basic model of how the environment functions. Bowlby [34] called it an internal working model (IWM). This model will control in a flexible way—based on an understanding of people (and objects)—how impressions are handled, and it will have a guiding role for the person during the rest of the life [34]. This IWM will become an Adaptive model, as described previously.

2.1.3. And if the kernel is not complete?

If the OS Kernel misses some important functionality, the computer will not work well. Such a computer has unwanted limitations and only one program or task can run at a time.

2.1.4. The infant with an inattentive caregiver

The inattentive caregiver (see Appendix A) does not communicate much with their infant. With a poor early development, this infant gets little opportunity to build a useful model of the environment [26]. Therefore, this infant will have a difficulty to understand the caregiver's intentions [19]. Much of the internal control will have to rely on static "rules" or schemas (see Appendix B), which means that this will become an inflexible child [18]. Later, as an adolescent and adult, s/he may perceive cognitive stability (i.e., rigidity) as security and appears to have a difficulty to have more than one thought or focus in mind at the same time [16]. S/he wants to be loved, admired or at least accepted (to belong) but does not quite understand when s/he is, and s/he has a difficulty with closeness [16].

2.1.5. The infants with an inconsistent, rejecting, or harmful caregiver

These caregivers give their infants experiences that often are contradictory or even frightening [35]. Their infants get little opportunity to build a useful model of the environment [18]. Hence, they will be prone to misunderstand other persons' intentions [25]. Although their experiences may be very different, their basic features have similarities in common (low understanding of others' intentions and low flexibility) [35], so for simplicity, here, these children will be sorted within the group of "poor early development."

2.2. The further development

2.2.1. Influences from genetics, epigenetics, and biochemistry

The less responsive the caregiving is the stronger impact will the influences from genetics, epigenetics and biochemistry have. The less responsive the parenting is the stronger impact will the influences from peers, gangs and media have [32, 33].

2.2.2. The early development influences the further development

Under the same environmental circumstances, persons with different early developments may make significantly different experiences, which also influence their further development, in line with the following examples:

Regarding trust in others [17, 18]:

- A child with a rich early development trusts people (trusting people is a consequence of a rich IWM [19, 34]) and verifies time and time again that most people can be trusted.
- A child with a poor early development (i.e., a poor understanding of others' intentions [19]) distrusts people and verifies time and time again that most people cannot be trusted.

Regarding attitude toward difficulties [16, 18, 36]:

- A child with a rich early development meets difficulties with renewed efforts to achieve the goal, and the adult with rich early development sees failures as experiences that enhance curiosity on how to solve the problem.
- A child with a poor early development meets difficulties with frustration and a refusal to continue (i.e., learns to avoid uncertainty), and the adult with poor early development sees failures as negative and signs of incompetence.

That is, in the further development their early acquired states of mind are amplified toward either more openness and flexibility, or more covertness and rigidity respectively [18]. These developments are reinforced by the fact that, normally, parents continue their initial care-giving attitudes: the responsive caregiver normally becomes a responsive parent (who gives good life management support) and the inattentive caregiver normally becomes an inattentive parent [17].

However, life is not always a straight journey. Many unexpected changes can happen (like illness, death, changed marital or economic status) and a few likely consequences of such changes will be mentioned further down, in a much simplified and schematic way.

2.2.3. The developmental outcome

A common and significant difference between adults who had a rich early development and those who had a poor early development is to what extent their decisions and behaviors are controlled by an adaptive model or static schemas, that is; by intrinsic or extrinsic guidelines. This difference is apparent in their general leadership abilities and is exposed indirectly in a few ways that the person commonly is not aware of.

When performing a careful analysis of a particular interview, according to certain strict rules—like it is done in the Adult Attachment Interview (AAI) [29] (which is the best method developed to for this purpose [37])—this state of mind may be determined by way of certain criteria.

3. Integrating early and later development

What you see of an adult person is mostly an "attitude," often a social overlay, which is an adaptation to the environment (parents, friends, family, society, work, etc.) where s/he wants to be accepted [33]. People do not openly display what limitations their early development inflicted; however, they often display these limitations indirectly. To distinguish the effects of the early development, you need to know how to see through this overlay, that is, how to interpret what is displayed. Here, a few simplistic examples of how the early and the later impressions may shape the person and the overlay, will be described.

3.1. Two developmental pathways

With this background, we can discuss two very different developmental pathways, that will be used to show the effects of early and later impressions: the described characters have two indexes (X1, X2) that denote quality; where the first index denotes the quality of care during the early development, and the second index denotes the quality of parenting during the later development[1], and the values 1 indicates rich development and 0 indicates poor development.

3.1.1. Person (1,1)

This is an adult person who has got a *rich* early development (X1 = 1) and during childhood and adolescence got a *rich* emotional interaction and life management support from the parents (X2 = 1). This person developed an adaptive internal working model of close persons early in life [34] and continued to rely on adaptive models of the environment also in the further development [34]. These adaptive models were also well connected—by the life management support—to the formal and informal structures in the environment [32, 33].

3.1.2. Person (0,0)

This is an adult person who got a *poor* early development (X1 = 0) and who did not even get any life management support during childhood and adolescence (X2 = 0). This person does not understand much of other persons' intentions [19] and relies on static schemas in the interaction with others and in the handling of life events [31].

3.1.3. These two are not average persons

Most people are not exactly like these two. In between them, there is a multitude of varieties, of which a few will be discussed further down. In a "western" population, between 30 and 40% are classified as insecurely attached to their caregiver [38], that is, they got a poor early development. There are indications that this fraction is considerably higher among leaders [1, 4, 39].

[1]Early development is from birth, with decreasing importance a few years ahead. Later development is from about 2 or 3 years, with increasing importance.

3.2. Two more developmental combinations

Above, two developmental pathways were described. Below, two other varieties of life histories will be described, which can be seen as cross-combinations of the previous ones:

3.2.1. Person (1,0)

This is an adult person who has got a *rich* early development but who did not get any life management support during childhood and adolescence. This person developed early an adaptive internal working model of close persons and continued successfully to rely on adaptive models of the environment; however, these models were not always well connected, by parental influences, to the formal structures in the environment.

3.2.2. Person (0,1)

This is an adult person who got a *poor* early development, but in spite of that got a satisfactory life management support during late childhood and adolescence. This person, who does not have adaptive models of close persons, relies mainly on a repertoire of static schemas in the interaction with others and in the handling of life events [18]. (However, s/he may eventually have developed adaptive models in narrow material areas of life, primarily during adolescence, and may even have acquired high skills in these areas.)

A caregiver who is emotionally unavailable but later gives the child a good life management support (although often with a rather "material"[2] touch [20] and often focused on giving the child a high, or even inflated, self-esteem [40]) may eventually compensate for some of the early care deficiencies. However, the later this compensation is initiated, the more material and superficial it will be and the less adaptive the child will become [18]. And, importantly, the less stable against distracting threats and fears it will be [41].

Some of those Persons (0,1) will become what historically has been called "the skilled engineer who became a bad manager." It seems moreover, that today this character is fairly common also in other professions. This issue will be dealt with more later on.

3.3. Four adult categories

For the completeness of this description will also be mentioned that there are four categories of adult attachment as a result of the analysis of the AAI: one is Secure and three are the insecure categories: preoccupied, dismissing, and disorganized [29]. These are described shortly in Appendix C. In addition to the differences because of those categories, the social situation of a parent (marital status, economy, etc.) also plays an important role. Each of these parental attitudes and situations have a different effect on the youngster, which may be manifested in the adult personality [32, 33] and hence also in leadership.

All the different combinations of early care and later life management support that are possible present a wide spectrum of personalities. A description and analysis of these is beyond

[2]Material: Fun, play, "be happy," material gifts replace emotions and talk about thoughts [20].

the scope of this chapter. However, for the purpose of identifying detrimental leaders, we can use the following five basic features quite well.

4. Five basic and stable features

In this section five basic features will be described, that can help us to distinguish leadership abilities that were mentioned in the Introduction. Usually it is not possible to predict with certainty who will fit a leadership position (there are too many unknown criteria that should be met) but it is often possible to predict who will probably not be able to manage the leadership in a satisfactory way. Thus, only indications of poor leadership will be focused.

4.1. Trust in others

Trust in others—an important part of the IWM—is shaped early during responsive caregiving. The term trust in others (which originates from Bowlby [34] and regards infants) has in adults a wider meaning than just to trust other persons. In adults, a more suitable term could be to *understand others' intentions* [18, 19]. Having that ability—or feature as it is called here—facilitates trust in others.

4.1.1. Understanding is not necessary for interaction

For our successful interaction with others, a good understanding of their intentions may appear to be a prerequisite. However, it is also possible to interact successfully without really understanding much of others' intentions. As long as the own actions are relevant responses to others' behaviors, the interaction is perceived as successful, whether others' intentions are understood or not. So, normally, relying on an adequate repertoire of schemas may work quite satisfactory. In fact, quite often, those who are perceived as markedly socially competent put an effort on such an attitude because they have a poor early development [18, 42] (they want to "belong") and because they have a deficient understanding of others' minds [4, 6, 19].

Although social competence is very important in situations when it is required, it should never be a major merit for a leader. When social competence is a major attribute of a person, we can be pretty sure that this person has been carried far in her/his career without much of other essential merits. If so, this is an indication of a deceitful conduct, and we can assume that it is also a cover for a number of severe deficiencies.

4.1.2. Cooperation is not a matter of course

For a person who has a difficulty to understand others' intentions, a fear for negative impact (such as being used, undervalued or criticized) is not well balanced by an insight in others' true—and often positive—intentions. For this person, selfless cooperation for mutual profit is not a matter of course [43]. Often, other persons' kind offers to help are perceived as derogating criticisms [44] and other persons' humble requests for help are perceived as unjustified and stressful demands [16]. When such a person collaborates or helps others, often it is only to get credit for the positive attitude, and it is not an altruistic effort to accomplish a good result for the benefit of all or to unselfishly help others [16, 45].

4.2. Trust in self

Trust in self is initially built up by feedback from the caregiver [18], both positive and negative, both verbal and nonverbal. In this is included the picture of the self, abilities, personal significance and rights that the parents usually imprint [32]. Later on, also perceived success and failure are important factors.

4.2.1. Dependence on others' opinions

For a person who has a poor early development, the understanding of self is too minimal to be of much help, and the opinions from other persons will become more important. S/he will spend much efforts to assure that the desires for self-worth and social "belonging" are met [16, 18]. During the years when the youngster is very keen on adjusting to the social environment where s/he wants to be accepted, this person is extra vulnerable since the externally perceived impressions are not well balanced by an internal guide of reference. The result may be an oversensitive person who is "streamlined" to fit whatever is required: performance, looks, language use, and so on and who may become a high performing, insensitive, and intolerant young adult [41].

This kind of (over-)sensitivity (which is a lack of self-worth and resilience) should not be mistaken for the sensitivity that comes with an ability to be receptive/observant and to understand another person. The first is a self-centered attitude and an indication of poor early development, whereas the latter emerges from a genuine interest and an insight in other persons minds and is commonly not a clearly exposed ability.

4.2.2. High self-esteem or inflated self-esteem?

A young person who has a poor early development often is anxious to be accepted, or rather, to be appreciated, and is prone to do what is required to reach that goal. The appreciation (n.b., often in a rather narrow area) may give this person a sense of high self-esteem, which, as discussed in more detail by Baumeister et al. [40], should not be mistaken for a promise of a generally high performance. It may in fact be an indication of the opposite.

4.2.3. Conflict management

For a person who has a poor early development it is more difficult to manage conflicting situations (regarding moral issues as well as personal conflicts) as external impressions are not well balanced by a firm self-worth [16].

4.3. Flexibility

In adolescents and adults[3] *flexibility* can be said to be the cognitive capacity to simultaneously handle and change between alternatives in values, plans and actions. Inherent in this is also the ability to handle uncertainty, as choosing among alternatives implies uncertainty [36].

[3] In infants, flexibility is a free will to explore the environment [28] and an ability "flexibly to change focus between toys and the parent" [20].

4.3.1. Flexibility, a demanding task for the brain

Handling complexity often requires that you have more than one thoughts in mind at the same time. Although the brain is running multiple processes simultaneously all the time (vision, hearing, balance, etc.), having several conscious thoughts in mind requires something extra [26]. Flexibility may be described in terms of how much complexity that conscious brain activities involve, in the following ways:

- When you compare the current state of things with an alternative state of things (to make a decision about, e.g., what is best), you might need to keep more than one thought or focus in mind at the same time.
- When we consider "cause and effect" connections or time dependent processes, we also often must have more than one conscious thought in mind or more than one potential focus. An application of this is a person's attitude to rules and their intentions: One can regard the intentions behind a rule as a cause, the rule as a means and when the rule is followed as an effect. To the inflexible person, such distant connections may seem too demanding.

A person who got a poor early development typically does not seem to have much of this ability (else than in a narrow area of knowledge). This person also often has rather a shortsighted approach to planning and decisions [16, 44, 46].

4.3.2. Dependence on schemas

The inflexible person prefers to do what is customary in the social (or work) environment where s/he wants to be accepted (or where s/he wants to be successful) and avoids actions that may risk desired acceptance or success. As an adult, this attitude may take the form of a dedication to social schemas that warrant a successful result [31, 47].

In an organization, this may show as a person who only does what important persons (or authorities) desire or permit. This often is a person who has a "perfect performance" or who is a "literal follower of the rules" (and who also often avoids uncertainty) and therefore never makes any mistakes. The lack of mistakes is often perceived by other persons as a sign of good judgment and skill, whereas it very well could be regarded as an indication that a good judgment in fact probably is missing.

It is usually important to follow the rules that apply but when following rules replace good judgment, then you might assume that good judgment actually is missing.

4.4. Truthfulness

In attachment research it has been well documented that adult persons with a secure attachment are inclined to tell the truth and that insecurely attached adult persons are prone to allow themselves to be untruthful [20, 29]. (However, children may very well experiment with untruthful statements before the perception of reality has matured).

4.4.1. The emergence of truthfulness

A child that is 3 years old does not understand untruthfulness, and an alternative to truth is not comprehensible. In psychology, this is called the false belief principle [32]. This means that untruthfulness does not exist to the child during the very important time when the system is developed that will guide the person during the rest of life. The child who gets a rich early development will accordingly get a firm belief that truth is fundamental. The child who got a poor early development and was not able to build a conception of the world and self until after 4 years of age, was aware of untruthfulness by then. This child built its conception of the world with both truth and fiction/lies as feasible options that can be used as they were needed.

Although a truthful attitude and behavior may be strongly influenced by parents and other factors (school, church, neighbors, friends, and society) during childhood and adolescence, there seems to emerge a particular intrinsic truthfulness from a rich early development. An important difference is that the later learned truthfulness may be easily suppressed by distress or when other things get a higher priority.

Untruthfulness may be manifest in a few slightly different ways:

- Obvious lying or bluffing.
- Having a hidden agenda, that is, intending to do something else than what you say.
- Idealization, that is, describing something (primarily your own state) as better than it is.
- Exposing prestigious objects or other circumstances (title, relations, lifestyle, etc.) depicting that you have "a better value" than people who do not have or do the same.

Concerning persons who have an inflated self-concept, if they really believe in their self-concept, maybe they are not really lying or bluffing but instead they display a deficient connection to reality – which is not any better in a leader position.

4.4.2. Habitual untruthfulness

Being habitually untruthful means that the reality is not more important to the person than the fiction that s/he presents, or the consequences of that fiction. Everybody is not habitually untruthful [15], and it is also a matter of degree; the more untruthful s/he is—the less general leadership abilities s/he can be assumed to have.

To most people, obvious lying is not acceptable. However, there are forms of untruthfulness that, among many people, are not only accepted but even seen as positive, as a merit. A very common example of this is when somebody pretends to be "bigger" or better in some respect, displayed in body language and appearance, in possessing prestigious items, or engagement in prestigious contexts. Strictly, these actions are meant to betray the observer (although many people do not even perceive it as betrayal), and they are accordingly untruthful acts.

4.4.3. Untruthfulness, the reliability aspect

When a person is habitually untruthful, s/he puts the priority of the own advantages over the priority of others (the family, company and society), particularly so, if the untruthfulness regards circumstances concerning his/her own person. Hence, if your subordinate, wife/husband or friend is untruthful to others, s/he also is prone to be untruthful to you.

4.5. Intrinsic sense of responsibility

Our sense of responsibility has two components: one intrinsic and one extrinsic. The *intrinsic sense of responsibility* is believed to emerge from the same location in brain as some of the IWM do [48]. How strong it is can be assumed to depend on how rich the early development was and hence how strong and dominant the early created control system is. The extrinsic responsibility emerges from the parts in our brain that are dedicated to reading, writing, counting and other abilities controlled by rules [48] and can be assumed to have been shaped at later stages of development than the intrinsic sense of responsibility. The balance between intrinsic and extrinsic depends on the balance of influences during childhood and adolescence.

4.5.1. Requirements for responsibility

Winter and Barenbaum [49] published a scoring system for responsibility, built on five descriptors: # 1 Moral standard. # 2 Obligation. # 3 Concern for others. # 4 Concern about consequences. # 5 Self-judgment.

Hence, if these criteria are not met—that is, if the scores are low—it may be reasonable to assume that the intrinsic sense of responsibility of the individual is impaired. In persons who have a poor early development, two of these criteria, # 3 Concern for others and # 5 Self-judgment commonly are not met [20]. Therefore, persons who have a poor early development can generally be assumed to have an impaired sense of responsibility.

4.6. The basic features indicate leadership abilities

The general leadership abilities may be indicated by the basic features, as follows: (Note however, that also the influences from relevant life management support on the development of abilities are important [17, 32, 33].) The ability to spontaneously cooperate with and understand other persons is related to the feature trust in others (i.e., to understand others' intentions) [18, 19]. The ability to have integrity in conflicts is related to the feature trust in self [16]. The ability to handle complexity and uncertainty is related to the feature flexibility [15, 16]. The abilities to have a good moral judgment [17] and to distinguish between appearance and reality [20] are related to a combination of all the five basic features.

5. The application of the concept

5.1. A few comments about the described concept

The first sections of this chapter described how and why important human stable features are established so early in the individual development. Then, five basic features that are important were presented (this is state of the art knowledge) and how this knowledge can be used to interpret some behaviors that can be observed. In the following section a few general examples will be mentioned, of how these features may combine in a personal developmental context (these are inferences from state of the art) and then these inferences will be put in more practical leadership contexts. To emphasize that a reference only regards the state of the art that the inferences are based on, and that the reference does not state a verified connection between early experiences and leadership, that reference is enclosed in an extra parentheses.

The presented concept is, to my knowledge, not published before, and there are few or no studies that have studied the following inferred connections. Consequently, there is little or no strictly scientific evidence for these examples. Even so, they may be better alternatives than some of the rather unfounded concepts that are used today. This section can also be seen as a collection of suggestions for future research.

There are a few researchers who have touched upon an analysis of the background of inferior leadership; examples are Adorno et al. [15], Argyris et al. [50], Fors Brandebo et al. [51], Friedman et al. [44], Heckman [52], McCrae et al. [13] and Rubenowitz [53]. Of these, Argyris et al. have published the most complete analysis when they characterized and compared *Model I* vs. *Model II Theory-in-use* and *Single* vs. *Double Loop Learning*.

5.1.1. My best tips should not be exposed in public

There are a number of typical behaviors and attitudes that signify particular unproductive or detrimental mental states. It would certainly have been nice to list them here as a help for the reader. However, doing so would impede the value of them as predictors, as those who are interested in success without effort would misuse this knowledge. The following are examples of general behaviors that you may see.

5.2. A few general characteristics

5.2.1. The person with a rich early development

The person with a rich early development does normally not present much problems due to dishonesty, self-centered decisions or lack of responsibility [16, 50]. The problems they bring as leaders are often due to deficiencies that do not regard stable features, which means that they usually can be improved. Common to these persons are a low need to display prestige (so they often have a "low profile" and are not very "visible") [15, 40, 53], they do not strive for power for power's own sake (so they may lack an impressing career record) [15, 53], they may have a "democratic" stance in their leadership [51] (which in authoritarian cultures often is seen as a weak leadership) [50], they dare to do things their own way (they are often not streamlined) [15, 51], they may venture into uncertain areas or assume difficult undertakings (with a risk for substandard results, as perceived by outsiders) [15], and they do not skillfully disguise their shortcomings or aggressively deny their faults [15, 47, 50]. To many people, they do not seem as suitable for a leadership position—which may be a great mistake as it is among those that you will find the high potentials [15, 50]. Hence, this is a very diverse group that cannot be distinguished by a simple template judgment [20].

Person (1,1) (rich early development and rich life management support) may seem as the perfect choice for a leader position but that depends on what flavor of life management support that has been supplied. Although they often may have a high basic potential for successful leadership, they may have other priorities in life. As leaders, they are normally not connected to problems and they are accordingly not within the focus of this chapter.

Unfortunately, when you think that you are talking to a very nice high-performing Person (1,1), there is a substantial risk that you are not doing that at all. It may very well be just another skilled pretend-to-be-the-perfect-leader that you are talking to, most likely it is a Person (0,1). (If so, be careful, because this is most likely a deceptive person, and the social competence that just fooled you is probably about the best genuine ability that s/he has—else than perhaps very good grades from school.) [4, 16].

Person (1,0) (rich early development and poor life management support) is not very common in a leadership context [30], probably, a creative person, a problem solver. If s/he is a leader, it often is to lead a (small) enterprise in order to sell a production based on her/his creativity.

5.2.2. The person with a poor early development

At this level of description, the persons with a poor early development could be anyone of the three insecure AAI categories: preoccupied, dismissing and disorganized. This means that the poor early caregiving could have been inconsistent, inattentive, rejecting or harmful [20, 35]. This early caregiving had specific influences on their attitudes and further development, and thus, how poor and troubled their infancy was normally influenced how they are as leaders [16, 32]. However, the specific effects of these different kinds of poor caregiving experiences are beyond the scope of this chapter. Common to these persons are that their general leadership abilities are poor.

Persons who have a poor early development often are prone to strive for material success. High power is a common indication of success. These power hungry persons are more eager to strive for power than what their abilities support: often, they overestimate their own abilities [15, 16] and they often are shortsighted [16, 44, 46]. In particular, they are more power hungry than the persons who have a rich early development and who (if they got an adequate life management support as youngsters) most likely would do a better job as leaders [41].

Person (0,1) (poor early development and rich life management support). Most moderately detrimental leaders will probably belong to this group. With well-trained attitudes and the right material backgrounds (school, career history and references), these detrimental leaders manage to reach positions where they can cultivate the right connections and acquire strategic knowledge. This may eventually make them valuable or even "irreplaceable" on high organizational positions, which is their ultimate goal. They get the power to do as they please, but they often lack the basic features to do it well.

Person (0,0) (poor early development and poor life management support). A poor life management support can mean no support at all (and if so, these persons are not common in an organized leadership context) or it can be inconsistent or even faulty (antisocial). A faulty life management support may include how to avoid legal limitations, to prioritize selfish goals, and to betray those who can be betrayed. (Such negative impact could very well be denoted as Person (0,−1) in this classification.) Most of these persons do not become leaders but those who do are highly detrimental, particularly so if their seductive skills get them far. However, a discussion of styles of different detrimental leadership is beyond the scope of this chapter.

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5.3. A few practical examples: the high performer

Based on the descriptions of the different pathways in development, in previous sections, here will be illustrated how deficiencies in the stable features can be distinguished in the decisions, actions and behaviors of leaders and how knowledge about the stable features can be used to avoid underperforming leaders.

5.3.1. The high performing and intolerant person

A few examples will be mentioned here, of the particular set of attitudes that you may see from a high performing leader who has got a poor early development. This person often has, during childhood and adolescence, been valued for a high performance in often narrow areas (school, sports, acting, music, etc.) and therefore often has a high self-esteem [40, 47].

- This person has "always" been praised for a good performance and has high thoughts about the own competence or skills, maybe also (eventually unwarranted!) in areas other than the special skills (inferred from [16, 40, 47, 50, 54]).
- An important part of her/his performance is to optimize the positive presentation of her/himself, so s/he only says and does things that support the positive self-image (inferred from [16, 54]).
- S/he does not do things that s/he is not trained to do. As a consequence, s/he never does anything less than good, and s/he has a difficulty to take on new leadership tasks (inferred from [6, 47, 54]).
- When forced to plan for the future s/he copies the historic course (or other persons' plans) and has a difficulty to foresee and handle future changes out of her/his own insights (inferred from [50]).
- S/he has deficient understanding of other persons' intentions and perceives kind remarks from others as very negative and scathing criticism (inferred from [16]).
- S/he can be very rude when criticizing a person, even regarding a minor fault, in part because s/he has a poor knowledge about how s/he is perceived (inferred from [16, 50, 54]).

This person may be what, half a century ago, often was called "the skilled engineer who became a bad manager." Today though, this character maybe is equally common in other professions. Often s/he is found on a middle management position.

5.4. A few practical examples: general deficiencies

Here, a few examples will be mentioned of leaders, who are not the typical high performers, and who may show a number of other, more general, indications of poor leadership.

5.4.1. The mismanaging executive

An executive who has a poor early development may be inclined to mismanage her/his organization in several ways [16]. Here are some very general examples:

- The own prestige (or maybe only the need to feel good) may be more important than the future success of the organization.
- S/he often has a limited capacity to understand and manage complex things, like possible cause & effect relations or the effects of several simultaneously influencing factors.
- S/he is likely to overestimate her/his knowledge regarding areas that are important, simply because that knowledge gives prestige (the benefits of actual knowledge is underestimated and may be foreseen).
- S/he will most likely avoid to engage competent persons in her/his close vicinity, people that may object to or criticize her/his decisions.

The items in this list may also be indications of other deficiencies, the validity of which should be checked by other means.

5.4.2. The energetic change initiator

A leader with a poor early development may often seem to have a more energetic attitude [41], but this should not be mistaken for well planned activities with functional goals. Often the goal is to fulfill strivings for own prestige, not to create a well-functioning result. Commonly this person does not have the required capacity to make long term plans including analyses of prerequisites and consequences. This person may successfully perform a previously planned schedule (maybe planned by somebody else), even a complicated one, but has a difficulty to handle appearing deviations well [50]. And when something goes wrong, somebody else will have to pay the extra cost [54].

5.4.3. Inflexible persons avoid complex issues

Persons with a rich early development often have the ability to handle complex concepts or problems, and persons with a poor early development often do not have that ability [31]. Sometimes, you may hear an inflexible person say (often with an intolerant attitude) that the flexible person talks about too complex things (and the flexible person may say that the inflexible person does not understand complexity). Such disagreements may in fact be quite revealing as the inflexible person, with this attitude, discloses indications of several other probable deficiencies.

5.5. Avoiding detrimental leadership

5.5.1. Counterproductive reactions when leaders fail

A common reaction when leaders have failed, particularly when lack of moral judgment is perceived as a major reason, is to increase the demands of orderliness and perfect performance when new leaders are recruited. This is a counterproductive strategy as those who have an impressing history of doing everything right and never do anything wrong often are inflexible persons (who accordingly lack an intrinsic sense of responsibility), and those who are most successful in displaying the desired social appearance often are the most deceptive ones. Unfortunately, this mistake seems to be prominent in public authorities where law and order often is the essence of the organization.

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5.5.2. The attitude to competition

People may have different attitudes to competition:

- One person tries to win a competition by performing as well as possible, by having better skills than the opponent (inferred from [6]). (This may be a person with a rich early development).
- Another person tries to win by making the competition more difficult for the opponent, by spoiling or even sabotaging the competition for the opponent [50]. (Presumably a person with a poor early development).

In most sports and games some rough tactics are allowed and even encouraged but when it comes to competition about leadership positions the organization is not assisted by letting rough competition tactics influence the choice of leaders. Such a behavior is an indication that the person has most of the disadvantages that often come with a poor early development.

5.5.3. So, how do you avoid the detrimental leaders?

1. Do not let them into your system. Do not let the wrong people advance in your organization so that they can get the strategic knowledge and the right connections. Do not let them acquire the necessary power.
2. Do not employ somebody from outside of the organization, on a high level, based on an assuring success history. Being successful does not mean that a leader knows how to foresee and handle the future risks and pitfalls. Besides, what influences did this leader actually have on the referred successful history?
3. When potentially detrimental leaders accidentally have got into your system, be sure to identify them early and do something to inhibit their negative effects.

5.5.4. How do you do to make a difference between good and bad?

1. Stable positive features are seldom displayed directly. However, deficiencies in stable features often are indirectly displayed quite openly.
2. The (positive) features that are displayed in an apparent way are commonly changeable features that have been learned only to attain a desired effect. Quite often, they indicate the opposite of what they seem to declare.
3. Be tolerant to acceptable faults (i.e., when it is in changeable features) and do not tolerate unacceptable deficiencies in stable features. (Far too often, this is done the opposite way).

And remember, do not let only a few indications control your opinion about a person, neither positive nor negative ones.

5.6. Future research

In the last section of this chapter, there are several assumed connections that should be verified by scientific studies. When performing such studies, two warnings should be raised:

(1) self-evaluating questionnaires do not readily assess indications of the early development. (2) adults with a dismissing attachment are prone to idealize their life and describe it in a more positive way than justified [16].

One particularly interesting research question may be: Does the concept that has been presented here describe the emergence of authentic leadership [21]?

In leadership research generally a variable related to the early development would most likely improve the evaluation of data and enhance the research. The reason is that data sometimes can show different patterns for persons with different early developments. Hence, one suggestion would be to include an attachment-related variable whenever personality is an important part of the study.

5.6.1. For recruitment, attachment assessment is not recommended

For purposes of research, an adult attachment assessment may be very useful, but in recruitment cases, an attachment assessment would demand far too much specific knowledge and experience. Moreover, the possible connections are weak, and the cost for a thorough investigation is high.

6. Conclusions

6.1. The utility of the concept

This concept aims to meet the issues addressed in the Introduction.

A. The concept describes basic and controlling features that are fairly stable during life, and thus that can be relied upon as important indicators of a person's possibilities and deficiencies.

B. The concept describes how experiences may be accumulated during life, to make different (complex but discernible) adult personalities, which may serve to provide a description of what requirements that should be met by a person on a certain work position.

C. The concept provides a tool to understand what factors that probably control a person, better than today, and to better predict future likely developments and actions of this person.

6.2. The early development does not determine the leadership

The possible connections between leadership and features related to the early development, which have been a foundation for this review, should not be understood as a belief that leadership is determined by the very early development. There are many other experiences during a young person's life that also are important. However, what can be drawn from attachment research is that the developmental pathway that a young person threads, and hence what sort of experiences that make the leader, is strongly influenced by the early development prerequisites [18].

7. Final words

Some of the distinctions between people that were made in this chapter, may be mistakenly understood as though people should be valued because of their abilities. Nothing could be more wrong: a musical person may be highly valued in the realm of music and a nonmusical person may perhaps not be contracted to sing in a choir but they are equally valued as human beings. A leader who is dishonest and egocentric should not be a leader but should be respected as a human being.

Dear reader, if you would find some of the descriptions of human behavior here as unfamiliar and if you feel that you do not recognize them, please be patient. Depending on the frequency of interactions with others and the type and spectrum of interactions, it may take quite some time to recognize behaviors and attitudes that previously were unknown to you. It may very well take a few years to develop a good ability to do this. And besides, this description is far from complete, there is more to be said about each feature and there are a few more basic features to describe.

I wish you good luck on your journey among new and exciting experiences.

Conflict of interest

I have no conflicts of interest to report.

Thanks

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Appendices

Appendix A

Caregivers may act in different ways to their children. Here, two attitudes are referred [28]: (A poor development is represented by inattentive caregiving here because it is least complex).

Responsive caregiving: Caregiver responds very soon when infant announces need for help, cuddles, waits for turn-taking (see Appendix D) and gives firm but kind feedback when needed. During childhood: talks about emotions and thoughts with child.

Inattentive caregiving: Caregiver responds only when discomforted by infant's crying, does not cuddle, is impatient (see Appendix D) and does not give (kind) feedback. During childhood: Allows only material contact with child, does not talk about emotions or thoughts.

Appendix B

In this part of the brain (primarily anterior CC and anterior IC), the right side develops first and the left side later, so if the early development is poor, then the right side becomes poor. The impressions that are stored when the left side has started to develop will be stored more as static "facts" (similar to other abilities controlled by rules, like language, reading, writing and counting) in contrast to the dynamic right side "flowchart maps."

Appendix C

In the analysis of the AAI, four categories of adult attachment are used. Included here are some typical characteristics of these categories. They are the following [20, 29]: (A parent often replicates the own infant attachment experiences in the care for her/his children).

- *Secure parent*: A responsive caregiver. Exhibits flexibility, trusts others, has high coherence of mind[4], emphasizes truthfulness and has good appearance-reality distinction.
- *Preoccupied parent*: A caregiver who interacts inconsistently with their infant. Exhibits entangled picture of reality, has little respect for other persons, "put yourself in focus."
- *Dismissing parent*: A caregiver who is inattentive or even rejecting. Exhibits shallowness, shows little interest in other persons, emphasizes normalcy and avoids unfavorable details.
- *Disorganized parent*: A harmful caregiver. Exhibits neglect, abuse, and mistreatment, distrusts others and is deceptive.

Each of these parental attitudes has a different effect on the youngster [32, 33] which may be manifested in the adult personality and hence also in leadership.

Appendix D

The infant brain does not learn very much just because the caregiver is present, and it is only when (what I call) a *learning mode* is turned on that it learns much. This learning mode is turned on by a substance called oxytocin [55] (supported by the effects of serotonin and dopamine) which is secreted into the brain [56] when a trusted person who provides comfort is interacting in a loving and playful manner with the infant. If the caregiver does not interact in such a manner that the learning mode is turned on, little learning is performed.

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[4] Coherence of mind = an ability to distinguish between appearance and reality, to handle complexity and uncertainty, and to have an intrinsic sense of good moral judgment [20].

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Chapter 7

The Role of Leadership in the Professional Development of Subordinates

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Additional information is available at the end of the chapter

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Abstract

Professional development is relevant for the workers themselves, for the organizations, and, in a more macro view, also for the countries. In this sense, this chapter aims to discuss the influence of leadership in the professional development of subordinates, pointing out the importance of leadership performance. To achieve this goal, research results are presented on the relationship between leadership and professional development of subordinates. Research in the field shows that professional development is directly related to the day-to-day activities of workers and should be part of a broader process of continuous learning, which results both from formal and informal learning actions. The debate proposed for this chapter considers that professional development is more directly related to the combination of cognitive, affective, and behavioral processes that involve learning than the specific results of certain formal or informal learning actions. Thus, we discuss how the relations established with the leadership in the work environment can influence the professional development of the subordinates besides the type of learning provided to the workers. This discussion can shift the focus of research—currently centered on learning modes—to a focus on leadership practices for skills development and the consequent career progression of subordinates.

Keywords: career progression, leadership, learning at work, professional development, support, subordinates

1. Introduction

At the end of the twentieth century, it was estimated that organizations in the United States spent about $55–200 billion annually on workforce training [1]. This high investment in actions leading to professional development has also driven the demand for scientific research to better understand learning processes at work in the twenty-first century [2].

A study conducted in the United States with some of the largest US companies numbering 264 shows that most CEOs (62%) believe that building and maintaining a skilled workforce is the most important challenge of the decade [3]. Although this research was done at the beginning of this century, this challenge of developing and maintaining a properly qualified workforce is still present not only for American organizations but also as a global challenge. In Europe, the countries with the highest investment per employee are Denmark, Sweden, the Netherlands, France, Finland, and Ireland [4].

In Brazil, a survey of 1150 organizations (public, private, and third sector) identified that 42% of organizations invest in training actions within or outside the workplace [5]. Large organizations with more than 100 employees, more than 20 years in the market, and located in the most developed regions of the country, correspond to the profile that offers more qualification opportunities to their workers. These results allow an association between the growth of the organization and the level of investment in the professional development of the employees.

In the same vein, the study of [4] identifies a pattern in European countries where there is a greater percentage of people trained in organizations with more than 250 employees than in organizations between 10 and 50 employees. And in Poland, research has confirmed that smaller firms are particularly reluctant to train their workers [3]. In the survey conducted by [6], with 1992 small- and medium-sized companies, researchers found that only one-sixth of the organizations surveyed conducted training planning. In addition, a small proportion of such organizations have a specific budget for training actions. These results suggest, therefore, that investing in more visionary leadership and leadership focused on organizational growth can be useful in shifting the value attributed to the professional development of the workforce of companies.

In this chapter, we discuss the influence of leadership in the professional development of subordinates, pointing out the importance of leadership performance. The prioritization of context variables (the role of leadership) finds support in literature reviews that point to such need, indicating the importance of expanding research for environmental variables [7, 8]. The relevance of contextual variables is also evident in studies on work design, recognized as a mediator of variables such as leadership, production, time reduction, task elaboration, and work contracts [9].

In addition, there is a growing concern that people management policies are aligned with the organizational strategy and value their employees. The leaders need to invest also in the devel opment of collective competencies, which are anchored in the context. Therefore, the performance of the leader can be of great relevance for the professional development of the subordinates, since the leadership can establish strategies of qualification, as well as create a favorable environment for learning. But this is a two-way street, since analyzing lists of the characteristics of effective professional development is an important strategy to promote visionary leadership [10] or transformational leadership too.

Thus, this chapter discusses the role of leadership in the professional development of subordinates, signaling different ways for leadership to contribute to the qualification of work teams. To this end, the chapter was organized into four sections. The first section presents the main concepts and processes related to professional development. The second section turns to leadership, with a brief presentation of the concept and theories in this field. The following section lists these two variables—leadership and professional development—discussing how leaders can contribute to the growth of subordinates. Finally, the conclusions are presented with a summary of their content and the proposal of future research on the subject.

2. Professional development

Professional development is directly related to the day-to-day activities of workers and should be part of a broader process of continuous learning [10]. Professional development corresponds to the growth and maturation of the knowledge, skills, and attitudes acquired throughout the workers' lives, as a result of formal and informal actions of learning at work [8, 11].

The literature indicates the relationship between formal training, learning at work, and everyday learning [12, 13]. Therefore, different forms of formal and informal learning at work are related to the development of human capital [2], and they are seen as complementary. The professional development process also involves the experiences and personal experiences that characterize the learning throughout the career [14].

Thus, we can consider that professional development is supported by the Kolb's Experiential Learning Theory [15], characterized by a holistic perspective that combines experience, perception, cognition, and behavior. According to this theory, learning is the process by which knowledge is created through the transformation of experience into a cyclical model of learning, based on four successive stages: concrete experience, reflexive observation, abstract conceptualization, and active experimentation.

According to [15], the four stages of the learning cycle consider that experience is constructed by processes of intention, extension, apprehension, and understanding. In the logic of this model, concrete experiences impel an intentional reflexive action, transforming into an abstract conceptualization, which allows the experience of active experimentation. Thus, the process of professional development involves experience, observation, reflection, and transformation.

Professional development is thus composed of a series of events and activities related to a particular profession, creating or developing sets of skills, knowledge, and attitudes in the areas of people's performance [16]. In this sense, the focus of the concept of professional development is on a combination of cognitive, affective, and behavioral processes, involving formal and informal learning strategies throughout the career.

Therefore, although in the Anglo-Saxon literature the concept of professional development is used, mainly to designate the activities of induced learning [17], a broader concept understands that it is a natural consequence of the different kinds of learning at work. In this broader view of the professional development process, it stems from formal or informal learning actions [18], being directly related to career progression [11]. Thus, the concept of professional development encompasses a variety of practices, such as: activities in scientific societies [19]; training processes, including acting as supervisor, coach, or leader (mentoring and monitoring of actions to students, subordinates, or new professionals) [20]; training and strategies for systematized and informal learning for skills development [16, 21, 22]; in-service training [5, 23]; participation in communities of practice [24, 25]; participation in processes of continuous professional development [5, 26]; peer collaboration mediated by technological resources [27, 28]; mentoring programs [29]; and specific leadership development programs [10, 30].

But if, on the one hand, it makes sense to say that professional development derives from formal and informal learning-at-work actions, on the other hand, the antagonistic view of these two terms has been questioned, since it is an artificial polarization. In this chapter, we do not seek to separate such concepts or assign greater relevance to one or the other. We consider that both formal and informal learning can contribute to professional development, despite formal learning, in general, receives more emphasis in the literature [8, 31].

It is important to consider that the learning in the work stems from different actions and situations, and several of them involve reflection processes of the worker. A study [32], with a wide variety of occupations and organizational contexts, showed that learning strategies contribute to professional development. The results of such research show that strategies for learning intrinsic and extrinsic reflection, seeking help from others and learning by trial and error are predictors of the perception of professional development. In addition, the trial-and-error learning strategy is moderated by work experience. The study also concluded that hours of training, seeking help from others, and educational level are predictors of perceived professional development.

The literature confirms, therefore, that the learning at work is influenced by the systematic actions of training and development, of the social interaction and the experiential learning. For this reason, the learning-at-work model [33] is relevant to the study of professional development, since this model takes into account professional practice and addresses dimensions related to the content, incentive, and learning context. The constitutive logic of this model is that the learning at work assumes the character of skills development and stems from the acquisition of technical skills and the interaction between practice and elements of work identity.

Thus, the theoretical framework allows us to point out that professional development involves different kinds of learning [11, 18], and experiential learning can be considered one of its most relevant theoretical foundations. Therefore, we can consider that professional development is based on the theory of experiential learning [15] and more recent theories about learning in the work environment, which simultaneously consider variables of individuals and context [33–35].

This set of learning related to professional development occurs throughout the entire life of the worker, going through different stages. Thus, the strategies that most contribute to career development at the beginning of the career differ from those that contribute to the development of those who are in the stage of career consolidation or who already have a consolidated career. Although different elements—such as contextual elements, individual elements, and

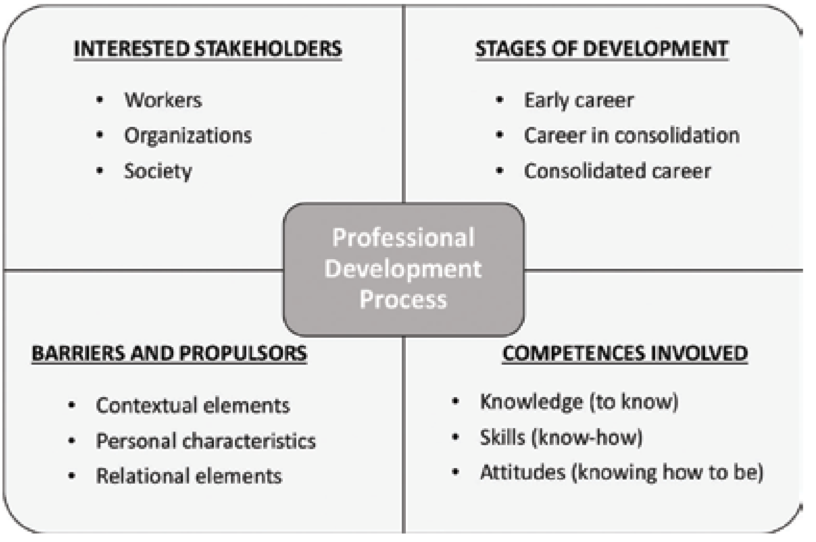

Figure 1. Professional development process.

relational elements—can act as barriers or as drivers of people's professional development process, these elements have a different action throughout the career stages [15].

Professional development is therefore associated with the acquisition and development of competences involving cognitive, affective, and psychomotor processes. As a result, there are constant changes in terms of Knowledge (to know), Skills (know-how), and Attitudes (knowing how to be) [36]. It must also be considered that the process of professional development involves different stakeholders (workers, organizations, and society) and can be driven (pusher) or braked (barriers) by a set of contextual elements (job opportunities, type of organization, support received from peers and managers, characteristics of the socioeconomic environment, etc.), individual elements (initiative, dynamism, courage to risk, determination, resilience, etc.), or relational elements (network, work teams, etc.) [33]. **Figure 1** summarizes different aspects related to the professional development process.

In addition to different types of learning, the process of professional development may also be distinct for the professions. In this sense, it is necessary to understand that, besides the career phases and the individual characteristics, other variables—such as the professional formation—can influence the development process of the people.

Therefore, a contribution of the leaders to the professional development of their subordinates needs to take into account the individual characteristics of each one. Probably the actions that will contribute to the professional development of a doctor are not the same as those that will contribute to the development of an engineer or a lawyer. Leadership has a challenge of identifying the most relevant elements for each of their subordinates. Some leadership styles can provide support for this kind of action focusing on the individuals and the characteristics of each one, as we see in the next section.

3. Leadership

The interest in the topic of leadership has been renewed with an expressive set of studies that correlate leadership to the most diverse themes, as they show frequent meta-analysis [37–40]. Leadership has an effect on the organization's performance, on the processes of change, on the commitment, satisfaction, and well-being of employees. Leadership theories began in the theory of traits, and successive other theories were being developed, such as behavioral theories, contingency or situational theories, and procedural theories [41]. A review of the main theories about the phenomenon (from trace-based theory to procedural theories, which are predominant in current research) can be found in [41].

This diversity of theories has led to many styles of leadership and a varied nomenclature, for example, charismatic/bureaucratic leadership [42], transactional/transformational leadership [43, 44], autocratic/democratic/visionary-inspirational leadership/laissez-faire [45, 46], supportive leadership [47], ethical leadership [48], Leader-Member Exchange (LMX) [49]. Each of these styles has specific characteristics, although some styles are derived from others.

This variety of theories and styles is also accompanied by a set of definitions for leadership. But in spite of this conceptual plurality, the process of influence and the involvement of people are often frequent in definitions of leadership. Thus, we consider as a parameter the definition of [50]: leadership is a complex and multifaceted construct that influences organizational tasks, strategies, and cultures, as well as the commitment and identification of teams.

This definition of [50] focuses on the process of influence and interaction of leadership that is also present in the perspective of [51, 52] in terms of the transformation of the leader, from processes of change based on learning and knowledge. In this sense, although the current leadership theories are very focused on the processes [53], such processes include the exchanges between leaders and subordinates, being more prevalent the more integrative approaches of leadership theories [54, 55].

Thus, leadership can be characterized as a process of social influence, since it establishes the relationship between groups of people around individual, group, or institutional goals [56]. Therefore, leadership involves influencing other people's attitudes, beliefs, behaviors, and feelings toward achieving a goal in a given situation [56, 57]. In a similar vein, authors like [58] point out that the main components of leadership are interpersonal influence, leadership in a situation, communication process, and achievement of goals. These goals can be from the organization, the group, the follower, and/or the leader. In this sense, the leader would influence the subordinate's behavior through communication.

Among the various leadership styles, the so-called visionary leadership and transformational leadership [52] are the ones that make the greatest contribution to highlighting the role of leaders in the professional development of subordinates. The concept of visionary leadership involves strategic management in a process of interaction of repetition, representation, and assistance. According to the process, content, and context, there are various types of visionary leadership: the creator—product focus; the proselytizer—market focus; the idealist—ideal focus; the bricoleur—product and organization focus; and the diviner—service focus [59]. The kind of visionary leader associated with the professional development of subordinates is the diviner, whose target group is the employees and whose salient capacities are insight, sagacity, and inspiration.

Visionary leadership has been defined as a process with three specific steps: (1) vision (idea), (2) communication (word), and (3) empowerment (action). An alternative image of visionary leadership might be that of a drama with action and communication occurring simultaneously. So, the visionary leaders act as follow: repetition (idea), representation (vision), and assistance (emotion and action) [59]. So, the visionary leaders act as follows: repetition (idea), representation (vision), and assistance (emotion and action). By repeating an idea, creating the representation of a certain vision for the future, and acting in an inspiring way for the subordinates, simultaneously in terms of emotion and action, the visionary leader creates an environment conducive to professional development. More specifically, it has been argued that visionary leaders mobilize follower action by linking organizational goals and activities with followers' self-concept and value hierarchies, as well as by connecting followers to the collective such that their interests become fused with those of the organization [60, 61]. The importance of leader vision communication is pointed in both visionary leadership and transformational leadership theories [61].

Thus, the transformational leader also has great ability to contribute to the professional development of his subordinates. The leader acts in the creation of shared goals and encourages the experimentation of solutions, making concessions of power and maintaining a systemic communication that leads to collective engagement. The transformational leader therefore acts in different types of management, namely: attention management, meaning management, trust management, and management of the individual. Each of these dimensions is associated with one of the four Bass' dimensions [43]—Charisma, Inspiration, Intellectual stimulation, and Individual consideration—as shown in **Table 1**.

Management focus	Expected action of the leader	Bass' dimension	Evidence of dimension
Attention management	Express your goals with clarity of purpose	Charisma	Respect for the leader who wants to be imitated and generates high levels of expectation in his subordinates
Meaning management	Develop effective communication of your ideas	Inspiration	The degree to which the leader energizes the subordinates by providing a vision of the future, goals, and purpose
Trust management	Maintain a constancy of purpose	Intellectual stimulation	Leader actions related to intellectual stimulation for subordinates solve problems, challenges, and obstacles in a creative way
Management of the individual	Seek to know each individual and develop their virtues	Individual consideration	The support provided to followers, paying attention to their personal development needs

Table 1. Expected actions of a transformational leader according to its four dimensions.

Thus, in the logic of the transformational leader, there is collective engagement around shared goals. This favors professional development because subordinates feel the importance of their participation in building something meaningful, which increases individual commitment.

4. Leadership and professional development of subordinates

The link between leadership styles and subordinate professional development concepts is supported by different theories of literature. On the one hand, studies in the area of learning at work indicate that social support—received from the manager and co-workers—has relevance for the transference of learning to work [36]. On the other hand, the concept of knowledge management associates the performance of management with the development of the intellectual capital of companies. Thus, [62] defines knowledge management as the process of embracing knowledge as a strategic asset to boost sustainable business advantage and promote an approach to identify, capture, evaluate, improve, and share its intellectual capital.

Thus, the emphasis on knowledge management was directed to the level of work teams [28]. The actions of leaders, team members, and the organization as a whole act as catalysts for knowledge management. Leadership performance is, therefore, a potentiating element in the generation, development, and sharing of knowledge in teams. In this way, the leadership that encourages a culture oriented to learning, innovation, and open communication contributes to dynamize the processes of professional development of subordinates [63]. Thus, a leadership style oriented toward learning and knowledge encourages innovation and the sharing of knowledge, encouraging open communication and team development [64].

In addition, social interaction and the leader's ability to influence subordinates are considered key elements in leadership theories [43, 50]. In this sense, a transformational style of leadership—aimed at the positive influence of subordinates—would be directly associated with the processes of professional and personal development of subordinates [52]. But what elements of transformational leadership would be present in this process of favoring the development of team members? Could supportive leadership and developmental leadership contribute to such a process?

On the one hand, the supportive leadership is one that provides emotional, informational, instrumental, and appraisal support to followers [47], emphasizing the emotional support, which involves the provision of sympathy, evidence of liking, caring, and listening. So, supportive leadership is associated with leaders who express concern for, and take account of, followers' needs and preferences when making decisions.

On the other hand, developmental leadership is associated with individualized consideration, one of the most important dimensions of the transformational leadership. This point involves behaviors identified in the mentoring literature, such as career counseling, careful observation of staff, recording followers' progress, and encouraging followers to attend technical courses [33].

Both developmental leadership and supportive leadership have effects of professional development of subordinates, but the effects are not equal. Developmental leadership displayed stronger relationships with job satisfaction, career certainty, affective commitment to the organization, and role breadth self-efficacy than did supportive leadership [65]. In this sense, investing in developmental leadership can bring better results for the professional development of work team members.

But beyond understanding what leadership style can be most effective for the professional development of subordinates, it is also important to know how leaders can contribute to this development process. Considering that professional development depends essentially on formal and informal actions of learning at work, it is important that leadership stimulates these two areas. From the point of view of formal learning actions, there has been an investment in corporate universities that fulfill the function of establishing a theoretical and methodological reference for the educational practice, defining the vision of the professional wanted in the organization and the pedagogical guideline of educational actions to be developed [66]. In this sense, leaders can provide learning opportunities for workers through a broad set of training and development actions, including preparation for new positions in the future.

And in addition to formal workplace education, the leaders also can stimulate the informal learning with actions that are non-systematized, spontaneous, and natural [67]. Literature in the area of learning in organizations supports the theoretical premise that the psychosocial support of peers and bosses to the use of new skills and innovation in individuals' work routines is an important variable to support natural learning in organizations [33]. In this sense, leaders can foster a learning culture as a gradual, cumulative, and ongoing process with structured learning experiences [67, 68].

This is important because it is estimated that 90% of work-based learning comes from informal processes that are outside the curricula of educational programs [69]. In this sense, it is up to the leaders to understand that learning at work can occur from a question answered by a more experienced colleague, through daily observation, or reading the books and documents of the organization. Thus, the leader needs to create a work environment that can be considered a space of continuous production and sharing of collective knowledge, since this type of environment provides an informal learning process parallel to the actions of the training system [10].

So, there are basically three fields in which leaders can act to contribute to the professional development of subordinates. The first involves strategic management and concerns the development of a work environment conducive to learning and commitment [2, 12–14]. This environment should be aligned with people management policies that favor learning paths, error management—with the understanding that they bring learning—and knowledge management. It is important for leaders to understand the importance of investing in systemic communication and technology systems that foster peer collaboration. But probably one of the most important aspects is to have shared goals with the work teams and to carry out empowerment that leads to the commitment of the employees and the perception of each one of their importance in the organization.

The second field of action concerns the encouragement of formal learning actions, and the role of leaders is the intellectual stimulation of the team. Training and development actions [1, 16] may take place in different modalities such as distance education, face-to-face or blended learning, and should aim at preparing for the current positions of subordinates and also for

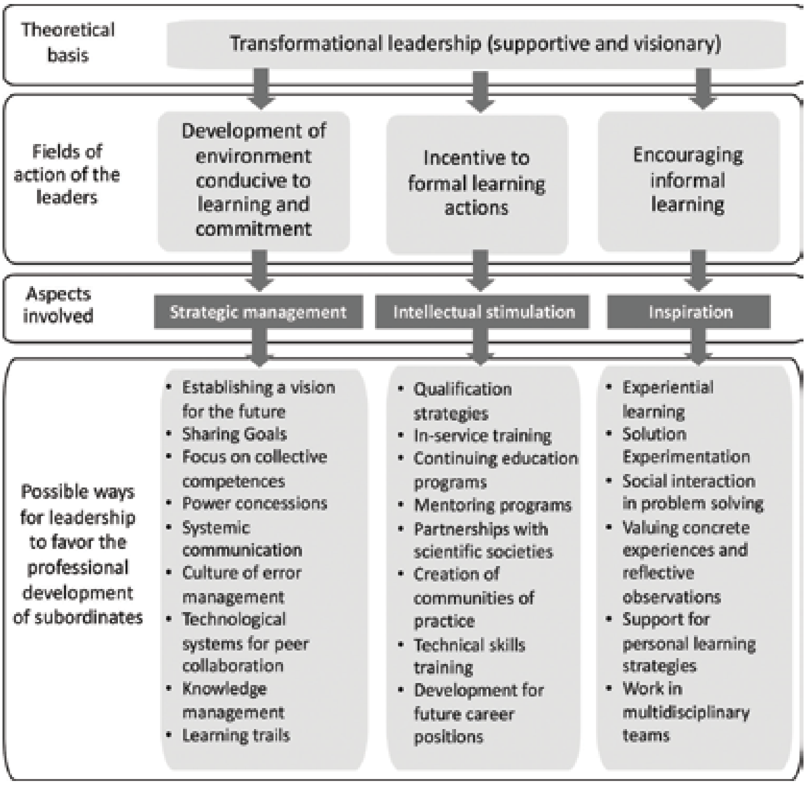

Figure 2. Contributions of leaders to the professional development of subordinates.

future positions that they may occupy in their careers. Qualification strategies should be diversified [5, 33, 36], including in-service training, continuing education programs, and mentoring programs. In addition, it is also valid to create communities of practice and seek to develop partnerships with scientific societies in order to offer constant challenges and growth possibilities for employees.

Finally, the third field of action refers to the encouragement of informal learning [15, 67, 69] for which the leader must inspire subordinates. The promotion of informal learning goes from the establishment of multidisciplinary teams—which enrich the quality of the exchanges in the group—to the valuation of concrete experiences and reflective observation, which characterize experiential learning [15]. It is important in this context that there is an incentive to social interaction and experimentation of solutions, which favor learning. **Figure 2** summarizes the contributions that leaders can make to the professional development of subordinates, pointing out the theoretical bases, the fields of action, and the aspects involved in this process.

5. Conclusion

At present, professional development is an area of growing interest, mainly due to its implicit consequences, such as self-esteem, self-efficacy, motivation, job satisfaction, and employability

[70] the performance of various job duties and responsibilities [23] and the increase it provides in job satisfaction [71]. Thus, such development is relevant to both the workers themselves and the labor and development organizations of the country. As a result, investments in actions aimed at professional development have grown in the international scenario.

As discussed throughout this chapter, professional development should be understood as a construct that goes beyond the mere sum of a set of courses carried out throughout the career because it is a process of maturing the reflexive capacity. So, the most important is not whether professional development comes from formal or informal learning processes. What matters is that such development is characterized as a growing process of awareness and mastery of know-how at work. This is evidenced in different researches that point to reflective practice as an important element for professional development processes [26, 27]. Therefore, in addition to promoting training and development events for specific activities, leaders should encourage a critical and reflective vision in their respective work teams with a deliberately planned direction.

It is also necessary for leaders to understand that the workplace is a complex social system made up of peers who consistently coregulate each other's learning [72]. Thus, if leaders invest in social interactions, they can foster informal learning at work, transforming everyday work practice into a space for the continuous production of collective knowledge.

So, we can conclude that professional development of subordinates is directly connected with leadership style because this development is understood as the growth and maturation of knowledge, skills, and attitudes acquired throughout workers' lives, as a result of learning-at-work actions. And learning-at-work actions depend on leadership decisions.

But while it is important for leaders to act to provide support and development opportunities for their subordinates, care must be taken that leadership does not create unhealthy dependency. Dependence on subordinates constrains their growth and autonomy. Therefore, emerging leadership approaches value the leader's role of coaching roles, with concepts of self-leadership, super leadership, and leadership reinforcement [73]. The challenge posed to the leaders of the twenty-first century, therefore, is to promote and encourage the professional development of their subordinates in a consistent and individual way but without stifling their initiatives and the ability of each one to self-engineer his or her own career.

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Chapter 8

Investigation on the Impact of Leadership Styles Using Data Mining Techniques

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Abstract

This chapter focuses on the three major leadership styles, namely, laissez faire, transactional and transformational leadership styles and their relationship to the leadership outcomes (extra effort, effectiveness, and satisfaction). A review is conducted on related leadership theories, development of leadership styles and the relationship between leadership styles and the outcomes. The survey using convenient sampling method was carried out in the Bay of Plenty Region of New Zealand. A quantitative analysis was conducted on collected data using statistical methods (such as correlation and regression analysis) and state-of-the-art data mining techniques (rule-based approaches and decision tree modelling) were also used to ascertain the relationship between leadership styles and leadership outcome. The data mining techniques were used to extract hidden trends and patterns in the data to report various ways to increase the employee outcomes by fine-tuning leadership styles. The results of such research would enable the small- and medium-sized enterprises (SMEs) to identify the most prevalent leadership styles and to devise actionable strategies to improve the best suitable leadership styles for the management.

Keywords: leadership styles, management, data mining, rule-based algorithms, decision tree algorithm

1. Introduction

Trade has been an integral part of human evolution. Trade started when humans began to live in social groups and gave up isolation. This culture of community gave birth to the idea of exchange of goods and services to fulfil human needs later known as business. It is an economic system in which goods, either manufactured or procured, are exchanged for hard currency. Present day, services are also considered as businesses and are also exchanged for money. With the growth of human society, business activities and processes become complex; hence, the management of business activities became the focus of attention. There was a need for effective managers who can handle daily and periodic business transactions and can make good and timely business decisions. Many management theories are developed and implemented to help improve organisational productivity and services. Some of the most commonly practiced theories are contingency theory, chaos theory, systems theory, leadership theory, theory X and theory Y [1]. All these theories address various aspects of organisations and help management devise strategies to increase productivity. With the increase of competition and global market, businesses were required to make timely and effective decision. This requires the role of managers to be evolved as leaders. Good managers are essential for running organisations, whereas leaders are required to make organisations successful.

In contemporary business environment, leadership has become an important component in organisational sustainability. Leadership is a process by which one person influences the thoughts, attitudes and behaviours of others [2]. Organisations have unique personalities and mostly evolved around the personalities of their leaders. Conventionally, it was believed that land, labour, capital and entrepreneurship are four main factors which are integral for an organisation. In today's economy, leadership acts as a catalyst that makes all these factors work together to achieve organisational goals.

In the literature, various leadership styles are proposed. However, most of these styles converged to one of the five different leadership styles, which are autocratic, laissez faire, participative, transformational and transactional leadership styles [3]. These leadership styles are not mutually exclusive and have certain degree of overlapping.

Autocratic leadership style is also known as authoritarian leadership style. In this leadership style, a single individual possesses control over the decision-making and others have minimum input in those decisions. Autocratic leaders seldom take advice from other and make decision based on their ideas and judgements. In laissez faire or delegative leadership style, leaders seldom make decisions instead let employees to make most of the decisions. Most of the decision-making power lies with employees and very little or no guidance comes from the leaders. This leadership style can only work if employees are high competent and no supervision is required. Participative leadership style is also known as democratic leadership style. In this style, employees are provided with pertinent information on the issues and challenges faced by the organisation and engaged them into the decision-making process. The main drawback of this style is that the decision-making process is slow, but at the same time the benefit is that employees do contribute in problem-solving process and improve employees' commitment to the organisation. Transactional leadership style has its basis in controlling, organising and short-term planning. In this leadership style, employees are motivated by appealing to their own self-interests (in the form of rewards and punishments). Employees are rewarded if they perform well and punished for not doing well on their assigned tasks. Finally, in transformational leadership style, leaders are regarded as visionary, inspiring and thoughtful thinkers. These leaders must exhibit inspirational motivation, intellectual stimulation, idealised influence and individualised consideration. This style of leaders spend a considerable amount of time to mentor their subordinates [3]. To measure the leadership outcome, the following three measures are used in the literature.

- Extra effort, is the measure of willingness of employees to exert extra effort to accomplish tasks.
- Effectiveness, is the degree of leaders' effectiveness in the eyes of the employees.
- Satisfaction, is the employees' level of satisfaction on the leaders' capabilities.

A number of studies have been conducted on the impact of various leadership styles on employees' outcomes [4–7]. These studies have used statistical analysis such as correlation and regression analysis to investigate the underpinning relationship between these dependent and independent variables. The correlation coefficient can describe the relationship between any two variables, and regression analysis scrutinises the relationship of multiple independent variables on a dependent variable. These techniques do not explain why these dependencies exist or provide a higher level logic description of these dependencies. The aim of this research is to fill this gap by employing data mining techniques and demonstrating that the use of these techniques can enhance our understanding of the data.

The data mining term is used to describe searching through the databases to find interesting and previously unknown patterns. Now-a-days with the revolution of digitization and abundance of data, the field of data mining has become an important component of organisations. The field of data mining provides tools and techniques to automatically process large volume of data and extract useful information which can used to make strategic decision in organisations. Most of the data mining techniques are based on inductive learning [8]. The inductive learning involves detecting interesting patterns and building appropriate model based on processing reasonable amount of training examples.

In recent years, the use of data mining techniques is becoming popular in the retail industry, stock market, telecommunication and customer relationship management [9–12]. Internet providing companies are using optimisation algorithms to manage the search and data retrieval traffic on the internet to avoid data congestion. Moreover, companies are using similar approaches to faster deliver customers' goods to their doorstep by incorporating intelligent data analysis techniques to avoid road traffic congestion. Now retail companies have been able to provide better services based on analysing customer buying behaviours (i.e. market segmentation, market basket analysis and seasonal data analysis) [11, 13–16].

The data mining techniques can mainly be divided into classification and clustering. In classification, data consist of input attributes and output attribute (class labels). The task of any classification algorithm is to build a model by processing existing data so that novel information can be extracted from the data. Moreover, model should be able to predict the output attribute given unseen input attribute values. The examples of classification algorithms are decision tree algorithms, rule-based algorithms, artificial neural networks, support vector machines and k-nearest neighbours [17]. In clustering or cluster analysis, data consist of only the input attributes and no information of output attribute is present. The task of any clustering algorithm is to find natural groupings in the data, where each group must have maximum similarity among grouped data instances and maximum dissimilarity across different group instances [18]. Customer segmentation, anomaly detection and identifying association rules in buying patterns of customers are few examples of clustering algorithms [14].

At organisational level, identifying and managing the needs of various stakeholders are core to the success of organisations. The stakeholder can be divided into internal and external stakeholders. Customers, government and local council are few examples of external stakeholders. Employees and management are the examples of the internal stakeholders of an organisation. A significant research has been carried out to improve the relationship between organisation and external stakeholders using data mining algorithms. However, there is inadequate research on applying data mining techniques to improve the relationship between different facets of the organisation. Extensive research has taken place in the literature that establishes the importance of relationship between employees and organisational management and how this relationship is core to the success of an organisation [19, 20]. The researchers have used statistical analysis techniques such as correlation and regression analysis to establish and understand this relationship [1, 4, 21]. However, no efforts are made to extract useful information from such databases. The main objective of this paper is to use data mining algorithms to extract actionable and interesting patterns in the database (the impact of supervisors' leadership style on employees).

2. Literature review

In the 1940s, leadership was studied on the basis of the personal traits possessed by a leader such as physique, intelligence, cognitive ability, appearance, fluency of speech, knowledge, ambition, personal adjustment and emotional control. However, Bryman [22] argued that these traits solely cannot be recognised as factors of effective leadership, instead factors like situation, environment settings and the relationship with followers' matters in the role of effective leadership. Daft and Pirola-Merlo [1] have shown that a leader must have a variety of characteristics, namely personal characteristics, social characteristics and work-related characteristics. Personal characteristics deal with energy, physical stamina, intelligence, knowledge, judgement and decisiveness. Whereas, sociability, high interpersonal skills, cooperativeness and diplomacy are related to social characteristics. Work-related characteristics include stableness in the face of hurdles, accountability in pursuing goals and mobility. A recent research conducted by Eid et al. [3] proposed that leadership must have two traits: basic traits and motivational traits. Basic traits cover emotional stability, dominance, enthusiasm, conscientiousness, social boldness, tough-mindedness, self-assurance and compulsiveness. On the other hand, leaders must possess traits which help them motivate their followers. These traits include high energy, intuitiveness, maturity, team orientation, empathy and charisma. Over the years, various leadership styles were proposed based on some combination of these characteristics and traits. In last few decades, the influence of these leadership styles on employees was thoroughly investigated. The success of every business is governed by its employees urge to succeed through their efforts, commitment, engagement and practice. Therefore, it is the prime responsibility of leaders to motivate their subordinates with appropriate leadership styles and keep their aspirations high and achievable [23].

The effects of leadership styles (transformational and transactional) on different factors such as job performance, employee satisfaction and organisational commitment were studied in-depth by Norwawi [24]. The author revealed that leadership styles were vital to organisational development. The author also concluded that by using appropriate leadership style, job satisfaction, stress, employee turnover and productivity could be controlled effectively. Caillier [25] has found in his study that transformational leadership affects the performance of the employee with high mission valence. The clarity in goals resulted in higher levels of motivation in employees. Wang et al. [26] found in their study that transformational leadership has a positive effect on organisational justice and job characteristics. It is found that employees outperform the targets if leaders with transformational leadership can set the goal with clear communication and can motivate them [27]. Employees find self-respect and put additional efforts to achieve the goals if they are challenged and if the goals are set at high levels [28].

Similarly, transactional leaders have clear expectations that are communicated to their employees regarding goal attainment and the rewards upon fulfilment of their contractual responsibilities [27]. Attainment of the time bound task in an organisation depends upon the clarity of the goal and expectations conveyed to its employees, which helps them perform better. The use of contingent rewards inspires the employees explicitly or implicitly to exert extra effort for goal attainment. On the contrary, management-by-exception passive has a negative association with employees generating extra effort and also laissez faire leadership style relates negatively to job commitments. At certain times, a combination of transactional and transformational leadership is used by the leaders to increase motivation and productivity. This hybrid leadership style is becoming very popular in organisations [27].

Alloubani et al. [4] conducted a study in healthcare sector in Jordan and investigated the relationship between leadership styles (laissez faire, transactional and transformational) and employees' motivation, satisfaction and effectiveness. They evidenced that transformational and laissez faire leadership styles significantly affect employee outcomes (motivation to work hard, satisfaction and effectiveness); transformational style affects positively and laissez faire affects negatively all of the employee outcomes.

Leadership style also has impacts on organisational commitment and employee job performance [29]. They found an appropriate leadership style that enhances employees' problem-solving skills and helps employees to innovate. But, it is important to devise a right leadership style to match followers' characteristics [23]. They found that situational leadership style is more effective where leadership styles are tailored according to the situation and the followers' characteristics. Situational leadership exhibits multiple leadership styles and is more prevalent in contemporary organisations, encourages workforce diversity and brings optimal outcomes. The finding on the relationship between leadership styles and employee outcomes in existing literature is inconclusive in nature. This is one of the main reasons why data mining is most appropriate method to extract the trends and pattern out of this complex relationship between leadership styles and employees' outcomes.

3. Methodology

This study will investigate the impact of three leadership styles (laissez faire, transactional and transformational) on the willingness of employees to exert extra effort, effectiveness and satisfaction. In this study, the researchers have opted for a Multifactor Leadership Questionnaire (MLQ) for collecting data. MLQ is a popular instrument for the study of leadership styles [24]. MLQ is a proven instrument for measuring the leadership styles since its inception in 1985. The study has employed a five-point Likert scale questionnaire to collect quantitative data (where 1 being strongly disagree and 5 being strongly agree). The data were collected from the employees of small- to medium-sized enterprises (SMEs) in the Bay of Plenty Region of New Zealand. A total of 24 organisations were selected to gather data samples (within the range of 200–225) for this research. The participants answered questionnaires that portray the style of leadership of their immediate level manager. The goal of this research was to find and compare leadership styles of managers and their implications from the employee's point of view.

A total of 18 questions were designed to record the feedback on independent variables. Six questions each were designed to gather feedback on each leadership styles (transformational, transactional and laissez faire). The responses of these six questions were accumulated to find the score of each leadership style. Another nine questions were designed to gather responses of dependent variables. Three questions each for extra effort, effectiveness and satisfaction were designed, and the responses were calculated by taking the mean of each category questions. The pooled variable 'leadership outcome' was derived by taking the mean of extra effort, effectiveness and satisfaction.

There are number of data mining algorithms available in the literature such as artificial neural networks, support vector machines, decision trees, rule-based algorithms, k-nearest neighbours and Bayesian algorithms [17]. However, in this research, three algorithms, namely OneR, J48, and Modlem are used. These algorithms are used in this research as the outcome of these algorithms are in the form of a decision tree or a set of rules, which are easy to interpret.

OneR stands for One Rule or one level decision tree. This algorithm processes all input variables and selected single input variable that best model (classify) the output variable [30]. This is a very simple algorithm but has accuracy comparable to the state-of-the-art data mining algorithms. Mostly, OneR algorithm is used as a baseline algorithm against which the performance of other algorithms can be compared. Here, this algorithm will also be used as a baseline algorithm. The model accuracy and the degree of information extracted from the data will be compared to other data mining algorithms.

J48 or C4.5 is a decision tree-based classification algorithm proposed by Quinlin [31]. J48 builds the decision tree on the training data using the concept of information entropy. At each node, the algorithm selects a variable that split the data into defined classes with highest information gain. The variable with highest information gain is select to expand the node. Modlem algorithm generates rules based on rough set theory and more information can be found in [32].

In order to run data mining algorithms, the dependent variables' score will be transformed into categorical variables. The numeric scores recorded on the extra effort, satisfaction,

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Labels/measure	Extra effort	Effectiveness	Satisfaction	Outcome
Low	57	33	42	33
Medium	102	102	94	94
High	43	67	66	75

Table 1. Frequency distribution of extra effort, effectiveness, satisfaction and (leadership) outcome after performing data transformation.

effectiveness and leadership outcome will be mapped to low, medium and high categorical values. The low category covers scores 1 to 3, medium between 3 and 4 and high from 4 to 5. The frequency table of all class labels are mentioned in **Table 1**.

4. Experimental results

A total of 210 samples were collected, of which three were discarded as these had missing values and another five were removed after conducting outlier analysis. The final 202 samples were used to analyse the data. The reliability test was carried out to demonstrate the internal consistency of various measures used in this research. Coefficient alpha or commonly known as Cronbach's alpha was used to test the reliability of data, and the values of above 80% were obtained in all factors of this questionnaire.

4.1. Descriptive analysis

The total number of participants surveyed was 202 of which 66% were females and 34% were males. Approximately half of the participants (51%) were 25 to 34 years of age. The participants between the age 18–24 and 35–44 were 16% each. In terms of education, 36% of the participants had completed their bachelor's degree. There were 26 and 24% of participants with diploma and postgraduate qualifications. The remaining 14% had their higher secondary school completed. Participant's prior employment statistics showed that 44% of them had more than 7 years of total experience followed by 29% of them between 1 and 3 years of work experience. Participants with less than 1 year of experience and experience between 5 and 7 years were 7 and 8%, respectively. This depicts that the participants had fairly good experience of working in organisations. Working at the current job, more than half (52%) of the participants fall under the category of below 1 year of working at the current organisation, followed by 20% for 1–3 years of working at current job. Industries covered in this study ranges from health, hospitality, customer service, education and trades with health segment employing more females stood top at 34%, followed by hospitality at 25% and customer service 21%.

4.2. Correlation and regression analysis

Table 2 presents pairwise correlation coefficients and the statistical significance of each coefficient showing the relationships between leadership styles and employee outcomes. The

	1	2	3	4	5	6
1. Laissez-faire	1					
2. Transformational	0.11	1				
	(0.11)					
3. Transactional	0.30	0.46	1			
	(0.00)	(0.00)				
4. Extra efforts	0.11	0.71	0.37	1		
	(0.11)	(0.00)	(0.00)			
5. Effectiveness	−0.03	0.60	0.32	0.67	1	
	(0.70)	(0.00)	(0.00)	(0.00)		
6. Satisfaction	0.01	0.62	0.23	0.66	0.74	1
	(0.86)	(0.00)	(0.00)	(0.00)	(0.00)	

Significance levels in brackets under each coefficient.

Table 2. Pairwise correlation.

correlation coefficients suggest that transformational leadership has the largest score (0.71) on employee outcome of extra efforts and then on satisfaction (0.62) and on effectiveness (0.60). Higher scores in transformational leadership can lead to respectively higher employees' outcomes (extra effort, effectiveness and satisfaction). It is important to note that each of the correlation coefficients of transformational leadership with employee outcomes is statistically significant at 1% level. On the other hand, laissez-faire style has no statistically significant impacts on any of the employee outcomes. Interestingly, laissez-faire style reduces employee effectiveness. Transactional style has statistically significant impacts on employee outcomes; however, the correlation coefficients are much smaller in size compared to that of transformational. However, simple correlation coefficient is not a robust approach to predict such relationship because it is a simple two-way relationship and cannot control for all independent variables simultaneously and cannot control for other mediating factors that can potentially influence this relationship.

The multiple regression analysis is an appropriate approach better fit for such analysis. Multiple regression analysis was performed on the data, where the leadership outcome was regressed on leadership styles (transformational, laissez faire and transactional leadership) along with other mediating variables (e.g., participants' age, gender and total years of service). We also examined the relationship between specific leadership outcome (efforts, effectiveness, satisfaction) with leadership styles. The results are presented in **Table 3**. The multiple regression analysis between the leadership outcome and the leadership styles demonstrates that transformational leadership is the most effective style to bring most of the leadership outcomes.

More specifically, between the alternative choices of leadership styles, the coefficient estimates of multiple regression results suggest that, ceteris paribus, transformational style has the largest (0.14) and statistically significant impact (significant at 1% level) on leadership

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	(Model 1)	(Model 2)	(Model 3)	(Model 4)
	Leadership outcome	**Extra efforts**	**Effectiveness**	**Satisfaction**
Laissez-faire style	−0.01	0.01	−0.08**	−0.04
	(0.01)	(0.03)	(0.04)	(0.04)
Transformational style	0.14***	0.48***	0.35***	0.46***
	(0.01)	(0.04)	(0.04)	(0.04)
Transactional style	0.00	0.02	0.06	−0.07
	(0.01)	(0.05)	(0.05)	(0.06)
Age	−0.08*	−0.19	−0.17	−0.34*
	(0.04)	(0.16)	(0.15)	(0.19)
Gender	0.04	−0.15	0.35	0.22
	(0.07)	(0.29)	(0.28)	(0.30)
Total service	0.01	−0.01	0.02	0.04
	(0.01)	(0.06)	(0.05)	(0.06)
Constant	0.96***	0.51	4.28***	3.91***
	(0.33)	(1.14)	(1.28)	(1.19)
Observations	202	202	202	202
R-squared	0.558	0.519	0.383	0.406

Robust standard errors in parentheses.
*$p < 0.1$.
**$p < 0.05$.
***$p < 0.01$.

Table 3. Multiple regression analysis.

outcome (Model 1 in **Table 3**). The largest R2 value (55.8) in Model 1 also suggests that the model can explain almost 60% variation of the leadership outcome. In regards to specific outcome, transformational significantly increases efforts, satisfaction and effectiveness (presented in Models 2, 3 and 4).

On the other hand, transactional style has no significant impact on leadership outcome or on any specific outcome, whereas laissez-faire style seems to reduce effectiveness. It implies that if leaders are keen to increase employee satisfaction and effectiveness and to motive them to put their extra efforts, transformational style is the most effective. It is interesting to note that age is inversely related to leadership outcome and specifically to satisfaction; it might suggest that older people are more anxious if business environment is dynamic and changing and they feel less satisfied what inversely affect their outcome.

In summary, in Section 4.1, we have presented percentage analysis on the demographical variables, which helped us understand the distribution of surveyed data on the basis of demographic variables (i.e. age gender, education level, etc.). In Section 4.2, multiple regression analysis along with Pearson correlation was performed to establish the significant relationships between leadership styles and outcome. These results demonstrated that transformational leadership style has statistically significant and positive impacts on extra effort, effectiveness and satisfaction and overall leadership outcome. In other words, in order to increase employees' productivity and organisational performance, managers should only pursue transformational leadership style.

4.3. Data mining

One Rule (OneR) is the first data mining algorithm used to analyse the data. This algorithm finds single best input attribute that split the data on the basis of output attribute (class label). The input variables used were leadership style scores (Laissez faire, transactional and transformational) and output variables were extra effort, effectiveness, satisfaction and leadership outcome (one at a time). The final rules generated on all four output variables (dependent variables) by OneR algorithm are stated in **Figure 1**. According to these results, the algorithm has found transformational leadership style the most influential in deciding the outcome of all four dependent variables. Moreover, these results strongly support the findings of the regression analysis carried out earlier in this research.

The rules generated by OneR algorithm are easy to interpret and understand. For example, the three rules obtained from the leadership styles (laissez faire, transactional and transformational—input data) and extra effort (output data) can be described as below:

1. If the transformational leadership score is less than 17.5, then employees will tend to exert low amount of extra effort.
2. If the transformational leadership score is greater or equal to 17.5 but below 25.5, then employees will tend to exert medium amount of extra effort.
3. If the transformational leadership score is greater than or equal to 25.5, then employees will tend to exert low amount of extra effort.

The accuracy of these set of rules was 66%, which means that of 202 data instances, 133 instances were classified correctly. The individual accuracy of all three rules is also provided in **Figure 1**, which can be read as correctly classified instances/total number of instances.

The accuracy values in the case of extra effort (**Figure 1**) can be read as: 66% of the information in the data can be extracted by following transformational leadership feature and three basic rules. Alternatively, it can be said that this model loses 34% of the information from the data.

J48 is the second data mining algorithm used in this research to extract actionable information. This algorithm builds a model in the form of a decision tree. The model built by this algorithm achieved an overall accuracy of 69% (140 correctly classified instances out of total 202 instances). In this experiment, three leadership styles were used as input data and leadership outcome variable was selected as a dependent variable. The final decision tree generated by J48 can be seen in **Figure 2**.

Extra Effort (Model Accuracy 66%)
If Transformational *is less than* 17.5 → Low (26/30)
Else If Transformational *is less than* 25.5 → Medium (91/149)
Else If Transformational *is greater then or equal to* 25.5 → High (16/23)

Effectiveness (Model Accuracy 63%)
If Transformational *is less than* 16.5 → Low (14/23)
Else If Transformational *is less than* 25.5 → Medium (93/156)
Else If Transformational *is greater then or equal to* 25.5 → High (20/23)

Satisfaction (Model Accuracy 60%)
If Transformational *is less than* 16.5 → Low (17/23)
Else If Transformational *is less than* 21.5 → Medium (36/75)
Else If Transformational *is less than* 22.5 → High(10/20)
Else If Transformational *is less than* 25.5 → Medium (40/61)
Else If Transformational *is greater then or equal to* 25.5 → High (19/23)

Leadership Outcome (Model Accuracy 64%)
If Transformational *is less than* 16.5 → Low (17/23)
Else If Transformational *is less than* 25.5 → Medium (90/156)
Else If Transformational *is greater then or equal to* 25.5 → High (23/23)

Figure 1. Rules extracted using OneR algorithm.

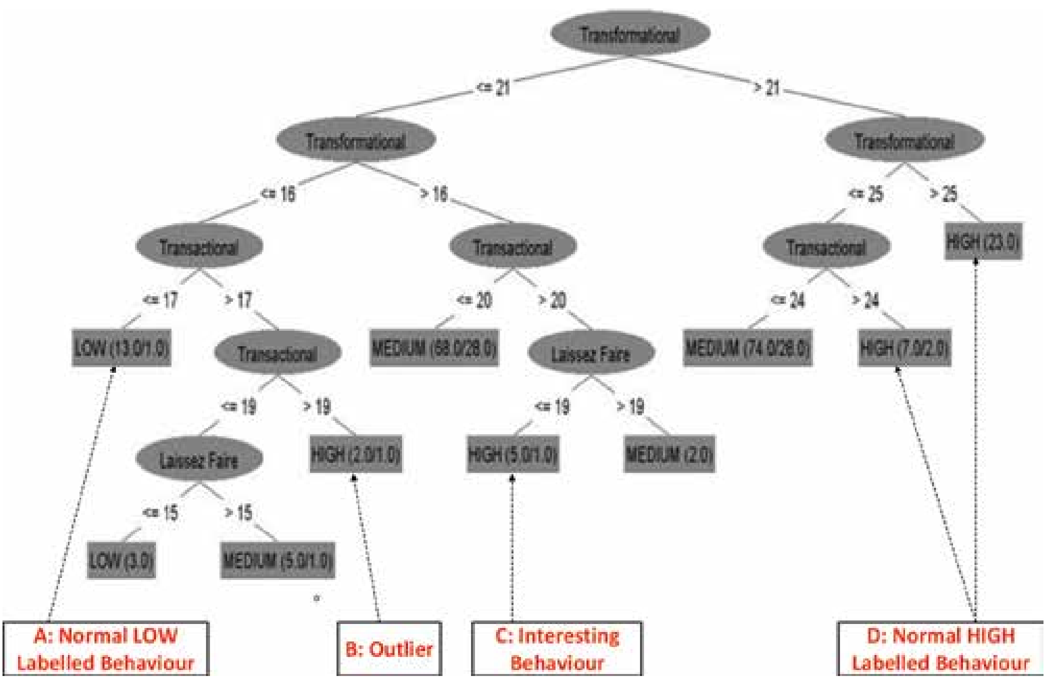

Figure 2. The model (decision tree) obtained using J48 algorithm with an accuracy of 69%.

The first split of the data is made at and above values of 21 on transformational leadership feature. This tree generates overall 10 decision trees using combination of all three features. Careful interpretation of the decision tree suggested that transformational and transactional leadership styles were playing main role in the construction of the tree. Total of 187 instances were classified using these two variables. The laissez faire style data were responsible for allocating class labels to 15 instances. The accuracy of this decision tree was 69%, which means there was 31% loss of information in this model (decision tree).

Overall, low outcome (class label) data are on the left hand side of the tree and the high outcome data are situated on the right hand side of the tree with medium mainly covering centre of the tree. This coverage is aligned with the results of OneR algorithm (stated in **Figure 1**). According to **Figure 2** (marker B: Outlier), the node with transformational value less than or equal to 16 and transactional values greater than 19 can be ignored or considered as an outlier. There are total two instances associated to this node out of which one is with high outcome and other with either low or medium outcome. The marker C in **Figure 2** has an interesting behaviour. This node suggests that a relatively low transformational value can achieve high outcome. According to this node, transformational values between 17 and 21 (both inclusive), transactional values greater than 20 and laissez faire less than equal to 19 can also produce high outcome. This information can be seen as an alternative solution of getting high outcome without increasing the transformational leadership skill value to above 25 (as suggested by OneR and this decision tree).

The final data mining algorithm used in this study was Modlem. The algorithm has generated total of 72 rules from the data (input variables as leadership styles and output variables as leadership outcome). However, few selected rules are shown in **Figure 3**. This algorithm has achieved an accuracy of 93% (184 correctly classified instances out of 202 total instances). For clarity, rules are separated based on their class labels (low, medium and high). These rules provide a great insight into the data. For example, rule 59 states that if a leader will have a transformational leadership style score less than 16.5 and laissez faire score below 14.5, then employees will have low outcome. However, rule 60 states that if leader's transformational style score is below 14.5 and laissez faire score less than 18.5, the employees will again have low outcome. The information deduction by reading rule 59 and 60 is that even though some leaders have relatively higher laissez faire score (14.5–18.5) at the cost of decreasing transformational score, their leadership outcome status did not change (stayed low). Another way these rules can be used is devising various pathway strategies for the managers (leaders) to move from one low outcome class to higher outcome class. For example, a leader belonging to rule 60 with low leadership outcome can be suggested to move from low to medium outcome class by either following rule 1 or rule 11. In order to move from low to medium outcome class, leader must improve his existing laissez fair score by 3 or 4 points. Alternatively, leader can improve his leadership outcome by keeping the laissez faire score same and only improving transformational leadership style score from 14.5 to 21.5 (minimum 7 points). Similar strategies can be adopted to move employees from medium to high outcome class by identifying a rule that someone belongs to and then finding a most suitable transition rule in the next outcome class label.

Rules for Low

Rule 59. (Transformational < 16.5) & (Laissez Faire < 14.5) → Low (7 instances)

Rule 60. (Transformational < 14.5) & (Laissez Faire < 18.5) → Low (8 instances)

Rule 61. (Transformational < 16.5) & (Transactional in [14.5, 17.5]) → Low) (5 instances)

Rule 62. (Transactional < 13.5) & (Laissez Faire >= 15.5) → Low (4 instances)

Rule 63. (Transformational < 19.5) & (Laissez Faire in [12.5, 13.5]) → Low) (5 instances)

Rule 69. (Transformational < 18.5) & (Transactional < 16.5) & (Laissez Faire >= 16.5) → Low (5 instances)

Rules for Medium

Rule 1. (Laissez Faire in [21.5, 22.5]) → Medium (5 instances)

Rule 2. (Laissez Faire >= 18.5) & (Transformational < 20.5) & (Transactional in [13.5, 16.5]) → Medium (5 instances)

Rule 5. (Transformational in [18.5, 20.5]) & (Transactional in [15.5, 16.5]) → Medium (7 instances)

Rule 7. (Transformational in [19.5, 21.5]) & (Laissez Faire < 16.5) & (Transactional < 16.5) → Medium (6 instances)

Rule 9. (Transformational in [20.5, 25.5]) & (Transactional in [19.5, 20.5]) & (Laissez Faire in [14.5, 19.5]) → Medium (8 instances)

Rule 10. (Laissez Faire >= 18.5) & (Transactional in [20.5, 21.5]) & (Transformational >= 21.5) → Medium (6 instances)

Rule 11. (Transformational in [21.5, 22.5]) & (Laissez Faire in [16.5, 23.5]) → Medium (6 instances)

Rule 14. (Transactional in [17.5, 19.5]) & (Transformational in [21.5, 22.5]) → Medium (6 instances)

Rules for High

Rule 34. (Transformational >= 23.5) → High (23 instances)

Rule 35. (Transactional >= 25.5) → High (4 instances)

Rule 36. (Laissez Faire >= 24.5) → High (5 instances)

Rule 37. (Transactional in [21.5, 22.5]) & (Laissez Faire >= 12.5) → High (8 instances)

Rule 38. (Transactional >= 24.5) & (Laissez Faire >= 16.5) → High (6 instances)

Rule 41. (Transformational >= 24.5) & (Transactional < 18.5) → High (8 instances)

Rule 47. (Laissez Faire < 12.5) & (Transformational >= 22.5) → High (6 instances)

Figure 3. Modlem algorithm obtained an accuracy of 91% (only selected rules are shown here).

It can be seen from the rules and decision tree of OneR and J48 that in order to achieve high outcome transformational leadership value of 25 or above must obtained. However, the rules extracted from Modlem algorithm in **Figure 3** suggest that a relatively lower value of transformation skills along with some specific values of transactional and laissez faire can also produce High outcome in employees (rules 35–38). Similar rules can be extracted for low and medium outcomes.

In these set of experiments, three data mining algorithms, namely OneR, J48, and Modlem, were used to analyse the data. The experiments demonstrated that these algorithms can be used to better understand the data and how segments of the input data are associated with the output variable. The information extracted from these algorithms (decision tree or rules) can be used to devise better informed management strategies to improve organisational performance. The results obtained from our data mining algorithms support the claim of existing literature that transformational leadership style is most effective in organisations due to the fact that it inspires employees to perform better, increase employees' engagement and create a healthy environment where future business leaders can be nurtured [2].

5. Conclusion

This paper investigated the impact of various leadership styles (transactional, transformational and laissez faire leadership styles) on leadership outcome. The leadership outcome was measured using extra effort, effectiveness and satisfaction. A number of statistical and data mining methods were used. The statistical methods included were correlation and regression analysis, whereas rule-based and decision tree algorithms were part of data mining algorithms used to extract interesting information from the data. Multiple regression analysis of independent variables (leadership styles) and dependent variables (extra effort, effectiveness and satisfaction) was carried out. The results indicated that transformation leadership style had a significant relationship with all three dependent variables. Moreover, the regression analysis of leadership outcome (aggregation of extra effort, satisfaction and effectiveness) and three leadership styles were carried out, and experimental results reiterated that transformational leadership style had a significant relationship with leadership outcome.

The data mining algorithms (rule-based and decision tree algorithms) were used to extract actionable information from the surveyed data. The values of dependent variables (extra effort, effectiveness and satisfaction) were transformed from numeric to nominal (low, medium and high). The single feature-based rules generated by OneR algorithm suggested that transformational leadership style is the most important variable to split dependent class variables. The final obtained models had accuracy of 66, 63 and 60% on extra effort, effectiveness and satisfaction, respectively. The rules extracted from this algorithm can be used to devise various management policies to enhance supervisors' leadership outcomes (extra effort, effectiveness and satisfaction). Another algorithm used in this thesis to analyse surveyed data was Modlem. This algorithm produced total 72 rules with 91% accuracy. These rules can be used to assist management to make rationale and more informed decisions. Lastly, J48, a decision tree-based algorithm, was used to construct decision tree. The main contribution of this research is that we have used data mining techniques to extract hidden and interesting patterns in the data in the form of understandable rules and decision trees.

Input, process, output and feedback are four main components of a standard business information system (**Figure 4**). In the context of this research, inputs were the data used (including independent and dependent variables) and processes were statistical and data mining

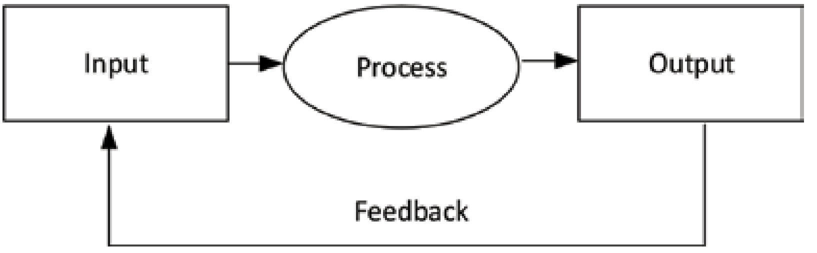

Figure 4. Components of the business information systems.

algorithms applied on the data (correlation, regression, OneR, J48 and Modlem). The outputs were correlation, regression and decision trees obtained using data mining algorithms. The feedback consisted of the information extracted from the regression analysis and various rules extracted from the data mining algorithms. Management can use direct and actionable output from various processes to direct their various internal stakeholders. In the light of this feedback, internal stakeholders can improve their productivity and performance.

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Mind Matters: Influencing Key Stakeholders

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Edward Faber and Tije Oortwijn

Additional information is available at the end of the chapter

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Abstract

Mind Matters is an interactive game-based learning method designed to enrich the set of assessment and training instruments. Mind Matters is a training solution regarding leadership. Mind Matters evaluates participants on their personal leadership style regarding several dimensions. Here we focus on the competence of "influence key stakeholders." Within Mind Matters, the player assumes the role of a junior researcher in a fictional company. The player's task is to try out a mind-steering device by temporarily "taking over" game characters and steering their behaviors. Mind Matters generates an evaluation report for integration in an overall assessment evaluation of the participant or blended training program.

Keywords: game-based learning, leadership, performance assessment, formal training, learning by doing

1. Introduction

Leadership [1, 2] is crucial for business success but rather difficult to develop and maintain. It is to be argued whether, to be an effective leader, one should be able to influence others. Various influencing tactics have been studied. Here we adopt the taxonomy by [3]. These authors distinguish between hard and soft tactics. Hard influencing tactic behaviors are perceived as more forceful and push the person to comply. Soft tactics are influence behaviors which are considered thoughtful and constructive. Hard tactics include:

exchange (behavior makes explicit or implicit a promise that others will receive rewards or tangible benefits if they comply with a request or reminds others of a favor that should be reciprocated) *legitimating* (behavior seeks to persuade others that the request is something they should comply with given their situation or position)

pressure (behavior includes demands, threats, or intimidation to convince others to comply with a request or to support a proposal)

assertiveness (behavior includes repeatedly making requests, setting timelines for project completion, or expressing anger toward individuals who do not meet expectations)

upward appeal (behavior seeks the approval/acceptance of those in higher positions within the organization prior to making a request of someone) and

coalitions (behavior seeks the aid of others to persuade them to do something or uses the support of others as an argument for them to agree).

Soft tactics are:

personal appeal (behavior seeks others' compliance to their request by asking a "special favor for them" or relying on interpersonal relationships to influence their behavior)

consultation (behavior seeks others' participation in making a decision or planning how to implement a proposed policy, strategy, or change)

inspirational appeal (behavior makes an emotional request or proposal that arouses enthusiasm by appealing to others' values and ideals or by increasing their confidence that they can succeed)

ingratiation (behavior seeks to get others in a good mood or to think favorably of them before asking them to do something) and

rational persuasion (behavior uses logical arguments and factual evidence to persuade others that a proposal or request is viable and likely to result in task objectives).

The Mind Matters game [4] allows the players to experiment with these influencing tactics, tell stories with them, and experience the consequences of their actions, to learn about the leadership competence of influencing others.

2. Mind Matters: Influencing others

Within Mind Matters, the player assumes the role of a junior researcher in a fictional company. The player's task is to try out a mind-steering device (**Figure 1**) by temporarily "taking over" game characters and steering their behaviors. By doing so, the player influences the dialog between game characters and, subsequently, the game narrative.

The players are guided to learn about influencing others, by inclusion of three goals in the game:

- do research, which translates into gathering and interpreting information as well as experimenting with as many influencing tactics as possible
- improve team spirit, which means trying to find the most effective influencing approach in each situation where the outcomes impact team morale the most

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- improve customer relationship, which entails using effective tactics in game situations where relationships with external parties are at stake.

We have chosen a number of relevant business situations and written personnel files for each in-game character. These files describe the personal background of the game characters as well as their competence profiles (**Figure 2**).

The story of Mind Matters unfolds going through these situations, in which the game characters act out conflict situations. Players can interfere in each situation from which it is immediately clear that leadership behavior in terms of “influencing key stakeholders” is required (**Figure 3**). The player uses the mind-steering device to take control of one of the game characters in a scene and decide which influencing tactic that character will adapt. This determines the dialog, the reaction of the other characters, and the resulting story. Game characters are influenceable in various degrees, depending on their profile, their conversation partner, and the situation they are in. In the meantime, players get an overview depicting the key characters and their current state. This also provides an opportunity to reflect on the actions and their consequences, to read updated personnel files, as well as to study their score sheet, pertaining to their three game goals.

Apart from being able to control or steer the game characters in their conversations, the mind-steering device also enables players to read the minds of all characters involved in the scene, including those who are beyond their control. Reading minds shows situational and generic character-related information and, writing minds, steers the game character in taking one of four allowed actions (**Figure 4**).

Figure 1. Mind-steering device.

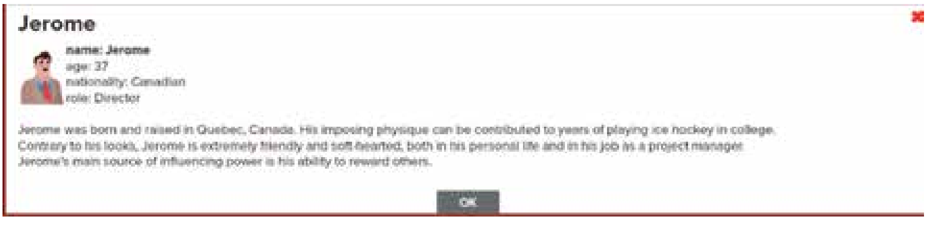

Figure 2. Personnel files of one of the game characters.

Figure 3. Current state of the influenceable game characters.

Figure 4. (a) The scene (upper figure). (b) Read and control the game character's mind.

A game character's mind can be steered into using one of four influencing approaches: (a) a hard, (b) a medium hard, (c) a medium soft, or (d) a soft influencing tactic. The influencing tactics explained earlier are clustered into these four categories:

- hard (pressure, assertiveness, legitimating)
- medium hard (coalition, exchange, upward appeals)

- medium soft (ingratiating, rational persuasion, personal appeals)
- soft (inspirational appeals, consultation)

Note that as a player, you have no control over the utterances themselves but decide which influencing tactic the game character will adopt.

The effect of these adopted influencing attempts is immediate: The controlled character uses the tactic chosen by the player and, depending on their ability and skill, translates this into words. The effect of each influencing attempt can be positive, neutral, or negative. This feedback takes form of the utterances spoken by the characters and the appropriate animated stance/body language, to give a more complete feedback to the player.

Following the programmed computational model, the game determines which reply the conversation partner (the character that is being influenced) gives and what impact the dialog has on the key performance indicators (KPIs), team spirit, customer relationship, and research (**Figure 5**).

The accumulated scores on these KPIs determine the narrative of the game. Each interactive situation in the game is based on a different conflict between certain game characters.

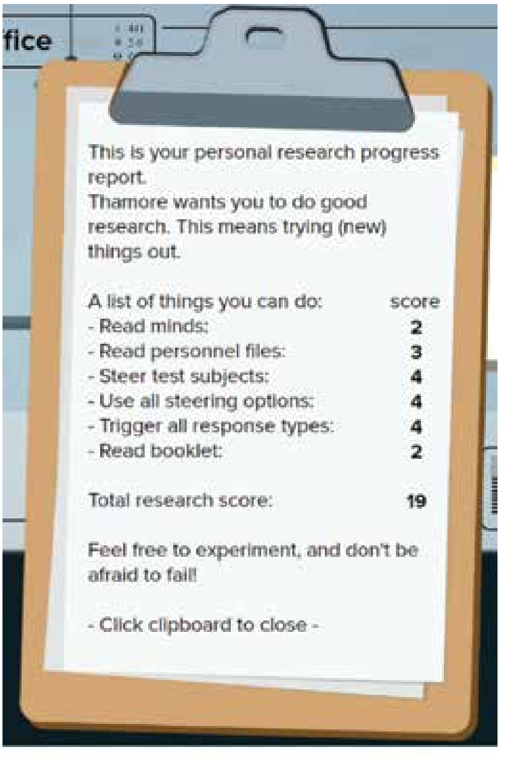

Figure 5. Playing style and KPIs.

This conflict can even evolve during a scene (each action may require a different approach). Player's choice defines how each conflict is resolved.

To provide additional inspiration, education, and guidance for the player, there is a source of information about influencing in the game, in the form of a booklet. Its contents cover most relevant topics of the theory and practice of influencing and often relate directly to the conflict situations themselves.

The game requires about 45 minutes to play for the first time. Subsequent play troughs take significantly less time, by allowing the player to choose individual interactive scenes directly, in order to experiment with different approaches and experience their outcomes.

3. Feedback

The in-game feedback relates to the game goals. So, in-game feedback pertains to your performance as a researcher and the score on team spirit and customer relationship KPIs. Post-game feedback (**Figure 6**) pertains to the meta-goal of the game and provides feedback on how the player dealt with conflict situations: what was done vs. what was needed in terms of influencing, per scene. Additionally, pointers to other educational resources for further development of leadership competence are provided.

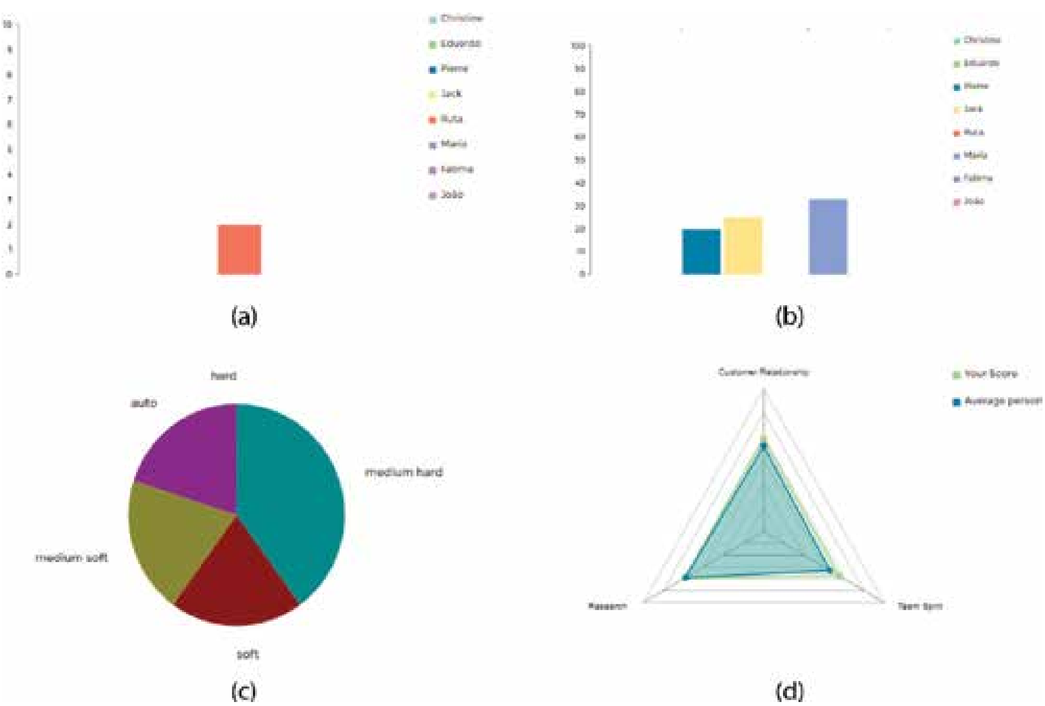

Figure 6. a–d. Post-game feedback.

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4. Mind Matters for formal trainings

4.1. Didactical approach

The instruction on how to play this game is inspired by an *inquiry-based learning cycle*, which identifies five distinct phases: orientation, conceptualization, investigation, conclusion, and discussion [5] (see **Figure 7**). In the first two phases of this cycle (*orientation* and *conceptualization*), trainees are asked to formulate hypotheses about a particular question in need of investigation. During the *investigation* phase, trainees check whether a hypothesis is correct or not by conducting several experiments. During the last two phases of the inquiry learning process (*conclusion* and *discussion*), trainees are linking their hypotheses with the evidence collected during the investigation phase. Trainees are also reflecting on their learning processes and outcomes, comparing and discussing these with other trainees facilitated by a trainer.

4.2. Trainer instructions[1]

The question in the Mind Matters game is: Which influencing tactics yield positive or negative results in specific business situations? During the investigation, trainees are trying out different hard and soft influencing tactics and approaches in order to learn about their effectiveness and impact in different contexts and situations. Conceptually, our *conflict-situational model* provides the frame of reference (**Figure 8**).

First, trainees are encouraged to consider the influencing tactics (hard, medium, soft), the conflict in a given situation, and the game characters involved in the conflict and to think how to approach this situation. Trainees should ponder these questions:

- What do you want to achieve or want to avoid?
- Do you differentiate in who is saying what?
- Do you take a proactive or a more reactive approach?
- Do you take into account the possible implications of decisions?

This first phase resembles the orientation and conceptualization phase of the inquiry learning cycle.

Second, trainees start investigating in several ways. Initially, trainees may play the game based on their own insights and frame of reference. Then, they might play the game, focusing on maximizing or minimizing their score on one of the KPIs.

Finally, in line with the last two phases of the inquire learning cycle and based on the in-game and post-game feedback trainees receive, they are encouraged to think and discuss together

[1]Note that Mind Matters is also recommended for informal trainings; the same instruction applies; however, the social learning aspect and the discussion among peers facilitated by a trainer are lacking. (Sign up for a 2-months free trial: http://www.txchange.nl/leadershipbook).

(social learning) how they would explain their results, based on the mental image they had initially and their assumptions regarding the factors that influence(d) them. The trainer also facilitates the transfer of knowledge and application to real-life situations that trainees might experience in their daily practice. In this way, this new type of learning experience helps trainees explore the consequences of different influencing styles and learn from these experiences.

Figure 7. Inquiry-based learning circle [taken from 6].

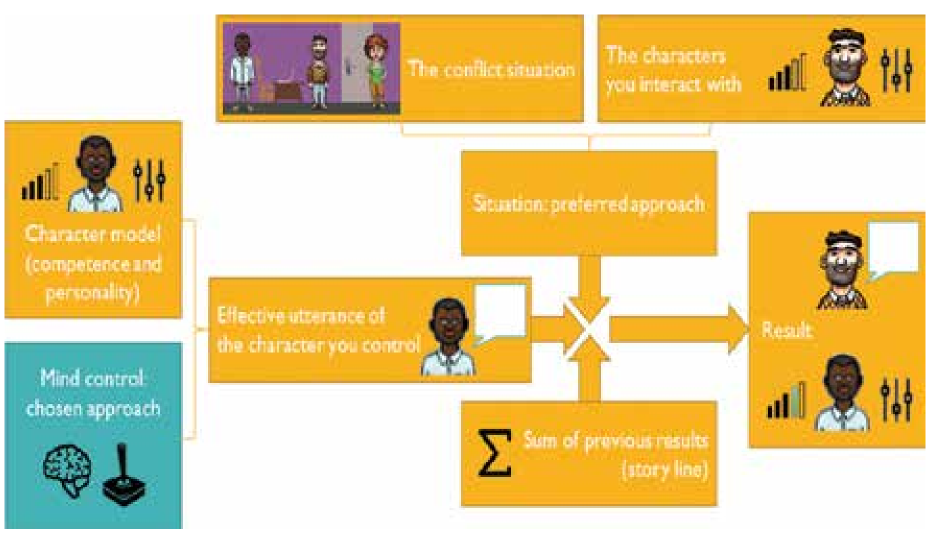

Figure 8. Conflicxt-situational model.

5. Game model

The simplified dynamic game model [7] integrates and balances several game components [8]: *mechanics* (the procedures and rules of the game), *esthetics* (how the game looks and sounds), *technology* (the tools and systems to implement the gameplay), and *story* (the narrative aspect of the game). The *story* should be plausible, realistic, and valid with a high degree of fidelity from the player's point of view. To put it differently, the player should be able to mentally map his/her world to the in-game world and vice versa. **Figure 9** depicts an overview of the game components and the underlying aspects that from a game designer point of view needs to be taken into account to develop such a game. Player agency—the perceived experience that you can influence the narrative and storyline—increases the user experience [9].

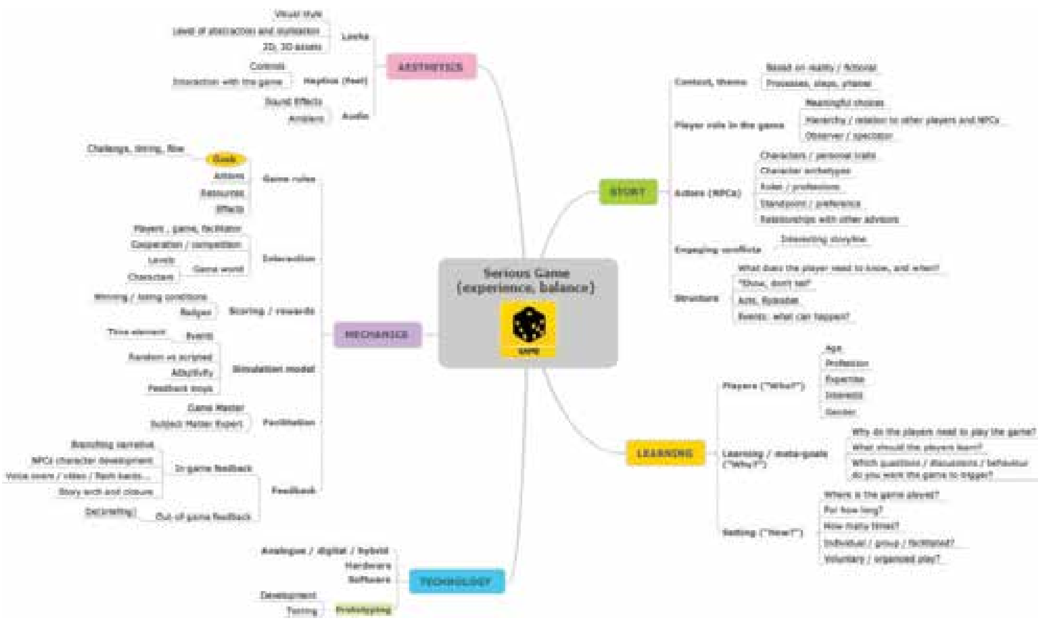

Figure 9. Balanced game components.

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Notes

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Impact of the Characteristics of the Leader over the Characteristics of Work Teams

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Additional information is available at the end of the chapter

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Abstract

This chapter focuses on the study of the impact of the characteristics of the leader on innovative work behavior (IWB) of the collaborators, establishing the influence of contributing factors, such as the organization learning capability (OLC) and team-member exchange (TMX). This presentation shows new relational models and contributions to the understanding the mechanisms about how variables of positive psychology (the self-efficacy (SE), hope (HP), optimism (OP), and resilience (RL) of the leader) or managerial variables (organization learning capability) can influence variables of an individual level (team member exchange and innovative work behavior). Supported by structural equation modeling, a statistical appropriate test method to confirm the empirical evidence of the hypotheses raised in the shown studies, it was possible to confirm the positive relationship among the considered constructs that we discuss in this chapter. An appendix with questionnaires that the reader can use in the measurement of the leader characteristics and the other factors in the model, in order to get the real information about these variables focused on the improvement of the team and the organization performance, is included.

Keywords: leader, collaborator, hope, optimism, resilience, team member exchange, innovative behavior, organizational learning

1. Introduction

Directing and managing an employee behavior have been an ongoing cutting-edge topic in research and organizational practice. The modification and management of team member behavior have been presented in psychological research for the last century (beginning, e.g., with the work of [1–3]). Bandura [4] proposed theories that relate human motivation and performance with individual behavior according to both the self-efficacy (SE) theory [5] and cognitive social theory [6–9]. In this chapter, we describe how important leader personal characteristics (self-efficacy (SE), hope (HP), optimism (OP), and resilience (RL)) influence the innovative work behavior of the team members, based on the evidence of our investigation.

Self-efficacy is the capacity or personal conviction that the subject has the required behavior in order to produce a particular result in a situation, activity, or domain [8]. Hope is a positive motivational state energy goal-oriented ([10] p. 287). Optimism refers to relate positive future events with pertinent development reasons [11]. In addition, resilience is the capacity to recover quickly from the difficulties and go higher.

From another part, innovation, recognized as a source of competitive advantage and success for the company, operates in an increasingly more intense and dynamic global competitive environment, in which the development of new products and processes compete [12–15]. In order to get both long-term survival and competitive advantage [16, 17], companies need to innovate.

Innovation is an organization's capacity to improve its products and/or processes. But it too means its capacity to exploit the innovative potential of the innovative initiatives of its employees is an important element of organizational innovation, beyond the great technological advances [18]. These innovative initiatives also refer to as innovative behavior [19, 20]. Many academic works back the opinion that individual innovation helps achieve organizational success [21–24].

Many empirical studies provide evidence on the positive effect of innovation on the performance, profitability, growth, and effectiveness of the company (e.g., [25, 26]). Innovative behavior also relates to the organizational culture [27]. The high-performance practices facilitate knowledge management and information exchange [28], while human resource practices focused in organizational learning are associated with a greater level of organizational innovation [29].

Other important factor, organizational learning, is increasingly positioned as an initiative for survival [30]. The positive performance of an organization that learns, going beyond what is considered standard, has been demonstrated in several studies, which are found primarily in the professional literature in the fields of health, social services, and education [31–35]. The concept of organizational learning can be applied to business and nonprofit organizations, schools, colleges, and universities, as well as service organizations [36].

In summary, the study establishes the relationships among the four variables set out above in order to determine the impact of the leader's characteristics on the innovative behavior of the team members, identifying the influence that the organizational learning capacity and exchange among team members have on it.

The chapter is organized as follows: the first part (Section 2) presents the very important leader's characteristics involved in the discussion, self-efficacy, hope, optimism, and resilience. Then, we present the factors on other organizational levels, as the innovative individual behavior (Section 3), organizational learning capability (Section 4), and team member exchange (Section 5). The models constructed in the investigations are shown in Section 6. Conclusions of the chapter are in Section 7. Finally, an annex lists the questionnaires that measure the total variables considered in the chapter.

2. Leader characteristics

Organizational resources lead to a sustainable competitive advantage when they are valuable, rare, and inimitable and have no substitutes [37]. Resource and capacity theory recognize that human capital is among the most important resources in terms of improving performance [37–39]. However, in order to generate economic benefits from human resource, the company must assemble, integrate, and promote its capacities through the implementation of strategies that result in the differentiation of performance.

By paying attention to the positive psychological characteristics of their leaders, organizations can increase employee engagement, motivation, and important work outcomes. For example, the leader's positive psychological characteristics were positively related to feelings of followers' empowerment (in [40]) and, also, a positive relationship between the leaders' positivity and the followers' positivity and performance (see [41]). By paying attention to the positive psychological characteristics of their leaders, organizations can increase employee engagement, motivation, and important work outcomes. We mentioned four important factors according to positive psychology, about leader characteristics. They will be presented in the following discussion.

2.1. Self-efficacy

Self-efficacy (SE) is the person's conviction to success, regarding their capacity of motivation, exploitation of their cognitive resources, and definition of courses of action that executes a specific task ([5, 8, 42, 43]). In a specific sense, Wood and Bandura [44] propose that self-efficacy is the belief in one's own capacities in order to mobilize the cognitive resources, motivation, and courses of action required to support the demands of a particular task or objective.

In short, the effective performance of new and complex roles in any activity requires the individual to have enough confidence in his or her competences to play a role that covers wider and proactive activities in order to go beyond the traditional technical performance requirements [45, 46]. It is precisely this requirement, in relation to the organizational context, that self-efficacy develops its conceptualization and contribution.

Self-efficacy refers to a person's judgment regarding his or her own capacity to handle specific situations, allowing us to focus not only on the abilities of people but also on their beliefs in terms of what they are capable of doing, regardless of the skills each actually possesses [47, 48]. Empirical research has shown that people who feel capable of performing certain tasks do so better, persist in their efforts (even in the face of adversity), and are capable of better handling situations of change [49–51].

High self-efficacy in persons means that they motivate themselves; designate high goals for themselves, without waiting for others to impose them with challenging goals; opt to perform difficult tasks; welcome the challenges, which are considered as opportunities for growth; strive to achieve the objectives; and face strong obstacles [11]. In addition, problems such as insecurity, skepticism, social criticism, negative feedback, the obstacles, and setbacks have a relatively small effect on people with high self-efficacy [52].

The self-efficacy-performance relationship is clearly recognized by scientific community (e.g., [42, 43, 52]). Also, self-efficacy has demonstrated a positive impact in the workplace, which increases the motivation [52], the effectiveness of leadership [41, 53], the creativity [54], the making of moral and ethical choices (Youssef and Luthans, 2005; [55]) the career decision-making, the participation (Lam et al., 2002), the learning [56], and the project [41, 57–60].

2.2. Hope

Hope (HP), according to Snyder et al. ([10] p. 287), is defined as a "positive motivational state that is based on a sense interactively derived from: 1) Agency (energy goals-oriented) successful and 2) path (planning to achieve goals) successful." The hope of individuals within an organization refers to the orientation toward goals. It sets goals, plans how to reach them, and puts the effort required to achieve them [11].

Originally, hope had been studied from the perspective of positive psychology, but it was not directly related to the organization. In this sense, hope was found to be positively related to academic and sports performance, physical and mental health, survival and the copying of beliefs and skills, and other aspects of life and well-being [61–66].

Since 2002, literature has been focused more on the organizational perspective of hope. In this regard, we found positive relationships between hope and organizational profitability [67]; also hope for entrepreneurs and their satisfaction with the property of the company [68]; also between the hope of the leaders and the profitability of their units, as well as satisfaction and retention of its employees [69]; and between the hope of Chinese workers and the performance described by the supervisor and the salary on merits [70]. On the other hand, the hope is related positively to the performance of employees, their job satisfaction, his happiness in the work, and its organizational commitment [71].

According to [11], hope can be improved through various approaches. One of these approaches is that of "individual goals": when individuals internalize the objectives, they become more committed to them; this commitment will increase their motivation, performance, and planning to achieve them. Another approach is the "goals"; this means designing goals that are well defined, measurable, and challenging but achievable. "Modular" is another way to improve the hope. It consists of breaking a complex goal in modules or small subgoals, easy to reach the ultimate goal. An approach is to increase the involvement of the person. When the individual receives power and autonomy to make decisions, he is not only encouraged but also flows a cognitive process that makes the person think that what seemed impossible is now possible.

In addition, the "reward system" can be adapted to increase the hope. When the rewards are related to specific actions, it shows that their actions directly influence its recognition, which can result in a higher motivation. Another approach is to give the individual access called "individual resources"; with a useful allocation of resources, individuals can better respond to changing situations and uncertainty and so achieve their goals in a more effective manner. The "strategic alignment" is also an important approach to improve the hope. This means aligning people with their strengths and talents, providing each individual a set of different possible ways to be successful at work. Last but not least, individuals can receive "special training" for the development of hope; these trainings should be practical, interactive, and participatory so that they are effective. An important aspect to be taken into account, when training hope, is to keep high levels of awareness, self-regulation, self-evaluation, and self-development of the individual to be truly oriented toward the objectives.

2.3. Optimism

Optimism (OP) is colloquially understood as the expectation of positive developments in the future; however, the optimism within organizations is slightly different [11].

In organizations, high levels of optimism means that individuals interpret future developments as positive, long-term, comprehensive, and dependent on themselves. Meanwhile, the negative events as dependent of external, temporary, and situational reasons are interpreted [69, 72].

However, too much optimism could create a nonpositive thinking that relates to all things negative to external factors, ignoring one's own errors, which would create an illusory burst of ego. Therefore, individual with high level of optimism should be realistic and flexible, self-disciplined, analytical of events, planner of contingencies and a preventive person [11].

Literature supports that optimism is positively related with the physical and psychological health and well-being, with the auto-adjustment and recovery (e.g., [73–78]). Also, optimism is positively correlated with the work performance [70, 78, 79] and with successes in sales and leadership, among others (e.g., [41, 80, 81]).

Optimism can be improved to defy the pessimistic thoughts, by identifying and addressing the negative aspects and take them into account. It will encourage a more productive and positive attitude, which would create a more realistic optimism (Schneider, 2001; [81]). Through strategies of targets, individuals can be trained in construction of realistic and achievable goals, which can confidently experiment and succeed [11]. These authors point out that the optimism of the individual can, generally, be improved having compassion for the past, appreciation for the present, and looking for opportunities for the future.

2.4. Resilience

Usually, resilience is understood as the capacity to recover quickly from the difficulties, but it also means the performance improvement even more than until problems occur. Luthans, Youssef, and Avolio [11] called it "recover and go beyond." This means that the individual, apart from recovering from an adverse situation, is able to return with an exceptional level of performance, which is higher than its normal performance level. **Figure 1** explains this process. It shows that performance level of 5 was normal during periods between moments 1 to 4. In the period between moments 4 and 5, the emergence of problems involves the consequent decrease in the performance to level of 1, and then radically increases the work effort. This effort does not stop at the level of routine operational performance, but it goes further: instead of again reaching 5 the normal level of execution, operations are now performed with benefits until level 8. It notes that the figures used in this graph are chosen randomly and do not have any statistical background; it is simply an illustration of the effect of "recovery and beyond."

The factor resilience (RL) is, then, an important factor for positive thinking and productive behavior, especially in times of difficulty and change. Luthans, Youssef, and Avolio [11] established that in this highly competitive, unpredictable, risky, and globalized world, resilience is becoming an important requirement at the level of the individual, the leader, and the organization.

Masten [82] found that there is a particular asset, which may contribute to greater resilience. These are cognitive skills, temperament, positive self-perception, faith, a positive attitude in life, emotional stability and self-regulation, a sense of humor and draw attention, i.e., the "attractiveness." Also, to increase resilience, are very important relationships; in this sense, Masten [82] highlights the importance of the care given to adults, effective parenting, the couple pro-social and regulatory standards, and collective effectiveness in the community, which give the individual the strength to "recover" the difficulty.

In the literature, resilience has been studied from the perspective of the development of clinicaland psychological subjects, especially in post-traumatic recovery and adaptation [11]. However, resilience is now also studying from the organizational point of view.

Luthans, Youssef, and Avolio [11] have found some ways to improve the resilience in organizations. These can be focused on assets, the risk, or the process.

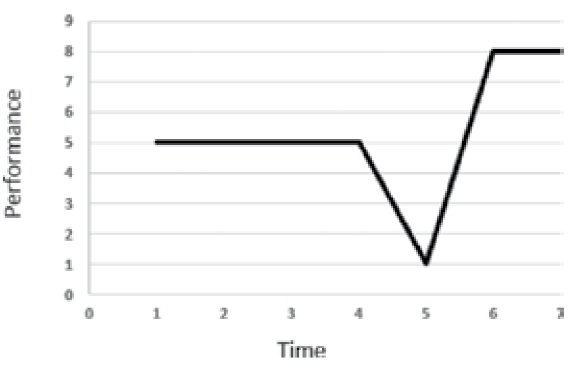

Figure 1. Representation of resilience: "recover and go beyond".

The asset-centric strategies develop resources that can increase the probability of achieving positive results. One of these strategies is to develop human capital. This can be done through the transmission of culture and business values, as well as its structure, strategies, and processes, using policies of socialization, orientation, or rotation at work. This will result in the development of the education, experience, knowledge, skills, and capabilities. Other asset strategy is the development of social capital. This can be done through open communication, building confidence, authenticity and transparency, feedback and recognition, teamwork, and efforts of balancing between the work and the enjoyment of life.

The risk-focused strategies consist of confronting and efficiently managing high risk factors rather than avoid them. Luthans, Vogelgesang, and Lester [83] recommend to reduce the risks of the organization to prevent difficulties or to recover when difficulties are present.

The last way to improve resilience is to apply process-centric strategies. This means to identify, select, develop, use, and maintain the right asset mix to manage risk factors.

3. Individual innovative behavior

In a competitive global environment, characterized by being both intense and dynamic, the development of new products and processes is increasingly becoming a key aspect of competition. Companies that enter the market faster and more efficiently than their competitors do so by offering products that closely meet the needs and expectations of their target consumers, thus significantly improving their competitive standing [12–15].

Innovation is acknowledged as a source of competitive advantage and thus the success of the company. Similarly, different empirical studies have provided evidence of the positive effect of innovation on the company's performance in terms of profitability, growth, and effectiveness [25, 26]. Companies need to innovate in their quest for both long-term survival and competitive advantage [16, 17].

Innovative work behavior (IWB) can be defined as the set of all individual actions aimed at the. generation, introduction, and application of some beneficial innovation at any level of the organization [84]. Gebert [18] defines innovation as an organization's capacity to improve its products or processes and to exploit the innovative potential and highlights the significance of the innovative initiatives of employees as an important element of organizational innovation, beyond great technological advances.

IWB is also related to the organizational culture, as it can create commitment among the members of an organization in terms of establishing innovation as an organizational value and accepting the common norms related to innovation within the organization [27]. Some studies indicate, e.g., that so-called high-performance practices facilitate knowledge management and information exchange [28]. Various human resource practices that are aligned to promote learning are also associated with a higher level of organizational innovation [29] and organizational commitment [58, 85–87].

4. Organizational learning capability

Today, organizational learning capability (OLC) emerges as an essential competence for organizations that are capable of evaluating their environment in order to identify opportunities, threats, and pressures for change. It means to develop strategic competences through the learning at all levels of the organization. Studies have shown that organizational learning affects competitive advantage [88]. Also, it affects financial and nonfinancial performance [89–91] and plays a part in the tangible and intangible benefits of strategic alliances [92], the unit cost of production [93], and innovation [94].

The organization learning capability (OLC) establishes the levels of capability an organization has to apply management practices and maintain a precise and appropriate structure and procedures that enable it to improve, facilitate, and promote learning. This permits the organization to facilitate and promote learning [95]. Goh [96] believes that the growth of these practices will promote greater learning capacity throughout the organization.

Conducting an important review of the literature, Jerez et al. [97] proposed a four-dimensional model that determines organizational learning capability. These dimensions are the commitment by management, a system perspective, openness and experimentation, and knowledge integration and transfer. The first dimension, the commitment by management, refers to the fact that management must recognize the importance of learning, developing a culture that promotes the acquisition, creation, and transfer of knowledge as basic organizational values [19, 98–100], and also articulating a strategic vision of learning, making it, in turn, a central element [101–104].

The system perspective involves guiding the organization and its members a common identity [30, 105]. Individuals of all levels in the organization must have a clear vision of the objectives and understand how they can assist in their development [101, 106]. Striving for a climate of openness and experimentation necessitates generative learning and mental openness that welcomes the arrival of new ideas and perspectives, both internal and external. This permits constant actualization of the individual knowledge, its expansion, and its improvement [19, 23, 30, 107].

Knowledge integration and transfer are the fourth dimension, which refers to the two closely related processes that occur simultaneously: the internal transfer and the integration of knowledge. The efficacy of these two processes is based on the prior existence of the capacity for absorption [108], which implies the elimination of internal barriers that prevent the transfer of the best practices inside the company [109]. Jerez-Gomez et al. [97] used these four dimensions to develop and successfully test a scale to measure organizational learning capability.

5. Team-member exchange

The relationship of support or exchange between an individual and his or her work team (team-member exchange (TMX)) is defined as the quality of the interpersonal relationships that exist between the said individual and his or her teammates, understood in an integral sense [110, 111].

This concept, initially proposed by Seers [110, 111] as a construct for generating functions complementary to the quality of the leader-member exchange (LMX), specifically refers to "the individual's perception of his or her exchange relationship with peers within the work group as a whole" ([110, 111] pp. 119).

Based on LMX theory, [110, 111] suggested that individuals are involved in a process of establishing functions with their work groups. Thus, TMX theory, different to LMX theory, is based on functional theory [112] and social exchange theory [113, 114]. This theory suggests that an individual's responses at work are the product of the interaction between the individual and the set of the issuers of functions with which he or she generally interacts.

Normally, the key members in terms of his/her set of functions are his/her supervisor and colleagues. However, [110, 111] indicates that research on this phenomenon is focused on the supervisor as the issuer of functions, neglecting the effects of work relationships among colleagues in the individual's group. For him, this aspect represents a high importance and is of special interest.

Empirical studies have shown that the quality of TMX is related to the job satisfaction of its members and their performance [110, 111], as well as the identification, commitment, and turnover rate of the team members [115]. The average level of TMX within a work team is expected to correspond to the group's effectiveness.

6. Development of the model and our investigation

We designed a model taking alternatively each of the four leader characteristics and combinations of some of them as a variable called psychological leader characteristics (PLC) and test in how they influence IWB, mediated by OLC and TMX. To do so, we studied public secondary education institutions in Colombia, using structural equation models as the statistical methodology to verify those proposed relationships. **Figure 2** shows these proposed relations.

Figure 2 shows our proposed model according to which the psychological characteristics of the leader (PLC) positively influence the innovative behavior of the collaborator (IWB) and contribute to improve the learning capacity organization (OLC) and the team member exchange (TMX), which also influence positively the IWB.

The study, carried out with seven sub-models, each taking one or two variables of the PCL, as shown in the two first columns of **Table 1**, demonstrated a conclusive evidence of the positive influence of the characteristics of the leader of the other variables involved, as shown in the following columns of **Table 1**.

Table 1 presents the standardized coefficients of relationship among the variables studied, all with a statistical significance greater than 99%. It is possible to observe how SE and HP have

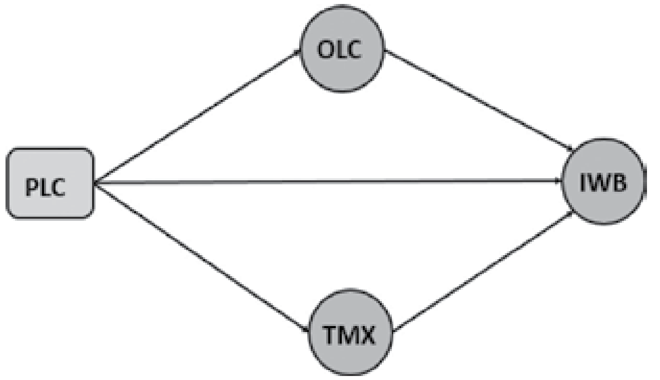

Figure 2. Model showed the influences of PLC.

a direct positive influence on the IWB (with positive coefficients of 0.25 and 0.17). SE and HP also contribute positively to the OLC level (positive coefficients of 0.70 and 0.76) and the TMX level (with positive coefficients of 0.26 and 0.17).

At the same time, the IWB receive positive influence of OLC and TMX (positive coefficients of 0.13 and 0.10) when the PLC variable is SE, and, too, positive influence of OLC and TMX (positive coefficients of 0.14 and 0.10) when the PLC variable is HP.

In summary there are positive influence of SE and HP on OLC, TMZ and IWB, and there are positive influence of OLC and TMX on IWB.

However, the alone RL characteristic does not affect any variable (NS in all relations), and single OP property influences positively in the OLC only. But when these two come together (see sub-model 5 in **Table 1**), their positive impact is significant in all the s cases.

When HP and RL act together, the positive impact of the RL is greater (see sub-model 6 in **Table 1**) and when operating SE and HP at the time, the most positive impact is on OLC, TMX, and IWB (see sub-model 6 in **Table 1**).

Sub-model	PLC	OLC	TMX	IWB	OLC → IWB	TMX → IWB
1	**SE**	0.70	0.26	0.25	0.13	0.10
2	**OP**	0.52	NS	NS	0.12	0.09
3	**HP**	0.76	0.17	0.17	0.14	0.10
4	**RL**	NS	NS	NS	NS	NS
5	**OP + RL**	0.45	0.22	0.22	0.12	0.10
6	**HP + RL**	1.18	0.27	0.28	0.14	0.10
7	**SE + HP**	0.78	0.78	0.21	0.14	0.10

Table 1. Statistical results of the studies.

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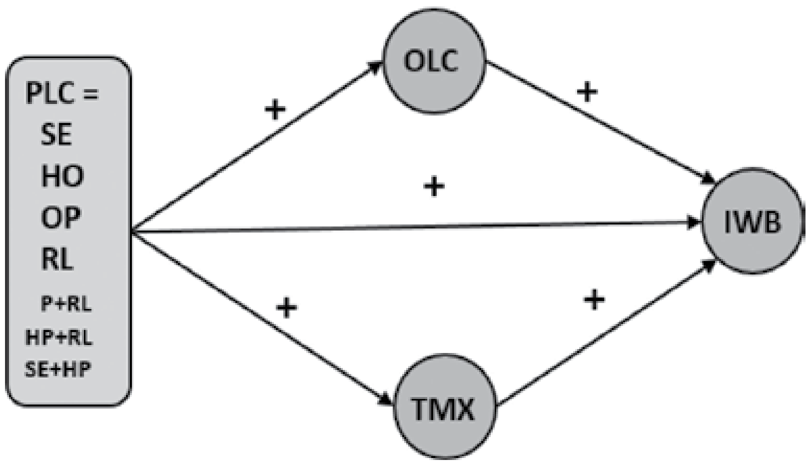

Figure 3. Positive influences of PLC toward IWB.

Figure 3 shows a schematic view of the discussed relations between PLC (SE, OP, HP, RL, OP+RL, HP + RL, SE + HP) and the positive variables of OLC in the organization, TMX at the work team, and the individual IWB.

7. Conclusions

The models presented by the studies have positively demonstrated the initially proposed relationships, evidencing the positive correlation between the psychological characteristics of the leader (PLC) of the team leader and the innovative behavior of the individual (IWB); in other words, PLC is a determining group of factors in innovative behavior. Furthermore, the studies provided empirical evidence for the mediating role played by OLC and TMX in this positive relationship between the leader's PLC and the team member's IWB on the work team.

The positive correlation between self-efficacy of the leader and the behavior of the collaborator is demonstrated. Additionally, the hope of the leader presents a positive relationship with the behavior of the collaborator. Optimism and resilience of the leader, by themselves, influence a few or nothing the innovativeness of the employee, but once accompanied by other positive features of the leader, they do. This means that a good way to improve the behaviour of the partners is to improve the psychological characterisiticas (self-efficacy, hope, resilience, optimism) of the leader.

The results shown can be used to make empirical evidence to the relationships among the theoretical constructs. First of all, in agreement with emerging research on social cognitive theory (e.g., [116]), PCL, OLC, and TMX have an additive effect on their positive relationship with IWB. This offers administrators and organizations opportunities to increase the value of their companies, based on evidence supporting the action of the three aforementioned constructs on IWB.

Secondly, this study proposes and provides empirical evidence of the mediation of OLC or TMX on the impact of the leader's PLC on the team member's IBW. In fact, OLC and TMX are positive impacted by PLC, and at the same time OLC and TMX improve IWB. This finding constitutes a significant academic contribution, as it reveals the need to promote the intermediate constructs in order to achieve better performance of PLC on IWB. Both the systemic learning objectives proposed by OLC and the individual behavior related to rational open-mindedness promoted by TMX seem to be critical for effective problem-solving and innovative behavior in general.

Also, the demonstrated positive relationship between the quality of TMX and the level of IWB corresponds to a specific aspect of social exchange theory, through mechanisms of perceived organizational support [117], cohesion, and the generation of trust [118]. In this context, the present research contributes to validating these mechanisms by contributing empirical evidence on the relationship between the two previously mentioned variables.

Other theoretical contribution of this research consists of having empirically demonstrated the positive relationship between TMX and IWB. This relationship was seminally suggested and theoretically defended by Scott and Bruce [110, 111], but at times, it was the only one of their eight hypotheses not validated by their empirical investigation.

The results of the studies consigned in this chapter provide scientific evidence about the positive and highly significant relationship between the psychological characteristics of the leader (PLC) and the innovative behavior of the team member. It represents a contribution to the knowledge on the handling of complex processes related to human resources in today's organizations, as framed within resource capacity theory, and more specifically, in the field of study of positive organizational behavior, a current research interest [119].

In the social context, the present research contributes knowledge that the PLC of the leader operates as an antecedent mechanism for promoting the potential innovative behavior of the individual, both directly and in a mediated manner through the perceived levels of organization construct (OLC) and the quality of TMX. Here is where a mechanism of opportunity arises for organizations that are able to incorporate self-efficacy measures into their team leader selection processes, in an effort to increase the impact on the innovative behavior of their team members.

As a practical aspect, we recommend that companies include in their selection processes the study of the psychological characteristics of the leader (SE, HP, OP, Rl). The questionnaires to measure the levels of these characteristics have been included in the appendix to this chapter.

Measurement of the OLC, TMX, and IWB factor questionnaires have also been included, so that a director of human resources can be measured, along the time, the progress of the teams of the company in all factors worked in this chapter.

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A. Appendices. Questionnaires for measurements

All measurements (answers) in 1 to 7 scale: 1 (lowest; fully disagree)–7 (highest; fully agree).

Self-efficacy measurement questionnaire (in Ref. [46]).

To be applied to the individual who is (or a candidate to) a leader:

How confident would you feel? (1: lowest; 7: highest).

1. Analyzing a long-term problem to find a solution.
2. Representing your work area in meetings with senior management.
3. Designing new procedures for your work area.
4. Making suggestions to management about ways to improve the work of your section.
5. Contributing to discussions about the company's strategy.
6. Writing a proposal to spend money in your work area.
7. Helping to set targets/goals in your work area.
8. Contacting people outside the company (e.g., suppliers, customers) to discuss problems.
9. Presenting information to a group of colleagues.
10. Visiting people from other departments to suggest doing things, differently.

Hope measurement questionnaire (in Ref. [10]).

To be applied to the individual who is (or a candidate to) a leader:

How much do you agree with the sentence? (1: fully disagree; 7: fully agree).

1. If I should find myself in a jam at work, I could think of many ways to get out of it.
2. At the present time, I am energetically pursuing my work goals.
3. There are lots of ways around any problem.
4. Right now, I see myself as being pretty successful at work.
5. I can think of many ways to reach my current work goals.
6. At this time, I am meeting the work goals that I have set for myself.

Resilience measurement questionnaire (in Ref. [120]).

To be applied to the individual who is (or a candidate to) a leader:

How much do you agree with the sentence? (1: fully disagree; 7: fully agree).

1. When I have a setback at work, I have trouble recovering from it and moving on.
2. I usually manage difficulties one way or another at work.
3. I can be “on my own” if I have to.
4. I usually take stressful things at work in stride.
5. I can get through difficult times at work because I’ve experienced difficulty before.
6. I feel I can handle many things at a time at this job.
7. I am determined.
8. My belief in myself gets me through hard times.
9. My life has meaning.
10. I have enough energy to do what I have to do.

Optimism measurement questionnaire (in Ref. [121]).

To be applied to the individual who is (or a candidate to) a leader:

How much do you agree with the sentence? (1: fully disagree; 7: fully agree).

1. In uncertain times, I usually expect the best.
2. It’s easy for me to relax. (Filler item)
3. If something can go wrong for me, it will. (Reverse)
4. I always look on the bright side of things.
5. I’m always optimistic about my future.
6. I enjoy with my friends a lot. (Filler item)
7. It’s important for me to keep busy. (Filler item)
8. I hardly ever expect things to go my way. (Reverse)
9. Things never work out the way I want them to. (Reverse)
10. I don’t get upset too easily. (Filler item)
11. I’m a believer in the idea that “every cloud has a silver lining.”
12. I rarely count on good things happening to me. (Reverse)

Organization learning capability questionnaire.

To be applied to the collaborator:

How much do you agree with the sentence? (1: fully disagree; 7: fully agree).

1. The managers frequently involve their staff in important decision-making processes.
2. Employee learning is considered more of an investment than an expense.
3. The firm's management looks favorably on carrying out changes in any area to adapt to and/or keep ahead of new environmental situations.
4. Employee learning capability is considered a key factor in this firm.
5. In this firm, innovative ideas that work are rewarded.
6. All employees have generalized knowledge regarding this firm's objectives.
7. All parts that make up this firm (departments, sections, work teams, and individuals) are well aware of how they contribute to achieving the overall objectives.
8. All parts that make up this firm are interconnected, working together in a coordinated fashion.
9. This firm promotes experimentation and innovation as a way of improving the work processes.
10. This firm follows up what other firms in the sector are doing, adopting those practices and techniques it believes to be useful and interesting.
11. Experiences and ideas provided by external sources (advisors, customers, training firms, etc.) are considered a useful instrument for this firm's learning.
12. Part of this firm's culture is that employees can express their opinions and make suggestions regarding the procedures and methods in place for carrying out tasks.
13. Errors and failures are always discussed and analyzed in this firm, on all levels.
14. Employees have the chance to talk among themselves about new ideas, programs, and activities that might be of use to the firm.
15. In this firm, teamwork is the usual way to work.
16. The firm has instruments (manuals, databases, files, organizational routines, etc.) that allow what has been learned in past situations to remain valid, although the employees are no longer the same.

Team member exchange measurement questionnaire (in Ref. [111]).

To be applied to the collaborator:

How much do you agree with the sentence? (1: fully disagree; 7: fully agree)

1. The partners I work with help me to learn new ways of doing things at work.
2. The partners I work with are confident that I'll be at the height of what is expected of me at work.

3. I suggest to my colleagues ways to improve the ways of doing things, and that does not cause them any problems.
4. When I screw something, my coworkers tell me with total naturalness that I do not have any fear of getting offended.
5. When my coworkers make something wrong, I tell them with total naturalness that there is no fear for them to get offended.
6. My coworkers recognize my professional potential.
7. My colleagues understand my problems.
8. I have much flexibility when it comes to exchanging shifts, working hours, or tasks with my coworkers.
9. Usually, when I can't do something or have a problem, I ask my colleagues for help.
10. Usually, when a coworker doesn't know what to do or have a problem, I offer him my help.
11. If a partner is saturated with work, I usually offer him a help, even though those tasks do not correspond to me.
12. If I'm saturated with work, my colleagues usually offered me a help, though these tasks do not correspond to them.

Innovative work behavior measurement questionnaire (in Ref. [20]).

To be applied to an individual who observes the collaborator:

He/she (1: never; 7: always).

1. Searches out new technologies, processes, techniques, and/or product ideas.
2. Generates creative ideas.
3. Promotes and champions ideas to others.
4. Investigates and secures funds needed to implement new ideas.
5. Develops adequate plans and schedules for the implementation of new ideas.
6. Is innovative.

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Section 4

Authenticity and Leadership

The Effects of Authentic Leadership on Employees' Well-Being and the Role of Relational Cohesion

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Additional information is available at the end of the chapter

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Abstract

Authentic leadership has recently become a matter of significant interest in the fields of politics, economics, society, and culture as well as leadership. This study examines the effects of authentic leadership on employees' well-being and determines whether relational cohesion can regulate the effects that occur between the two. In this regard, the study conducted empirical research with 950 employees of Korea's leading manufacturers, public enterprises, and financial firms. The results demonstrated that team leaders' authentic leadership increased employees' eudaimonic well-being but did not significantly affect hedonic well-being. However, when there was a high perception of relational cohesion that showed collaborative and integrated relationships with team members, the effects of authentic leadership on employees' well-being were significantly positive, thereby verifying the interaction effect between the two. In particular, this result stemmed from controlling the effects of transformational and ethical leadership, both of which represent conventional forms of leadership, and is thus significant. Finally, the study provided in-depth discussions on the implications of the research results for organizations and teams.

Keywords: authentic leadership, hedonic well-being, eudaimonic well-being, relational cohesion, team leader, Korean firms

1. Introduction

The concept of authentic leadership was introduced by various researchers and practitioners who perceived that there is a restriction to the market-oriented limitless competition paradigm. As conventional leadership theories came to lay too much stress on the eloquence, gestures, and skills of leaders in the 2000s, an increasing number of people thought of leadership as a means to satisfy the selfish interests and desires of business owners and managers [1]. The bankruptcy of the massive energy firm Enron in the USA triggered severe criticism over finances, firms, and capital used without morality; it also emphasized the need for morality among chief executive officers (CEOs). Under the free market economy, firms only emphasized showy leadership skills to produce maximum financial results in a short period of time: they made the error of determining the success of a leader only in terms of financial success [2].

Accordingly, researchers began to study the limitations of the existing forms of leadership [3–5]. They also showed interest in authentic leadership, whereby the leader is honest with himself/herself and strives to achieve goals based on genuine relationships with subordinates [6–8]. Authentic leadership indicates leadership that constantly practices self-awareness and self-regulation while exerting a positive influence on the leader, subordinates, and the organization [9]. In other words, authentic leaders perceive themselves in terms of an understanding of who they are by determining the advantages and disadvantages of their egos and making efforts to reduce the gap between their ideal egos and present egos through self-regulation. Unlike conventional leadership that affects performance by powerfully exerting authority over work and subordinates, leaders who are honest with themselves instead of others contribute more greatly to the long-term and short-term performance of organizations and teams.

Along with the changes in the leadership paradigm, another adjustment that modern organizations are facing is the expansion of the team-based system. This system began to expand in order to promote greater organizational performance and efficiency. It has now established its place in countless firms and become the most important unit for organizational performance. Korean firms are also actively using the team-based system to increase productivity, as in other countries. Further, the human resource (HR) system has changed to the extent that evaluation and reward are also based on teams. This approach places more stress on the leadership of the team leader who is the immediate supervisor of a team. The team leader's authentic leadership may have a significant effect on the attitudes and behaviors of team members. Accordingly, this study will analyze the effects of team leaders' authentic leadership on employees' well-being. Recently, an increasing amount of attention is paid to the well-being of employees within an organization, an approach that appears to produce good results [10]. Studies on performance have mostly focused on tangible and objective performance, such as hard performance [11]. Thus, the current study will consider employees' well-being, which can represent soft performance [12], as the key outcome variable, thereby determining the effects of team leaders' authentic leadership on hedonic and eudaimonic well-being. While hedonic well-being is intended to gain happiness by obtaining pleasure and avoiding pain, eudaimonic well-being seeks profound happiness and self-realization beyond present pleasure and satisfaction [5, 13, 14].

Furthermore, it is argued that relational cohesion among team members in a situation whereby a team's performance leads to an organization's performance may moderate the effects of authentic leadership on employees' well-being. Since task interdependence increases among team members and teamwork is important, the effects of relationships among team members may be significant alongside the leadership style of the team leader. Relational cohesion shows an awareness that integrated social entity should be maintained among people in terms of their relationships [15]; thus, it can be a driving force that leads to high performance.

Based on the issues raised thus far, this study first verifies whether authentic leadership helps the positive health of employees by determining the effects of authentic leadership on hedonic and eudaimonic well-being among employees of manufacturers, financial firms, and public enterprises. In particular, this study expects to verify whether there is a pure effect of authentic leadership by controlling the effects of transformational leadership, which is known to be very effective, and ethical leadership, which is known to be conceptually similar to authentic leadership. Second, this study will verify the interaction effect with authentic leadership by examining whether relational cohesion among team members moderates the relationship between authentic leadership and employees' well-being. Finally, based on the results of the verifications, this study will provide theoretical and practical implications for actual workers of organizations by determining whether authentic leadership can be an alternative for conventional leadership.

2. Theoretical background

2.1. Authentic leadership and employees' well-being

Authentic leadership is "a pattern of leader behavior that draws upon and promotes both positive psychological capacities and a positive ethical climate, to foster greater self-awareness, an internalized moral perspective, balanced processing of information, and relational transparency on the part of leaders working with followers, fostering positive self-development" ([16], p. 94). Researchers present slightly different elements of authentic leadership; however, self-awareness and self-regulation are commonly provided by many researchers [4, 6, 17]. Self-awareness is realizing and clearly perceiving a leader's values, identity, and purposes [6, 9]. This is a concept that includes acting toward a true self based on the perception that one must know oneself and understand the relevant vision and belief [18]. Self-regulation is about conducting certain behaviors and regulating such behaviors to minimize the gap between the ideal self and the real ego established through self-awareness [4, 6].

In addition, relational transparency and balanced information processing between a leader and team members are viewed as constructs of authentic leadership. Relational transparency indicates that the leader can honestly show his/her ego to others including team members. In other words, the leader can open-mindedly talk about and reveal his/her negative aspects and shortcomings in addition to any positive aspects [16]. The way in which the leader, who is at a higher level in terms of the organizational hierarchy, reveals his/her weaknesses without constraint to team members and makes efforts to become closer in terms of relationships encourages the team members to trust the leader [16, 19]. Such trust ultimately contributes to building reliable and meaningful leader-member relationships [20]. Balanced information processing is objectively analyzing, reviewing, and processing related information in terms of the leader's decision-making. In other words, it indicates the ability of the leader to accept objections to his/her ideas and to accept criticisms of mistakes. In general, people have difficulty objectively analyzing or accepting criticisms and negative feedback about their weaknesses and faults. However, authentic leaders make efforts to accept such information, regardless of whether it decreases or increases self-esteem, as long as it is for the development of the organization and its members [4].

Since a leader is someone in a position who can affect the mental state of organizational members [21], he or she may affect employees' well-being. In the sense that authentic leaders are those who strive to make a positive organization by being honest to colleagues, team members, and the organization through self-awareness and self-regulation [9, 4, 12, 22], authentic leadership will have positive effects on employees' well-being and health [23, 24]. Well-being is a cognitive representation, optimal function, and experience of individuals regarding the nature and experience of well-being [13]. In particular, many researchers thus far have conducted studies on well-being by classifying it into hedonic well-being and eudaimonic well-being, referring to the former as subjective well-being and the latter as psychological well-being [25].

Authentic leaders do not pretend to like something when they do not. Rather, they clearly understand their motives and desires in life. They are positive role models who can overcome stress in an organization where anxiety and mistrust are rampant because they do not feel uncomfortable about objectively examining their flaws and limitations. Accordingly, employees experience hedonic well-being, whereby they consider their stress-free conditions satisfactory and think that they have achieved the things that they wanted. Further, employees feel satisfied with their present lives because they see socialized authentic leaders who sacrifice themselves to achieve the goals of employees and the organization.

According to the self-determination theory, authentic integration may have positive effects on well-being. A leader's authenticity decreases employees' worries and concerns, relieves depressive symptoms, and lowers excessive stress. Moreover, authentic leaders form supportive relationships that increase employees' life satisfaction and lower negative effects [26]. These effects in turn positively influence hedonic well-being, which enables team members to experience pleasure and avoid negative experiences. The psychological support and empowerment provided by authentic leaders make team members satisfied with present conditions. Ultimately, a team leader's authentic leadership has positive effects on well-being by developing the self-determination of employees based on their absolute trust and positive emotions [22]. In this sense, the following hypothesis is established.

H1: A team leader's authentic leadership will have positive effects on employees' hedonic well-being.

Eudaimonic well-being indicates profound happiness pursued by humans as social beings [19, 27]; however, there is insufficient empirical research on the concept compared with hedonic well-being. However, recent studies argue that eudaimonic well-being is relatively a more important concept in positive psychological functioning [28]. While hedonic well-being is about enjoying present happiness (feeling good), eudaimonic well-being is finding oneself as a social being and getting closer to true happiness (being good) [29]. Well-being in a true sense is making efforts to find one's ego and feeling authentic happiness [5].

Discovering the meaning of work and helping team members find their callings are important roles of a leader [30]. In this sense, authentic leadership may bring psychological well-being through the positive process of making team members' lives more meaningful [31]. Authentic leadership focuses on self-development for employees in order to display their true potential beyond hedonic well-being, which makes them satisfied with their present lives, and enjoy a pleasant experience without stress. It may also have positive effects on eudaimonic well-being, through which employees intend to live a life that helps others. These positive effects occur because meaning is what builds a crucial dimension of eudaimonic well-being. Authentic leaders make efforts to reduce the gap between realistic egos and ideal egos through self-regulation of behaviors based on self-awareness. Thus, their efforts to overcome limitations and become closer to ideal egos promote eudaimonic well-being, which represents employees' search for true self. This situation arises because a leader's authenticity stimulates team members' individual growth and helps them set self-consistent goals [19].

According to social learning theory, people determine how to behave based on the information they have obtained [32]. Thus, as employees consider as their role model an authentic leader who does his/her best to understand his/her goals and visions, and try to model themselves on the leader, they also give meaning and purpose to their lives and experience eudaimonic well-being, whereby they constantly strive for introspection and self-realization. In other words, as employees watch their team leader who makes constant efforts to clearly understand the driving forces in life and find a true self-image, they also make efforts to find out exactly who they are and develop their best potential.

In particular, authenticity requires leaders and their team members to change their egos' identities in the process of achieving true worth and the organization's missions [33]. This approach stimulates employees to accurately perceive who they really are in life. Authentic leaders also require team members to discover their possible selves by developing in addition to accomplishing the organization's mission [34]. This requirement has positive effects on eudaimonic well-being, whereby employees constantly make focus on introspection and self-realization. Accordingly, authentic leaders who are honest with themselves create a positive and supportive environment to build a positive mood [23], thereby helping employees develop the utmost potential and encouraging them to find meaning and purpose in life. In this sense, the following hypothesis is established.

H2: A team leader's authentic leadership will have positive effects on employees' eudaimonic well-being.

2.2. Moderating effect of relational cohesion on employees' well-being

Relational cohesion may boost this relationship whereby a team leader's authentic leadership positively affects employees' well-being. This is because it is not too much to say that successful task performance in a team with high task dependency depends on how well a collaborative mood is formed among team members. The role of the team leader is important in successfully achieving the team's and the organization's goals; however, the relationship among team members, who must perform tasks together every day, is also highly important, in the sense that relational cohesion may contribute to their well-being. Relational cohesion is defined as "the perception by individuals in an exchange relation that their relationship is a distinct and unifying social entity" [15]. In other words, employees build trust among themselves depending on how close they are in their relationships with other team members who perform the tasks with them. Based on the foregoing argument, a strong perception of relational cohesion in the sense that team members have an extremely close, collaborative, and united relationship with their teammates increases their level of well-being, thereby producing a strong synergy with the effect of authentic leadership.

According to social exchange theory, social exchange formed as team members perform tasks creates positive or negative global feelings, which promote intrinsic motivation and may affect employees' emotions [15]. A team's performance is determined by the success of exchange tasks, which further motivates employees who strongly perceive that relational cohesion maintains positive relationships with teammates. Because relational cohesion shows high immersion for a team since it focuses on the relational aspect of team members [35], it makes such team members perceive that they are currently living satisfactory lives. They also feel hedonic well-being because they have achieved the things they wanted. If teammates have a relationship that is too distant, conflicting, breakable, disruptive, and individual-oriented, they have a lower level of trust among themselves. This may result in negative effects on the well-being of individuals. However, if teammates perceive high relational cohesion, they have an improved ability to deal with a situation and experience hedonic well-being, which lowers stress. Employees working in a team must have more active contact and cooperation with their teammates to successfully perform the team's tasks. Thus, if they perceive high relational cohesion, they tend to maintain positive relationships with their teammates, thereby feeling more high-dimensional psychological well-being. Consequently, they experience eudaimonic well-being by making efforts to constantly develop their potential and give meaning and purpose to their lives beyond hedonic well-being.

The effects of authentic leadership of a team leader who strives to understand team members' motives and needs, and truly care for them, lead to the greater hedonic and eudaimonic well-being of employees because of the interaction with relational cohesion. In this sense, the following hypotheses are established.

H3: Relational cohesion will have a moderating effect on the relationship between authentic leadership and employees' hedonic well-being. In other words, higher relational cohesion will increase the positive effects of authentic leadership on employees' hedonic well-being.

H4: Relational cohesion will have a moderating effect on the relationship between authentic leadership and employees' eudaimonic well-being. In other words, higher relational cohesion will increase the positive effects of authentic leadership on employees' eudaimonic well-being.

3. Methods

3.1. Participants and procedure

In order to test the foregoing hypotheses, a survey was conducted on employees working in manufacturing firms, financial firms, and public enterprises in Korea. First, we obtained consent from the HR personnel of each firm after explaining the intent and importance of this study. We stated that the results of the research analysis are to be used for research purposes only and feedback of the results would be provided. We conducted three interviews with the HR personnel to ensure the adequacy and comprehension of the terms used in the survey. We then distributed the revised questionnaire to 1100 participants. After eliminating copies of the questionnaire that contained inappropriate and omitted responses for the key variables, an analysis was conducted on the data of 950 participants. These participants consisted of 98 employees in manufacturing, 570 in finance, and 282 in public enterprises. The demographic characteristics of the participants show that 48% are male and 50% are female and that their 20s' age is 528 and 30s' age is 312, with 83% of them college graduates.

In order to reduce common method bias that may damage the validity of measurement in the survey and contaminate the study results [36]), a survey on authentic leadership was conducted first. *Relational cohesion* and *well-being* variables were measured from the same employees after 2 weeks to allow for a time interval.

3.2. Measures

3.2.1. Authentic leadership

The operational definition of authentic leadership is "being honest to oneself with high moral and ethical values and acting consistently with the values they expressed." The survey consisted of 21 items representing awareness, unbiased processing, behavior, and relational orientation [37]. Higher scores indicate higher perceptions of a team leader's authentic leadership. See **Table 1** in Section 4 for the detailed items of the questionnaire.

3.2.2. Relational cohesion

The operational definition of relational cohesion is "perceiving one's relationship with teammates as collaborative, close, and highly cohesive." It was measured by seven adjectives developed by [35] as semantic differential scales. Conflicting words such as "cooperative" for higher scores and "conflictual" were arranged for the opposite side, making participants mark the words that best described their relationships with teammates.

3.2.3. Hedonic well-being

The operational definition of hedonic well-being is "achieving the things they wanted and enjoying a satisfying life." It was measured by five items using the satisfaction with life scale of [38].

3.2.4. Eudaimonic well-being

The operational definition of eudaimonic well-being is "clearly having goals and directions of life for introspection and self-realization." It was measured by five items related to the purpose of life and individual growth among the measurement items of [39].

Authentic leadership (my team leader…)	Factor loading
(1) Actively tries to understand which of him/herself aspects fit together to form his/her true self	0.82
(2) Has a very good understanding of why he/she does the things he/she does	0.80
(3) Actively attempts to understand him/herself as best as possible	0.81
(4) Often questions whether he/she really know what he/she want to accomplish in his/her lifetime (R)	0.76
(5) Is in touch with his/her motives and desire	0.74
(6) Frequently pretends to enjoy something when in actuality he/she really doesn't (R)	0.85
(7) Has often done things that he/she doesn't want to do merely not to disappoint people	0.81
(8) Finds that his/her behavior typically expresses his/her personal needs and desires	0.76
(9) Is willing to endure negative consequences by expressing his/her true beliefs about things	0.83
(10) Is very uncomfortable objectively considering his/her limitations and shortcomings (R)	0.88
(11) Finds it very difficult to critically assess him/herself (R)	0.81
(12) Tends to have difficulty accepting his/her personal faults, so he/she tries to cast them in a more positive way (R)	0.48
(13) If a close other and he/she is in disagreement he/she would rather ignore the issue than constructively work it out (R)	0.44
(14) Often denies the validity of any compliments that he/she receives (R)	0.58
(15) Wants close others to understand the real he/she rather than just his/her public persona or image	0.55
(16) Makes it a point to express to close others how much he/she truly cares for them	0.68
(17) The people he/she is close to can count on him/her being who she/he is regardless of what setting we are in	0.62
(18) It is important for him/her to understand his/her close others' needs and desires	0.63
Relational cohesion	**Factor loading**
(1) Distant - close	0.72
(2) Conflictual - cooperative	0.83
(3) Fragmenting - integrating	0.91
(4) Fragile - solid	0.95
(5) Cohesive - divisive	0.94
(6) Diverging - converging	0.90
(7) Self-oriented - team-oriented	0.85
Hedonic well-being	**Factor loading**
(1) In most ways my life is close to my ideals	0.88
(2) The conditions of my life are excellent	0.91
(3) I am satisfied with my life	0.89
(4) So far I have gotten the important things in my life	0.77
(5) If I could live my life over, I would change almost nothing	0.74

Eudaimonic well-being	**Factor loading**
(1) I have a sense of mastery and competence in managing the environment	0.82
(2) I acknowledge and accept multiple aspects of self	0.86
(3) I have goals in life and a sense of directedness	0.91
(4) I am able to choose or create contexts suitable to personal needs and values	0.91
(5) I have aims and objectives for living	0.90
Model fit[2]	
χ^2 = 4430.94 (df = 554, p = 0.00), IFI = 0.96, CFI = 0.96, RMSEA = 0.11, GFI = 0.72	

[1]Completely standardized solution.

[2]df is degrees of freedom; RMSEA is root mean square error of approximation; and GFI is goodness of fit.

Table 1. Results of confirmatory factor analysis (n = 950).[1]

3.2.5. Control variables

Finally, the study's results may be distorted by other factors that were not selected in verifying the effects of authentic leadership on employees' well-being. Accordingly, *gender*, *education level*, *marital status*, *duty*, *individualism*, and *collectivism* were controlled. In particular, it was intended to verify the pure effect of authentic leadership by controlling the effects of transformational leadership, which is known to be very effective thus far [40]. Transformational leadership is known to be a leadership style with systematically established construct validity. It can be applied quite universally [41, 42]. In this context, the effects of ethical leadership were also controlled. Ethical leadership is based on factors such as authentic leadership [43] and has many similar characteristics in the sense that such leaders are highly empathic with others, do not pursue their own interests, and treat others with respect.

4. Results

4.1. Preliminary analysis

First, a confirmatory factor analysis was conducted on four variables established in this study, and a further analysis was conducted excluding three items with low factor loadings of authentic leadership. The results and questionnaire items are shown in **Table 1**. The incremental fit index (IFI) and comparative fit index (CFI), which [44] argued must be reported in order to determine the goodness of fit of the model, both exceed 0.90. In addition, the measurement variables are loaded significantly on variables as originally intended, thereby securing the construct validity of variables. Cronbach's alpha was measured by conducting a reliability analysis based on the above. The results show that authentic leadership is 0.92, relational cohesion is 0.96, hedonic well-being is 0.92, and eudaimonic well-being is 0.95, satisfying the condition that reliability is secured when it is at least 0.70 in general [45].

Prior to the actual testing of the hypotheses, a correlation analysis was conducted to determine the relevance among variables. The correlation among control variables shows that male and married employees have high positive correlations with hedonic well-being/eudaimonic well-being. Moreover, college graduates or higher show a positive correlation with hedonic well-being. Individualism and collectivism also showed a positive correlation with hedonic well-being/eudaimonic well-being. Above all, transformational leadership and ethical leadership show strong positive correlations with the key variables, increasing their validity as control variables. The correlation among the key variables shows that authentic leadership has strong positive correlations with hedonic well-being (0.246, $p < 0.01$) and eudaimonic well-being (0.313, $p < 0.01$). *Relational cohesion* (a moderating variable) also shows strong positive correlations with hedonic well-being (0.381, $p < 0.01$) and eudaimonic well-being (0.387, $p < 0.01$). These results suggest the validity of the hypotheses. **Table 2** presents the results of the correlation analysis.

4.2. Test of hypotheses

A hierarchical regression analysis was used to test the hypotheses. The results are presented in **Table 3**. Model 1 shows the effects of control variables. College graduates or higher and employees with a strong collective disposition tend to perceive higher hedonic well-being (respectively, $\beta = 0.26$, $p < 0.05$; $\beta = 0.30$, $p < 0.001$). Moreover, employees in manufacturing show lower hedonic well-being and eudaimonic well-being compared with those in finance and public enterprises, indicating that there are differences among industries (respectively, $\beta = -0.31$, $p < 0.01$; $\beta = -0.29$, $p < 0.01$). In addition, employees with high individualism and collectivism perceive higher eudaimonic well-being (respectively, $\beta = 0.12$, $p < 0.001$; $\beta = 0.28$, $p < 0.001$). Lastly, the effects of ethical leadership on well-being are not significant; however, the direct effects of transformational leadership on hedonic and eudaimonic well-being are strong, thereby showing validity as a control variable (respectively, $\beta = 0.28$, $p < 0.001$; $\beta = 0.30$, $p < 0.001$).

As presented in Model 2, which shows the direct effects of authentic leadership, these effects on hedonic well-being are not significant, thereby rejecting Hypothesis 1 ($\beta = -0.03$, ns). However, as expected, authentic leadership has positive effects on eudaimonic well-being, thereby confirming Hypothesis 2 ($\beta = 0.10$, $p < 0.10$). Model 3 shows the effects of relational cohesion. These effects on hedonic and eudaimonic well-being are both significant (respectively, $\beta = 0.26$, $p < 0.001$; $\beta = 0.22$, $p < 0.001$).

Finally, Model 4 verifies the moderating effect of relational cohesion. Here, the interaction effect on hedonic well-being is positive ($\beta = 0.04$, $p < 0.10$). In other words, although the direct effects of authentic leadership on hedonic well-being are not significant, if relational cohesion is highly perceived, as shown in the graphs of **Figure 1**, the effects of authentic leadership are positive. Likewise, the interaction effect on eudaimonic well-being is also positive, thereby proving that the moderating effect of relational cohesion is significant ($\beta = 0.10$, $p < 0.001$).

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Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
(1) Industry 1	1													
(2) Industry 2	−0.22**	1												
(3) General employee	−0.02	−0.25**	1											
(4) Gender	0.21**	−0.08**	−0.31**	1										
(5) Marital status	−0.05	0.26**	−0.57**	0.24**	1									
(6) Education	0.03	0.06	−0.08**	0.16**	−0.00	1								
(7) Individualism	0.06*	−0.25	−0.01	0.22**	0.02	−0.03	1							
(8) Collectivism	−0.02	0.06	−0.12**	0.19**	0.12**	0.02	0.23***	1						
(9)Transformational leadership	−0.03	0.27**	−0.06	0.12**	0.13**	0.02	0.09**	0.37**	1					
(10) Ethical leadership	−0.03	0.08*	−0.02	0.16**	0.07*	0.00	0.14**	0.41**	0.69**	1				
(11) Authentic leadership	−0.03	0.10**	0.00	0.10**	0.03	−0.01	0.05	0.35**	0.65**	0.84**	1			
(12) Relational cohesion	−0.03	−0.00	−0.01	0.10**	0.05	0.02	0.12*	0.33**	0.36**	0.35**	0.34**	1		
(13) Hedonic well-being	−0.09**	0.15**	−0.12**	0.10**	0.15**	0.08**	0.09**	0.32**	0.36**	0.27**	0.24**	0.38**	1	
(14) Eudaimonic well-being	−0.09**	0.14**	−0.06*	0.12**	0.08*	0.05	0.17**	0.35**	0.40**	0.31**	0.31**	0.38**	0.64**	1
Means	.10	.30	.45	.49	.49	.87	4.03	4.85	5.12	5.23	5.15	4.99	4.45	4.92
SD	.30	.46	.50	.50	.50	.34	1.01	.82	1.22	1.23	1.03	1.16	1.16	1.10

[1]* $p < 0.05$, ** $p < 0.01$ (two-tailed).

[2]Industry 1 = manufacturer; others = 0 dummy variables.

[3]Industry 2 = public enterprise; others = 0 dummy variables.

[4]General employee, male, married, and college graduate = 1; others = 0 dummy variables.

Table 2. Means, standard deviations, and correlations between the key variables (n = 950)[1].

Variables	Hedonic well-being				Eudaimonic well-being			
	Model 1	**Model 2**	**Model 3**	**Model 4**	**Model 1**	**Model 2**	**Model 3**	**Model 4**
Control variables								
Industry 1[2]	$-0.31^{\dagger}$	-0.31^{*}	-0.26^{*}	-0.24^{*}	-0.29^{**}	-0.28^{**}	-0.24^{*}	-0.21^{*}
Industry 2[3]	0.04	0.03	0.11	0.10	0.13†	0.14†	0.20^{*}	0.19^{*}
Employee[4]	−0.09	−0.09	−0.09	−0.10	0.05	0.05	0.05	0.03
Gender[4]	0.00	0.00	−0.00	−0.00	0.08	0.08	0.08	0.07
Marital status[4]	0.13	0.13	0.13	0.13	0.00	0.01	0.00	0.00
Educational background[4]	0.25^{*}	0.25^{*}	0.22^{*}	0.23^{*}	0.15	0.15	0.13	$0.15^{\dagger}$
Individualism	0.02	0.02	0.01	0.02	0.11^{***}	0.12^{***}	0.11^{***}	0.12^{***}
collectivism	0.30^{***}	0.30^{***}	0.22^{***}	0.22^{***}	0.27^{***}	0.27^{***}	0.21^{***}	0.20^{***}
Transformational leadership	0.28^{***}	0.28^{***}	0.23^{***}	0.23^{***}	0.29^{***}	0.28^{***}	0.23^{***}	0.24^{***}
Ethical leadership	−0.01	0.00	0.00	0.01	−0.01	−0.07	−0.07	−0.05
Independent variable								
Authentic leadership		−0.03	−0.07	-0.30^{*}		0.10†	0.06	-0.44^{***}
Moderating variable								
Relational cohesion			0.25^{***}	0.03			0.22^{***}	-0.29^{*}
Interaction								
Authentic leadership × relational cohesion				$0.04^{\dagger}$				0.10^{***}
R^2	0.210	0.211	0.262	0.264	0.248	0.251	0.294	0.907
F-value	24.428^{***}	21.311^{***}	25.970^{***}	24.239^{***}	29.074^{***}	26.755^{***}	30.432^{***}	29.900^{***}

[1] † $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, and *** $p < 0.001$ (two-tailed).
[2] Industry 1 = manufacturer; others = 0 dummy variables.
[3] Industry 2 = public enterprise; others = 0 dummy variables.
[4] General employee, male, married, and college graduate = 1; others = 0 dummy variables.

Table 3. Result of hierarchical regression analysis (n = 950)[1].

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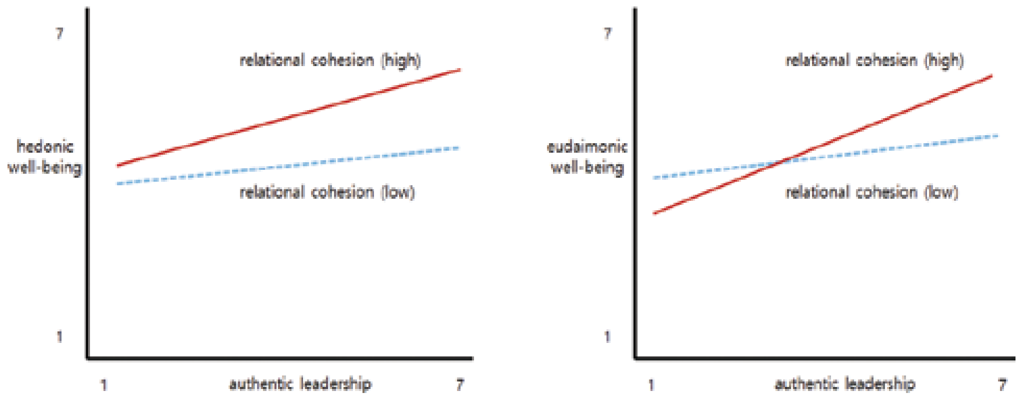

Figure 1. Moderating effect of variance in relational cohesion.

5. Conclusion

5.1. Discussion and conclusions

This study introduced the need for authentic leadership, which still has a short history and lacks empirical research, and identified the possibility of authentic leadership in Korean organizations through an empirical study. It verified the effects of authentic leadership, as an alternative to various leadership styles, on employees' well-being. It also considered the moderating effect of relational cohesion among team members, with the following theoretical implication.

First, this study determined the relationship between leadership and well-being by adopting well-being as a soft performance, beyond tangibly displayed employee behaviors and organizational performance [12], as an outcome variable. As a result, authentic leaders who are honest with themselves and express consistent behaviors through self-regulation have positive effects on employees' well-being. Authentic leaders themselves display leadership based on clear missions and values, through which they help employees to develop their utmost potential and strive for self-realization. The self-sacrifices of authentic leaders and their aspects as social leaders lead employees to identify themselves with a given mission, thereby helping them to seek true happiness [5]. In other words, authentic leaders have positive effects on psychological well-being that help employees to find out exactly who they are and set clearer goals and directions in life.

Second, this study determined the moderating effect of relational cohesion in the effects of team leaders' authentic leadership on employees' well-being. In particular, although there are no direct effects of authentic leadership on employees' hedonic well-being, whereby team members perceive that they are united, team-oriented, and highly cohesive, team leaders' authentic leadership may contribute to increasing the current satisfaction of employees. This finding indicates that the relationship among team members who perform tasks together is very important in addition to a team leader's authentic leadership in order for employees to feel hedonic well-being.

Third, this study has significance in that it determined the pure effects of authentic leadership after controlling for the effects of transformational leadership and ethical leadership, both of which are known to have positive effects on performance in prior leadership studies. This implies that the true pursuit of happiness for employees can be boosted by authentic leaders.

Fourth, individualism and collectivism, which were added to control for individual dispositions, show positive effects on employees' well-being. It is true that individualism and collectivism are regarded as two conflicting concepts at opposite ends of the spectrum; however, this finding implies that the arguments claiming to regard these concepts on two different axes [46] can also be persuasive. In the sense that both individualism and collectivism can be high, it seems that individualism, which is shown in a situation where autonomy and independence are emphasized, and collectivism, regarding collective norms and the achievement of harmony, both increase psychological well-being.

Based on the results, managers in organizations must think once again about leadership training that has focused on behavioral approaches for the purpose of short-term performance [47]. In this regard, they must reconsider the issue of authenticity instead. In other words, because authentic leadership deals with the fundamental issues of other leadership styles, it seems important to turn leadership training that has focused on leadership skills and short-term performance into training programs that nurture individual authenticity and constantly develop the qualities that leaders need through self-awareness. A leader's authenticity not only boosts employees' understanding of the meaning of life; it also serves as a crucial factor that generates positive emotions in this mentally vulnerable era. In addition, it is important to create an environment where team members are not divided but are united and team-oriented when performing their tasks, especially in the real world where a team's performance indicates an organization's performance. This relational cohesion can increase hedonic well-being in a way that cannot be achieved solely by authentic leadership.

5.2. Limitations and future research

This study has the following limitations in terms of empirical research.

First, this study conducted a survey of employees working in manufacturing businesses, financial firms, and public enterprises that are typical of Korea; however, additional research must be conducted on a greater number of employees from more diverse industries in order to generalize the results.

Second, this study considered the time interval required for a display of leadership by conducting a survey on relational cohesion and well-being variables from the same employees 2 weeks after measuring authentic leadership. The aim was to reduce common method bias, which is recently emerging as a significant methodological issue. However, this approach was limited because the analysis was conducted only on the employees' responses. It seems necessary to conduct a multilevel analysis by also asking the team leaders about the outcome variables or moderating variables when analyzing the team leaders' leadership effects.

Finally, the following suggestions can be made in order to overcome the foregoing limitations and determine the possibility of authentic leadership in Korean organizations.

First, the effects of authentic leadership that can be the fundamental root of various leadership styles were verified; however, the components and measurement tools used in this study were directly adopted from those developed in the USA. Thus, it is necessary to develop authentic leadership questionnaires that can be applied to the unique circumstances of Korea, and that reflect cultural differences, by conducting in-depth interviews with members of Korean organizations and undertaking case studies of various industries and organizations. It is also necessary to repeat the validity testing of various constructs that are known to be the key components of authentic leadership.

Second, it is necessary to accept the recently increasing criticism of authentic leadership, such as the issue that it is theory-oriented and lacks content in authenticity measurement. Moreover, authentic leadership is unclear in relation to, and in terms of differentiation from, existing leadership theories. Thus, studies must be conducted to help resolve such limitations, differences, and criticisms [48, 49].

Third, the potential of authentic leadership can be expanded by testing whether authentic leaders can increase people's well-being in other social sectors, such as public, military, political, and religious groups, based on the effects of authentic leadership in this study. This testing is necessary because the lack of authenticity may not be an issue limited only to firms. The findings may then contribute to the generalization of the study's results.

Finally, the unethical and greedy behaviors of senior management that have been recently encountered may be due to the environment because we cannot distinguish authentic leaders from pseudo leaders, rather than because of the lack of leadership in Korea. Thus, there is a specific emphasis needed on authenticity through which leaders obtain character improvements by means of self-awareness and self-regulation. Such an emphasis can also help leaders to turn their assumptions about visions, missions, and identities into action, which should be more than the style, skills, and oratory displayed when they demonstrate their influence over subordinates. Accordingly, beyond the direct effects of authentic leadership on employees' well-being, the important task is to find new process factors by verifying various processes and mechanisms to connect the two.

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This book, when compared to other books on leadership, is expected to present a new understanding of the essential features of leadership and it varies from the wealth of literature in the following ways: firstly, this book attempts to include leaders at all management levels within an organization and across various sectors. This book also aims to provide experiences and reflections across a variety of sectors and organizational structures rather than focusing on one set of definitions (as is the case in current leadership sources). Finally, this book is expected to offer a new perspective addressing and inspiring actual leaders today and potential ones and contributing to the existing debate on leadership.

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