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Cover Feature - 21st Century Teams: Local, National & Global Implications



Carbon Emissions Trading: Sustainability and Organisational Psychology Gender Differences Between Australian Executives & Managers Leadership Levels: Assessing Development Needs

A publication of the College of Organisational Psychologists Organisational Psychology — the science of people at work



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A note to readers

The views expressed in articles are the authors' and not necessarily those of the Australian Psychological Society or the College of Organisational Psychologists.

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Contents

Cover Feature

21st Century Teams: Local, National & Global Implications

- 5 Key Themes for Effective Virtual Team Leaders I Dr. Alister Jury
- 9 Technology, Teamwork & Collaboration: Now & the Future I Tom Pietkiewicz & Melinda Chin

Special Articles

- Carbon Emissions Trading:
 Sustainability and Organisational
 Psychology I Mark England
- 17 Leadership Levels: Assessing Development Needs I Warwick Graco
- Gender Differences Between Australian Executives & Managers I Peter Berry, Shayne Nealon & Kim Pluess
- Discrepancies Between Research and Practice in HR I Di Lissner

Editorial I 3
Publication Guidelines I 4
The Reader's Opinion I 30
Letters to the Editor I 31

Editorial

Editor Rosie McMahon



his edition of *Illuminations* focuses on the issues confronted by many employees - the virtual team experience. Growing technological advances have provided organisations with the choice of how team members interact both locally and globally.

More and more employees are working from home, and employers are becoming more savvy about how they utilise teams around the world. The technology available for face to face meetings regardless of where you are in the world has been around for a long time, however this is not a substitute for the corridor conversation or the 'quick coffee catch-up' that enables the smooth running of home based teams.

Our theme for this edition, "21st Century Teams: Local, National and Global Implications" explores the issues and implications of working within global teams, the primary ones being working across time zones, maximising the skill base of the team, ensuring role clarity, and accountabilities and outcomes. Celebrating success is a further issue often left out of the mix, as teams may not have the opportunity physically to share the moment in the same way.

Other topics covered in this edition are equally important in today's organisations. Mark England's article on Carbon Emissions Trading brings to mind the impact of climate change on the role of Organisational Psychologists in the future as organisations endeavour to make sense of how they might tackle the issue.

Leadership continues to interest us and this edition includes two articles, one on gender issues and the other on leadership levels. These articles explore the differences between male and female leadership profiles and how these impact organisational cultures and values as well as exploring different levels of leadership by way of targeting the right level of leadership development.

An interesting debate involving the differences between the views held by researchers versus practitioners regarding the key focal areas in Human Resources Management is reviewed by Di Lissner. This article is a critical reminder to all psychologists that we need to work more closely if we are to add real value to the people that we wish to support and influence.

We would like to invite all our Organisational Psychologist colleagues to submit articles for the December edition featuring the theme "Life Balance: Are we any closer to getting this right?" We look forward to hearing from you!

This edition also includes the topics for each of our 2009 editions of *Illuminations* (see page 4). Your future and ongoing contributions to this publication will add to the richness of understanding about our profession and its contribution to organisations and to organisational psychology.

Once again, we would like to encourage you to share this publication with colleagues. We have had a wonderful response to our first edition of *Illuminations* and it is our intention to continue to provide a publication of interest to our members and subscribers.

December Edition Topic

Life Balance: Are we any closer to getting it right?

Please forward submissions to rosemark@primusonline.com.au by 28 November 2008



Publication Guidelines

LLUMINATIONS is a quarterly e-Magazine which publishes articles relevant to the work of organisational psychologists - for College members and related professionals (organisational psychologists, HR and business professionals). This publication is an opportunity for Organisational Psychologists to feature their work in both academic and industrial settings. Material submitted for this publication should meet the following criteria:

- It clearly distinguishes how the work of organisational psychologists contributes to the study of human behaviour;
- It is evidence based and outlines how organisational psychology contributes to improvement in organisational outcomes;
- It provides learning for the wider psychological community about what organisational psychologists do;
- It demonstrates how specialist areas of psychology have been able to work collaboratively to produce outcomes;
- It clearly distinguishes the work of organisational psychologists from other allied professions; and
- It provides an opportunity for professionals to debate and discuss issues relating to organisational psychology.

Submissions should be between 750 and 1500 words. They should conform to APA standards for style, referencing and layout. The following brief outline of is intended to be indicative only. The main points to be followed when preparing a manuscript are summarised below. Please provide:

- Single-line spacing of text
- Text in 9 point Tahoma typeface
- Identification of authors on the submission
- All tables, figures, statistical reporting and sub-headers in APA format
- References in APA format
- In-text quotations in APA format

- Abbreviations should be spelled out in the first instance
- Titles should be no more than 6 words in length
- Pictures/advertisements/inserts should be in jpg format
- Authors name, title, and place of work should be included

Submissions should be submitted as email attachments to the Publications Editor. Manuscripts which do not meet these guidelines will be returned to the author to resubmit.

Reference

American Psychological Association. (1999). *Publication manual of the American Psychological Association*. Washington, DC: American Psychological Association.

2008 Publication Date, Deadline Date and & Topic

December 2008 Issue: 28th November Topic: Life Balance: Are we any closer to getting this right?

2009 Publication Date, Deadline Date and & Topics

March 2009 Issue: 28th February Topic: The Great Skills Shortage: Impacts and Actions

Reviews how the skills shortage is impacting organisations and what solutions Organisational Psychologists might be developing to address the issue.

June 2009 Issue: 28th May Topic: Meeting the Future: Promoting Sustainable Organisational Growth

The title of the June 2009 IO Psych conference in Sydney - reviews current research and work being carried out to ensure sustainable business growth.

September 2009 Issue: 28th August Topic: Maximising Work Performance in the 21st Century

Reviews how models of work performance have changed over the years and how organisational psychologists might be addressing work performance differently today.

December 2009 Issue: 28th November Topic: Organisational Psychology and Business Financials: Working with the profit model.

Reviews how the organisational psychologist adds value to organisations by speaking the same financial language as business managers.

Publications Editor - Queries & Submissions

Rosie McMahon at rosemark@primusonline.com.au

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Key Themes for Effective Virtual Team Leaders

Dr. Alister Jury

ue to developments in information technology within the workplace, along with a need to compete globally and address competitive demands, organisations have embraced virtual team structures (Powell, Piccoli, & Ives, 2004). Virtual teams are typically composed of team members who are not located face-to-face and their communication is mediated through information and communication technologies (e.g. video conferencing, email and intranets). Virtual teams represent an important emerging organisational structure which facilitates collaboration between team members located almost anywhere in the world. It is estimated that 41 million corporate employees globally will spend at least one day a week as a virtual worker and 100 million will work from home at least one day a month (Jones, 2005).

The implementation of a virtual team structure has been shown to produce many benefits including reduced real estate expenses, increased productivity, access to global markets and environmental benefits due to a reduction in airline

It is estimated that 41 million corporate employees globally will spend at least one day a week as a virtual worker and 100 million will work from home at least one day a month

flights (Balthazard, Potter, & Warren, 2004). Virtual teams are also becoming increasingly popular with workers who want to work at home, which can increase employee engagement. Furthermore, as a result of using appropriate communication media, a virtual team is not limited to members from the same physical location or organisation. As such, team members can be assembled according to the skills and backgrounds required, from anywhere in the world, enabling the organisation to become more flexible and to compete globally.

As with face-to-face teams, leadership of virtual teams is a crucial component in the effectiveness of the team. However, compared to leaders of face-to-face teams, virtual team leaders face the following difficulties: (a) logistical problems, including coordinating work across different time zones and physical distances; (b) interpersonal issues, including an ability to establish effective working relationships in the absence of frequent face-to-face communication; and (c) technological difficulties, including appropriate technology and ease-of-use (Bell and Kozlowski, 2002). In global virtual teams, there is the added dimension of cultural differences which impact on a virtual team's functioning. After conducting considerable research as part of my Ph.D. including numerous interviews with existing virtual team leaders and surveys with almost 500 participants of virtual teams, I identified a number of key themes which contributed to effective virtual team leadership.

Establish Role Clarity

Role clarity refers to an individual's understanding of their organisational role, or whether, expectations, work objectives, responsibili-

ties and authority are clearly defined (House, Schuler, & Levanoni, 1983). Role clarity forms a crucial part of virtual teams. Virtual team leaders need to spend more time than conventional team counterparts being explicit about expectations, because the patterns of behaviour and dynamics of interaction are unfamiliar. Moreover, even in information rich virtual teams using video conferencing, it is hard to replicate the rapid exchange of information and cues available in face -to-face discussions. Coupled with traditional time pressures of teams and the slower rate of information transfer in virtual teams, important information may not be delivered resulting in lower role clarity. Moreover, in face-to-face teams, team members can often gain a greater understanding of what is required in their role through direct observation of other team members even if this has not been adequately conveyed by their team leader. However, virtual team members rarely have this ability, which places a greater responsibility on a virtual team leader to properly clarify role requirements. In order to develop role clarity within virtual teams, leaders should focus on developing: (a) clear objectives and goals for tasks; (b) comprehensive milestones for deliverables; and (c) communication priorities as well as making prior

mail, will be sufficient. As tasks become more complex, the authors argue that it is necessary for virtual team members to adopt synchronous communication media, such as videoconferencing or groupware, in order to develop greater role clarity (Bell & Kozlowski, 2002).

Be aware of **Information Over**load

While technology choice is important for the development of role clarity, virtual team leaders should be aware that information overload may result in situations when a leader has provided too much information to a team member. Information overload is generally defined as a belief that one has too much information, which uses up too much time in sorting through the information for pertinent messages (Edmunds & Morris, 2000). Some of the consequences of information overload include: (a) anxiety due to worry over whether an important piece of information was missed in the mass of material requiring processing; and (b) team members' performance reduction due to confusion, which affects ability to set

Virtual team leaders need to spend more time than conventional team counterparts being explicit about expectations, because the patterns of behaviour and dynamics of interaction are unfamiliar

channels for seeking feedback on unclear role guidance.

In addition, virtual team leaders should choose the most appropriate technology in order to assist the development of role clarity. Bell and Kozlowski (2002) argue that technology choice within virtual teams should be based on task complexity. They suggest that less complex tasks require minimal communication and that asynchronous communication media, such as e-

information received harder to recall. Some suggestions for reducing information overload include: (a) restricting emails to pertinent information, providing summaries of email content at the start of an email, restricting the use of carbon copying emails to all members of a team when information is not necessarily relevant to all, as well as highlighting important messages or sections within an email; (b) scheduling specific times for video conferencing or text-based online chatting

as opposed to ad-hoc discussions; and (c) training employees in efficient sorting of information and skim reading, as well as implementing intelligent filtering technology.

Develop Follower Trust

There are numerous features of a virtual team environment that may impact on the development of follower trust. For example, a reduction in the proximity between leaders and followers and reduced shared social contexts and face-toface encounters, which are crucial for the formation of trust between leaders and their followers (Jarvenpaa & Leidner, 1999). An example of this might be where a virtual team member cannot see how much work is allocated to other team members by the leader or how fairly the leader is judging the performance of each team member, something that they might be able to observe in a face-to-face environment. In this context, the team member has to trust that the leader is allocating work fairly and evaluating team members equally. In a virtual team context, there are a number of aspects to a leader's behaviour that can facilitate higher follower trust. For example, a team leader replying to a follower's telephone call with an email may be perceived as inappropriate by that follower. Other errors potentially leading to a decrease in follower trust might include: (a) extended delays in responding to emails or missed telephone calls; (b) a lack of inclusion of dispersed team members in social events held where other team members are located (such as a head office); or (c) a lack of equality in the inclusion of team members in virtual team discussions (such as during video conferences).

Become a "Present" Leader

Virtual team leaders need to become virtually "present" in order to closely monitor team members and notice any changes that might affect their ability to undertake their tasks. Due to the distributed nature of virtual teams, team members have less awareness of the wider situation of the team or dynamics of the overall team environment. Consequently, as situations change in a virtual team environment, such as adjustments to task requirements, modification of milestones, or changes to the goals of the team, it is important that leaders monitor followers to ensure they are aware of these changes and make amendments as required. Virtual presence by team leaders can also reduce incidences of social loafing within teams. In a face-to-face environment, followers can see when team leaders are observing their behaviours. This might be as simple as a leader walking past a desk and checking on a team member. However, this is more difficult in a virtual team environment and virtual team members may believe that because a team leader cannot physically see what they are doing, that their contributions and effort are unrecognisable and only the group performance will be examined. This may lead to a reduction in effort and outputs. Technology choice can influence perceptions among followers that their leader is virtually present. For example, media rich technology such as video conferencing may lead to a greater perception of virtual presence than the use of lean media such as email.

Not all teams are the same

Finally, when examining virtual teams, it is crucial to consider that they differ in terms of their virtuality. Virtuality refers to a continuum of how "virtual" a team is (Kirkman, Rosen, Tesluk, & Gibson, 2004). There are three predominant factors that contribute to virtuality, namely: (a) the richness of communication media; (b) distance between team members, both in time zones and geographical dispersion; and (c) organisational and cultural diversity. High virtuality refers to teams that

have team members located in many different physical locations; rarely (if ever) meet face-to-face; have team members separated by time zones; have team members from different organisations; and have team members from various cultural backgrounds. In contrast, low virtuality is characterised by a virtual team that predominantly meets face-to-face but uses some IT to mediate communication, has only a few physical locations where team members are located, is not separated by time zones and has little or no cultural diversity among team members. Virtual team leaders who understand the differences of virtuality within virtual teams and adapt their approach accordingly are more successful than those who do not. For example, a leader of culturally diverse virtual teams should consider recipients prior to sending messages by as ensuring wording is appropriate for non-English speaking team members, contemplating formalities and an awareness of tone in written emails (for example, usage of emoticons may be misinterpreted in some cultures).

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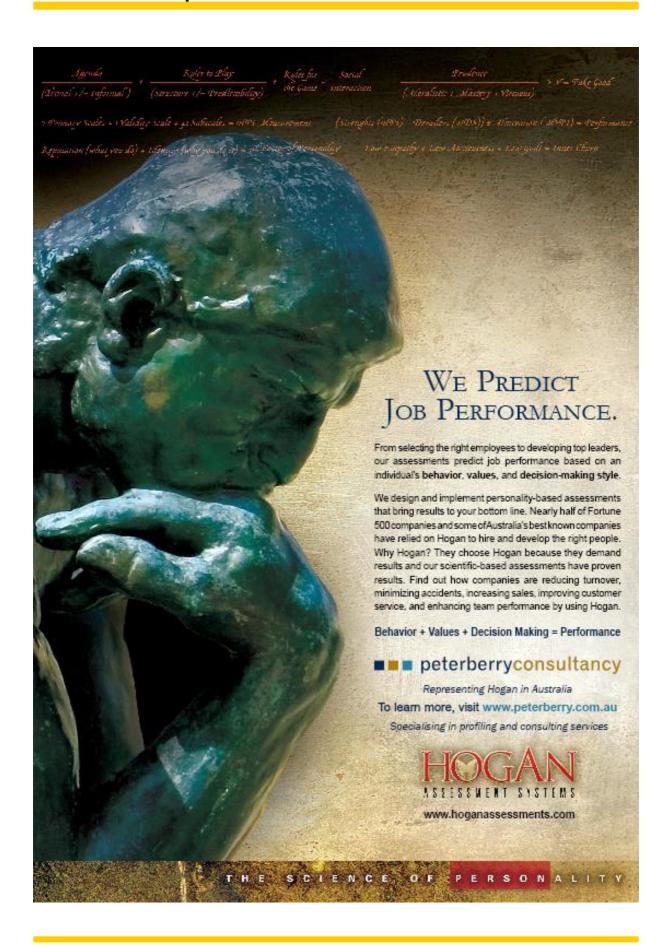
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Technology, Teamwork and Collaboration: Now and the Future

Tom Pietkiewicz I Melinda Chin

raditionally, teamwork is "a group of people with either mixed or complementary skills working together for an agreed purpose" (Rabey, (2003). With developing technologies, this definition can span nationally and internationally. Further complexities are added when considering a cross-cultural international team (transnational team). According to Gupta and Gonvindarajan (2001) the transnational team is a cross-border organisational unit composed of individuals of different nationalities, working in different cultures, business units, and functions, thereby possessing specialised knowledge for solving a common global task in the organisa-

In essence, teams no longer work together in a traditional or physical sense, but rather collaborate to achieve objectives. The implications for the work of psychologists are massive as we need to understand how these changes impact on our

models and techniques, many of which have been developed well before the reality of the current technological advances and their impact on teamwork were ever known.

Technology and Collaboration

Dimension Data (DD), a leading IT infrastructure solutions provider, supplied a comprehensive white paper for this article titled "Collaboration in a Converged Communications Environment". It outlines in great detail how IT infra-

structure companies are preparing for the ongoing and often exponential development of new technologies and their applications on work and team work. In the excitement and planning, it is often the person, or 'end user' as IT call us, that are less of a known quantity. As psychologists, it will be increasingly prudent for us to arm ourselves with the knowledge to help people and the way they function as organisations evolve.

We should not fear the concept of collaboration. DD's white paper explains that:

The implications for the work of psychologists are massive as we need to understand how these changes impact on our models and techniques, many of which have been developed well before the reality of the current technological advances and their impact on teamwork were ever known.

Workplace collaboration is not a new business concept or practice people have been working together and collaborating to improve the success of their commercial endeavors for literally thousands of years.

The basic intent of workplace collaboration has not changed over time — its sole purpose is still to bring people, ideas and information together to help accomplish a specific business objective. Although the fundamental business reasons for collaboration have essentially remained constant, the same can not be said of the underlying communications technology.

all business leaders who want to harness the full financial and competitive power of collaboration.

Collaboration tools include traditional phones and email, video and web conferencing tools and instant messaging. An additional development, Presence Management, is a rapidly evolving capability that allows individual to alert others of their willingness to communicate, and preference for mode of communication.

DD explains that the area of Instant Messaging is particularly interesting. The technology allows users to locountries and areas. As multinational corporations (MNC) expand to compete globally, many are benefiting from the use of transnational teams. Working either within the firm's formal structure or as a complement to it, a transnational team can connect the best ideas and innovations from each part of the company and use them in ways that add value throughout the organisation. According to Snell, Snow, Davison and Hambrick, (1998) local responsiveness, global efficiency and organisational learning are three major strategic drivers of transnational teams in leading companies.

Working either within the firm's formal structure or as a complement to it, a transnational team can connect the best ideas and innovations from each part of the company and use them in ways that add value throughout the organisation

Essentially, the MNC must be able to develop networks of people with diverse capabilities throughout the organization and be able to quickly mobilize them into well functioning teams to solve problems and respond to challenges. This leads to an examination of the staffing and structure of the team. "Although

Prior to the 19th century, collaboration took place primarily in face-to-face meetings and through written correspondence that bridged the geographic differences between collaborators. Whenever an enterprise required collaboration between distant parties, the time required to physically transport messages acted to restrict the speed of business operations and decision making.

With the technological breakthroughs of telegraph, and then telephone service, the physical distance between collaborators became increasingly irrelevant. This new immediacy of communications ignited sweeping economic changes in terms of faster business cycle times and new opportunities for global competition.

The evolution of technology and the resulting impact on business speed, innovation and market opportunity is not just an interesting topic for the history books. As we speak, the technology of collaboration continues to rapidly change and evolve. These changes present genuine opportunities - and challenges - to

cate themselves and establish direct and instant communication across any regional divides. While it was originally used for simple text exchanges, the advances in technology, video channeling and data transfer speeds is starting to allow teams to set up virtual board rooms where members can literally interact face to face and work on documents and projects together as though they were sitting next to each other.

DD's paper further explains that while these tools have been available for some time, they have often not been compatible with each other, or lacked interconnect standards to work across systems and software packages. This is rapidly changing and the ability to utilize these tools effectively is quickly improving.

What does this all mean for Team-work?

Teams can now work and collaborate effectively across a multitude of

Essentially, the MNC must be able to develop networks of people with diverse capabilities throughout the organization and be able to quickly mobilize them into well functioning teams to solve problems and rean examination of the staffing and structure of the team. "Although organizations often look to hire new people with new capabilities and attempt to develop existing people, the process of cataloguing and matching needed capabilities (i.e. knowledge management) with current and future problems and opportunities is often an inexact science" (Atamer, Calori & Scweiger,

The fundamental task in forming a transnational team is assembling the right combination of individuals who can work together to accomplish the team's goal: the team members function as bearers of the global knowledge and must understand what adaptations are required in order to make the global knowledge usable at their units (Subramaniam & Venkatraman, 2001).

IBM, for example, has an ondemand HR business strategy where they are trying to build a worldwide competency model. Especially in the consulting parts of their business – which is 70 percent of their revenue now – they are able to source talent on a global basis built around a common competency model. IBM could figure

out if they needed someone who spoke French and was willing to go to South Africa for six weeks in the Spring of 2006 (Huselid, 2006, p39).

tiple roles, which vary over the team's life span. The key personal capabilities of a Team Leader for a transnational team derived by Schweiger, Attamer and

When dealing with any international assignment it is essential to understand the social and cultural aspects of the countries involved. These aspects are more concentrated and prevalent in a transnational team environment

A member of the APS College of Organisational Psychologists, Sandra Sudano, has been involved with Shell's HR for a number of years. She explains how Shell has embraced the idea of global team working to connect their people together. Shell's IT system and software platforms are completely standardised. One needs to simply carry a swipe card to connect to their computer desktop anywhere in the world and work as they would in any geographic zone. The ability to work on a project continually by assigning teams from a number of time zones and accessing the most suitable individuals has allowed Shell to speed up delivery and improve quality in key areas.

What are the Implications for the work of **Organisational Psychologists?**

Building global competency models, coordinating this with recruitment and Learning & Development are just examples of massive projects that psychologists can contribute in. Another huge area of work is in understanding and managing the way Leaders need to be selected and equipped to succeed.

To maintain the link between a transnational team's mission and the company's business strategy, the team leader must perform mul-

Calori (2003) are: having the ability to understand functional skills needed for the team, has built strong networks and relationships with subsidiary operations within the Company, can negotiate and motivate, is multilingual, has project zones meant that teams could use management skills, has a high need for achievement, demonstrates open-mindedness for learning, and exhibits humility. It was noted in a study by Oertig and Buergi (2006) that there was a high level of importance for the team leaders to have one-on-one contact with "key players", for relationship building and maintenance, "bringing in" people over whom the leader had no authority, and then "making them stay". Therefore, Team Leaders need to lead by influence rather than authority, managing personality issues as well as the functional and cultural mindsets of team members. At the same time they need to keep finding new ways to communicate across time zones and work round geographical barriers. Hence, particular attention in selecting creative leaders with a collaborative leadership style and excellent communication skills should be given.

In addition to having the support and direct supervision of a Team Leader for transnational teams, a key ingredient in the effective functioning of transnational teams is the role of Senior Managers. Schweiger, Attamer and Calori (2003) found that Senior Managers can create an instrumental environment where horizontal cooperation

and teamwork is either encouraged or not.

We also need to account for key people who are primarily responsible for the functioning of the project team and are needed to form a tight network. These individuals must be able to work together, agree on the charter and goals of the team, trust each other and coordinate other resources as needed to complete the project. "Because mutual exchange and shared information are vitally important for team learning, transnational teams must find ways to foster an ongoing dialogue among their members" (Snell, Snow, Davison, Hambrick, 1998). The greatest impact reported in a study by Oertig and Buergi (2006) was two-fold; the time difference and the lack of faceto-face contact. Different time more of the day, for example, working on a document round the clock. Lack of face-to-face contact was more problematic and many missed what they called the "office atmosphere" and the opportunities presented by striking up a conversation in the cafeteria or hallway. However, the key members of the team should not have to co-locate, but must 'meet' frequently enough to be able to effectively manage the project. The round the clock working can also have implications for employees in vastly different time zones. If they need to frequently work at night to collaborate with team members on the other side of the globe, their work-life balance can be affected and they might be impacted by a number of factors that are commonly experienced by shift-workers.

When dealing with any international assignment it is essential to understand the social and cultural aspects of the countries involved. These aspects are more concentrated and prevalent in a transnational team environment. "A multicultural team, in contrast to teams from a single culture, entails differences among members in language, interpersonal styles, and a host of other factors." (Snow, Snell, Davison, Hambrick, 1996).

Advancing technology can make the notion of physical meeting less frequent or in many cases obsolete. What are the psychological implications of meeting and socializing virtually for team building purposes, such as through an online game? A research paper anyone?

The Future

Increasing competitiveness and a global skill shortage is likely to accelerate the use of technology to achieve gains in competitiveness. As businesses become more dispersed across broader regions, they have an opportunity to engage remote workers and attract and utilise the best possible talent, no matter what their location or background is. DD's white paper explains that this thrust toward greater "people optimization" has brought a change in focus around the role of knowledge workers. While the term was first coined by business theorist Peter Drucker more than 40 years ago, the current view is that increasing control and empowering of informationintensive workers - such as providing them with technology and business tools that make them more effective - can bring significant improvements in competitive positioning and financial performance for the organisation.

"The importance of creating and increasing the conditions for effective teamwork in the organisations of today is self-evident" (Conti & Kleiner, 1997). Taking into consideration all the different aspects which co-exist with international teamwork, the role of HR and organisational psychologists is extremely important in terms of nurturing and empowering the teams and networks. We must be seen to support the international teamwork through staffing, training and development, team design and member role definitions, and reward and appraisal systems. Essentially, organisations need to be in a good position to support transnational team development. They need to have both the expertise and influence to help teams make a larger contribution to company success.

DD summarises that properly engineered collaboration tools will address the physical aspects of distance communications, but they also must address the realities of how people work together.

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While the term "people optimisation" was first coined by business theorist Peter Drucker more than 40 years ago, the current view is that increasing control and empowering of information-intensive workers - such as providing them with technology and business tools that make them more effective – can bring significant improvements in competitive positioning and financial performance for the organisation

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The College of Organisational Psychologists (COP) recently developed a transformation strategy aimed at raising the professional standards of its members, attracting and retaining members through improved service delivery and promotion of the profession to State Registration Boards, Organisational Psychology clients, media and other stakeholders.

The COP Supporters Program is an annual sponsorship program that will generate the revenue to fund those National Transformation Programs. COP is now seeking expressions of interest from those individuals or organisations keen to sponsor COP and contribute to the enabling of the continued efforts of its many volunteers.

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Carbon Emissions Trading, Sustainability and Organisational Psychology

Mark England

igh hopes are being pinned on carbon emissions trading as a key to achieving a sustainable future for Australians and the world. Our Federal Government has determined that global warming is scientifically proven. The planetary heating needs to be slowed if not reversed and a key lever is carbon emissions trading. An Emissions Trading Scheme (ETS) is planned to be introduced at a national level in 2010.

The unfurling of a global emissions trading scheme is a vast experiment in human decision-making and judgment, involving psychology at global, political, community, organizational, and individual levels.

Standard setting by political brinkmanship

Emissions' trading is the worldwide politico-economic response to the threat of rapidly accelerating climate change. Political leaders are engaged in a game of brinkmanship in negotiating entry to an international ETS.

Professor Garnaut cites a scenario developed by Campbell and others of The Centre for Strategic and International Studies (CSIS) in 2007. This scenario of severe climate

'Opportunities to hold risks of dangerous climate change to acceptable levels diminish rapidly after 2013 if no major developing economies are accepting constraints to hold emissions significantly below business as usual by that time.' If immediate action is not taken, the accumulated costs of taking action beyond 2013 increase significantly.

The scientific modeling involved in setting proposed emission standards is very sophisticated and because of the trajectories involved, necessarily full of assumptions. Nevertheless, they provide the best possible evidence of destructive forces that can be expected to be unleashed given certain levels of emissions. They also reflect the level of harm the world is prepared to endure before curbing the trajectory of current business behaviour.

Professor Garnaut cites a scenario developed by Campbell and others of The Centre for Strategic and International Studies (CSIS) in 2007. This scenario of severe climate change is one with an increase in temperature of 3.1 degrees by 2040. At a rate of 550 parts per million of greenhouses gases, Professor Garnaut's review modeled this temperature as a likely outcome by 2050.

'CSIS found that under this scenario 'nations around the world will be overwhelmed by the scale of change and pernicious challenges, such as pandemic disease. The internal cohesion of nations will be under great stress ... both as a result of a dramatic rise in migration and changes in agricultural patterns and water availability. [There will be] flooding of coastal communities around the world...' (Campbell et al. 2007). Is it worth paying less than 1 per cent of GNP through the 21st century for the insurance and nonmarket impacts, and these and market benefits beyond 2200, of the

450 strategy? This is a matter of judgment. ²

Professor Garnaut has concluded that a 450 strategy, requiring Australia to make a 25% cut in greenhouse emissions by 2020, is not feasible. It is not achievable because of the speed at which emissions are growing and the nature of international negotiations. Australia is to pursue a 10% cut by 2020, provided China will agree to a 6% cut by 2020. At the end of 2009 a meeting in Copenhagen will aim to establish global agreement on emissions standards. If agreement is not reached then Professor Garnaut advises that Australia should aim at a 5% cut.3

Participation by Australian business

Under the Carbon Pollution Reduction Scheme, businesses will buy a 'pollution permit' for each tonne of carbon they contribute to the atmosphere. This will affect approximately 1000 Australian companies. The government will cut fuel taxes to offset the initial price impacts on consumers. Additional assistance will be offered to low and middle income households

On 28 August 2008 Greig Gailey, President of the Business Council of Australia, spoke of the 'costs an emissions scheme will impose on the economy.'⁵ In doing so, he expressed support by business for a carbon pollution reduction scheme. Business focuses in its discussion on the costs to industry in terms of restructuring and international competitiveness. The benefits are seen in terms of new alternative techno-

logical industries that may develop to reduce emissions' costs. While eluded to, the broader impact on the community of emissions does not appear to be a driving factor in decision-making.

The emerging phenomenon of 'Solastalgia'

In stating the decision of an emissions target of a 10% if not 5% cut by 2020, Professor Garnaut is implying the level of environmental degradation and human misery the world will accept for economic progress. A high level of environmental change implies that there will be a widespread level of depression that may be labeled 'solastalgia $^{\prime 6}$, or sadness caused by environmental change. This solastalgia may stretch over generations and its extent dictated by the ability of the world to combat climate change. Measures of solastalgia are not taken into account when modeling carbon emissions trading because it is a phenomenon that is only now being detected. Research such as that undertaken by Professor Garnaut and the CSIS assist psychologists to understand and hence provide adequate therapeutic remedies to humans affected.

Psychology at the Organisational Level

BHP Billiton, Australia's largest listed company, voices a commitment to sustainable development. Greenhouse gas emissions are listed on their website as a challenge and opportunity for the company. The

company expresses an intention to work with other companies in terms of the potential impact of greenhouse gas emissions on the climate. It appears somewhat tentative in expressing this intention, stating that 'global warming may be associated with an increasing frequency of extreme weather conditions that could have a significant impact on the environment and the quality of human life'. In March 2007 the company embarked on an Energy Excellence Program, aiming to improve energy efficiency and hence reduce carbon emissions.

BHP Billiton recognizes that responsible action in reducing greenhouse gas emissions is a means by which the company can 'earn the respect of the communities in which we operate and attract and retain employees'.⁸ By this statement, the company is recognizing the importance of being at least perceived to be a global citizen in terms of caring for the environment. Few other companies overtly make this link, though few other Australian companies impact on communities and seek specialized skilled employees in competition as does BHP Billiton. As the scramble for skilled employees becomes more intense and the link between greenhouse gas emissions and environmental catastrophe solidifies, companies may follow BHP Billiton's lead. They may become increasingly more overt in a genuine attempt to gain environmental credentials in the eyes of their employees and the communities in which they operate. Otherwise they will lose competitiveness in doing business.

Continued over page

A high level of environmental change implies that there will be a widespread level of depression that may be labeled 'solastalgia', or sadness caused by environmental change. This solastalgia may stretch over generations and its extent dictated by the ability of the world to combat climate change.

Professor Garnaut's projections are that the likelihood of the environment to inflict harm due to human induced instability will increase, and hence become more apparent. This will occur in the near future. It may be anticipated that as this occurs consideration for the environment will rapidly become more representative in decision-making. One consequence is that organisations will be more likely to attract customers, community support and employee loyalty as they demonstrate a positive orientation towards preserving the natural environment.

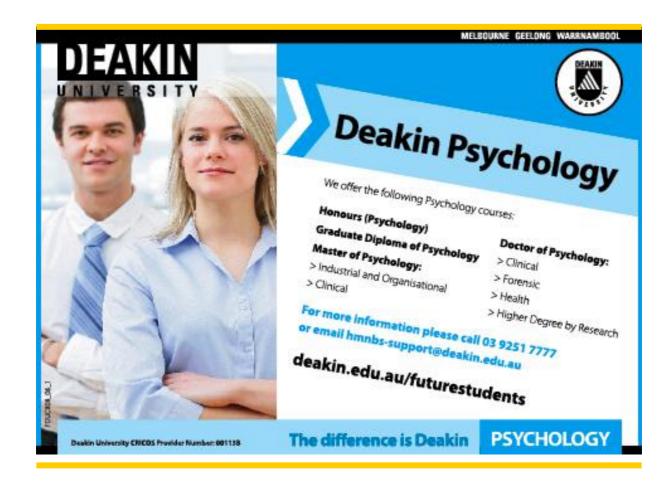
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Leadership Levels: Assessing Development

Needs

Warwick Graco



he following paper provides a description of leadership levels. These levels are based on historical examples and provide a theoretical schema for determining the effectiveness of a person's leadership. This schema suggests that leaders can be categorized in a hierarchy ranging from dysfunctional through to supraconscious or spiritual in development. Each category has certain personality traits and behaviours that distinguish leaders at that level. Leaders at the top of the hierarchy are considered to be very ineffective while those at the bottom are seen as having a profound effect on those they lead. The levels are

shown in Table 1 below.

Levels

According to this schema dysfunctional leaders are those who, because of their personality flaws (Burke 2006a, 2006b; Hogan & Hogan 2001), are very destructive and unproductive. They include those who have oscillating temperaments, who suffer from obsessivecompulsory tendencies; who are psychopathic; who are excessively narcissistic; who have serious character defects; who are overly perfectionist or who lack emotional sensitivity.

An example of such a leader was

Adolf Hitler (Bullock1962, Langer 1972, Shirer 1961). He was a political demagogue and opportunist who ruthlessly exploited the weaknesses of opponents and took advantage of favourable circumstances that arose in international politics. Despite his initial political and military successes, his rigidity and indecisiveness and his refusal to face reality soon led to disasters on the battlefield and ultimately ruin for Germany. He clashed with his generals over strategy and he sacked all but a few who stood up to him. He had poor judgment and made the strategic mistake of trying to take on the combined might of the USA and the Soviet Union at the same time. He refused to yield ground on the battlefield and did

Table 1. Leadership Levels

Level	Description
Dysfunctional	Destructive and unproductive leaders – they have serious personality flaws
Marginal	Strugglers with poor people and/or task skills
Satisfactory	Adequate, solid and reliable leaders
Effective	Ambitious, proficient and achieving leaders
Inspirational	Passionate, galvanizing and motivating leaders
Exceptional	Humble and modest leaders who lack ambition for themselves but have plenty of ambition for the tasks they do
Supra-conscious	Spiritual, mystical, egoless and altruistic leaders

not allow his generals to exercise their judgment when the operational situation deteriorated. This accelerated the decline of Germany's fortunes in the war. Hitler left a trail of death and destruction that has been well documented.

The reasons for Hitler's dysfunctional performance lay with his personality. He was emotionally disturbed and neurotic. He had authoritarian tendencies, was superstitious and prone to flights of fantasy and exhibited wild mood swings. He also suffered from poor sleep patterns, had toilet problems and often had a poor appetite. He did not enjoy normal sexual relations with women. He was without moral scruples and was cruel, vindictive and vengeful as shown by his treatment

of Jews, gypsies and other ethnic minorities.

Leaders who are dysfunctional have many morale and performance problems with those they lead. They are easy to identify.

Marginal leaders have poor people and/or task skills. They do not know how to relate effectively to people and win

their confidence and/or they do not how to work through them to accomplish tasks. They usually have leadership style problems in that they are too task-oriented or too people-oriented and are unable to achieve an appropriate balance with sea dog who won many battles by these dual requirements (Zaccaro & Banks 2004).

Satisfactory leaders are those that can be relied upon to complete assigned tasks. They are reliable and trustworthy and do their work to acceptable standards. In contrast,

effective leaders are those who stamp their personality on issues and achieve high standards. They are above average performers with plenty of drive and ambition. Many are promoted to senior ranks in organizations.

Inspiring leaders are those who are passionate, dynamic and rousing and are able to pull off remarkable leadership feats. They have a number of distinctive attributes including that they lead by example, many are brash and conceited and most are noted for their dash, drive and daring. All convey deep convictions and certainty in the cause being

pursued and all are able to pluck victory from the jaws of defeat. They do this by bold, decisive leadership. Elite Leadership Supra-Conscious Leadership Few In Numbers Exceptional Leadership Inspirational Leadership Effective Leadership Satisfactory Leadership High In Numbers Marginal Leadership Dysfunctional Leadership

> There are many examples of inspiring leadership including obvious examples such as Vice Admiral Horatio Nelson (Coleman 2004, Hibbert 1994, Knight 2005) the flamboyant and famous British Navy his courageous and intrepid leadership with the Battle of Trafalgar being his most famous victory. A second example is Prime Minister Winston Churchill (Lukacs 2002, Jenkins 2001) who epitomized British Bulldog determination and who led Britain through her darkest

hours during the Battle of Britain. A third example is President Franklin Delano Roosevelt (Black 2005, Smith 2007, Winkler 2006) who led the USA out of the world-wide depression and who roused his citizens from their sleep and filled them with a vengeful resolve following the Japanese attack on Pearl Harbor in December 1941.

Exceptional leaders have a level of proficiency above inspiring leaders. They have two distinctive attributes that Collins and associates (2001a, 2001b) found characteristic of what they called Type 5 leaders. These are described as Abraham Lincoln leaders in that they are very selfless and very humble, lack ambition for themselves but have very high ambition for the business or enterprise.

> This leadership is summed up by the equation: Type 5 = Professional Will + Personal Humility

These leaders differ from inspiring leaders by not being pushy, arrogant, loud, rash and impatient and by their not seeking publicity and recognition as their more flamboyant and inspiring peers tend to. They are just as resolute, determined and tenacious as inspiring leaders in their pursuit of objectives. They have a profound effect on those they lead because of their humility and their ability to win

the trust and support of those they lead. Their subordinates follow them because of their selfless leadership.

An example of an exceptional leader was Abraham Lincoln (Donald 1995, McPherson 1992) widely regarded as the USA's greatest president and who led the North through the difficult, challenging and trying US Civil War 1861-1865 and kept his nation united and emancipated slaves. Other examples include General Ulysses S. Grant Lincoln's land commander (Marshall-Cornwall 1970, Smith 2001) who was also a decent, humble but very determined officer who won a string of victories against his southern foes and Field Marshal William Slim (Lewin 1976, Lyman 2004) who converted a ragtag collection of soldiers into the famous British 14th Army of Burma fame. Slim was a soldier's soldier who was down-to-earth, affable, indefatigable and practical. He was keen, modest, intelligent, broadminded, fair, imperturbable and firm of purpose.

Supra-conscious leaders include those who have achieved advanced stages of spiritual and psychological development. These leaders were researched by Sorokin (1954). He referred to these leaders as supraconscious individuals. Examples include Moses, Buddha, Jesus, Mohammed, Gandhi and the African missionary and medical practitioner Albert Schweitzer. These leaders have complete humility and have unbounded, limitless love. They believe they are instruments of divine will; they are seekers of the truth and wisdom; and they are noted for their charity and their service to their fellow human beings. They respect and cherish life; they are not interested in money and other material necessities. Many are hermits and ascetics. They spread the message of love rather than hate. These leaders tend to leave an enormous and long lasting impression on society.

Elite Leaders

Leaders at the inspirational level and higher are described as elite leaders. They are few in numbers and they perform at higher levels than most leaders. The distribution of leaders suggests a flat base which consists of dysfunctional leaders while there is a bulge in the middle containing marginal and satisfactory leaders. The triangle-shaped peak has effective and elite leaders.

The Diagram on the previous page outlines the expected distribution of Leaders with a bulge in the middle layers.

Major Discriminators

The key attributes that are believed to discriminate each leadership level are listed in Table 2. These are considered to be the attributes that best describe each type of leader. They would have to be confirmed by further research. They are based on attributes of known leaders such as those described above.

Conclusion

The above leadership levels model provides organizations with a schema for assessing where their managers lie in their development and what they require in the form of training and experience to im-

prove their leadership.

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Table 2. Major Discriminators of Leadership Levels

Level	Description
Dysfunctional	Disturbed (i.e. major personality defects evident)
Marginal	Deficient (i.e. in leadership skills and styles)
Satisfactory	Dependable (i.e. steady and reliable)
Effective	Proficient (i.e. skilled and adept)
Inspirational	Passionate (i.e. rousing and motivating)
Exceptional	Humble (i.e. modest and unassuming)
Supra-conscious	Altruistic (i.e. humane and selfless)

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8th Industrial & Organisational Psychology Conference 25 - 28 June 2009

Meeting the Future: Promoting Sustainable Organisational Growth
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The Call for Submission for papers to be presented at the Conference is now open.





Gender Differences Between Australian Executives and Managers

Peter Berry I Shayne Nealon I Kim Pluess

Hogan Assessment Systems Background Information

Hogan Assessment Systems has three primary inventories as outlined below.

The Hogan Personality Inventory (HPI)

The HPI is an inventory of normal personality, based on the Five Factor Model, developed with employed adults, and designed to predict career success. The HPI has been used to study over 450 jobs across 40 countries, and rests on an archival database of over 3.5 million cases (Hogan, Hogan & Warrenfeltz, 2007).

Scale Name	Definition
Adjustment	Resiliency: Stress tolerance, composure, and outlook
Ambition	Leader-like tendencies: expectations for self/others, initiative, and self assuredness
Sociability	Extraversion: social pro-activity & presence
Interpersonal Sensibility	Communication style: diplomatic vs. direct
Prudence	Conscientiousness: attention to detail, process focus, and following rules
Inquisitive	Decision-making/problem-solving approach: strategic vs. pragmatic
Learning Approach	Learning style: "traditional" and continuous vs. hands-on and just-in-time

The Hogan Development Survey (HDS)

The HDS refers to peoples' interpersonal style when strengths become weaknesses in times of frustration. The HDS is the result of years of Hogan research on leadership, and is designed to assess characteristics associated with managerial derailment and leadership dysfunction.

Table Two: HDS Scale Definitions

Scale Name	High scores are prone to crossing the libeing	ine fromand seeming
Excitable	Intense & energetic	Moody & prone to overreacting
Sceptical	Perceptive & shrewd	Cynical & mistrustful
Cautious	Careful & thorough	Extremely reluctant to take risks
Reserved	Independent & businesslike	Stoic & disconnected
Leisurely	Cooperative & agreeable	Covertly resistant & insincere
Bold	Confident & assertive	Stubborn, arrogant, & smug
Mischievous	Charming & jocular	Irreverent & untrustworthy
Colourful	Outgoing & animated	"Showboating" & overwhelming
Imaginative	Innovative & creative	Off-the-wall & unrealistic
Diligent	Detail oriented & hardworking	Perfectionist & demanding
Dutiful	Supportive & loyal	Ingratiating & deferential

The Motives Values Preferences Inventory (The MVPI)

The MVPI refers to core values. There are good values and bad values: charity, honesty, and fairness are good values; greed and selfishness are bad values

Table Three: MVPI Scale Definitions

Scale Name	Definition
Recognition	Public acknowledgement and "pats on the back"
Power	Being in charge and being perceived as influential
Hedonism	Fun, lighthearted, and open-minded work environments
Altruistic	Actively helping others and providing excellent customer service
Affiliation	Networking, building relationships, belonging to work group
Tradition	Conservative org. cultures and personal-workplace values match
Security	Secure, predictable, and risk-free work environments
Commerce	Making and saving money and involvement in org. finances
Aesthetics	Focusing on quality and product "look & feel"
Science	Analytic problem solving and working with technology

The HPI, HDS, and MPVI provide ance (Hogan, Hogan & Warrenfeltz, The key to personality is self awarewell-validated and technically sound 2007) measures of personality and values. Hogan has tested executives and senior leaders from major corporations all over the world using these inventories and we have a great deal of statistical data to support the claim that personality drives leadership style, and leadership style drives business unit perform-

Our definition of leadership is 'best in industry performance, achieved by a highly motivated team'. The function of leadership is to set goals and direction and to give meaning and motivation to people to inspire the achievement of the vision. Leadership is a function of personality rather than organisational status.

ness, self management and relationship management. As Bob Hogan says, "It's about getting along, to get ahead". The purpose of leadership is then to work both "in" and "on" the business so we are achieving continuous improvement and strategic success. (Berry, 2007)

	HPI	HDS	MVPI
Female Executive	77	75	73
Male Executive	150	140	133
Female Manager	160	130	137
Male Manager	385	166	206
TOTAL	772	511	549

Differences between Female and Male Executives and Managers

On the key issue of strategic drive, Females scored higher than males on Ambition, Bold, Mischievous, Colourful and Imaginative. They will be more confident, competitive, visionary and have a stronger presence. Female and Male Executives scored the same on Power, which is a key indicator of goal orientation and career assertiveness. This is key in understanding how they reached executive level in the first place. The one category which the Male Executives scored higher is Commerce, an interest in financial matters, revenue and profits. For Management level however, the Males scored higher on both Power and Commerce indicating that for Female Managers to progress to Executives, they may have to compensate for the lower power score by being more assertive and strategic around career management.

Males measured success in financial terms. Females are driven by motivations other than money. Overall, Females have a stronger personality type for the role of a Senior Executive.

For **risk taking** the scores for Prudence and Dutiful are very close for the Female and Male Executives and Female and Male Managers. For the Managers though, Diligent was an added scale where they scored

higher than Executives. Female Executives scored lower on Diligent, Cautious and Security compared to their male counterparts whereas as the Female Managers scored lower on Security and Cautious only. This pattern indicates that Females overall, in particular at the Executive level, will be more inclined to chance their arm with their ideas and passions. They will challenge the status quo and will take pleasure in improving or growing a business. Risk taking is important if organisations want success in change management, strategic goals attainment, culture change and innovation.

In **people skills**, Females have scored higher in Sociability, Interpersonal Sensitivity, Affiliation and significantly lower on Reserved. These scores create a clear pattern of Females having stronger People Skills. Females need and enjoy companionship, will be more diplomatic and thoughtful in their relationships, will care about people and have a strong sense around the importance of teams, networks and communities. The lower scores for the Males show that they will be more task-focused and have a pref-

abrasive, cold, distant and insensitive, however they will be more inclined than Females to tackle poor performers and get involved in conflict.

Females will have an edge in building emotional connections, trust and loyalty with others. For organisations that want to be an employer of choice where employees feel valued and morale is high, the Females have an advantage over the Males. This will help organisations in the attraction and retention of talent. For organisations that are serious about building a customer focus culture with clients, Females are ahead of Males. For organisations using a Balanced Score Card philosophy, Males are stronger around the financial metrics, while Females are superior in the nonfinancial measures.

Emotional stability is measured by Adjustment and Excitability. Differences in scores are very minor. Both Males and Females will present equally as having composure and some healthy anxiety. They will be emotionally mature, focused, attentive and energised.

Females overall, in particular at the Executive level, will be more inclined to chance their arm with their ideas and passions. They will challenge the status quo and will take pleasure in improving or growing a business

erence with getting on with the job without being bothered with some of the people issues. Sometimes the Males may present as blunt,

For the MVPI profiles, Females Executives and Managers differ significantly from Males mainly in Aesthetics and Altruistic. They are more concerned with creative/artistic expression, quality, look touch and feel and how their organisation can help others and make a difference to stakeholders and communities. Only the Female Executives scored significantly higher on Recognition; they place a higher premium on fame, visibility and publicity. On the other hand, the Males are more concerned with functionality, using their core expertise and getting on with the job and scored significantly higher on Commerce and Science. Overall, Females have achieved higher scores in this profile, suggesting that they are looking to get a lot out of their lives and careers. It also suggests that Females are more driven by values than men

Innovation has been one of the buzz words in business for several years. Females again present better in the profiles. They have scored higher on Aesthetics, Learning Approach, Ambition, Mischievous and Imaginative. They have scored lower on Security and Cau-

tious. This combination suggests that they will be creative, visionary, competitive, well-read and up to date, matched with a propensity to take a chance. They will be more stimulated by opportunities to think outside the square and drive new services/products and new markets.

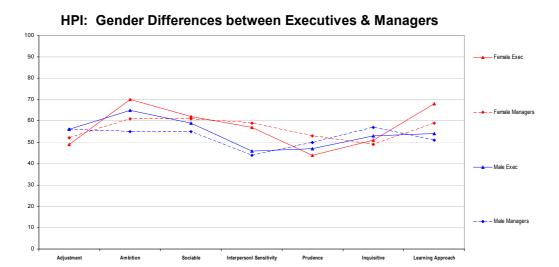
Control and command has been the hierarchical basis of scientific management for the last 100 years (Drucker, P., 1994). Males have won the battle for this title. They have poorer people skills because they put their energy into organisational performance. They are task focused and more comfortable with getting the job done rather than bothering too much with relationships. Their lower scores for strategic drive and innovation means they will be working more "in" the business than "on" the business. Males are more comfortable

with hierarchies, titles, silos and processes. The Male Managers in particular scored higher on Power which shows that they like to be in control and are capable of being assertive, even aggressive.

Males believe that **bottom line dollars** is the only game in town. Their higher Commerce score shows that their key motive and preference in life is around revenue, budgets and profit. At work and at home, they will be driven by financial opportunities. While Females have other motivations for putting in the long hours, Males are focussed on dollars.

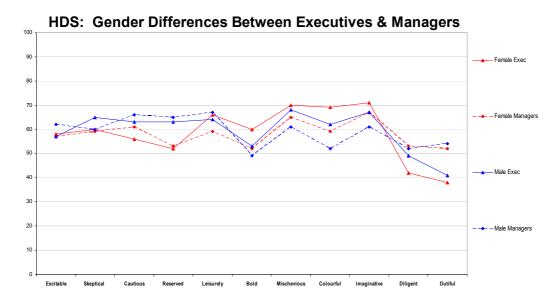
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HPI



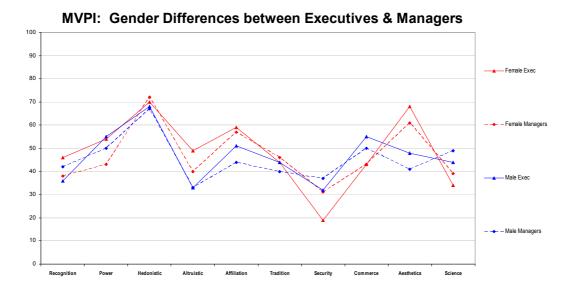
Executive Statistically Significant finding at p<.05 – Interpersonal Sensitivity, Learning Approach Manager Statistically Significant finding at p<.05 – Ambition, Sociable, Interpersonal Sensitivity, Inquisitive, Learning Approach

HDS



Executive Statistically Significant finding at p<.05 – Reserved, Bold, Colourful Manager Statistically Significant finding at p<.05 – Reserved, Leisurely, Imaginative

MVPI



Executive Statistically Significant finding at p<.05 - Recognition, Altruistic, Affiliation, Security, Commerce, Aesthetics, Science

Leadership Values and Implications for the Company Culture

The values of the CEO and the Ex-

ecutive team will have a great impact on the culture of the organisation. It will be important to understand the culture so that people have awareness and enjoyment around the key values and behavprovide some clues on different cultures. (Hogan, 2008)

A culture characterised by high Power is aggressive, competitive, and results oriented. It keeps track of its performance vis-à-vis the competition, it sets ambitious goals for itself, it minimises wasted moiours. The following three examples tion, meetings, and pointless discussions, and evaluates itself on what it is able to accomplish.

The heroes of the organisation will be those who have contributed the most in a substantive, measurable way. The pariahs will be the lazy and/or ineffectual.

A high Affiliation culture is one with a near compulsion for social interaction. The official and unofficial practices and procedures will be designed to maximise social contact. This includes calling lots of scheduled and unscheduled meetings, frequent communication within and between units and organising the office space so as to encourage interaction. The heroes of the organisation will be those who are most popular; the pariahs will be the loners.

A high Commercial culture will emphasise profitability and cost containment. The heroes of the culture will be "rain makers" - persons who raise money and develop business - and people who devise new and effective methods for reducing costs. There will be a constant, relentless focus on the "bottom line", sometimes over the short run and possibly at the expense of the long term. The heroes of the organisation will be those who generate revenues and cut costs; the pariahs will be the spendthrifts.

Conclusions

Females have a stronger leadership profile than Males. They have more strategic drive, risk taking, people skills, values and innovation in their DNA. Males, on the other hand, are ahead on control and command and bottom line dollars

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Successful leadership can be defined as 'best in industry organisational performance, achieved by a highly motivated team'. Therefore the purpose of leadership is to create vision, purpose, passion and energy from people to deliver the goals. Leadership is a function of personality. Personality profiling can add value in understanding self and teams and building productive relationships with stakeholders to outperform others.

For Female managers looking to progress to an executive position, they may need to compensate for the lower Power score. This can be done by setting clear stretch goals every year around career advancement, networking and opportunities for self display.

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Discrepancies Between Research & Practice in HR

Di Lissner

n interesting debate has been published in Academy of Management Journal, 2007 that may be of interest to Organisational Psychologists here in Australia. It involves the difference between the views held by researchers vs practitioners regarding the key focal areas in Human Resources Management.

In order to identify the key findings of research in the HR arena, Rynes et al (2007) surveyed "HR Research" experts, namely the editorial board of 4 academic journals: Personnel Psychology, The Journal of Applied Psychology, the Academy of Management Journal, and Human Resource Management. Eighty-five board members responded to the question:

What are the findings from Human Resource research that all practicing managers should know? Results were collated and classified as:

- General mental ability is the strongest, or one of the strongest, predictors of performance
- Setting goals and providing feedback is a highly effective motivational practice
- HR practices are important to organisational outcomes
- Structured interviews are more valid that unstructured ones
- Valid selection processes are very important to performance outcomes
- Personality is related to performance

Rynes et al (2007) then reviewed the HR Practitioner literature for

coverage of these topics, and found it wanting. Cascio (2007) explains why. In a nutshell, the 6 findings listed by Rynes et al (2007) as a result of surveying academics editors are, in fact, not topical as far as practitioners are concerned. For example:

- 1. A presentation of survey results to the Academy of Management in 2006 identified the top 5 research needs of HR executives to be:
- executive compensation
- compensation and benefits
- development of special skills
- leadership development
- outsourcing
- 2. A survey of 1,232 HR practitioners in the US in 2006 identified top trends in HR Management in the US

(Schramm, 2006). They include

- Increased outsourcing of jobs to other countries
- increased demand for work life balance
- retirement of large numbers of baby boomers
- new attitudes to aging and retirement as baby boomers retire
- increase in identity theft
- vulnerability of technology to attack or disaster
- work intensification as employers try to increase productivity with

fewer employees

3. A more recent study commissioned by the Society for Human Resource Management Foundation in the United States to identify current and emerging human capital issues identified the emergence of the following key themes (SHRM 2007-2008 Workplace Trends List)

Table 1. Key research outcomes vs key practitioner concerns 2006-2007

Key RESEARCH Findings	Key PRACTITIONER Concerns			
(not ranked)	(not ranked)			
Research Experts 2007	HR Vice Presidents 2006	Survey HR Practitioners 2006	Society for HR Management 2007	
General Mental Ability is strong predictor of performance	executive compensa- tion	work life balance	metrics to assess ef- fectiveness of HR and OD initiatives	
Setting goals and providing feedback is strong motivator of performance	compensation and benefits	vulnerability of IT sys- tems to attack or dis- aster	HR technology and social networking: legal implications	
HR practices are important to organisational outcomes	outsourcing	outsourcing jobs over- seas	globalisation and inte- grating markets: impli- cations for talent man- agement	
Structured interviews are more valid that unstructured ones	development of spe- cial skills	increase in identity theft	executive compensa- tion: transparency and compliance	
Valid selection processes are very important to performance outcomes	leadership develop- ment	retirement baby boom- ers in large numbers	specialised develop- ment linked or organ- isational capability	
Personality is related to per- formance		work intensification, increase in productivity and downsizing	health care manage- ment and cost	
		new attitudes to aging & retirement	talent management: retention in a skills shortage environment	
			diversity, demographic changes and implica- tions for organisational strategy	
			ethics and corporate social responsibility	

- the importance of globalisation and integrating markets
- demographic change and its impact on diversity and labour availability
- increased health care costs and insurance costs
- skills shortages and implications for talent management
- importance of ethics and corporate social responsibility
- influence of new technologies, especially social networking and HR technologies
- a greater reliance on metrics

The results of each study are of value when viewed in independently. The differences in findings as a function of academic vs practitioner respondent are also of interest. While there are some definite synergies between academic editorial staff's views of key research areas, and practitioner concerns (e.g. the importance of metrics), there are a

number of definite gaps.

The apparent gap between research findings and HR managers' current concerns can, of course, be partly explained by the time lag between research, publication and, most importantly, the replication and consolidation of research findings. This poses a continual challenge to our academics to keep abreast of the changing marketplace in which Organisational Psychologists do business. The importance of our practitioners and academics maintaining open lines of communication, and working together to deliver organisational psychology services that are topical and rigorously validated cannot be overstated.

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Compliance and Change: What not to do!

Compliance can force any organisation to change. But, to fully realise the benefits of the improvements, the change in organisational culture must be controlled. By failing to do so, once the impetus of compliance is over, can an organisation retain the benefits of compliance change? For an Australian bank, the answer is slowly becoming no.

By 2005, the major banks were scrambling to meet the first major compliance hurdles. In an effort to fully prepare for compliance requirements, one Australian Bank created a new fully dedicated compliance unit. Almost all permanent positions and contracts were staffed by people from the Big Four Accounting Firms. Cultural change was the last thing on their mind. However, the cultural impact of massive enterprise wide compliance was undeniable. The result was a new, highly influential and powerful compliance unit with its own culture, similar to the project based, transient culture of an Accounting firm and distinct from the bank's own culture. A psychological contract between the Senior Management and the staff of the compliance unit was drawn up. Staff would be provided with important, challenging work and the stability of working in a large bank with internal mobility. In return, Senior Management expected intelligent, dedicated work.

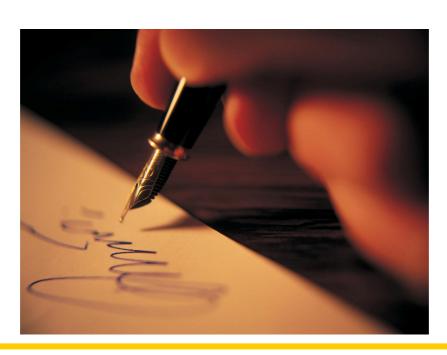
The violation of the psychological contract occurred when compliance requirements were lessened for the Bank. The work was no longer challenging or as important. Senior Management were facing several conflicting issues. Executive Management still wanted to retain the valuable management information generated by the compliance team. However, experienced staff were leaving in droves. Facing a similar decline in work, Senior Management were themselves contemplating other job opportunities. The solution adopted by Senior Management was to recruit heavily to fill the gaps. Unfortunately, newly recruited staff were sold the same promises from the prior psychological contract. The net effect, was a new team with energetic staff with very little commitment to the work or the unit. With increasing staff turnover slowly reaching Senior Management levels, Executive Management faces the eventuating possibility of a hollow business unit.

The entire issue resolves around the knee -jerk reaction to change when a real cultural change was required. By recruiting heavily from the Big Four Accounting Firms, the culture of transient staff was brought into the Bank. The benefits of the compliance change is in the attitudes, beliefs and practices of the staff. By not managing the culture of the new unit, the Bank has lost an opportunity to develop a valuable business unit.

Bobby Koh (Bobby can be contacted via the Editor at rosemark@primusonline.com.au We would be like to invite readers to participate in the development and growth of *Illuminations*.

Please share with us any issues and insights, responses to published articles, and suggestions for publication.

Please forward any of the above to the Editor Rosie McMahon at rosemark@primusonline.com.au



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