The Effects of Social Power Bases Within Varying Organizational Cultures

Ayanna Cummings

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THE EFFECTS OF SOCIAL POWER BASES WITHIN VARYING ORGANIZATIONAL CULTURES

by

AYANNA R. CUMMINGS

A Dissertation Submitted to the Graduate Faculty in Psychology in partial fulfillment of the requirements for the degree of Doctor of Philosophy,
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The Effects of Social Power Bases within Varying Organizational Cultures

by

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This manuscript has been read and accepted for the Graduate Faculty in Psychology to satisfy the dissertation requirement for the degree of Doctor of Philosophy.

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Abstract

The Effects of Social Power Bases within Varying Organizational Cultures

by

Ayanna R. Cummings

Advisor: Harold Goldstein, PhD

This study focuses on social power in the context of organizational culture and how this relationship impacts outcomes of follower compliance and trust. Power is the ability to direct or influence the behavior of others or a course of events (Handgraaf, et al., 2008). There are six different types of social power, including informational, referent, legitimate, coercive, rewarding, and expert (Fontaine & Beerman, 1977). Each type of social power may lead to varying psychological outcomes, such as compliance, satisfaction, and agreement. To date, the empirical literature has not fully addressed the issue of whether one type of power is more effective than the others in different organizational cultural contexts. This study examined the effectiveness of four types of social power in varying organizational cultural contexts for eliciting follower compliance and trust (Tharp, 2009). The methodology employed videos which manipulated the types of power and culture to examine their impact on followers. Followers were asked to what extent they would comply with the leader and how much they trusted the leader. None of the findings for MANOVA, ANOVA and T-tests were statistically significant. Coercive power in hierarchical culture demonstrated higher compliance and trust outcome means, but reward power within an adhocracy culture demonstrated lower compliance and trust outcome means.

Results are discussed in terms of potential confounders, possible attributional influences, and the implications for organizational outcomes of compliance and trust.
Acknowledgements

I wish to thank my dear mother, whose tireless encouragement, support, and motivation inspire me each day to continue striving for my own excellence in all that I do. She is my biggest cheerleader, without whom I do not know whether I would have accomplished this monumental goal I set for myself. Secondly, I wish to thank Harold Goldstein and my Dissertation Committee, Charles Scherbaum, Karen Lyness, Charles Moses, and Loren Naidoo, whose support and feedback made this paper ready for submission. Without their encouragement and approval I would not have come this far. Thank you to my dear Aunt Ruby, who will celebrate her 95th birthday in January, 2018, only a few months! Congratulations to both of us are an order, Aunt Ruby! My grandmother is smiling down on me now, and I hope you know how much I love and appreciate all that you are and the spirit that lives in you. You are the strength of our family, and we love you dearly. Thank you for your constant prayers, without ceasing. Finally, I thank my Heavenly Father, whose grace and mercy saw me through the best and worst days. When I look back at it all, I remember all the goodness and joy I feel right this very moment, and that is sufficient.
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CHAPTER 1: Introduction

This study focuses on social power in the context of organizational culture and how this relationship impacts outcomes of follower compliance and trust. Power is the ability to direct or influence the behavior of others or a course of events (Handgraaf, et al., 2008). There are six different types of social power, including informational, referent, legitimate, coercive, rewarding, and expert (Fontaine & Beerman, 1977). Each type of social power may lead to varying psychological outcomes, such as compliance, satisfaction, and agreement. Attributions for why compliance and commitment behaviors arise include “attempts to avoid punishment, gain rewards or approval, please a positive reference person, rely on convincing information, or merely to carry out orders given by a legitimate authority or an expert,” (Alanazi & Rodrigues, 2003; Rodrigues, 1995).

To date, the empirical literature has not addressed the issue of whether one type of power is more effective than the others in different organizational cultural contexts. The present research will examine the effectiveness of four types of social power in varying organizational cultural contexts for eliciting follower compliance and trust. The organizational contexts that will be investigated include hierarchy and adhocracy cultural environments (Tharp, 2009). The methodology will employ videos which manipulate the types of power and culture to examine their impact on followers. Followers will be asked to what extent they want to follow the leader (i.e., compliance) and how much they trust the leader.

In this study, I will examine the interaction effects between power and culture on follower outcomes. A leader has the option to exercise power in a number of ways, and this functions within the context of organizational culture to impact whether followers will be committed to the organization and comply with the leader’s requests. Thus, the organizational cultural context is predicted to largely determine how power will operate. In summary, the focus of this study will
be on exploring the extent that a leader’s social power interacts with organizational cultural context to differentially determine follower outcomes. A figure depicting this prediction for four of the power bases is presented in Figure 1 located in Appendix A. The purpose of the present investigation is to assess the effects of four different types of social power within two types of organizational culture (i.e., hierarchy and adhocracy) on the outcomes of follower compliance and trust.

Power is the ability to direct or influence the behavior of others or a course of events (Handgraaf et al., 2008; Raven & French, 1958). Social power, the focus of the present investigation, has six types as defined by French and Raven (1959). These include expert, informational, referent, coercive, reward and legitimate. Expert power arises because of one person’s expertise about a given subject (Spekman, 1979). Informational power brings about a cognitive change in and acceptance by the target and only pertains to specific pieces of information (Raven, 2004). Referent power arises because of a high level of respect or admiration for the leader; the leader is looked up to as a role-model (Raven & French, 1958). Coercive power involves the removal of incentives through punishment, such as demotion, termination, or undesirable work assignments (Raven, 2004). Reward power arises when one has the ability to grant desirable rewards or to remove negative outcomes (Raven & French, 1959). Legitimate power is that which is obtained on the basis of a position and which evokes in followers a sense of obligation, duty, or responsibility to accept the leader’s influence (Raven & French, 1959; Raven, 2004).

Organizational culture can be thought of as comprising the values that leaders try to indoctrinate (Schein, 2010). Cameron and Quinn (1999) developed a typology of organizational culture based on the Competing Values Framework. In this typology, there are four types of
organizational culture, including hierarchy, clan, market and adhocracy (Tharp, 2009). These types represent two levels of a dichotomous continuum, from stability versus flexibility to internal versus external orientation (Schein, 2010). This typology will serve as the basis of the organizational cultural manipulation in the present investigation. Two of the cultural types, hierarchy and adhocracy, will be used in the current study. Hierarchy culture represents stability and internal orientation, whereas adhocracy culture represents flexibility and external orientation. These two cultural types were selected because they represent two extremes of the organizational cultural continuum and this is important in order to give the study “the statistical power to detect real effects if they exist,” (Pelham & Blanton, 2012, p. 246).

The methodology for the present investigation will entail participants watching videos in which the power bases and organizational cultural contexts are manipulated in order to elicit reactions in the participants who will then respond to questions pertaining to their compliance with a fictitious leaders’ request (as depicted in the video) and trust of the leader. Two-hundred forty-six (246) university students will participate in the research for course credit.

Results are expected to reveal that expert and referent power within an adhocracy culture yield the highest compliance and trust, whereas coercive power within an adhocracy culture will yield the lowest levels of these variable, and these results are expected due to the fit of power with organizational culture. Shetty (1978) noted that expert power is more likely to yield compliance, and Mosaic Projects (2014) notes that the people-oriented soft power bases of expert and referent power are better aligned with adhocratic cultural environments which embrace people-oriented operating principles and ideals.

Results will be discussed in terms of leaders’ usage of power in varying organizational cultures and the impact of this interaction on follower outcomes of compliance and trust.
Next, I will review the literature on leader power, organizational culture, and the interaction effects between organizational culture and leaders’ use of social power.

**CHAPTER 2: Power**

Power is the ability to direct or influence the behavior of others or a course of events (Handgraaf, et al., 2008; Raven & French, 1958). Cobb (1984) stresses that three aspects must be present in discussions of the definition of power – that is, an agent, or powerholder, a target, or follower/powerless individual, and a situational context or arena of action, such as the formal or informal organization. Max Weber proposed that power is “the probability that one actor within a social relationship will be in a position to carry out his own will despite resistance, regardless of the basis on which this probability rests,” (Zafirovski, 2001, p. 100). This definition implies that a certain degree of hegemony will impact whether the powerholder is able to gain compliance from the powerless. This hegemonic view is prevalent in bureaucratic organizations in which leaders possess the positional authority to direct the behavior of followers, the resistance to which might be met with severe punitive consequences (Zafirovski, 2001). Thus, the organizational cultural context largely determines how power will operate. This aspect of contextual influence on power will be the focus of the present study. For example, one of the hypotheses of the present investigation is that in a hierarchical environment an expert form of power would tend not to be as effective as a coercive form of power due to the context within which the power is operating, since followers may be more likely to respond to coercion in a hierarchy where there is heightened structure and rigidity.

It can be argued that leadership implies power (Bal et al., 2008; Gabel, 2012; Giessner & Schubert, 2007; Kessler, 2010). Power may vary depending upon the status of the leader within the organization, gender, or other factors. Also, possessing power might make one less
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responsive to persuasive messages and less attentive, with this effect mediated by confidence (Min & Kim, 2013). Powerlessness might make one susceptible to a sense of social responsibility and charity from others, such that persons with power may be more altruistic toward those who lack it (Dijk & Vermunt, 2000; Handgraaf, et al., 2008).

Hollander and Offerman (1990) point out that “leadership clearly depends on responsive followers,” (p.179). Without the followers’ perceptions of the leaders’ power, it is impossible to know whether the exercise of such was effective or ineffective. Hollander and Offermann (1990) also point out the crucial role that organizational culture and climate play in the leaders’ ability to exercise influence over followers using a particular leadership style. This aspect of power, how it interacts with organizational culture to determine the leaders’ outcomes, will be the main focus of the present investigation.

To examine social power bases in the context of organizational culture, we must understand that power is similar to other related concepts which may be operating in the same environment simultaneously, including authority, influence and control. The tendency to confuse power with authority compromises the integrity of such institutions as public educational institutions (Mitchell & Spady, 1983). Power is said to be rooted in the instrumentality and the organization, whereas authority is said to be rooted in the individual actor. The origin of organizational authority is evident in the division of labor, in which each person’s behavior is observed by another person per the organizational pyramid (Katz & Kahn, 1978). This implies that authority reflects position power (Shetty, 1978).

identifies the perceiver as an impression-forming body who is prone to biases in judgment due to lack of attention to specific cues of information (Goodwin, 2003). However, control can be construed as a separate variable from power.

**Models of Social Power**

French and Raven (1959), who are credited with developing the bases of social power that will serve as independent variables in the present investigation, defined power as social influence. Power can be social or personal (Lammers, Stoker, & Stapel, 2009). Power in which one exercises control or influence over other people is referred to as social power. Personal power, on the other hand, is power to do and get what you want, without any influence from others. For the purposes of the present investigation, my focus is on social power. There are six types of social power which are distinct from the concept of leadership in some instances because the power holder may or may not be a leader (Gardner, 1988; Salem et al., 2000).

French and Raven’s typology is not the only formulation for the concept of social power (Henderson, 1981), though it is the focus of the present investigation. Other models of social power include the reciprocal influence model of social power by Keltner, Van Kleef, Chen and Kraus (2008). In the reciprocal influence model of social power, power is derived from advancing the interests of the entire group. The model is “based on evolutionist analyses of human hierarchies, and notions that the capacity for subordinates to form alliances imposes important demands upon those in power, and that power heuristically reduces the likelihood of conflicts within groups,” (Keltner, Van Kleef, Chen & Kraus, 2008, p. 185).

Game theory (Harsanyi, 1962) outlines another model of social power in which social power is defined as the ability of an actor to change to the incentive structures of co-actors to yield results. In the game, one actor might remove options from other actors thereby limiting
their outcomes. The relative costs of actions can also be changed, as can the possibility that a given action will result in a particular outcome (Harsanyi, 1962).

Another model of social power is that of Stewart Clegg (1989). Clegg proposed the circuits of power theory, in which there are three distinct interacting circuits: episodic, dispositional, and facilitative. The circuits operate at the macro and micro levels, two macro and one micro. The episodic circuit is the micro level, whereas the dispositional and facilitative circuits operate at the macro level. All three circuits, albeit independent, interact at “obligatory passage points” that serve as channels to empower or disempower (Clegg, 1989).

Now I will delve into the types of power offered by French and Raven (1959).

**Types of Power**

The social power base model offered by French and Raven (1958) is the most comprehensive and universally studied power base model to date. I will introduce the types of power offered by French and Raven (1958), and provide relevant research related to each power type. These are expert, informational, referent, coercive, reward, and legitimate.

Expert power arises because of one person’s expertise about a given subject. Expert power results from the target’s faith that the powerholder has some superior knowledge that is useful under a given set of circumstances (Raven, 2004), such as an attorney who is sought out to provide legal advice (French & Raven, 1960). This is especially the case in conditions of environmental uncertainty (Spekman, 1979). Environmental uncertainty refers to the degree to which the environment is prone to change or is unpredictable (Menguc, Whitwell, & Uray, 2000). Interestingly, subordinates rated female managers higher than male managers on expert power (Ragins & Sundstrom, 1990), but male psychologists were more likely to use expert power than any of the four power bases combined (Getty & Erchul, 2009). Expert power is
positively related to the Big Five personality trait of agreeableness (Karkoulian, Messarra, & Sidani, 2009).

Expert power can be maintained or enhanced by continually increasing one’s skill set in any given area (Carson, Carson, Knight and Roe, 1995), especially in the situation in which the goal is to empower employees. Expert power base is positively correlated with both organizational commitment and attitudinal compliance (Rahim and Afza, 1993). Meng, He and Luo (2014) corroborated this finding regarding expert power and attitudinal compliance, and further indicate that expert power is positively correlated with behavioral compliance and satisfaction with supervision.

Busch and Wilson (1976) conducted an analysis involving life insurance salespeople and customers’ behavioral intentions to learn more about life insurance. It was found that salespeople high in expert power were more likely to elicit the desired behavioral changes than those low in expert power, referred to as expertise. Furthermore, in comparison to referent power, expert power was a more significant factor in developing trust between salespeople and customers. In another study measuring the purchasing behavior of consumers of life insurance, Taylor and Woodside (1982) found that frequent attempts by the insurance agent to establish expert power was associated with increased buying behavior.

Kudisch et al. (1995) compared the construct of expert power to that of charisma and found it to be a unique and different construct as it relates to predicting subordinate attitudes. Mukherjee, Pinto, and Malhotra (2009) found that the exercise of expert power was more related to voice complaining behavior, which is defined as direct complaining to the organization. West (2009) demonstrated that leader’s display of expert power enhanced the relationship between service, humility and shared vision and affective organizational commitment in a dissertation study of
servant leadership involving members of the United States Navy.

Carson, Carson and Pence (2002) found that expert power was positively related to perceived organizational support, which was measured by Eisenberger’s (1986) instrument. The Eisenberger (1986) questionnaire includes items which ask the employee questions such as whether the organization “strongly considers (the employee’s) goals and values” and whether the organization “cares about (the employee’s) contribution to its well-being,” (p. 12).

Petress (n.d.) indicates that informational power arises because the powerholder possesses some specific knowledge that followers consider essential or desirable. The fact that the target may not understand the reason for this superior knowledge is what distinguishes expert power from informational power, wherein a target may understand the reason behind a piece of information thus putting him or her at an advantage. When an expert delves beyond their area of expertise in attempting to exert expert power over another, the effect backfires and their expert power is diminished (French & Raven, 1960).

Pettigrew (1972) discusses information control during an innovative decision process by a gatekeeper as a source of power. Although not included as one of the original five bases of power in French and Raven’s (1959) typology, informational power is necessary to include as a basis of power for discussion and review in the present investigation.

In Baldwin, Kiviniemi, and Snyder (2009), participants who had received the informational advantage reported a greater sense of interpersonal power than those who had not received the information; this effect was only significant for informational power. A second study created an expectation after the participants received some information that did not have any explicit type of advantage, and the participants receiving this expectation reported more diffuse feelings of power, including informational power, influence, and social or interaction skills (i.e., but not
coercive power) (Baldwin, Kiviniemi, & Snyder, 2009).

The distinction between expert and informational power can be relevant in interpersonal interactions (Baldwin, Kiviniemi, & Snyder, 2009). In such a context, informational power might exist in the form of an expectation held about another person, serving as a source of information which others might not have. On the other hand, expert power, along with formal power and sanction power, was found to be more utilized in crisis situations than in non-crisis situations (Mulder, deJong, Koppelaar, & Verhage, 1986). Bal et al., (2008) indicate that informational power is among the most desirable and leveraged sources of power in an organization. Informational power brings about a cognitive change in and acceptance by the target (Raven, 2004). It occurs independent of the supervisor because the target may not remember why or how this change came about, but nonetheless continues the changed behavior.

The mere mention of the term “coercive” evokes pejorative feelings of hegemony, the use of force to elicit compliance (Lee, 1988; Posner & Vermeule, 2006) and the abuse of power (Sieber, 2007). Coercive power in political systems or bureaucratically-governed institutions is prevalent in the literature (Adler & Borys, 1996; Truman, 1954). Because coercive power creates perceptions of greed, philanthropic gestures can be used to counter these effects (Willer, Youngreen, Troyer, & Lovaglia, 2012). Coercive power is simply the removal of incentives through punishment, such as demotion, termination, or undesirable work assignments (Raven, 2004). Studies suggest that when such punishment is used appropriately, it can result in positive relationships with subordinate performance and satisfaction, but when used inappropriately it can result in negative outcomes (Podsakoff & Schriesheim, 1984). Use of coercive power results in a decreased attraction for the powerholder, which lowers referent power (i.e., a power base in which the follower has a high level of respect or admiration for the leader) (French & Raven,
Coercive power can also be the threat of rejection (Wilson, 2014). Thus, it is to the target’s advantage to hide the fact that they did not comply with the powerholder’s request in order to avoid punishment. Targets of coercive power tend to resent feeling forced, resent the threat of punishment, and dislike the powerholder (Raven, 2004).

In contrast to coercive power, legitimate power is that which is obtained on the basis of a position and which evokes in followers a sense of obligation, duty or responsibility to accept the leader’s influence (Raven & French, 1959, Raven, 2004). Unlike coercive power, legitimate power can arise as the result of a democratic election (Raven & French, 1958) or by appointment of authority figures such as in a bureaucracy (French & Raven, 1960). Zafirovski (2001) notes that power itself attempts to gain legitimation and approval regardless of how it is obtained. It is this form of power, legitimate power, to which Weber referred in terms of the legitimacy of authority (Zafirovski, 2001). Besides legitimate authority, legitimate power can arise from many different sources. Legitimate power can also stem from reciprocity, wherein a target feels an obligation to reciprocate on the basis of what someone has done for him or her (French & Raven, 1960). Legitimate power can arise from equity, wherein a target seeks to compensate for an imbalance of equity that previously existed (French & Raven, 1960). It can also arise from responsibility, meaning a responsibility to help others who cannot help themselves or who are powerless (French & Raven, 1960). Legitimate power can arise from cultural values that the powerholder possesses certain characteristics which grant him or her legitimate power, such as age, intelligence, caste and physical attributes (French & Raven, 1960). Finally, legitimate power can arise from acceptance of the social structure (Raven & French, 1958). Because legitimate power that arises as the result of the appointment of authority contains boundaries or duties within which the powerholder must act, a powerholder who goes beyond those specific
boundaries in attempting to exercise power over a target person are likely to have their legitimate power lessened and be viewed as less attractive, in turn lowering their referent power (French & Raven, 1960). According to Raven and French (1958), legitimate power “involves some value or standard, accepted by the individual, by virtue of which the agent can assert his power,” (p.83).

Hartl, Hofmann, Gangl, Hartner-Tiefenthaler, and Kirchler (2015) conducted an empirical investigation to determine whether tax authority’s legitimate or coercive power would yield compliance behaviors in taxpayers. Results revealed that both coercive and legitimate powers brought about compliance behaviors in taxpayers. This research extends the findings of Hofmann, Gangl, Kirchler, and Stark (2014) who posited that legitimate power increases the “reason-based” trust taxpayers have in tax authorities which eventually leads to their voluntary cooperation with tax paying, essentially a form of compliance behavior.

Meng, He, and Luo (2014) found that legitimate power (among others) was positively related to both attitudinal and behavioral compliance in a study involving research scientists at a UK-based institution using the Compliance with Supervisor’s Wishes scale developed by Rahim (1988). Social power bases were measured using the Rahim Leader Power Inventory.

Schwarzmuller, Brosi, Sporle, and Welpe (2014) conducted three experiments in which they discovered that perceived legitimate power, among other power bases, was enhanced by a leader’s display of anger. This in turn did not enhance the leader’s effectiveness but did serve to decrease loyalty while enhancing deviance towards that leader (Schwarzmuller et al., 2014).

Atwater and Yammarino (1996) found that legitimate power was the most often endorsed power base as perceived by 280 employees reporting to 118 supervisors in 45 organizations. In an experimental design, Raven and French (1958) assessed 56 female undergraduates on
acceptance of legitimate power sources in group exercises. In the group support exercise manipulation, the subjects had to elect a supervisor for an exercise in which they cut out cardboard solids. In the no-support group exercise, the subjects were appointed a supervisor whom they had not elected and were told to perform the same cardboard-cutting exercise. It was expected that subjects in the group support condition would perceive the supervisor as having a legitimate right to her position (i.e., due to the fact that the supervisor had been elected), and that subjects in the no-group support condition would not perceive the supervisor as having a legitimate right to her position. The hypothesis was supported, in that the majority of subjects in the group support condition thought that the elected supervisor should have held this position, whereas only half of the subjects in the no-group support condition thought that the appointed supervisor should have held this position. The more the group members felt the individual would have support from the group, the more they felt she should have been made supervisor. These findings indicate that group support increases the legitimacy with which an individual holds a position. It was also expected that the more group members perceived the supervisor as having a legitimate right to hold an office, the greater the amount of influence she would be able to have over group members. This hypothesis was tested using the subjects’ degree of compliance with an instruction by the supervisor to “slow down” while cutting the cardboard. Results revealed that subjects in the group support condition did comply by slowing down more than subjects in the no-group support condition when instructed to do so. Finally, it was hypothesized that the more subjects perceived the supervisor to have a legitimate right to her position, the greater attraction they would feel towards the supervisor. This hypothesis was also supported.

Reward power arises when one has the ability to grant desirable rewards or to remove
negative outcomes (Raven & French, 1959), for example a raise in pay, a promotion, or special work privileges (Raven, 2004). Reward power can also arise from the personal approval of someone whom the target respects. The exercise of reward power affects the strength of other forms of power when multiple forms are present in a given situation (Gaski, 1986); for instance, the implementation of rewards increases the attraction a target has for a powerholder, thereby increasing the powerholder’s referent power (French & Raven, 1960). It is to the advantage of the target to inform the powerholder that they have complied in order to obtain rewards (Raven, 2004). There is a tendency for targets of reward power to have greater liking for the powerholder and to have greater acceptance of the change that has occurred. When leaders have control or decision-making ability that can affect outcomes such as pay and promotion for subordinates, they are prone to biased judgments (Goodwin, 2003; see also Kipnis, 1976, “metamorphic effects of power”).

Monetary rewards may be more than frivolous incentives. Research suggests that extrinsic rewards can serve to enhance memory (Murayama & Kitagami, 2014). Also, larger hypothetical monetary rewards have greater motivational power (Ostaszewski, Babel, & Swebodzinski, 2013). Furthermore, rewards do not necessarily have to be monetary to be effective. Even handshakes can be rewarding and result in employee motivation (Spitzer, 1996). Carson, Carson, Knight and Roe (1995) also attest that nonmonetary rewards increase quality performance so long as they are “desirable, attainable, and appropriate to the action,” (p. 3).

Reward power, contrasted with the use of coercive power, has also been studied in the context of alliance politics, which is beyond the scope of the present investigation (Izumikawa, 2013).

The display of reward power and the subsequent display of self-reward behaviors was modeled in an experiment conducted by Mischel and Liebert (1967). The experimenters found
that children who had observed a model’s stringent display of reward behaviors acted out more stringent displays of reward when wielding self-rewards in comparison to control subjects.

In comparison to organizational behavior undergraduate participants who were punished, participants who were rewarded perceived that power had been more wisely used, developed more positive attitudes toward the powerholder, and had stronger and more cooperative relationships with the powerholder in an employment context as manipulated by the experimenters (Tjosvold, 1995). Ozcan, Karatas. Caglar, and Polat (2014) found that educational administrators’ use of reward power (among others) led to organizational cultures which were bureaucratic and power-based, rather than success-based. The authors suggested that instead, the use of expert power and charisma should be employed (Ozcan, Karatas. Caglar, & Polat, 2014). Stillman, Baumeister, and DeWall (2007) found that low-power participants laughed more at an interviewer’s jokes when the interviewer controlled the amount of cash they would receive as a monetary reward than in the absence of such incentives.

Both reward and punishment (coercive) power led to exit complaining behaviors in a study involving students in an educational setting (Mukherjee, Pinto, & Malhotra, 2009). An exit complaining behavior is one in which there is no actual complaining; instead, the consumer shifts to other product or service providers and discontinues patronage (Mukherjee, Pinto, & Malhotra, 2009).

On the other hand, referent power arises because of a high level of respect or admiration for the leader. In a referent power situation the leader is looked up to as a role-model (Raven & French, 1958) and the follower seeks to gain the approval of the leader (Green, 1999). Referent power is inherently based on the follower’s trust for the leader (Carson, Carson, Knight, and Roe, 1995). Because a follower is highly attracted to a powerholder in a referent power
situation, he or she also highly identifies with the powerholder (French & Raven, 1960). In the implementation of referent power, the outcomes of organizational commitment, compliance and resistance are possible. Organizational commitment is likely when it is believed that the request made is important to the leader since the follower seeks to gain his or her approval. Compliance is possible, but not as likely as organizational commitment, since the degree of importance to the leader is the factor the subordinate considers. Finally, a leader’s request can be met with resistance if there is a potential that fulfilling the request can bring the leader harm (Green, 1999).

Rahim and Buntzman (1989) found that referent power was positively correlated with satisfaction with supervision. In the Rahim and Buntzman (1989) study, data were collected from 301 American business students who had at least one year of full-time work experience. Meng, He and Luo (2014) corroborated this finding regarding referent power and satisfaction with supervision. Rahim and Afza (1993) found that referent power was positively correlated with four variables: satisfaction with work, organizational commitment, attitudinal compliance and behavioral compliance. In that study, data were collected from 308 American accountants.

The display of referent power (among others) by agents leads consumers to display purchasing behavior (Taylor & Woodside, 1982). In the Taylor and Woodside (1982) investigation, data were collected from three sales agents and 57 consumers. However, Busch and Wilson (1976) demonstrated that eliciting buying attitudes and purchasing behaviors was more likely when expert power was used rather than referent power. But high referent powerholders were perceived as more trustworthy than low referent powerholders (Busch & Wilson, 1976). Referent power was also important in developing identification with the salesperson and a shared identity, as expected (Busch & Wilson, 1976). Although similar to
charisma, referent power (among others) has been shown to be a unique construct (Kudisch, et al., 1995).

The type of power used may depend upon the situation in which it is being employed. Powerholders, also referred to as agents, may go through a cost-benefit analysis to determine which type of power will be most effective in a given situation. This is important because the preferred use of one type of power over another will determine its impact on the outcomes being studied, including compliance and trust. Some situational factors to consider include characteristics of the manager, characteristics of the subordinate, and characteristics of the organization (Shetty, 1978). Informational power is highly desirable but may not be cost-effective in terms of the time investment required to implement it. Coercive power may result in rapid compliance, but it also requires a high amount of surveillance to ensure that the target is indeed complying, results in the target disliking the powerholder and holding ill feelings toward him or her, and may require the powerholder to violate his or her own moral or value system or social norms in order to implement it effectively (Raven, 2004). Referent power, which focuses on the similarity of the target to the powerholder, may undermine the target’s respect for the powerholder’s superior knowledge or expertise and legitimacy of position. Thus, the type of power imposed upon the target could have differential effects, some of which may be negative.

Follower perceptions of leader power are the focus of the present investigation. Using a methodology that employed having followers view videotapes of a powerholder displaying varying power behaviors, such as will be used in the present investigation, Palich and Hom (1992) found that leader power affected perceptions of leader behavior, and that displayed leader behaviors contributed to the development of perceptions of power. Participants include 202 undergraduate senior business students at a large southwestern university. Leader behaviors
were manipulated by having participants view a videotape showing a leader displaying prototypical or non-prototypical behaviors; leader power was manipulated by having participants view a videotape showing leaders display high legitimate and expert power sources or not displaying these power bases. These two factors were crossed so that participants were randomly assigned to one of four conditions: prototypical/high legitimate and expert power; non-prototypical/high legitimate and expert power; non-prototypical/no legitimate and expert power; prototypical/no legitimate and expert power. Perceived prototypical leader behaviors were measured using the Leader Behavior Descriptive Index. Power attributions were measured using the Holzbach Attributed Power Index. General leadership impressions were assessed using the Crownshaw and Lord General Leadership Impression items. Leader behavior manipulations led to perceptions of prototypical leader behaviors, which led to leader impressions; leader power manipulations led to ascriptions of leader power. However, power attributions did not impact global leader impressions.

**Soft vs. Harsh Power Bases**

It is important to note that the power bases can be divided into two factor-analyzed categories, soft and harsh (Koslowsky & Stashevsky, 2005, Mosaic Projects, 2014). The difference is in the measurement of the outcomes. The soft power bases use social or relational outcomes, whereas the harsh power bases use physical and economic outcomes. The three power bases which comprise the soft category are informational, expert and referent. The three power bases which comprise the harsh category are reward, legitimate and coercive. The literature makes this division into the two categories in order to provide some indication into how the power bases perform in empirical analyses. The soft power bases usually have similar impact, just as the harsh power bases do (Koslowsky & Stashevsky, 2005, Mosaic Projects,
According to Mosaic Projects (2014),

“There are two groups of power in the French and Raven model. One group is about the person: expert power and referent power. Most people carry these with them from job to job but a new team may take time to appreciate these abilities – these are most closely associated with leadership and motivation. The other group is about the context: legitimate power, reward power and coercive power which are more job specific (but are available immediately on appointment to a new role). These are more closely associated with management and hierarchy.”

This means that the harsh power bases should be better aligned with hierarchy and the soft power bases should be better aligned with adhocracy. Hierarchical culture aligns with harsh power types because hierarchy, as a term and as a practice, is a hegemonic, controlling force which seeks to dominate. Adhocratic culture, on the other hand, is aligned with soft power types because adhocratic culture is people-centered, flexible and open to external influence. For instance, an adhocracy culture is most likely to embrace the concept of intrapreneurship.

The soft power bases that will be studied are expert and referent power as described above in the Mosaic Project (2014). The harsh power bases that will be explored are coercive and reward power, because the legitimate (i.e., position) power implies hierarchical reign of one member of the organization over another, and this confounds with the hierarchical cultural manipulation for organizational culture.

Outcomes/Implications of Power

There are many implications of power evidenced by findings in the empirical literature related to a leader possessing power. The implications of power are important because they determine what outcomes will manifest from the demonstration of power by leaders or others. That is, power has great impact on many people, including the person who possesses it. The implications tell us what happens when a person displays the use of power in a social setting.
Power may reduce loss aversion by increasing the implicit value of gains and reducing the estimated negative value of losses (Inesi, 2010), increase implicit racial prejudice (Brauer & Bourhis, 2006; Guinote, Willis, & Martellota, 2010), make power holders more likely to ignore ethical social influences (Pitesa & Thau, 2013), make power holders more likely to exert voice (Islam & Zyphur, 2005) and facilitate goal-directed behavior (Slabu & Guinote, 2010). The psychological effects of power on formal leaders may be negative, such that they produce verbal dominance, diminish communication and deteriorate team performance (Tost, Gino & Larrick, 2013). According to Salzwedel (2002), the wielding of power can result in three outcomes for followers. These include organizational commitment when the power holder is well liked, compliance when the followers simply acquiesce because that is the status quo, and resistance when there is contention between the leader and followers. Compliance and trust will be examined as outcomes in the present investigation.

Compliance

There are a number of outcomes of social power, as the foregoing literature review would attest. The two that will be studied in the present investigation are compliance and trust. As mentioned already, the outcomes of compliance and trust have not yet been examined as they pertain to the combination of power and culture per se. They have only been examined as outcomes of power only. Green (1999) suggests that the two power bases which are most likely to elicit compliance are reward and legitimate power. This is somewhat consistent with Shetty (1978), who argued that legitimate and expert power were most likely related to compliance, whereas coercive power was least related to compliance. Marinova (2005) found that innovative roles were negatively and significantly related to compliance behaviors in a study of four hundred organizations.
Shaw and Condelli (1986) did not corroborate the finding in Shetty (1978) that legitimate and expert power were most likely related to compliance. These authors conducted an experiment with 108 undergraduate introductory psychology students to determine what effect compliance outcome and the bases of power have on the powerholder-target relationship. Compliance outcome was a manipulation in a scenario where a target complied with the request of a powerholder and there was either a positive outcome, a negative outcome, or the outcome was unknown. Results revealed no significant main effect between compliance outcome and power base. Results did reveal that positive compliance outcomes impacted the powerholder-target relationship in that they enhanced the powerholder’s future use of power, decreased the necessity of surveillance, made the powerholder more attractive to the target, and increased the target’s private acceptance of the powerholder’s demands. Surveillance is operationalized here as whether the target would comply if there was no way for the powerholder to know whether or not the target complied. Positive compliance outcomes’ means were significantly higher than negative compliance outcomes’ means. Results also revealed that the coercive power base had the least favorable outcomes, such that the coercive power holder was least able to use power in the future, needed to maintain the most surveillance, was least attractive to the target, and was least likely to induce private acceptance, consistent with Shetty (1978). The authors then determined whether the participants would rate the target as being responsible for the compliance outcomes. Targets were attributed greater responsibility for the outcomes when referent, expert and information power (i.e., the soft power bases) were used, than when coercive, reward or legitimate power (i.e., the harsh power bases) were used to obtain compliance (Shaw & Condelli, 1986).

Police officer subordinates were significantly more likely to comply with their captain
EFFECTS OF SOCIAL POWER AND ORGANIZATIONAL CULTURE

using soft rather than harsh power bases. They were also more likely to comply with both soft and harsh power bases when the captain used transformational leadership tactics than when they did not use transformational leadership tactics (Schwarzwald, Koslowsky, & Agassi, 2001).

Compliance can be subdivided into behavioral compliance versus attitudinal compliance. In another study by Michener and Burt (1975), behavioral compliance was assessed as the degree to which lower-status organizational members complied with orders by higher-status members. Five components of authority were examined as independent variables, including coercive power, collective justification, success-failure, normativity, and the endorsement accorded the leader. Normativity and endorsement are two forms of legitimacy or legitimate power as defined by French and Raven (1959). Normativity is position-specific legitimacy which “denotes influence based on understandings regarding the demands an authority can impose on a low-status member,” (Michener & Burt, 1975, p. 607), whereas endorsement is person-specific legitimacy. It refers to the lower-status members’ feelings regarding the high-status person as a role occupant. Collective justification is the justification made by authorities for their orders, in which the collective interests of the low-status members are highlighted. When an order from a high-status member serves a collective interest, it will generally meet with greater compliance than when it serves a selfish interest. Compliance was a measure of whether the 160 participants complied with an experimentally manipulated tax assessment imposed by a confederate who posed as the high-status leader in a group exercise. Compliance was found to increase significantly when coercive power was high, when justification was collective, and when demands were normative. Endorsement did not affect compliance by lower-status members.

Three-hundred and fifteen graduate students were surveyed to assess their perceptions, intentions and behaviors arising from their faculty advisors’ use of the five power bases.
(Aguinis, Nesler, Quigley, Lee & Tedeschi, 1996). When graduate students perceived a faculty member as having higher expert, referent and reward powers, they also rated the quality of the professor-student relationship higher. Expert power was positively related to trustworthiness of the faculty advisor, whereas coercive power was negatively related to trustworthiness. The negative relationship of coercive power with trustworthiness is even more pronounced when accompanied by high legitimate power and low referent power. As expected, referent and expert power were positively associated with ratings of faculty members’ credibility, whereas coercive power was negatively related to this variable. Next, the relationship between reward power and compliance was strong and positive when referent power was high but not when referent power was low. Similarly, high legitimate power was associated with increased compliance when coercive power was high but not when coercive power was low.

Fontaine and Beerman (1977) found that expert, coercive and legitimate power were associated with low expectancies for compliance and satisfaction, whereas informational, referent and reward power led to high expectancies for compliance and satisfaction. The authors tested their hypotheses using a simulation experiment involving head and staff hospital nurses reading a scenario describing a request by a head nurse for compliance by a staff nurse, with the six different types of social power manipulated in the scenarios. The head and staff nurses role-played the head and staff nurses, respectively, in each scenario. Their findings were not consistent with the division of the power bases as either harsh (coercive, legitimate, and reward) or soft (expert, referent, and informational) (Fontaine & Beerman, 1977).

Trust

McCallister (1995) developed a widely-used model of organizational trust which subdivides the construct into cognition-based and affect-based components. McCallister’s
(1995) 11-item measure was tested on dyads of managers and their peers with six items devoted to cognition and five items devoted to affect. Examples of affect-based trust items include “I can talk freely to this individual about difficulties I am having at work and know that (s)he will want to listen” and “we would both feel a sense of loss if one of us was transferred and we could no longer work together,” (McCallister, 1995, p. 37). Examples of cognition-based trust items include “this person approaches his/her job with professionalism and dedication” and “given this person’s track record, I see no reason to doubt his/her competence and preparation for the job,” (McCallister, 1995, p. 37). McCallister’s (1995) model fit the data and all factor loadings were significant. Translation of McCallister’s (1995) findings to those of the present investigation will be limited due to the fact that McCallister’s (1995) findings pertain to trust of peers and not of supervisors. However, it is not necessary to make a distinction between organizational trust in recent literature and trust in the leader or supervisor. Shockley-Zalabak, Ellis, and Winograd (2000) indicate that organizational trust entails placing confidence and holding positive expectations for the behavior of multiple organizational members, including leaders or supervisors (Shockley-Zalabak, Ellis, & Winograd, 2000).

Costigan et al. (2006) distinguishes between cognition-based and affect-based trust in a supervisor. Cognition-based trust in a supervisor stems from the employee’s previous experiences with the supervisor in terms of his or her trustworthiness. On the other hand, affect-based trust is emotion-driven and evolves through the employee/supervisor’s forming a bond or relationship. Affect-based trust is not as common as cognition-based trust in which an employee recognizes whether or not the supervisor has demonstrated his or her trustworthiness in the past (Costigan et al., 2006).

Zhu and Akhtar (2014) also distinguish between cognition-based and affect-based trust in
the supervisor in their study involving transformational leadership. Using a sample of Chinese employees in retail (n=84) and manufacturing (n=91) firms, survey data were collected on cognition-based trust, affect-based trust, transformational leadership and job satisfaction. Employees’ supervisors (Retail: n= 44; Manufacturing services: n=26) also rated them on task performance. Results revealed that the model was a good fit overall; transformational leadership behaviors led to both cognition-based and affect-based trust (Zhu & Akhtar, 2014).

De Lima Rua and Arauja (2016) discuss the impact of transformational leadership, mediated by organizational commitment, on organizational trust as an outcome variable in an exploratory analysis. They surveyed 58 maintenance workers of a Portuguese Foundation and found that transformational leadership, defined as leaders who possess the ability to garner employee commitment and dedication to the organization, has a positive impact on organizational trust. Organizational trust is a psychological concept which was defined as the “confidence that one person has in another in a way that he/she acts through a predictable, behavioral and fair conduct,” (De Lima Rua & Arauja, 2016, p. 46). Organizational commitment did not mediate the relationship between transformational leadership and organizational trust.

Another study examined the impact of employee trust in supervisors on affective commitment, using leadership as a moderator variable (Xiong, Lin, Li & Wang, 2016). Xiong, Lin, Li and Wang (2016) demonstrated in two empirical analyses (Study 1: n=138; Study 2: n=154) involving fourteen Chinese companies across nine industries, that authentic leadership moderates the relationship between trust and commitment.

Asencio and Mujkic (2016) also discuss the relationship between leadership and trust in a study involving government employees. The authors used transformational and transactional leadership behaviors as the independent variables, including contingent reward and active
management by exception, intellectual stimulation, idealized influence, and inspirational motivation, among others. Data were collected from 263,475 federal employees using the 2010 Federal Employee Viewpoint Survey. Trust in leaders was defined in the same way De Lima Rua and Arauja (2016) defined it, as a psychological state reflecting the assurance that another is capable of carrying out their expected behaviors with pragmatism and diplomacy. Specifically, trust in leaders was measured using the question “I have trust and confidence in my supervisor.” Results revealed that 66.5% of federal employees expressed that they agreed or strongly agreed with the trust question regarding their leaders. When leaders displayed transformational leadership behaviors such as intellectual stimulation, idealized influence and inspiration motivation, employees place more trust in them (Asencio & Mujkic, 2016).

Bulatova (2015) also examined the role of leadership in creating organizational trust in Latvian (i.e., Eastern Europe, former republic of USSR) companies. The study involved both the affective and cognitive components of trust and leadership using the Leader-Member Exchange (LMX) seven-item scale and the McCallister (1995) organizational trust test. The sample included 215 employees ages 24-63, of four different Latvian service and product corporations. Findings indicated that ethics-based, relationship-oriented leadership has a positive correlation with organizational trust, with implications for the use of organizational trust as an outcome variable in organizational research.

Schoorman, Mayer and Davis (2007) provide a model of organizational trust. Their model dissends from the view that trust is trait-based and embraces the idea that trust is moreso an aspect of relationships within organizations. This notion of trust is more consistent with an affect-based trust definition (Zhu & Akhtar, 2014) which requires building a “socio-emotional” relationship between leaders and followers (Zhu & Akhtar, 2014). On the one hand, trust is

Results will be discussed in terms of leaders’ usage of different types of power in varying organizational contexts and the potential impact of this interaction on follower outcomes of compliance and trust.

Next, I will discuss the concept of organizational culture by providing a general overview of definitions. This will be followed by the organizational cultural types to be used in the present investigation, namely those of Cameron and Quinn’s (1999) typology from the Organizational Culture Assessment Instrument (OCAI).

CHAPTER 3: Organizational Culture

What is organizational culture?

Organizational culture will be analyzed as the context in which social power will operate in the present investigation. In a general sense, organizational culture can be thought of as the values that leaders try to indoctrinate (Schein, 2010). Along this line, organizational culture is a concept that leaders have the symbolic power to define (Hallett, 2003). It is the set of “shared basic assumptions learned by a group as it solved its problems of external adaptation and internal integration, which has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those problems,” (Schein, 2010, p. 18). Organizational culture serves as a lens through which members’ perspectives are filtered (Smith & Vecchio, 2007). A firm’s history of success may “reaffirm the soundness of past practices in the minds of the company’s leaders and other members…and
result in the options generated being inherently limited and inadequate to deal with threats that
the company faces or opportunities that it could exploit,” (Smith & Vecchio, 2007, p. 504).
Organizational culture encompasses both individual and group level phenomena (Harris, 1994).
At the individual level cognitive schemas are created in the organization’s members symbolically
representing the culture.

Leaders and powerholders have a profound impact on the culture of the organization.
They can serve to help transmit and buttress the organizational culture (Schein, 2010). Leaders
or powerholders can do this through charisma and by serving as role models and coaches. The
leader sets the tone for the organization in terms of what he or she pays attention to, how he or
she reacts to crises, how he or she allocates resources, rewards and status, how he or she selects,
promotes, and punishes, and so on (Schein, 2010).

Four types of organizational culture

There are a number of models of organizational culture (Jung, et al., 2009). I will focus on
the model of organizational culture developed by Cameron and Quinn in 1999 because this is the
model most widely studied in other empirical investigations (Bellot, 2011).

Cameron and Quinn (1999) developed a typology of organizational culture based on the
Competing Values Framework. In their model, which is measured by their Organizational
Culture Assessment Instrument (OCAI), there are four types of organizational culture, including
hierarchy, clan, market and adhocracy (Tharp, 2009). In the OCAI, the four types of
organizational culture represent two levels of a dichotomous continuum, from stability versus
flexibility to internal versus external orientation (Schein, 2010). It is this typology that will
serve as the basis of the organizational cultural manipulation in the present investigation.

Two of the four types of culture in the Cameron and Quinn (1999) typology – hierarchy and
adhdocracy - will be included in the present study. First I will discuss the four types of organizational culture in the OCAI model and review literature validating the OCAI model and then I will give a brief discussion on why the two types of organizational culture chosen for the present investigation have been selected. The first type of organizational culture to be reviewed is hierarchy. A hierarchical culture is characterized by bureaucracy and hegemonic status differentials which signal the authority of one organizational member over another (Weber, 2009). Stability and control make hierarchical cultures those in which effective leaders demonstrate organizational capability, high monitoring, and coordination. Hierarchies are associated with status inequalities and often convey pejorative connotations such as organizational corruption and social dominance (Rosenblatt, 2012). Furthermore, hierarchies imply power to the extent that more extreme status differentials are indicative of greater power of an authority figure over a subordinate (Giessner & Schubert, 2007). Purely hierarchical cultures in which a sole leader makes decisions that affect a number of subordinates may be outdated and rare (Morris, 1979). How hierarchies can be transcended to create cultures of shared leadership is often the topic of discussion (Barnes et al., 2013). Generally some executive body or subordinate participation in the decision-making process is more common nowadays.

An adhocracy culture combines the market culture’s external focus with a concern for differentiation with flexibility and discretion (Tharp, 2009). This may be a culture most likely to facilitate participative decision-making (Kanter, 1981; Sen & Metzger, 2010). In an adhocracy culture, there is a focus on creativity and innovation with a lean toward entrepreneurial development of new products and services (Tharp, 2009). Adhocratic cultures thrive in the midst of chaos and are future-oriented and adaptable (Tharp, 2009). Organizational cultures which are adhocratic are characterized by risk-taking and tend to be the leaders operating in dynamic
markets (Naranjo-Valencia, Jimenez-Jimenez & Sanz-Valle, 2011). In comparison to hierarchical cultures which “promote imitation cultures” (p. 55), adhocracy cultures advance organizational products and services in order to differentiate them from competitors (Naranjo-Valencia, Jimenez-Jimenez & Sanz-Valle, 2011).

The two types of culture that I will not focus on include clan and market cultures. A clan culture is characterized by flexibility and discretion rather than stability and control. Similar to hierarchical cultures, however, clan cultures are inwardly focused with an interest in integration. As the name connotes, clan cultures are marked by a collectivistic orientation towards the pursuit of team and group rather than individual goals (Tharp, 2009), participation, cohesion, and shared values (Yazici, 2011). Unlike either a hierarchy or a clan culture, a market culture has an external orientation with a focus on differentiation rather than integration. It is “directed at creating and satisfying customers through continuous needs assessment,” (Deshpande & Farley, 2004, p. 61).

The rationale for my selection of hierarchy and adhocracy cultures for the present investigation is the fact that these culture types represent extremes of a continuum representing internal vs. external orientation and differentiation vs. integration. An internal orientation is one in which the organization focuses on its own needs and only responds to demands within the company, whereas an external orientation is one in which the company focuses on the needs of the environment in which it is embedded. Differentiation occurs when the various departments and teams within the organization create their own subculture within the parent company’s overall culture. Integration occurs when the various departments and teams within the company coordinate their operations so that there is a strong connection between departments and products (Hanks, n.d.). The focus on extreme groups is chosen because focusing on extremes can achieve
greater statistical power in hypothesis tests (Preacher, Rucker, MacCallum, & Nicewander, 2005). Preacher, Rucker, MacCallum and Nicewander (2005) cite the Feldt (1961) study which demonstrated that, in comparison to a traditional correlational approach to data analysis, a t-test followed by the extreme groups approach provided a more powerful test of the data. Not only does the use of the extreme groups approach yield greater statistical power. Use of extreme groups is also often rationalized due to its cost-efficiency, better reliability, and improved effect size (Preacher, Rucker, MacCallum & Nicewander, 2005).

Now I will discuss the validation of the OCAI model. Heritage, Pollock and Roberts (2014) provided evidence for the validity of the Organizational Culture Assessment Instrument. Data from a sample of 328 Australian employees revealed that the four factor structures of both ideal and current organizational cultures were supported. However, the reciprocally-opposed relationships between the factors and the outcome variable of job satisfaction were only revealed for the current organizational cultures, and not for the ideal cultures, thus indicating a need for further investigation into the factor structures and validation of the OCAI.

Further validation support was provided for the Korean version of the OCAI by Choi, Seo, Scott and Martin (2010). The authors investigated the cultural equivalence of the Korean and English versions of the instrument using a sample of 39 bilingual Koreans. Furthermore, scale reliability and construct validity were assessed using a sample of 133 members of the Korean Professional Baseball League. Results revealed the successful translation of the Korean version and that the psychometric properties of the scale were maintained as well as the meaning of the English version OCAI items.

Jaeger and Adair (2013) used the OCAI to determine the dominant organizational culture in the Gulf Cooperation Council countries (Saudi Arabia, Kuwait, United Arab Emirates, Qatar,
Bahrain and Oman). A study of 99 organizations revealed that the clan and hierarchy culture types were the most dominant cultures, followed by market and then adhocracy cultures. The OCAI was determined to be an effective model for assessing organizational culture, but the construct validity of the results was limited due to the fact that the respondents were not native English or Arabic speakers.

The OCAI was used to assess the organizational culture of the Eritrean Center for Organizational Excellence (ERCOE). Beyene (2011) found using a methodology involving interviews with the OCAI that the ERCOE’s dominant culture was clan culture, followed by the adhocracy culture. These two organizational culture types were also the top two preferred organizational cultures by ERCOE members. This was a unique finding due to the fact that a clan culture has an inward focus whereas an adhocracy culture has an external focus.

The OCAI was used to examine the relationship between organizational culture and job satisfaction (Zavyalova & Kucherov, 2010). In a study involving thirteen St. Petersburg and Moscow companies, differential results were revealed for each of the organizational culture types. Specifically, market culture created the condition for the satisfaction of self-affirmation needs; hierarchy culture created the condition for the satisfaction of safety and cooperation needs; clan culture for the satisfaction of respect needs; and adhocracy culture for self-actualization needs.

Another study used the OCAI to assess the relationship between organizational culture and medical care provider satisfaction (Scammon et al., 2013). Results of the surveys involving 63 providers indicated that clan culture was negatively correlated with amount of administrative work required; adhocracy culture was positively associated with time spent working; market culture was positively correlated with quality of care; and hierarchical culture was negatively
correlated with the relationships with staff and resource dimensions.

Several studies focus on the interaction of organizational culture with different leadership styles. While the present study will focus on the combination of organizational culture with different leadership power, the results are still worth noting. Giritli, Oney-Yazici, Topcu-Oraz, and Acar (2013) assessed the relationship between organizational culture and leadership style using the OCAI. A sample of 499 management personnel was studied in order to determine how leadership style is influenced by organizational culture. The findings revealed that managers with different cultural characteristics do take on different leadership styles. For instance, managers in a clan culture tended to adopt paternalistic and consultative leadership styles, where consultative style was also the most preferred leadership style. Hierarchical cultures were less likely to have a consultative leadership style; adhocracy cultures were more likely to have a participative leadership style.

Shurbagi and Zahari (2013) investigated the organizational culture in the National Oil Corporation of Libya. Their study specifically looked at the relationship between transformational leadership behaviors and organizational culture using the OCAI. A hierarchical culture was the dominant organizational culture type in the National Oil Corporation of Libya, and there was a significant positive relationship between transformational leadership and organizational culture.

Using Cameron and Quinn’s (1999) Competing Values Framework model, significant differences were observed for the type of culture found in companies in seven different industries, including construction, banking, information technology, pharmaceuticals, power, steel and telecom (Gupta, 2011). Adhocracy culture was more likely to be observed in the pharmaceutical industry, whereas clan, market and hierarchy cultures were most likely to be
observed in the construction industry (Gupta, 2011). Another typology researched in connection with the Cameron and Quinn model, the Miles and Snow typology, says that organizational strategies can be categorized into four parts, namely prospector (innovatively seeks new markets), defender (protects current markets), analyzer (simultaneously maintains market share and seeks to be somewhat innovative by improving upon products and services offered by competitors) and reactor (no consistent strategic approach and reactive to events without anticipating them) (Barney & Griffin, 1992). While it is beyond the scope of this paper to delve into the details of this typology, it is important to note that it was also found that organizations using the prospector strategy were more likely to employ an adhocracy culture. Furthermore, clan and adhocracy cultures were most likely to be found in organizations employing an analyzer strategy (Gupta, 2011). Finally, organizations that employed a defender strategy were high on hierarchy culture, whereas organizations that employed a reactor strategy were high on clan culture (Gupta, 2011). The findings from this study imply that the type of organizational strategy impacts which culture you will find. Since the organizational strategy employed is a decision the leader makes, so can we analyze leader style (another action of the leader) for its impact on the types of culture.

**Leader Power in the Context of Organizational Culture**

In sum, the effectiveness of the leader style (and strategy employed) depends on the culture and thus I will look at whether leader power works in the same way (i.e., is dependent upon the culture). Giosa (2009) summarizes the tenet of the present investigation best when he states, “As a result of the multiple variables affecting the leader’s achievement, there are a great number of scholarly interpretations which differ according to the aspect taken as topic of analysis (from the role of the leader, to the people who accept or are affected by the leader’s power to
influence, *to the social or situational context where power is exercised,*” (emphasis added) (p. 174). It is this social or situational context where power is exercised that will be the focus of the present investigation’s analysis of power and culture.

Brown (1992) argues that because leaders help to create and manage organizational culture, the leader’s power is a function of the organizational culture and vice-versa. Koslowsky and Stashevsky (2005) examined the relationship between organizational values and social power and found an interaction effect in that charismatic leaders in a complex work environment rarely used punishment. Soft power strategies were more commonly used than harsh power strategies in eliciting compliance from followers. Transactional leaders were also found to use harsh strategies more frequently than transformational leaders. The authors found the lowest usage of soft strategies from transactional leaders in routine environmental contexts.

Research indeed shows that leaders’ use of certain types of power varies depending upon the context in which they are operating. Cope (1972) obtained differential results for faculty in states of stress versus faculty who were non-stressed. Faculty who were not in state stress reported greater reliance on legitimate, expert, and referent power bases. On the other hand, faculty in states of stress reported greater reliance on positive and negative sanctions. Using Gouldner’s description of cosmopolitans and locals, it was also found that locals perceived and favored referent and legitimate power, whereas cosmopolitans emphasized the use of reward and expert power (Cope, 1972).

An interaction between power and organizational culture has been demonstrated in previous empirical research. Overbeck (2001) demonstrated that high-power participants who were assigned to a more people-oriented organizational culture were better able to individuate followers than high-power participants in a more product-oriented culture. This means the
organizational context in which high-power leaders operate determines the effectiveness of their leadership since individuating followers focuses better on developing the [needs of the] individual follower.

Ozcan, Karatas, Caglar and Polat (2014) conducted semi-structured interviews with twenty academic department members of a university and found that leaders’ (administrators) use of coercive, reward and legal power styles produced organizational cultures of bureaucracy and power. Thus, not only does power interact with culture to impact follower outcomes, but power can also lead to variations in organizational culture.

To further illustrate the organizational culture and power interaction, such that the organizational cultural context is the backdrop within which power operates, Lumby (2012) argues that power is manifest in covert organizational structures and processes, where culture operates to define the context. Covert power, Lumby suggests, matches a description of organizational culture which is “one structure for the negotiation of power exercised through mundane everyday activity,” (Lumby, 2012, p. 581). For this reason, organizational culture becomes a necessary focus of leaders. Lumby (2012) notes:

Culture is one structure for the negotiation of power exercised through mundane everyday activity (Willis, 2008). It is one of the ‘dividing practices’ sought by Foucault (2000b: 326) that cannot be escaped. An individual or organization may determine to step outside an existing culture or to change it, but it remains the defining point of reference (Bishop et al., 2006; Spicer & Böhm, 2007). Culture is a fundamental shaping and disciplinary force on which organizations depend. Culture and the divisions it embodies are therefore a necessary focus of leaders and a particularly potent medium for those who aim to support social justice.

Thomas, Sargent, and Hardy (2011) discuss power-resistance relations as mechanisms in the organizational cultural change process which determine whether an organization will successfully meet change initiatives head-on. When organizational members are resistant to
power, the cultural change initiative suffers. The authors argue that communicative practices between senior and middle managers largely determine the outcomes of cultural change attempts. Thus, managerial behavior determines the outcomes of cultural initiatives and power, or resistance thereto, determines how effective a cultural change process will be. That managerial behavior such as the exercise of power will determine the organizational culture is a concept related to the basic premise of the present investigation.

Hallett (2003) indicates that organizational culture emerges from those with the symbolic power to define the situation, in other words leaders and other organizational members who possess the power to shape organizational culture. Power is thus a function of the leader who possesses it, and culture is shaped by the leader who possesses such power to define the situation according to how they prefer to define it.

Organizational culture is the context in which a leader exercises this power. Hallett (2003) proposes a symbolic power model and notes that this symbolic power is often unseen and not as overt as the coercive power type in the social power bases examined here. Organizational members often imbue others with symbolic power and legitimacy as a function of social interactions. It is through these interactions that organizational culture operates because certain practices and interactions have been predefined as valid by the culture.

Leadership must be examined from a cultural perspective because the cultural perspective permeates every aspect of the organization, including its leadership (Giosa, 2009). Leaders actually construct the organizational culture over time through their interactions which are symbolically constructive of the culture, similar to the thesis outlined by Hallett (Giosa, 2009). If organizational culture is constructed by the leader, and the leader exercises their own version of social power, then the leader defines the situation. This is different from what is being
proposed in the present investigation. In the present investigation, there is the issue of the type of power matched with a particular organizational culture and this interaction leads to differential follower outcomes. Giosa notes that the “main task of the leader is the ‘management of culture’,” (p. 172).

**GLOBE Study**

The effects of leadership in multiple cultural contexts is certainly not a novel concept, as the GLOBE study (Global Leadership and Organizational Behavior Effectiveness) of 17,300 managers in 951 organizations representing 62 countries would attest (Hoppe, 2007). The cultural dimensions examined in that study included Hofstede’s (1984) cultural dimensions of power distance, individualism/collectivism, uncertainty avoidance, as well as others including gender egalitarianism, assertiveness, and future and performance orientation. Thus the cultural dimensions assessed national cultural differences and similarities rather than organizational cultural differences and similarities in particular. Six leader styles emerged in the study, including performance-oriented, team-oriented, participative, humane, autonomous, and self-protective. Participative style is most closely aligned with adhocracy culture, whereas autonomous style is most closely aligned with hierarchical culture. The country clusters were grouped according to the degree to which they prefer one or the other of the six leader styles. Both universal and culturally-contingent leader styles emerged, specifically 22 traits representing the six leader styles were determined to be universally desirable across the country clusters. Eight of the traits were considered undesirable across the country clusters, and the remaining 35 were culturally-contingent. One of the universally desirable traits, “informed”, represents a trait that is similar to the concept of informational power presented in the present investigation (Hoppe, 2007). This study taps into the leader exercising power in multiple cultural contexts.
Because “informed” is a universally desirable leadership trait, informational power is not going to be used as a base of power in the present investigation.

**Evidence for a Culture/Power Interaction**

Organizational culture and power may interact to determine follower outcomes. Indeed, Buble (2012) found a significant positive correlation between leader styles and organizational culture. In addition, Gokce, Guney and Katrinli (2014) found evidence for an interaction between perceptions of leader behavior and organizational culture on organizational commitment, with a statistically significant relationship found between perceptions of leader behavior and organizational culture. Pennington, Townsend, and Cummins (2003) found a significant positive relationship for each of five leadership practices (challenging the process, inspiring a shared vision, enabling others to act, modeling the way, and encouraging the heart) with clan culture and a significant negative relationship for each of the five leadership practices with market culture. A significant relationship was found between enabling others to act and encouraging the heart and all four of the Cameron and Quinn (1999) organizational culture profiles (clan, market, hierarchy and adhocracy).

One study to date has examined the role of another conceptualization of organizational culture in the relationship of power bases to subordinate outcomes, namely job stress (Erkutlu, Chafra, & Bumin, 2011). A total of 622 leader-subordinate dyads participated in the investigation conducted by Erkutlu, Chafra, and Bumin (2011). Organizational culture was measured using the Organizational Culture Profile by O’Reilly (1991), which identifies aggressiveness and respect for people as aspects of organizational culture. The aggressiveness aspect reflects the extent to which competitiveness is a shared value, whereas the respect for
people aspect reflects the extent to which fairness and tolerance are shared values. It was found that the aggressiveness and respect for people aspects of organizational culture moderated the positive relationship between harsh or positional power bases and job stress, such that aggressiveness strengthened the relationship and respect for people weakened it. The respect for people aspect of organizational culture also strengthened the negative relationship between the soft or personal power bases and job stress. The present investigation is similar to this study in that both examine the role of organizational culture in the relationship of power bases to subordinate outcomes. However, the present investigation is unique and different from this study in that the type of organizational culture model used is the Cameron and Quinn Competing Values Framework and the subordinate outcomes studied include follower compliance and trust and not the outcome of job stress.

**Situational Context - Other Relevant Theories**

Fiedler’s Contingency Theory of Leadership posits that there is a situational contingency upon which leadership effectiveness depends (Hill, 1969). Essentially, Fiedler posits an interaction between the leader and situation will lead to differences in leader effectiveness (Peters, Hartke, & Pohlmann, 1985). According to Fiedler’s theory, there are eight situations a leader might face in his or her efforts to exert power or influence over subordinates, and among these the most favorable situation is one in which he or she has strong legitimate or position power, good interactions with other members of the work group, and oversees a task which is very organized and coordinated (Hill, 1969). The basic tenet is that of a situational contingency determinant of leader effectiveness, which is the principal tenet of the present investigation – a situational (cultural) contingency of leader’s use of power to elicit compliance and trust in followers.
Schneider’s Attraction-Selection-Attrition (ASA) model also has situational contingencies. In his ASA theory, Schneider proposed that prospective employees are attracted to organizations which are consistent with their values and beliefs, that organizations select people to work for them based upon the prospective employees’ fit with the knowledge, skills, abilities and other characteristics already manifested within the organizational membership, and that the fit between the people and the place will ultimately be determined by a weeding-out process in which those who do not fit with the organization are more likely to leave (Schneider, Goldstein, & Smith, 1995). Thus, the fit between the people and the situation is critical, and the organization’s culture largely reflects the people in it. This is what Schneider refers to as “homogeneity of personality” within organizations (Schneider, Goldstein, & Smith, 1995).

The present study will examine a similar question to that of Erkutlu, Chafra, and Bumin (2011) using a different model of organizational culture. The organizational culture model of Cameron and Quinn (1999) is most fitting for the present study because it is the most widely used organizational culture model in the extant literature (Bellot, 2011). The four organizational cultural types of Cameron and Quinn (1999) have not yet been examined to determine whether the bases of social power function differently depending upon which type of organizational culture is employed. By examining two of these culture types, the present study makes a significant contribution to the literature. In addition, the current study will examine an expanded set of outcomes when looking at the impact of power in these culture types.

The present study will examine the impact of four of the French and Raven power bases and organizational culture on follower compliance and trust. The four power bases to be examined include coercive and reward (harsh), and referent and expert (soft).

In sum, the effectiveness of the leader’s style depends upon the organizational cultural
context in which power is employed.

**CHAPTER 4: Current Study**

The present study will examine the impact of an interaction effect between four of the French and Raven (1959) power bases and two organizational culture types of Cameron and Quinn (1999) on the outcomes of follower compliance and trust. The methodology will employ a video design in which 246 undergraduate psychology and management students view videos online involving a college recruitment scenario for employment with a fictitious company.

**Hypotheses**

**Hypothesis 1.** A main effect for Coercive Power will emerge such that compliance and trust outcomes in the Coercive Power condition would be lower in adhocracy culture compared to a hierarchical culture; this is because there is a misalignment of power with culture. A leader’s use of coercive power creates in followers a lack of trust and unwillingness to comply in the purportedly flexible and participatory adhocratic organizational system due to potential negative outcomes such as, for example, punishment, demotion, or termination. The power type and organizational culture must be aligned in order for the employee to comply (Mosaic Projects, 2014). The use of threat, force or punishment to influence follower compliance is anachronistic with the cultural portrait an adhocratic organization is attempting to convey to its employees.

**Hypothesis 2.** A main effect for Coercive Power will emerge such that compliance and trust outcomes in the Coercive Power condition would be higher in a hierarchical culture compared to an adhocracy culture because there is an alignment of power with culture (Mosaic Projects, 2014). Hierarchical and often bureaucratic organizational systems support the organizational structural instruments (e.g., performance appraisals, annual reviews, etc.) which allow leaders to punish, to withdraw incentives the employee desires, and to be the “boss” by exercising authority
over employees.

**Hypothesis 3.** A main effect for Reward Power will emerge such that compliance and trust outcomes in the Reward Power condition would be lower in an adhocracy culture compared to a hierarchical culture because there is a misalignment of power with culture. A leader’s use of reward power creates in followers a lack of trust and unwillingness to comply with the leader because the leader’s potential to deny incentives is misaligned with the adhocratic cultural characteristics of the organization and leads to cognitive dissonance emerging from the forced compliance the employee is required to undergo with the leader and the organizational system (Festinger & Carlsmith, 1959). For instance, contrary to the popular economic theory that incentives fuel performance outcomes, the use of monetary incentives to induce behavioral compliance in employees might “backfire”, causing a lack of trust in the agent’s (leader’s) true motivations and intentions (Gneezy, Meier, & Ray-Biel, 2011).

**Hypothesis 4.** A main effect for Reward Power will emerge such that compliance and trust outcomes in the Reward Power condition would be higher in a hierarchical culture compared to an adhocracy culture because there is an alignment of power with culture (Mosaic Projects, 2014). Hierarchical and often bureaucratic organizational systems support the organizational structural instruments (e.g., bonus pay for work performed, additional commission incentives, sales recognition ceremonies, etc.) which allow leaders to reward employees or remove undesirable aspects of the work (e.g., place the employee on a different team, replace inefficient assistants, etc.).

**Hypothesis 5.** A main effect for Expert Power will emerge such that compliance and trust outcomes in the Expert Power condition would be higher in an adhocratic culture compared to a
hierarchical culture which is flexible and supports dynamic organizational systems (i.e., indicating alignment, Mosaic Projects, 2014), including, for example, continuing education for employees and additional pay for advanced degrees obtained. That is, the more expertise a leader possesses, the more it is aligned with the adhocratic culture and the more trust an employee will place in the system and in the leader. Compliance will also be higher when expert power is exercised in an adhocratic system because the employee trusts the leader’s judgment as it relates to organizational decisions due to the leader’s consistency in manifesting the expert behaviors the organization values.

**Hypothesis 6.** A main effect for Expert Power will emerge such that compliance and trust outcomes in the Expert Power condition would be lower in a hierarchical culture compared to an adhocracy culture which does not place tangible value on employees’ or leaders’ expertise (i.e., indicating misalignment, Mosaic Projects, 2014); rather, in such hierarchical systems an organization values work experience and organizational tenure. For example, in governmental institutions in which leaders happen to be elected officials, compliance with leaders’ requests and trust in leaders is more likely to wane given the stagnant bureaucracy in which the leadership is exercised (i.e., the hierarchical culture). Followers (i.e., employees) have little reason to trust the rhetoric such leaders purport since the only stated aim of the leader and his or her cabinet is to seek and obtain reelection by all means. This is evident in the “Trust Redefined” survey conducted by Federal News Radio (conducted May 20, 2014) which indicates that less than 1% of federal governmental employees have “complete trust” in the federal government itself, less than 1% also have “complete trust” in their federal colleagues, and one survey respondent indicated that “Management lies all the time to its employees” (Federal News Radio Survey, 2014: “Trust Redefined: Reconnecting Government and Its Employees”; n=~1900).
**Hypothesis 7.** A main effect for Referent Power will emerge such that compliance and trust outcomes in the Referent Power condition would be higher in an adhocratic culture compared to a hierarchical culture because flexible, dynamic and participatory adhocratic organizational cultures are more likely to allow, for example, career advancement opportunities to employees who admire the leader as a role model and seek to advance within the company (Refer to Tipton, 2016 regarding leadership aspirations which reflect the desire to effect change within the organization).

**Hypothesis 8.** A main effect for Referent Power will emerge such that compliance and trust outcomes in the Referent Power condition would be lower in a hierarchical culture compared to an adhocracy culture because an employee’s desire to be like a leader, or to advance within the organizational system, is misaligned with the hierarchy/bureaucracy which reflects an organizational system that is stagnant and does not readily adapt to dynamic changes in the internal and external organizational environment. “Particularly when there is a misalignment between the organizational culture and the dynamic environment of which it is a part,” adaptation is necessary (Carpenter, Bauer, & Erdogan, 2016). Adaptation comes in a variety of forms, but in this study I refer to adaptation via, for example, employee advancement and career development opportunities which reflect a learning culture (Gueldenberg & Konrath, n.d.).

To summarize my predictions, I hypothesize that there will be main effects which reveal that a power type and organizational culture must be aligned in order to reveal higher compliance and trust outcomes; when they are misaligned such that soft power bases are coupled with hierarchical cultural environments and harsh power bases are coupled with adhocratic cultural environments, the effects reflect decreased compliance and trust responses from followers.
CHAPTER 5: Method

Participants

Two-hundred forty-six (246) undergraduate psychology students at a large Northeastern university participated in the research for course credit (Simon & Goes, 2012). Participants were recruited through the undergraduate Psychology and Management participant pool. Participants were asked to complete the questionnaires online and in-person using the survey tool in Qualtrics.

Research Design

The four types of power and two types of culture chosen for the present investigation combined to equal eight groups to which students were randomly assigned for participation in this study. The table below describes the design and the breakdown into eight groups.

<table>
<thead>
<tr>
<th></th>
<th>ADHOCRACY</th>
<th>HIERARCHY</th>
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</thead>
<tbody>
<tr>
<td>EXPERT</td>
<td>EXPERT/ADHOCRACY</td>
<td>EXPERT/HIERARCHY</td>
</tr>
<tr>
<td>REFERENT</td>
<td>REFERENT/ADHOCRACY</td>
<td>REFERENT/HIERARCHY</td>
</tr>
<tr>
<td>REWARD</td>
<td>REWARD/ADHOCRACY</td>
<td>REWARD/HIERARCHY</td>
</tr>
<tr>
<td>COERCIVE</td>
<td>COERCIVE/ADHOCRACY</td>
<td>COERCIVE/HIERARCHY</td>
</tr>
</tbody>
</table>

The methodology employed a video design in which the four types of power and two types of organizational culture were acted out in videos for participants to watch in order to examine their impact on followers. The manipulations of social power and organizational culture were carried out using the presentation of a fictitious company and executive leader
involved in interactions. The presentation includes an organizational description, mission, vision and values statements. These were created in order to make the social power and organizational cultural manipulations realistic and rich for the participants as they prepare to answer the questionnaires.

The PowerPoint contained descriptions of ARashi Corporation, a fictitious fashion company. After the title slide containing the company’s name, ARashi, the next six slides described the atmosphere at ARashi according to the company’s organizational culture (i.e., either hierarchy or adhocracy, along with additional fictitious company descriptions such as “well-performing employees are recognized,” “work-life balance”, and so on). The video was then introduced, which contained the social power base manipulation (i.e., either expert, referent, reward, or coercive), using the script provided in the Scenario in Appendix B. The video appeared on the next to last slide. The actor in the video was an African-American male, dressed professionally in a dark suit and tie with white collar shirt. The final slide was actually entitled “Company Culture”, and contained the specific manipulation of organizational culture using the definitions adapted from Cameron and Quinn (2000).

First a pilot study was conducted on students in an Introductory Psychology class who viewed the PowerPoint with embedded video during class hours for extra-credit at a Southeastern college in the United States. Thereafter, the main study was conducted on Psychology students who registered for research participation for course credit at a college in the Northeastern United States.

**Procedure**

**Pilot Study**

A pilot study was carried out in order to assess whether the power and culture
manipulations were effective. The video and cultural scenarios were presented to 17 participants in the lab. Participants were then asked to what extent the manipulations matched with the definition of the type of power and culture being presented. Questions for the pilot study survey appear in Appendix C.

The pilot study was used to determine whether the company description, including the company name, is a place the participants would want to work. The results were used to determine whether additional control variables were necessary.

Finally, the pilot study was used to ask open-ended questions that could potentially lead to other additional questions in the actual data collection. For instance, participants were asked “why” they selected the answers they did.

The fictitious company, ARashi Corporation, was described and its mission, vision and values statements were provided. The organizational description appears in Appendix D. An interaction between Mr. Smith and his direct report were provided. The scenario remained the same across the power/culture manipulations except for the type of power and type of culture being manipulated. The organization and leader descriptions appear in Appendices D and E. For the video, an actor displayed the particular power base within the specific organizational culture type using a predetermined script adapted from the descriptions in the independent variable section below. With four different types of power and two different types of organizational culture, there was a total of eight (8) power/culture combinations of independent variable manipulations. Followers were asked to what extent they want to follow the leader (i.e., compliance) and how much they trust the leader (i.e., trust). Compliance was measured using Rahim’s Compliance with Supervisor’s Wishes Scale. Trust was measured using the instrument created for the purpose of the present investigation.
Main Study. Data in the main study were collected from two-hundred forty-six (246) college students enrolled in Psychology courses for course credit (Simon & Goes, 2012). Data were gathered using remote data collection using the internet Qualtrics survey tool utilized in the Psychology and Management Participant Pool at Baruch College.

The manipulations of social power and organizational culture were carried out using the presentation of a fictitious company and executive leader involved in interactions. The presentation includes an organizational description, mission, vision and values statements. These were created in order to make the social power and organizational cultural manipulations realistic and rich for the participants as they prepare to answer the questionnaires.

The fictitious company, ARashi Corporation, was described and its mission, vision and values statements were provided. The organizational description appears in Appendix D. An interaction between Mr. Smith and his direct report was provided. The scenario remained the same across the power/culture manipulations except for the type of power and type of culture being manipulated. The organization and leader descriptions appear in Appendices D and E. For the video, an actor displayed the particular power base within the specific organizational culture type using a predetermined script adapted from the descriptions in the independent variable section below. With four different types of power and two different types of organizational culture, there were eight (8) power/culture combinations of independent variable manipulations. Followers were asked to what extent they want to follow the leader (i.e., compliance) and how much they trust the leader (i.e., trust). Compliance was measured using Rahim’s Compliance with Supervisor’s Wishes Scale. Trust was measured using the instrument created for the purpose of the present investigation. Each of the 8 conditions appears in Appendix B.
Independent Variables

Organizational Culture Adapted from Cameron and Quinn (2000), Organizational Culture Assessment

The descriptions of organizational culture are provided by the organizational type descriptions in Cameron and Quinn’s (2000) Organizational Culture Assessment Instrument. These descriptions were a part of the video that was created to manipulate both organizational culture and power base.

Adhocracy

The stimuli contained the following manipulation for the adhocracy culture groups:

The organization is a very dynamic entrepreneurial place. People are willing to stick their necks out and take risks. The leadership in the organization is generally considered to exemplify entrepreneurship, innovation, or risk taking. The management style in the organization is characterized by individual risk-taking, innovation, freedom, and uniqueness. The glue that holds the organization together is commitment to innovation and development. There is an emphasis on being on the cutting edge. The organization emphasizes acquiring new resources and creating new challenges. Trying new things and prospecting for opportunities are valued. The organization defines success on the basis of having the most unique or newest products. It is a product leader and innovator.

Hierarchy

The stimuli contained the following manipulation for the hierarchy culture groups:

The organization is a very controlled and structured place. Formal procedures generally govern what people do. The leadership in the organization is generally considered to exemplify coordinating, organizing, or smooth-running efficiency. The management style in the
organization is characterized by security of employment, conformity, predictability, and stability in relationships. The glue that holds the organization together is formal rules and policies. Maintaining a smooth-running organization is important. The organization emphasizes permanence and stability. Efficiency, control and smooth operations are important. The organization defines success on the basis of efficiency. Dependable delivery, smooth scheduling and low-cost production are critical.

Culture was also conveyed as manifested in the organizational mission and values statements provided in Appendix D.

**Bases of Power Adapted from Hinkin and Schriesheim (1989)**

Hinkin and Schriesheim (1989) developed definitions for each of the power bases. Their definitions were as follows:

- **Reward power**: the ability to administer to another things he or she desires or to remove or decrease things he or she does not desire.
- **Coercive power**: the ability to administer to another things he or she does not desire or to remove or decrease things he or she does desire.
- **Referent power**: the ability to administer to another feelings of personal acceptance or approval.
- **Expert power**: the ability to administer to another information, knowledge, or expertise.

A description of characteristics of leaders representing each of the power bases follows.

The power bases were manipulated using specifically worded statements in the scenario that depicted an example usage of the power base. For reward power, a monetary reward was offered for completion of the assignment. For coercive power, the threat of demotion was given if the assignment was not completed. For referent power, the leader identified himself as a go-to
person in the event the employee needed assistance, and identified himself as a role-model. For expert power, the student was referred to another department for their use of effective strategies to achieve similar objectives. Refer to Appendix B for the Scenarios and manipulations.

**Control Variables**

Control variables were used in the study because of their potential confounding effects on the findings for compliance and trust.

The control variables to be used include race, gender, whether the participant is U.S. born, country of origin, how long the participant has been in the United States, amount of work experience, and whether the participants have ever held a management position.

**Dependent Measures**

*Compliance*

Compliance was measured using the Compliance with Supervisor’s Wishes Scale by Rahim (1988) which measures both attitudinal and behavioral components of compliance. This scale uses items including “I comply with the directives of my superior” and “I prefer not to comply with the directives of my superior” to measure behavioral and attitudinal compliance. Both construct and criterion validities of this scale are adequate; internal consistency reliability for the scale is above .80 (Rahim & Buntzman, 1989). Higher scores on this measure indicate greater behavioral or attitudinal compliance [with the superior’s wishes] (Rahim & Buntzman, 1989). This measure appears in Appendix F.

*Trust*

Participants were asked how much they trust the leader, whether they support the leader and whether the leader is supportive, and to what extent the leader is credible. This measure appears in Appendix G. McCallister (1995) provided a trust questionnaire which served as a
guide in the development of the trust scale used in the present study.

CHAPTER 6: Results

Pilot Study

A total of seventeen (17) students participated in the pilot study for course credit in the Introduction to Psychology and Basic Psychology classes at a local college in the Southeastern United States.

Students were randomly assigned to receive an electronic version of a PowerPoint file for one of the eight conditions manipulating both social power base (expert, referent, reward, and coercive) and organizational culture (hierarchy and adhocracy).

Overall, students responded favorably that ARashi Corporation matched the company’s description and that ARashi was a company for which they would want to work. One student indicated the reason she did not want to work for ARashi, which was that she wanted to take a different career path. Students commented that, “Arashi seems like a company that takes its employees and customers into consideration and strives to meet their needs. Overall, it seems like a great company to work for.” “Very well organized, nicely put together, very professional representation for this business,” “To the point, clear and precise, very professional.”

Given the reaction that the fictitious company ARashi Corporation seems credible, it was used for the main study company description.

Manipulation Checks

In response to the manipulations for each of the power types, the results were as follows:

Social Power

Expert Power

The expert power manipulation received mostly favorable responses. The manipulation
check question asked the students to answer yes or no to two questions, “Does the person who served as the leader in the video seem like an expert?” and “Did he demonstrate the ability to administer to another information, knowledge, or expertise?” Four of five respondents answered yes to the first question, with the fifth student providing no response at all, and all five students answered yes to the second question.

Referent Power

The referent power manipulation check asked the students two yes/no questions: “Did the leader demonstrate the ability to administer to another feelings of personal acceptance or approval?” and “Did the leader appear to be someone who could be looked up to as a role model?” The referent power manipulation check was successful. Three of four students randomly assigned to the referent power condition answered yes to the first question, and 3 of 4 answered yes to the second question.

Reward Power

The reward power manipulation check was successful. The first question asked, “Does the person who served as the leader in the video appear to be administering rewards?” Three of five students randomly assigned to this condition responded yes. For the second question, “Did he demonstrate the ability to administer to another things he or she desires or to remove or decrease things he or she does not desire?” Two of five students answered yes. Although this number of students did not represent a majority of the respondents, the reward power manipulation was kept as-is in the main study because it was an obvious and straight-forward manipulation of reward power, i.e., the provision of a monetary reward in the form of a bonus in the event the employee successfully completed the assignment.

Coercive Power
The coercive power manipulation checks asked the students to answer yes or no to two questions: “Did the leader demonstrate the ability to administer to another things he or she does not desire or to remove or decrease things he or she does desire?” and “Did the leader appear to be someone who could punish a subordinate?” The coercive power manipulation was successful. All students randomly assigned (4) to this condition responded yes to both questions.

Organizational Culture

One student left the organizational culture manipulations completely blank and did not respond to them, leaving a total of 16 students responding to the organizational culture manipulation check, including eight (8) for hierarchy and eight (8) for adhocracy. The results for the manipulation check for organizational culture were as follows:

Hierarchy

The hierarchy culture manipulation check contained three yes/no questions: “Did ARashi Corporation appear to be a very controlled and structured place?”; “Did the leader exemplify coordinating, organizing, or smooth-running efficiency”; and “Did the management style in the organization appear to be characterized by security of employment, conformity, predictability, and stability in relationships?” All students randomly assigned to this condition (8 students) responded favorably to all the first two questions. One student, participant number 2, answered no to the third question, which asked, “Did the management style in the organization appear to be characterized by security of employment, conformity, predictability, and stability in relationships?” This data provides ample support that the manipulation of hierarchical culture type worked and was kept the same for the main study.

Adhocracy

The first question asked whether ARashi Corporation appeared to be a dynamic
entrepreneurial place. Most participating students responded favorably. No data was provided for two of the students, and one student answered no, for a total of six (6) favourable responses. For the second question, which asked whether the leader exemplified entrepreneurship, innovating, and/or risk taking, most (6 of 9) students responded that the leader did exemplify entrepreneurship, innovating, and/or risk taking. There was no data for two of the students, and one student answered no.

In summary, the ARashi Corporation depiction using the PowerPoint file containing the company description and video appears to be a good manipulation for social power and organizational culture. All manipulation checks for the four social power bases and two organizational culture conditions received mostly favorable responses. Actual response data for the pilot study is provided in Table 1 below.
Table 1. Pilot Study Responses

<table>
<thead>
<tr>
<th>Organizational Culture</th>
<th>Social Power Base</th>
<th>Coercive Power</th>
<th>Reward Power</th>
<th>Expert Power</th>
<th>Referent Power</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hierarchical Culture</td>
<td></td>
<td>Group 1</td>
<td>Group 2</td>
<td>Group 3</td>
<td>Group 4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Q#1 – Does the video you just viewed appear to match the company description provided? Yes = 1; No = 2</td>
<td>Q#1 – Does the video you just viewed appear to match the company description provided? Yes = 1; No = 2</td>
<td>Q#1 – Does the video you just viewed appear to match the company description provided? Yes = 1; No = 2</td>
<td>Q#1 – Does the video you just viewed appear to match the company description provided? Yes = 1; No = 2</td>
</tr>
<tr>
<td></td>
<td>Manipulation Check</td>
<td>COERCIVE POWER</td>
<td>Manipulation Check</td>
<td>Manipulation Check</td>
<td>Manipulation Check</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Did the leader demonstrate the ability to administer to another things he or she does not desire or to remove or decrease things he or she does desire? Yes = 2</td>
<td>Did he demonstrate the ability to administer to another information, knowledge, or expertise? Yes = 2</td>
<td>Did he demonstrate the ability to administer to another feelings of personal acceptance or approval? Yes = 2</td>
<td>Did the leader appear to be someone who could be looked up to as a role model?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Q#2: Does the company description of ARashi, including the company name, describe a place for which you would want to work? Yes = 2</td>
<td>Q#2: Does the company description of ARashi, including the company name, describe a place for which you would want to work? Yes = 2</td>
<td>Q#2: Does the company description of ARashi, including the company name, describe a place for which you would want to work? Yes = 2</td>
<td>Q#2: Does the company description of ARashi, including the company name, describe a place for which you would want to work? Yes = 2</td>
</tr>
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<td>Effect</td>
<td>Description</td>
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<td></td>
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<td>--------</td>
<td>-------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HIERARCHICAL CULTURE</td>
<td>Did ARashi Corporation appear to be a very controlled and structured place? Yes = 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Did the leader exemplify coordinating, organizing, or smooth-running efficiency? Yes = 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Did the management style in the organization appear to be characterized by security of employment, conformity, predictability, and stability in relationships? Yes = 2</td>
<td></td>
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</tr>
</tbody>
</table>

- Yes = 2
- No = 1

Yes = 1; No = 1
<table>
<thead>
<tr>
<th>Adhocracy Culture</th>
<th>Group 5</th>
<th>Group 6</th>
<th>Group 7</th>
<th>Group 8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q#1 – Does the video you just viewed appear to match the company description provided? Yes = 1; No = 1</td>
<td>Q#1 – Does the video you just viewed appear to match the company description provided? Yes = 1; No Data = 1</td>
<td>Q#1 – Does the video you just viewed appear to match the company description provided? Yes = 1; No Response = 1</td>
<td>Q#1 – Does the video you just viewed appear to match the company description provided? Yes = 1; No = 1</td>
<td></td>
</tr>
<tr>
<td>Q#2: Does the company description of ARashi, including the company name, describe a place for which you would want to work? Yes = 1; No = 1</td>
<td>Q#2: Does the company description of ARashi, including the company name, describe a place for which you would want to work? Yes = 1; No Data = 1</td>
<td>Q#2: Does the company description of ARashi, including the company name, describe a place for which you would want to work? Yes = 3</td>
<td>Q#2: Does the company description of ARashi, including the company name, describe a place for which you would want to work? Yes = 2</td>
<td></td>
</tr>
<tr>
<td><strong>Manipulation Check</strong></td>
<td><strong>COERCIVE POWER</strong></td>
<td><strong>REWARD POWER</strong></td>
<td><strong>EXPERT POWER</strong></td>
<td><strong>REFERENT POWER</strong></td>
</tr>
<tr>
<td>Did the leader demonstrate the ability to administer to another things he or she does not desire or to remove or decrease things he or she does desire? Yes = 2</td>
<td>Does the person who served as the leader in the video appear to be administering rewards? No = 1; No Data = 1</td>
<td>Did he demonstrate the ability to administer to another information, knowledge, or expertise? Yes = 3</td>
<td>Did the leader appear to be someone who could be looked up to as a role model? Yes = 2</td>
<td></td>
</tr>
<tr>
<td>Did the leader appear to punish a subordinate? Yes = 2</td>
<td>Did he demonstrate the ability to administer to another feelings of personal acceptance or approval? Yes = 2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ADHOCRACY CULTURE</td>
<td>No = 1; No Data = 1</td>
<td>ADHOCRACY CULTURE</td>
<td>ADHOCRACY CULTURE</td>
<td></td>
</tr>
<tr>
<td>-------------------</td>
<td>---------------------</td>
<td>-------------------</td>
<td>-------------------</td>
<td></td>
</tr>
<tr>
<td>Did ARashi Corporation appear to be a dynamic, entrepreneurial place? Yes = 1; No Data = 1</td>
<td>Did the leader exemplify entrepreneurship, innovating, and/or risk taking? Yes = 1; No Data = 1</td>
<td>Did ARashi Corporation appear to be a dynamic, entrepreneurial place? Yes = 2; No Response = 1</td>
<td>Did the leader exemplify entrepreneurship, innovating, and/or risk taking? Yes = 2; No Response = 1</td>
<td></td>
</tr>
<tr>
<td>Did the leader exemplify entrepreneurship, innovating, and/or risk taking? Yes = 1; No Data = 1</td>
<td></td>
<td>Did ARashi Corporation appear to be a dynamic, entrepreneurial place? Yes = 2; No Response = 1</td>
<td>Did the leader exemplify entrepreneurship, innovating, and/or risk taking? Yes = 2</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Did the leader exemplify entrepreneurship, innovating, and/or risk taking? Yes = 2; No Response = 1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Main Study

The target sample size was two hundred forty-six (target n=246) participants. However, due to technical difficulties, eight students were unable to complete the entire survey. The final sample size was two hundred thirty-eight (n=238) participants.

Statistical methods

Two main study constructs were operationalized using two scales for compliance and trust. Before using the aggregate score on these items for respective constructs for further analysis, reliability of these scales was assessed. Reliability is a measure of consistency and high correlation of the scores or response with repeated administration of the scale to same set of respondents. Reliability of total trust and compliance scales was measured using Cronbach’s alpha measure, which is a measure of internal consistency of the scale. Generally, Cronbach’s alpha value of 0.70 or higher is considered as satisfactory evidence for high reliability of the scale (Hair et. al, 2010).

Data on aggregate score of total compliance and total trust were summarized using measures of central tendency and dispersion including, mean, standard deviation, minimum and maximum. This is reported across different power types and culture styles. To test the study hypotheses of effects of combinations of power types and culture styles, the MANOVA statistical model was used. This is a multivariate statistical method with total compliance and total trust taken as multiple dependent variables and combinations of categories of power and culture styles as independent factor variables. MANOVA assumes normality of distribution of each dependent variable and equality of covariance matrices across groups or levels of the factor.

To ensure normality of distribution of dependent variables, first assessment of outliers was done using the univariate approach using box plots. In the boxplots, Tukey’s hinges and
interquartile ranges were obtained for the total compliance and total trust score per group. Any value that was larger than the 75% percentile Tukey’s hinge added to 1.5 times the interquartile range was deemed an outlier, as was any value that was smaller than the 25% percentile Tukey’s hinge added to 1.5 times the interquartile range. The Mahalanobis distance measure was used to determine if there were any multivariate outliers. This was done using a linear regression with the Group ID as the dependent variable and the two scales (i.e., total compliance and total trust) as the independent variables; the independent variables and dependent variables were switched in the linear regression function in SPSS which calculates Mahalanobis distance because the Group variable, a string variable (i.e., an alphanumeric variable rather than simply numeric) cannot be used in the independent variable feature in the linear regression analysis. The probability of getting a Mahalanobis distance value as large as the one observed for each case was calculated using the chi-square distribution with two degrees of freedom. The normality assumption for each dependent variable per group was tested using the Shapiro-Wilk’s test. In this test, the null hypothesis of normality of the data was tested against the alternative that it is not normal. A p-value higher than 0.05 would indicate that the null hypothesis could not be rejected and the data does not report significant departure from normality.

Assumption of equality of covariance matrices was tested using the Box’s M test. In this test, null hypothesis Ho: Covariance matrix of dependent variables is same across groups is tested against the alternate hypothesis H1: Covariance matrix of dependent variables is not the same across groups.

Results

Little’s Missing Completely at Random Test (Little’s MCAR Test) was performed using the SPSS statistical package. Expectation Maximization (EM) was run to test the hypothesis that
EFFECTS OF SOCIAL POWER AND ORGANIZATIONAL CULTURE

data were missing completely at random from the data set. Because the Little MCAR test did not reveal statistically significant values (Chi Square = 474.60, DF = 420, Significance = .034), I determined that the missing data were missing completely at random from the data set.

**Reliability of Scales**

**Compliance Scale Reliability**

The compliance scale contained eleven total items, three of which were reverse scored because they were negatively worded. The reliability of the total compliance scale was very high, with a Cronbach’s alpha $\alpha = 0.916$ (10 items). A total compliance variable was then created by transforming the data, including reverse scored items, into a new variable in SPSS.

**Trust Scale Reliability**

The trust scale contained five total items, none of which were reverse scored because all were positively worded statements. The trust scale also demonstrated high reliability ($\alpha = 0.847$, 5 items). A total trust variable was then created by transforming the data into a new variable in SPSS.

**Descriptive Statistics**

For total compliance score, the highest average was demonstrated by the respondents in the Coercive/Hierarchy Group 2 ($M = 47.765$, $SD = 9.079$), while the lowest average was demonstrated by the respondents in the Reward/Hierarchy Group 1 ($M = 43.880$, $SD = 6.139$). Similarly, the highest total trust score was demonstrated by the respondents in the Coercive/Hierarchy Group 2 ($M = 21.029$, $SD = 4.706$). In contrast, the lowest score was demonstrated by respondents in the Reward/Adhocracy Group 8 ($M = 17.966$, $SD = 4.346$). The descriptive statistics (mean, standard deviation, maximum and minimum) for each one of the eight groups for the total compliance and total trust scores are presented in Table 2.
**Table 2. Descriptive Statistics for the Dependent Variables**

<table>
<thead>
<tr>
<th>Power</th>
<th>Group</th>
<th>Total Compliance</th>
<th>Total Trust</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Mean</td>
<td>SD</td>
</tr>
<tr>
<td>Reward</td>
<td>Adhocracy</td>
<td>42.690</td>
<td>8.885</td>
</tr>
<tr>
<td></td>
<td>Hierarchy</td>
<td>43.880</td>
<td>6.139</td>
</tr>
<tr>
<td>Coercive</td>
<td>Adhocracy</td>
<td>45.364</td>
<td>6.470</td>
</tr>
<tr>
<td></td>
<td>Hierarchy</td>
<td>47.765</td>
<td>9.079</td>
</tr>
<tr>
<td>Expert</td>
<td>Adhocracy</td>
<td>46.733</td>
<td>8.229</td>
</tr>
<tr>
<td></td>
<td>Hierarchy</td>
<td>45.074</td>
<td>8.176</td>
</tr>
<tr>
<td>Referent</td>
<td>Adhocracy</td>
<td>44.774</td>
<td>6.845</td>
</tr>
</tbody>
</table>

**Assumptions Validation**

Box plots for the total compliance and the total trust scores, per group, are presented in Figures 2 and 3 respectively. There was one extreme outlier removed from Group 8, both for the total compliance score and total trust score.
Figure 2. Box-plots for the total compliance score per group

Figure 3. Box-plots for the total trust score per group
To accurately identify the outliers, the Tukey’s hinges and interquartile ranges were obtained for the total compliance and total trust score per group. Any value that was larger than the 75% percentile Tukey’s hinge added to 1.5 times the interquartile range was deemed an outlier, as was any value that was smaller than the 25% percentile Tukey’s hinge added to 1.5 times the interquartile range. There were five outliers in Group 8, one outlier in Group 3, one outlier in Group 5 and one outlier in Group 6, respectively. These were removed from further analysis. Mahalanobis distance measure, based on a cut-off probability lower than 0.001, indicated that there were no multivariate outliers. Results of Shapiro – Wilk’s test for normality are reported in Table 3. Both dependent variables, except for compliance in group 5, reported p value more than .05 in each group. Therefore, the normality assumption is satisfied.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Group</th>
<th>Statistic</th>
<th>df</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Compliance</td>
<td>1.00</td>
<td>.959</td>
<td>25</td>
<td>.401</td>
</tr>
<tr>
<td></td>
<td>2.00</td>
<td>.980</td>
<td>34</td>
<td>.778</td>
</tr>
<tr>
<td></td>
<td>3.00</td>
<td>.975</td>
<td>26</td>
<td>.763</td>
</tr>
<tr>
<td></td>
<td>4.00</td>
<td>.972</td>
<td>29</td>
<td>.604</td>
</tr>
<tr>
<td></td>
<td>5.00</td>
<td>.922</td>
<td>33</td>
<td>.020</td>
</tr>
<tr>
<td></td>
<td>6.00</td>
<td>.973</td>
<td>29</td>
<td>.647</td>
</tr>
<tr>
<td></td>
<td>7.00</td>
<td>.974</td>
<td>31</td>
<td>.629</td>
</tr>
<tr>
<td></td>
<td>8.00</td>
<td>.962</td>
<td>24</td>
<td>.472</td>
</tr>
<tr>
<td>Total Trust</td>
<td>1.00</td>
<td>.952</td>
<td>25</td>
<td>.271</td>
</tr>
</tbody>
</table>
The equality of covariance matrices was tested using the Box’s M test. The null hypothesis that the observed covariance matrices of the dependent variables are equal across groups could not be rejected, $F(21, 154975.674) = 1.403$, $Box’s M = 30.357$, $p = 0.104$. Thus the equality of covariance matrices assumption was met. Lastly, the equality of error variances was tested using the Levene’s test. The null hypothesis that the error variances of the dependent variable is equal across groups could not be rejected for the compliance scale ($F(7,223) = 2.029$, $p = 0.053$) or the trust scale ($F(7,223) = 2.012$, $p = 0.058$). Thus, the equality of error variances assumption was met for both the compliance and the trust scales.

Multicollinearity between the dependent variables was assessed by running a paired Pearson correlation test. The results indicated that the dependent variables were moderately correlated, $r = 0.625$, $p < 0.001$. As the dependent variables were not strongly correlated, the results indicated an absence of multicollinearity.

**Hypothesis Testing**

One-way MANOVA was used, with the total compliance and total trust scales as the dependent variables, and the group as the independent variables. The results indicated that there
were no statistically significant results in total compliance and total trust scales based on the eight combinations of power and culture groups, \( F(14,444) = 0.967, p = 0.483 \); Wilk's \( \Lambda = 0.942 \), partial \( \eta^2 = 0.030 \). The estimated marginal means for the total compliance and total trust scales are presented in Figures 4 and 5. The follow-up ANOVAs were not statistically significant for the total compliance scale \( (F(7,231) = 0.715, p = 0.660, \text{partial } \eta^2 = 0.022) \) or the total trust scale \( (F(7,231) = 1.223, p = 0.291, \text{partial } \eta^2 = 0.037) \). Thus, there were no statistically significant differences in terms of total trust scale or total compliance scale between the eight combinations of power and culture groups, indicating that hypotheses one through eight were not supported by the data.

Figure 4. Marginal means for the total compliance scale per group
To determine if the demographic characteristics were confounding factors, a secondary MANOVA was run with the combinations of power and culture groups, as well as the demographic characteristics as fixed factors. The demographic characteristics included were race, gender, country of origin (US or other), length of time living in the US, length of work experience and managerial position experience. The results indicated that there were no statistically significant results in total compliance and total trust scales based on the eight combinations of power and culture groups, $F(14,214) = 0.331, p = 0.989$; Wilk's $\Lambda = 0.958$, partial $\eta^2 = 0.021$. Similarly, the demographic characteristics were not statistically significant. The results are presented in Table 4.
Table 4. Results of MANOVA Model Effects Including Demographic Factors

<table>
<thead>
<tr>
<th>Group</th>
<th>Wilks' Lambda</th>
<th>F</th>
<th>df</th>
<th>( p )</th>
<th>Partial ( \eta^2 )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>.193</td>
<td>223.783</td>
<td>2</td>
<td>&lt;.001</td>
<td>.807</td>
</tr>
<tr>
<td>Group</td>
<td>.958</td>
<td>0.331</td>
<td>14</td>
<td>.989</td>
<td>.021</td>
</tr>
<tr>
<td>Ethnicity</td>
<td>.983</td>
<td>0.231</td>
<td>8</td>
<td>.985</td>
<td>.009</td>
</tr>
<tr>
<td>Gender</td>
<td>.960</td>
<td>2.242</td>
<td>2</td>
<td>.111</td>
<td>.040</td>
</tr>
<tr>
<td>US origin</td>
<td>1.000</td>
<td>0.016</td>
<td>2</td>
<td>.985</td>
<td>&lt;.001</td>
</tr>
<tr>
<td>Length in US</td>
<td>.953</td>
<td>0.65</td>
<td>8</td>
<td>.735</td>
<td>.024</td>
</tr>
<tr>
<td>Work Experience Length</td>
<td>.934</td>
<td>0.621</td>
<td>12</td>
<td>.823</td>
<td>.034</td>
</tr>
<tr>
<td>Management Position</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Experience</td>
<td>.972</td>
<td>1.524</td>
<td>2</td>
<td>.223</td>
<td>.028</td>
</tr>
</tbody>
</table>

T-Tests of Differences Between Groups

Table 5 reports results of independent samples t test comparing compliance score for each type of power across adhocracy and hierarchy styles. Table 6 reports these results for the trust construct. For all power types and for both compliance and trust dependent variables, \( p \) value of the test was more than .05 (\( p = >.05 \)). This indicates that the null hypothesis of no significant difference in mean compliance or trust score between adhocracy and hierarchy styles for each type of power cannot be rejected at .05 level of significance.
Table 5. Comparison of Compliance Across Adhocracy and Hierarchy Styles

<table>
<thead>
<tr>
<th>Power</th>
<th>Group</th>
<th>Mean</th>
<th>SD</th>
<th>t</th>
<th>df</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Coercive</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Adhocracy</td>
<td>45.364</td>
<td>6.470</td>
<td>1.604</td>
<td>66</td>
<td>.114</td>
</tr>
<tr>
<td></td>
<td>Hierarchy</td>
<td>47.765</td>
<td>9.079</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reward</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Adhocracy</td>
<td>42.690</td>
<td>8.885</td>
<td>.564</td>
<td>52</td>
<td>.575</td>
</tr>
<tr>
<td></td>
<td>Hierarchy</td>
<td>43.880</td>
<td>6.139</td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Expert</td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Adhocracy</td>
<td>46.733</td>
<td>8.229</td>
<td>-.762</td>
<td>55</td>
<td>.449</td>
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<tr>
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<td>Hierarchy</td>
<td>45.074</td>
<td>8.176</td>
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<tr>
<td></td>
<td>Referent</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Adhocracy</td>
<td>44.774</td>
<td>6.845</td>
<td>.290</td>
<td>58</td>
<td>.773</td>
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<tr>
<td></td>
<td>Hierarchy</td>
<td>45.379</td>
<td>9.225</td>
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</table>

Table 6. Comparison of Trust Across Adhocracy and Hierarchy Styles

<table>
<thead>
<tr>
<th>Power</th>
<th>Group</th>
<th>Mean</th>
<th>SD</th>
<th>t</th>
<th>df</th>
<th>p</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Coercive</td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Adhocracy</td>
<td>20.636</td>
<td>4.457</td>
<td>.351</td>
<td>65</td>
<td>.727</td>
</tr>
<tr>
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<td>Reward</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Adhocracy</td>
<td>17.966</td>
<td>4.346</td>
<td>1.518</td>
<td>52</td>
<td>.135</td>
</tr>
<tr>
<td></td>
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<td>19.720</td>
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</tr>
<tr>
<td></td>
<td>Expert</td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Adhocracy</td>
<td>20.200</td>
<td>3.547</td>
<td>-1.010</td>
<td>55</td>
<td>.317</td>
</tr>
<tr>
<td></td>
<td>Hierarchy</td>
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</tr>
<tr>
<td></td>
<td>Referent</td>
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</tr>
<tr>
<td></td>
<td>Adhocracy</td>
<td>19.516</td>
<td>3.767</td>
<td>-.481</td>
<td>58</td>
<td>.632</td>
</tr>
<tr>
<td></td>
<td>Hierarchy</td>
<td>19.035</td>
<td>3.986</td>
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</table>
Univariate ANOVA

A univariate ANOVA was run in SPSS in order to determine whether there were between-subjects effects for Group. If significant, this would be an interaction effect between organizational culture type and power type.

The table below presents the tests of between-subjects effects by group for one of the dependent variables, total compliance. None of these effects were significant.

Table 7. Tests of Between-Subjects Effects

<table>
<thead>
<tr>
<th>Dependent Variable: Total Compliance</th>
<th>Type III Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corrected Model</td>
<td>565.490a</td>
<td>7</td>
<td>80.784</td>
<td>1.137</td>
<td>.340</td>
</tr>
<tr>
<td>Intercept</td>
<td>480359.005</td>
<td>1</td>
<td>480359.005</td>
<td>6763.368</td>
<td>.000</td>
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<tr>
<td>Group</td>
<td>565.490</td>
<td>7</td>
<td>80.784</td>
<td>1.137</td>
<td>.340</td>
</tr>
<tr>
<td>Error</td>
<td>16406.459</td>
<td>231</td>
<td>71.024</td>
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</table>

a. R Squared = .033 (Adjusted R Squared = .004)

Table 8 below presents Estimated marginal means by group for Total Compliance.

Table 8. Estimated Marginal Means by Group

<table>
<thead>
<tr>
<th>Dependent Variable: Total Compliance</th>
<th>95% Confidence Interval</th>
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<tbody>
<tr>
<td>Group</td>
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</table>
Table 9 presents Multiple Comparisons by Group for Total Compliance.

Table 9. Multiple Comparisons

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<tr>
<th>(I) Group</th>
<th>(J) Group</th>
<th>Mean Difference</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>95% Confidence Interval</th>
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### EFFECTS OF SOCIAL POWER AND ORGANIZATIONAL CULTURE

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</tbody>
</table>
Based on observed means.

The error term is Mean Square(Error) = 71.024.

The same Univariate ANOVA analysis was run for the aggregate Trust score, Total Trust. None of the F values for this test were significant for Total Trust, as demonstrated in Table 10 below.

**Table 10. Tests of Between-Subjects Effects**

<table>
<thead>
<tr>
<th>Source</th>
<th>Type III Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corrected Model</td>
<td>209.526(^a)</td>
<td>7</td>
<td>29.932</td>
<td>1.637</td>
<td>.126</td>
</tr>
<tr>
<td>Intercept</td>
<td>91013.088</td>
<td>1</td>
<td>91013.088</td>
<td>4978.026</td>
<td>.000</td>
</tr>
<tr>
<td>Group</td>
<td>209.526</td>
<td>7</td>
<td>29.932</td>
<td>1.637</td>
<td>.126</td>
</tr>
<tr>
<td>Error</td>
<td>4205.083</td>
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<tr>
<td>Total</td>
<td>96717.000</td>
<td>238</td>
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<tr>
<td>Corrected Total</td>
<td>4414.609</td>
<td>237</td>
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</tbody>
</table>

*Based on observed means.*
Table 11 presents the Estimated Marginal Means for the Total Trust scale.

**Table 11. Estimated Marginal Means by Group**

<table>
<thead>
<tr>
<th>Group</th>
<th>Mean</th>
<th>Std. Error</th>
<th>95% Confidence Interval</th>
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<tbody>
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<td></td>
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<td>Lower Bound</td>
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<td>19.720</td>
<td>.855</td>
<td>18.035</td>
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<td>17.416</td>
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<td>19.034</td>
<td>.794</td>
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<td>.744</td>
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<td>19.516</td>
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<td>8</td>
<td>17.966</td>
<td>.794</td>
<td>16.401</td>
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</table>
Finally, Table 12 presents Multiple Comparisons by Group for Total Trust.

Table 12. Multiple Comparisons

<table>
<thead>
<tr>
<th>(I) Group</th>
<th>(J) Group</th>
<th>Mean Difference</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>95% Confidence Interval</th>
</tr>
</thead>
<tbody>
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<td>1.12652</td>
<td>.942</td>
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<td>.999</td>
<td>-2.9475</td>
</tr>
<tr>
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<td>5</td>
<td>.6855</td>
<td>1.16695</td>
<td>.999</td>
<td>-2.8842</td>
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<td>1.13373</td>
<td>.993</td>
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<td>4.3919</td>
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<td>1.08834</td>
<td>.221</td>
<td>-1.6584</td>
<td>6.0001</td>
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<td>1.000</td>
<td>-3.0621</td>
<td>4.0221</td>
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<td>.994</td>
<td>-4.1058</td>
<td>2.4470</td>
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<tr>
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<td>1.13427</td>
<td>.970</td>
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<td>1.11350</td>
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<td>.480</td>
<td>-1.1718</td>
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</tr>
</tbody>
</table>
CHAPTER 7: DISCUSSION

The purpose of the present study was to assess the effects of four different types of social power within two types of organizational culture on the outcomes of follower compliance and trust. The findings from my study reveal several important implications for the study of social power and organizational culture, which are pertinent to the organizational outcomes of compliance and trust, two less frequently studied variables in relation to social power.

The hypotheses are discussed and Table 4 is re-presented below; none were statistically significant.

Table 4. Results of MANOVA Model Effects Including Demographic Factors

<table>
<thead>
<tr>
<th>Group</th>
<th>Wilks' Lambda</th>
<th>F</th>
<th>df</th>
<th>p</th>
<th>Partial η²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>.193</td>
<td>223.783</td>
<td>2</td>
<td>&lt;.001</td>
<td>.807</td>
</tr>
</tbody>
</table>
Hypothesis 1 - Compliance and trust outcomes in the Coercive Power condition would be low in adhocracy culture compared to a hierarchy culture.

Hypothesis 1 did not receive support from the total compliance scale. Hypothesis 1 predicted that the Coercive/Adhocracy group would have lower compliance and trust scores due to the misalignment between power and culture; however, the Mean compliance scale score for this group was M=45.364, SD=6.470. Perhaps an item by item analysis of the questions would reveal different findings.

It is interesting to note that the compliance scale items did not receive lower responses from the coercive/adhocracy group. This is a very interesting finding, since a leader’s use of coercive power would appear to create in followers a lack of trust and unwillingness to comply in the purportedly flexible and participatory adhocratic organizational system due to potential negative outcomes such as, for example, punishment, demotion, or termination. Perhaps the
sample used in the present study was an inaccurate representation of employees in a fashion company or corporate environment. There is also the potential that other forms of organizational culture which are emerging in recent literature would have revealed different effects (Refer to, for instance, ‘holacracy’ culture, Bernstein, Bunch, Canner, & Lee, 2016).

Another interesting finding was that compliance responses were so high, yet trust responses so low. According to Mosaic Projects, 2014, the power type and organizational culture must be aligned in order for the employee to comply. But in the coercive/adhocracy group, the compliance responses did not support this theoretical assertion. While it is true that the use of threat, force or punishment to influence follower compliance is anachronistic with the cultural portrait an adhocratic organization is attempting to convey to its employees, it is also possible that employees who need work in order to thrive or afford their own necessities, would comply despite these circumstances. In fact, Rahim and Afza (2001) found no significant correlations between coercive power and compliance, commitment, or satisfaction outcomes.

Rahim, Kim, and Kim (1994) conducted an investigation using a comparison approach between U.S. and South Korean managers. U.S. Managers rated the use of coercive power as the most frequently used form of supervision, while South Korean managers listed it as fifth most used with expert, referent, legitimate and reward power as the top four. The means for the power bases for the two countries were significantly different (Rahim, Kim, & Kim, 1994).

**Hypothesis 2** - Compliance and trust outcomes in the Coercive Power condition would be high in a hierarchical culture compared to an adhocracy culture.

Hypothesis 2 was supported by the averages, but the findings from the MANOVA,
ANOVA and T-tests did not reveal any statistically significant results for the total compliance or total trust scale scores. The greatest total compliance average responses were given by Group 2, the Coercive/Hierarchy group (M=47.765, SD=9.079). This finding, despite that it did not provide full support for the hypothesis, is worth noting because the extant literature buttresses this notion more often than not.

In an experiment utilizing introductory psychology undergraduates, Schlenker, Nacci, Helm and Tedeschi (1976) examined reactions to coercive power in the form of written message threats and rewards as fulfillments of promises. The authors found that subjects exhibited greater compliance with coercive threats when the promises made were of higher credibility, and more often indicated that they intended to comply with the influencer.

Michener and Burt (1975) also found that compliance with authority figures was high when coercive power in two-status hierarchical environments (i.e., low-level subordinates reporting to high-level authority figures) was high.

These findings suggest that compliance, which is similar to obedience to authority in the Milgram paradigm (Blass & Schmitt, 2001), would be higher in the coercive power condition, especially within a hierarchical culture. However, Blass & Schmitt (2001) found that subject’s compliance was higher in the expert and legitimate power conditions.

In sum, hypotheses 1 and 2 may indicate that regardless of the organizational culture within which they are embedded, the power type of coercive power will yield higher compliance and trust outcomes than other types. As mentioned previously, when coercive power is used in an appropriate manner, the effects can be beneficial on performance and other criterion measure
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(Hypotheses 3 & 4)

Hypothesis 3 stated that compliance and trust outcomes in the Reward Power condition would be lower in an adhocracy culture compared to a hierarchical culture. The lowest total compliance average was registered by the respondents in Reward/Adhocracy Group 8 \((M = 42.690, SD = 6.139)\). Similarly, the lowest total trust average was registered by respondents in Reward/Adhocracy Group 8 \((M = 17.966, SD = 4.346)\).

Hypothesis 4 stated that compliance and trust outcomes in the Reward Power condition would be high in a hierarchical culture compared to an adhocracy culture. The responses from Group 1, the reward/hierarchy group, for the compliance variable, however, did not support hypothesis 4. Instead of being high, the averages for total compliance \((M = 43.880)\) and total trust \((M = 19.72)\) for Group 1 were relatively low. Hypothesis 4 was not confirmed for the total compliance scale score averages nor was it confirmed for the MANOVA, ANOVA or T-tests.

Refer to Schlenker, Nacci, Helm and Tedeschi (1976), Fontaine and Beerman (1977), and Rodrigues and Lloyd (1998) for a more detailed discussion on reward power and compliance outcomes. Rahim and Buntzman (2001) note that reward power was positively correlated with various styles of conflict resolution with subordinates, but found no significant results for reward power and compliance outcomes. The extant empirical literature lacks evidence of relationships between reward power and trust. Fontaine and Beerman (1977) noted that legitimate, coercive and expert power lead to low levels of compliance and satisfaction, and that informational, referent and rewarding power lead to high levels of these variables.

Further research is needed to explore the effects within varying organizational culture.
contexts for reward power, especially because extant literature revealed that economic theories are sometimes inaccurate when they suggest that the use of monetary incentives to induce behavioral compliance in employees will consistently increase performance indicators and other criterion measures that are beneficial to the organization. Instead, Gneezy, Meier, & Ray-Biel (2011) noted that the effects of reward usage could “backfire” causing a diminished trust in the leader due to attributions regarding his or her earnest motives.

**Hypothesis 5** - Compliance and trust outcomes in the Expert Power condition would be higher in an adhocratic culture compared to a hierarchical culture.

For the total compliance scale, Group 6 (i.e., the Expert/Adhocracy group) had the second highest mean score ($M = 46.733$, $SD=8.229$). For the total trust scale, Group 6 had the third highest mean score ($M = 20.200$, $SD=3.547$). The MANOVA, ANOVA, and T-tests Hypothesis 5 results did not reveal any statistically significant findings for Hypothesis 5.

As predicted in Hypothesis 5, these findings conflict with others in the social power literature. As mentioned in Atwater and Yammarino (1996), power and leadership behavior are best measured from the perspective of the follower (Hollander & Offerman, 1990), because “perceptions followers have of leaders’ behavior and power influence follower behavior,” (Atwater & Yammarino, p. 4). Fontaine and Beerman (1977) noted that legitimate, coercive and expert power lead to low levels of compliance and satisfaction, and that informational, referent and rewarding power lead to high levels of these variables. Lipman (2000) also suggested that General Practitioner Clinicians with less expert power demonstrated greater compliance with organizational system implementations such as rules and procedures. Furthermore, Ansari (1990) noted that referent power was related to participative leadership style, coercive power was
related to authoritarian and bureaucratic styles, and expert power was related to a task-oriented style. Frankel and Kassinove (1974) found the teacher’s compliance with school psychologists’ recommendations was unrelated to compliance or sex.

Perhaps the conflicting findings can be explained from an attributional perspective. Rodricues and Lloyd (1998) conducted replication analyses of an earlier Rodricues (1995) study and use their findings to explain the social power bases from an internal/external attributional perspective for compliance inducement. The authors noted that internal, and thus controllable) attributions could be made for the reward and referent power base’s inducement of compliance behaviors, and thus expert and coercive power bases were not as likely to be explained by internal attributions. The attributional theory originally proposed by Heider (1958) indicates that people make internal attributions for other people’s behaviors, while attributing their own behaviors to external causes or influences. This is the fundamental attribution error in social psychology (Ross, 1977). If in fact reward and referent power base compliance inducement is caused by internal factors and not the influencer, the leader, then the leader cannot be the sole topic of study in investigations of social power. Follower attitudes and behaviors would also have to be examined, along with situational context. In many of the questions on both the compliance and trust scales used in this study, follower likes and dislikes were assessed.

Rahim and Afza (2001) corroborate the findings for Hypothesis 5 for organizational outcomes other than compliance. Using a sample of U.S. accountants, Rahim and Afza (2001) found that expert and referent power were positively correlated with organizational commitment (Green, 1999), referent power was positively correlated with satisfaction, expert and referent power were positively correlated with attitudinal compliance, and legitimate and referent power were positively correlated with behavioral compliance. Rahim and Buntzman (1989) also found
that legitimate power was positively associated with behavioral and attitudinal compliance.

Other research also highlights that expert power is positively correlated with trustworthiness, but that coercive power is not. Expert power was positively related to trustworthiness of the faculty advisor in an educational setting, whereas coercive power was negatively related to trustworthiness (Aguinis, Nesler, Quigley, Lee, & Tedeschi, 1996).

**Hypothesis 6** - Compliance and trust outcomes in the Expert Power condition would be lower in a hierarchical culture compared to an adhocratic culture.

There were no remarkable findings for total compliance ($M = 45.074$) or total trust ($M = 19.037$) scale items for Group 3, the Expert/Hierarchy Group, on hypothesis 6. The total compliance score average was the fourth lowest among the means, and the total trust score average was the third lowest among the means. Still, support was not provided for Hypothesis 6; the MANOVA, ANOVA and T-test findings lacked statistical significance.

This finding suggests that additional research is needed to assess expert power and to identify how it can be properly used as a soft power base within organizations. Training and development for highly specialized skills necessary to fulfill the duties of complex organizational roles is prevalent in the twenty-first century, and will continue to be. Thus, gaining and maintaining one’s own expertise in a field of study is mandated for individual career success and the overall achievement of organizational goals and objectives.

The importance of the expert power base in the field of Industrial/Organizational Psychology cannot be overstated. These literatures buttress this notion:

• Findings in the organizational learning literature on “Intelligent Leadership” in “Knowledge-Based Organizations” (Gueldenberg & Konrath, n.d.)

• “Knowledge Management” literature (Wong, 2005).

• This concept is also heavily documented in the human resources management literature on employee training and development with respect to what is now referred to as a “career development culture” (Kraimer, Seibert, Wayne, Liden & Bravo, 2011; Wickramaratne, 2013).

• It is also evident in the human capital literature pertaining to the impact of educational attainment on regional and other economies according to a report by the Milken Institute (Devol, Shen, Bedroussian & Zhang, 2013).

The bottom line is that the impact of educational attainment is ubiquitous, both within the company and in its dynamic environment.

**Hypothesis 7** – Compliance and trust outcomes in the Referent Power condition would be high in an adhocratic culture compared to a hierarchical culture.

The total compliance scale mean score for Group 7, the Referent/Adhocracy Group was the third lowest among the averages ($M = 44.774$). The total trust scale mean score for Group 7 was the fourth lowest average ($M = 19.516$). These findings and those of the statistically insignificant MANOVA, ANOVA and T-test do not provide support for Hypothesis 7.
These findings are, however, supported in the literature. As stated previously, Rahim and Buntzman (2001) found that referent power was positively correlated with satisfaction with supervision, but not compliance.

Referent power is a difficult construct to manipulate using self-report measures. This is because survey respondents often fabricate their responses on psychology-related self-report studies in order to appease a researcher. This is referred to as response bias in the psychology literature (Dodd-McCue & Tartaglia, 2010). In another type of methodology and design, for instance using case studies or interviews with persons whom a respondent actually admires and regards as a role-model, the potential interactional relationship between referent power and organizational culture could be assessed for follower outcomes, especially that of trust.

**Hypothesis 8** - Compliance and trust outcomes in the Referent Power condition would be low in a hierarchical culture compared to an adhocratic culture.

The findings for Group 4, the Referent/Hierarchy group, did not provide support for Hypothesis 8. The total compliance scale mean score was the third highest among the averages ($M = 45.379$). The total trust scale mean score was the second lowest ($M = 19.035$).

Hypothesis 8 predicted that because an employee’s desire to be like a leader, or to advance within the organizational system is misaligned with the hierarchy/bureaucracy which reflects an organizational system that is stagnant and does not readily adapt to dynamic changes in the internal and external organizational environment, referent power within a hierarchical culture would reflect low compliance and trust outcomes.

Leaders within organizations, especially corporations, are often dubbed as “charismatic” or “aggressive” figures who represent such a highly elite group that reaching their potential from
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within the organization is apparently an impossible feat.

Perhaps the actual finding from this study will buttress the need for future research on referent power. Formal and informal mentoring programs, both within and outside of the organization’s initiatives, promote advancement into higher level positions. Mendez-Morse (2004) has examined mentors within the education sector using a case study methodology. The mentors served as role models for Latina leaders. Mendez-Morse (2004) noted that the mentors who played significant roles in the Latina leaders’ professional development had not actually served as role models in a professional capacity. Rather, they came from a variety of nonprofessional sources, including the community, the family, etc. The role models had been chosen by the leaders based on their own specific needs.

Limitations

This study has limitations. First, the type of company used is a fashion company which may not be attractive to some people. Second, the leader is a Black male, who despite his educational and professional credentials solidifying his selection for the position, may still not be considered an appropriate selection given his position within the company at the Executive level due to prejudice. Indeed, most corporate Executives are White males. Lastly, because this study consists mainly of lab results and data from undergraduates, it is difficult to ascertain whether the findings are generalizable to the field where studies such as this would be useful. The study may have revealed different findings if it were conducted in an actual corporation or governmental entity or using an in-basket exercise with confederate actors. The findings reviewed in the literature review here did, however, consist of both lab and field studies, which guided the hypotheses of the present investigation.
Potential Confounders

Race

Race did not emerge as a potential confounder in the present analysis. The executive depicted in the manipulation video is an African-American man who was portrayed to hold an Executive leadership position within a large, successful corporation. This is an uncommon scenario that could have potentially shocked the consciences of the participants, especially those whose backgrounds are dissimilar from the leader. Research literature pertaining to unconscious discrimination (Lyubansky, 2012), tokenism in small group dynamics due to disproportionate representations of a majority group with one defining [i.e., in this instance, demographic] and distinguishing characteristic, who regard the non-representative [i.e., in this instance, minority] group member as a ‘token’ whose attributes become inaccurately stereotypical (Kanter, 2006), and many others should be explored further for the potential unintentional psychological and emotional reactions followers have to leadership by members of racial/ethnic minority groups.

The majority of the Fortune 500 landscape depicts a much more disproportionately White male dominated organizational structure (Zweigenhaft, 2013). A sample of policy-planning groups business roundtables revealed a startling 92.1% White majority, with the remaining mere 7.9% consisting of 5.1% Asians, 1.4% Latinos, and 1.4% African-Americans. White men still dominated the landscape, making up 87.0% of the total sample (Zweigenhaft, 2013).

A discussion of the topic of diversity in corporate leadership in the United States should include all members of diverse ethnic groups. This is especially relevant for the participant pool in which data were collected. The 4-year college campus, located in Northeastern United States, is one of the most diverse campuses in the U.S. In Fall 2010, the student body consisted of the following racial/ethnic make-up:
Table 13. Ethnic Breakdown for Total Enrollment

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>37.6%</td>
</tr>
<tr>
<td>Asian</td>
<td>36.6%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>14.4%</td>
</tr>
<tr>
<td>Black</td>
<td>11.2%</td>
</tr>
<tr>
<td>American Indian/Native</td>
<td>0.2%</td>
</tr>
</tbody>
</table>

There was an African-American male leader providing the instructions to the respondents. This leads to the question of whether a leader and followers must be of similar racial/ethnic backgrounds in order for followers to comply or trust the leader.

Empirical research related to perceptions of racial/ethnic minority leadership is accessible in the literature. Logan (2011) studied the “White leader prototype” in the Public Relations field, indicating that race might be the most dominant factor determining promotion into higher levels within that field. Parker (1976) found that manager race and subordinate race, along with majority/minority status within the group under supervision, all determined manager behavior toward subordinates. Future research should be dedicated to these areas in the fields of Industrial/Organizational Psychology, Social Psychology, Training and Education, Political Science, and Sociology, among others.

Romero (2005) studied the effects of Hispanic ethnicity on perceptions of leaders. The author’s study examined the effects of Hispanic ethnicity on how others perceive leaders and their leader effectiveness. Findings revealed that Hispanic leaders were viewed as equivalent to their Euro-American counterparts; however, when leader style and follower prototype of leader style were mismatched, perceptions of leader effectiveness were significantly diminished.
Romero’s (2005) study findings raise the question of whether African-American leaders would be viewed as equivalent and equally as effective as their Caucasian counterparts. The answers obtained in this study provide some snapshot; the “trust” variable was a key component in bringing to light that many of the respondents had low trust responses to all trust scale items, whether or not they complied. Trust scale item responses were markedly lower than those of compliance. Edelman’s (2017) trust barometer survey reveals this trend in society as a whole across national borders of over 25 markets, revealing that less than forty percent of respondents defined Chief Executive Officers of corporations as credible, and less than thirty percent responded in the same manner pertaining to officials within their own country’s government (Edelman, 2017).

Despite the potential confounding limitations of race on studies of leadership, members of racial/ethnic minority groups have made consistent strides in redefining and reshaping the corporate landscape in the United States. Chief Executive Officers, Board Members, Executives, Presidents, Vice-Presidents and political figures in federal, state, and local government have demonstrated that leadership from within hierarchical institutions is not an impossible task to surmount, despite overcoming obstacles in their professional advancement and in society. Future research in this area could further explore methods for shaping members of all racial/ethnic groups into persons who can receive feedback, mentoring, professional development, and support or sponsorship from members of any and all racial/ethnic minority groups, and further attempt to eradicate the deleterious effects of racism on society and on our future generations’ experience of it. Surely the situational context of organizational culture plays a significant role in these efforts, as diversity initiatives and other avenues for professional development and
advancement for racial/ethnic minorities are critically and directly related to the desired outcomes.

**Gender**

The potential confounding factor Gender did not emerge as a significant confounder for the total compliance or total trust scale scores. Studies of gender differences and leadership have generally focused on perceptions of women as leaders. There is an obvious necessity for future research in this area, captured by the following quote from the book *Inclusive Leadership* by Edwin Hollander:

> “Gender provides an example of the effect of expectations…Comparisons between women and men in the leader role often fail to consider that women begin with an initial hurdle to attaining legitimacy, even though neither men nor women appear to be more ‘effective’ as leaders across mixed gender situations. Individual differences among leaders, including differences in style and self-oriented actions, are perceived as real and do play a role in follower satisfaction and performance outcomes,” (Hollander, 2009, p.69)

Smith, Matkin and Fritz (2004) reviewed the literature on gender differences in leadership. The authors discuss perceptions of leaders in the form of stereotypes of women leaders versus male counterparts, evaluations of women leaders using leader style as an independent variable, organizational type as a determinant of leader perceptions, and leader effectiveness. Generally in all studies, and especially in the autocratic leader style, women were perceived less favorably than male leaders. Women leaders were rated as less effective than male leaders when leaders and followers were both male. Further, the devaluation of women leaders was more pronounced when the role performed by the leader was a male-dominated role (Smith, Matkin, & Fritz, 2004).

According to Eagly and Johnson’s (1990) meta-analysis of 370 laboratory and assessment center studies, women tend to lead with a participative style in comparison to male
leaders. Women leaders are also less likely to be autocratic in leader style (Eagly and Johnson, 1990). Future research in this area could focus on how to get perceptions of women leaders heightened in the workplace, since women leaders are misperceived as having the tendency to be more communicative and interpersonally oriented than male leaders. Potential leader style differences do exist, and can be acknowledged while maintaining women leaders’ credibility (Eagly and Johnson, 1990).

Other research related to social power within varying organizational cultures could explore the impact on follower outcomes for a female leader’s use of power. Perhaps Kanter’s (2016) token effect or unconscious discrimination and stereotyping (Lyubansky, 2012) would occur, but studies could also reveal positive outcomes of female leaders’ power usage within organizations.

Nationality

Nationality did not emerge as a significant confounder in the present analysis. Among the 136 respondents to the self-identification question of nationality/country of origin (103 values were missing), Fifty-Seven Participants (nearly 42%) were not born in the United States, and the remaining Seventy-nine were born in the United States (58%). With such a high number of respondents who were not born in the United States, exploring the topic of nationality/country of origin is highly relevant to this discussion and future research.

There is research dedicated to immigrant populations surrounding the more global construct of leadership, and some of these are highlighted here and were highlighted in greater detail in the review of the literature. Especially relevant is the GLOBE study (Hoppe, 2007) and the concept of national culture (Hofstede, 1984) as it pertains to leader style. As noted previously, informational power or the command of information is a universally-desirable leader
trait across national cultures. Future research in this area could delve into the impact of national culture on United States workers within corporate and governmental institutions, both as leaders and as peers and followers in a Western, individualistic culture with high power distance.

Metayer (2004) discusses leadership in immigrant populations among Haitians in the non-profit sector. Her discussion is based on her own empirical research with large Haitian populations within U.S. companies. Her article points out major societal issues, the duplication of old regimes and structural patterns which cause inertia, the disruption due to social conflict within the Haitian organization, and stereotypes about Haitian leadership behaviors which preclude the active engagement of Haitian organizational leaders with the workforce (Metayer, 2004).

Givens (2007) notes that European immigrant and minority populations are oppressed by issues of racism and anti-immigrant political and religious/spiritual views. In 2000, the European Union created a potential solution referred to as the European Union’s Racial Equality Directive. The empirical research in the area of immigrant integration in European Union began with studies whose primary focus was on the politics of immigrant integration, especially labor force issues. Other studies have focused on racial and ethnic minority communities and their ability to achieve political empowerment in a racist political infrastructure (Givens, 2007).

Chong and Wolf (2009) studied follower perceptions of leaders and noted that tests for differences between followers from individualistic and collectivistic cultures were inconclusive.

This discussion is relevant, especially in this the Trump era in which immigration policy reform is at an all-time peak in the United States, discrimination against immigrants and racial/ethnic minorities is rampant, and the prevailing political infrastructure does not pose opportunities for change in any direction in these areas. Psychologists have referred to
ramifications of Trump’s presidency in therapy (Burnett-Zeigler, 2016), dubbed the fear and anxiety Americans are experiencing as “The Trump Effect,” (Veissiere, 2016) and studied the “collective narcissism” induced by Trump’s presidency and his supporters’ blind trust in his decision-making (de Zavala & Federico, 2017).

Future research in this area should be dedicated to examining differences in immigrant subordinate emotional, cognitive and behavioral responses to leaders of varying nationalities, races and ethnicities, as well as perceptions of leader effectiveness among these diverse groups in the private sector.

**Work and Managerial Experience**

Keskes (2014) notes that work experiences are antecedents of organizational outcomes such as organizational commitment. The question of whether management experience would lead to similar relationships with compliance and trust remains to be answered by this study and future research in this area, especially research using actual managers and subordinates within organizations.

In this study, work and managerial experience did not emerge as significant confounders in the analysis. Given the difficulty and monetary expense associated with management training and development, however, the analysis was worth conducting and future research should examine it in a similar vein.

**Industry**

The fashion industry is a renowned yet oft-detested industry within business and industry contexts. Students would likely have responded differently to the exact same manipulation and questions within food industries, gaming and toy industries, automobile industries, financial
services industries, etc. Demonstrative of the pejorative connotations associated with the fashion industry are the questions of whether shopping patterns and behaviors are truly a function of underlying psychological issues such as low self-esteem (Bannister & Hogg, 2004).

**“Plus-size” vs. “Regular” Fashion Apparel**

The focus of the present methodology was the introduction of a new plus-size clothing line in a fashion company. Some empirical research has begun to explore psychological relationships with fashion branding for plus-size and full-size retail clothing. For instance, Acosta (2012) studied consumer bonding experiences with full-figured brands marketing to Filipino women. Haswell (2010) conducted an empirical investigation on online shopping motivations for plus-size retail fashion. This study could plausibly have returned different results if the clothing line introduced were regular fashion apparel lines.

**Pilot Study – Two Year College vs. Main Study – Four Year College**

In the school year 2013-14, the campus on which the pilot study was conducted had a majority Black/African-American (80.5%) student body, unlike the sample from which study data was obtained. Whites made up 11.3% of the student population, Hispanics made up 2.8% of the student population, and Asians made up 2.7% of the student population in 2013-14.

The two-year and four-year college environments have been shown to have significant differences in academic growth (i.e., predicted by classroom vitality, commitment, student effort, involvement and peer support) and cumulative GPA. Cumulative GPA was a better predictor of performance in the four-year college environment, while student effort was a better predictor of performance in the two-year college environment (Strauss & Volkwein, 2002).

**Conclusion**
None of the findings from the main study were statistically significant. There are other issues that emerge from a review of the results and analyses which have profound impact on the topic of social power within varying organizational cultures using the outcomes of follower compliance and trust. I will discuss these next.

**Implications and Directions for Future Research - Why was this study important?**

My findings suggest that the implementation of the social power bases within organizational systems must consider first the organizational cultural landscape in which the implementation is being made. This held true for all of the power bases studied here, including coercive power, reward power, expert power, and referent power, with some exceptions as the power bases were combined with varying organizational cultural environments. It appears to be true that Mosaic Projects’ (2014) findings regarding the alignment of power type with organizational culture is a necessity for effective organizational outcomes, including compliance and trust. Further investigation is needed to determine whether the potential confounding factors in the present methodology led to these conclusions, or whether there are other plausible explanations.

Despite its obvious limitations, this study lays the groundwork for much-needed psychological research on responses to leaders of races other than white in the U.S. The psychological implications of responses of employees to their superiors can have lasting impact on the employees’ own behavior, progression within the company, and employee emotions (Dasborough, 2006; Wong & Law, 2002).

Race/ethnicity and gender, usually visibly defining characteristics of the individual, have been observed to lead to social categorization, which then leads to cognitive inferences about internal characteristics which define members (i.e., and presumably the particular member being
observed) of a particular social category (Eagly & Chin, 2010). This is better known as stereotyping, which can lead to misclassifications of members by assuming internal or psychological qualities which in fact do not define that member of the category or social group.

Guldenberg and Konrath (n.d.) refer to the empirical research surrounding the implementation of effective and socially-conscious leadership in the context of varying organizational cultures “embryonic” at best (p.2). It is this call to action that necessitates this and future such studies in the area of leadership in organizations, both domestically and internationally.

But there are other, potentially more socially-conscious reasons which validate the purpose of this and related studies. Subcultures in Western cultures, such as Blacks, Latinos, Asians, Jews, American Indians, and women have suffered tremendous social setbacks which have precluded their total engagement in the workforce. Historically, educational attainment among these groups has been the primary determinant of success and high achievement, such as advancement, promotion into executive-level positions, and other accolades in organizations (Greenhaus, Parasuraman, & Wormley, 1990; Kao & Thompson, 2003)

However, the leadership within Corporations still reflects a past that was wrought with social inequality, in which White males dominate the landscape. Since the inception of the American Declaration of Independence, writing of the United States Constitution, and other foundational documents that lay the groundwork for the infrastructure in which U.S. corporations must operate, including laws, federal regulations, the Bill of Rights, and financial services industry requirements in order to navigate the federal economy, organizational systems have been limited to a homogeneity of thought, persons, and structures. These limitations can be overcome with Diversification Management practices, heightened skills training and
development initiatives, broader recruitment efforts, restatement of organizational values and mission, and a sensitized organizational climate.

Finally, I offer a caveat emptor for the study of social power in Western organizational systems. The use of the term “power” conveys a pejorative, hegemonic perspective of authority figures that is rampantely unfolding in the egos and psyches of corporate and other institutional leaders. An example is given by Bedeian in his use of the term “Dean’s Disease” to describe the impact of playing the role of Dean in educational institutions on Deans whose ability to remain humble and refrain from becoming “puffed up with their own importance.” The leadership model perhaps most fitting as a prototype for true leadership is one which allows the leader to see the institutional landscape through the lens of its employee base, organizational cultural climate, and the dynamic system in which it operates.

My findings suggest that the implementation of the social power bases within organizational systems must consider first the organizational cultural landscape in which the power type is being wielded.
Appendix A.

Figure 1. Compliance and Trust Predictions – An Interaction
Appendix B.

SCENARIO

James Smith: Our company needs an intern to assist with the launch of the new plus-sized product line, which has really been taking off over the web. Your campus recruiting efforts will be to locate an intern. Your task is going to be identifying someone with the requisite skills to perform and possibly transition into a full-time position upon graduation.

REWARD POWER/HIERARCHY MANIPULATION:

James Smith: I will give you a $1000 bonus for identifying a good intern.

ARashi is a very controlled and structured place. Formal procedures generally govern what people do. The leadership in the organization is generally considered to exemplify coordinating, organizing, or smooth-running efficiency. The management style in the organization is characterized by security of employment, conformity, predictability, and stability in relationships. The glue that holds the organization together is formal rules and policies. Maintaining a smooth-running organization is important. The organization emphasizes permanence and stability. Efficiency, control and smooth operations are important. The organization defines success on the basis of efficiency. Dependable delivery, smooth scheduling and low-cost production are critical.

COERCIVE POWER/HIERARCHY MANIPULATION

James Smith: I will have no choice but to recommend your demotion if the intern you recommend does not turn out to be a positive fit with the company.

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**EXPERT POWER/HIERARCHY MANIPULATION**

James Smith: I would consult with Student Affairs. I find that they have excellent strategies to market the internships to students because they know what students like and enjoy. Your display for the recruiting event is critical. It needs to be vibrant and communicate exactly what we are looking for in an intern. It should attract good students to apply for the internship position.

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and low-cost production are critical.

**REFERENT POWER/HIERARCHY MANIPULATION**

James Smith: I have done recruiting events in prior years that went very well. We hand-selected two interns among over 100 applicants. I can serve as your role-model in preparing for this recruiting event.

ARashi is a very controlled and structured place. Formal procedures generally govern what people do. The leadership in the organization is generally considered to exemplify coordinating, organizing, or smooth-running efficiency. The management style in the organization is characterized by security of employment, conformity, predictability, and stability in relationships. The glue that holds the organization together is formal rules and policies. Maintaining a smooth-running organization is important. The organization emphasizes permanence and stability. Efficiency, control and smooth operations are important. The organization defines success on the basis of efficiency. Dependable delivery, smooth scheduling and low-cost production are critical.

**REWARD POWER/ADHOCRACY MANIPULATION**

James Smith: I will give you a $1000 bonus for identifying a good intern.

ARashi is a very dynamic entrepreneurial place. People are willing to stick their necks out and take risks. The leadership in the organization is generally considered to exemplify entrepreneurship, innovating, or risk taking. The management style in the organization is characterized by individual risk-taking, innovation, freedom, and uniqueness. The glue that holds the organization together is commitment to innovation and development. There is an emphasis on being on the cutting edge. The organization emphasizes acquiring new resources and creating
new challenges. Trying new things and prospecting for opportunities are valued. The organization defines success on the basis of having the most unique or newest products. It is a product leader and innovator.

**COERCIVE POWER/ADHOCRACY MANIPULATION**

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Appendix C.

PILOT STUDY QUESTIONS

Does the video you just viewed appear to match the company description provided below?
Yes  No

Does the company description of ARashi, including the company name, describe a place for which you would want to work?
Yes  No

Manipulation Checks

Expert Power Manipulation

Does the person who served as the leader in the video seem like an expert?
Yes  No

Did he demonstrate the ability to administer to another information, knowledge, or expertise?
Yes  No

Referent power Manipulation

Did the leader demonstrate the ability to administer to another feelings of personal acceptance or approval?
Yes  No

Did the leader appear to be someone who could be looked up to as a role model?
Yes  No

Reward Power Manipulation

Does the person who served as the leader in the video appear to be administering rewards?
Yes  No
Did he demonstrate the ability to administer to another things he or she desires or to remove or decrease things he or she does not desire?
Yes  No

Coercive power Manipulation
Did the leader demonstrate the ability to administer to another things he or she does not desire or to remove or decrease things he or she does desire?
Yes  No
Did the leader appear to be someone who could punish a subordinate?
Yes  No

Hierarchical Culture Manipulation
Did ARashi Corporation appear to be a very controlled and structured place?
Yes  No
Did the leader exemplify coordinating, organizing, or smooth-running efficiency.
Yes  No
Did the management style in the organization appear to be characterized by security of employment, conformity, predictability, and stability in relationships?
Yes  No

Adhocracy Culture Manipulation
Did ARashi Corporation appear to be a dynamic entrepreneurial place?
Yes  No
Did the leader exemplify entrepreneurship, innovating, and/or risk taking?
In the space below, please provide the reasons for your answers to the above questions.

Please provide your comments below about the relevance of each, some, or all of the questions in the survey questionnaire.

Would you suggest any additional questions for the researcher to ask in this survey?
Mission

Our mission magnifies the purpose for which this company was created. It serves as a benchmark against which we can measure our successes.

1. To deliver highest quality contemporary fashions to our consumers.
2. To make our consumers’ lives better and more fulfilled.
3. To deliver the best value for the prices charged.

Vision

Our vision describes what achievements we need to make in order to continue growing as a company.

- Employees: To make ARashi Corporation a positive working environment for our employees to develop to their fullest potential.
- Designs: To create designs inspired by creativity and industry expertise.
- Charity: To give clothing, shoes, and other necessities to charitable organizations in order to make a difference in the lives of others.
- Performance: To be effective at delivering maximum returns to shareholders and manufacturing high quality fashions expeditiously.

Values

Our values guide our behaviors.

- Character: Be transparent
- Responsibility: Manage our markets responsibly
-Creativity: Be creative in developing fashions that manifest artistry and innovation.

-Diversity: Be inclusive in our employee and consumer base by creating fashions for diverse markets.

-Quality: Use high-quality fabrics and materials and create fashions using quality manufacturing processes.

-Brand image: Inspire creativity, passion, optimism, and fun.

Organizational Description

ARashi Corporation is a Fashion company founded in 2000 by CEO Rashida. The company delivers clothing, shoes and accessories to diverse female and male consumers of all ages. The company is headquartered in Chicago, IL with regional offices in New York City, Atlanta, and Los Angeles. The employee base consists of 1300 employees of diverse backgrounds in positions such as customer service, sales, retail management, corporate management, finance, and Executive-level positions.

The company values its employees and believes in providing them with opportunities for growth and advancement. The setup of the offices at the Headquarters in Chicago consists mainly of cube workspaces. Some executive level management have offices with doors, but it is customary that there is an open-door policy within the company and only during board meetings and conferences are doors closed. ARashi values diversity – diversity of racial and ethnic backgrounds, diversity of industrial experiences among employees, etc. The upper management prides itself on representing diverse communities and insists that this diversity permeate the organizational make-up. The staff of ARashi get along in a familial way, and communication among employees is highly valued. The organization celebrates its successes by hosting an annual awards ceremony in which particularly well-performing employees are recognized.
Employees get a chance to nominate deserving employees throughout the year for these prestigious and highly regarded awards. Staff work at a moderate pace considering the fast-paced industry in which they are situated. The company places a strong emphasis on work-life balance, and even has an on-site daycare facility at each of its regional offices and headquarters.

The following interaction describes communications between James Smith, an Executive Vice-President of Marketing, who is giving instructions to you, a campus recruiter at Baruch College. You have been assigned the task of recruiting college students for an internship position with ARashi, and Mr. Smith provides instructions for you during your campus visit to a recruiting event.
Executive Vice President for Marketing

James H. Smith is a high performance C-level executive with Fortune 100 experience. He has demonstrated consistent success in maximizing corporate performance. Mr. Smith drives growth, generates revenues, captures market share, improves profits, and enhances value in domestic and international markets. He finds time to mentor, motivate, and lead high-performance business, sales, marketing, product management, and development teams.

James H. Smith is effective and wholly accountable in high-profile executive roles. He has overcome complex business challenges and made high-stakes decisions within fast-paced, high-pressure environments using experience-backed judgment, innovation, strong work ethic, humor, and irreproachable integrity. Mr. Smith is respected as a motivational, lead-by-example manager, change agent, and proponent of empowerment and accountability.

James H. Smith joined ARashi Corporation as a General Manager for Retail Operations in 2000. He was promoted to Vice-President of Retail Operations in 2002 and has held his position as Executive Vice-President since 2004. Prior to joining ARashi, Mr. Smith worked as General Manager for The Gap, Inc., as a part of their Management Development Program.

James H. Smith is a graduate of the University of Chicago School of Business where he earned the Bachelor of Business Administration degree. He and his wife Ashanti have two daughters.

For More Information
Contact 1-888-768-8288
ARashi Corporation
Executive Offices
2901 W. 67th Street
Chicago, Illinois 60290
Executive Profile

Executive Vice President of Marketing, innovative executive and marketing professional experienced in high-volume, multi-unit, retail and business operations. Desires a high-level position in a professional corporate environment.

Skill Highlights

- Small business development
- Leadership/Communication skills
- Product Development
- Product line expansion
- Business Operations organization
- New product delivery
- Self-motivated
- Employee relations
- Market research and analysis
- Customer-oriented

Core Accomplishments

Effective and wholly accountable in high-profile executive roles. He has overcome complex business challenges and made high-stakes decisions within fast-paced, high-pressure environments using experience-backed judgment, innovation, strong work ethic, humor, and irreproachable integrity. Mr. Smith is respected as a motivational, lead-by-example manager, change agent, and proponent of empowerment and accountability.

Since his tenure as Executive Vice President, the company has expanded to include 15 new retail stores and 235 new employees in the retail, manufacturing, and corporate sectors. The company’s revenues grew by $15MM in the first five years of his becoming Executive Vice President.

Professional Experience

Executive Vice President of Marketing
September 2004
ARashi Corporation - Chicago, IL
Generated new business through the opening of 5 new retail stores in previously untapped urban market areas. Created new revenue streams through the introduction of a men’s suit line and a plus-size fashion line for women. Accountable for survey research engine which measures customer satisfaction with online shopping purchases including overall customer satisfaction.

VP of Retail Operations
August 2002 to September 2004
ARashi Corporation - Chicago, IL
Developed and directed strategy for launch of new product that became #1 in the market place 11 months after launch. Increased profits by 60% in one year through restructure of business line.

General Manager for Retail Operations
May 2000 to August 2002
ARashi Corporation - Chicago, IL
Created new revenue streams through the consolidation of multiple fashion lines and the introduction of a new web-based shopping hub. Captured 55%+ market share with new product quickly brought to market. Strengthened company's business by leading implementation of Put Fashion 2 Work, a non-profit dedicated to improving women's lives through career preparation and image consulting.

Management Development - General Manager
January 1998 to April 2000

The Gap, Inc. - San Francisco, CA
Accountable for Retail Operations including overall customer satisfaction. Spearheaded The Denim Initiative, resulting in a 45% increase in revenue. Accountable for [business area] including overall customer satisfaction. Captured 55%+ market share with new product quickly brought to market. Managed team of 32 professionals.

Education
BBA: Business Management, 1997

University of Chicago - Chicago, IL, USA
3.3 GPA
Appendix F.

Compliance with Supervisor’s Wishes Scale (Rahim, 1988)

Organizational members generally do the things their superior want them to do. Please indicate the extent to which you do or prefer doing the things your superior wants by selecting a number on the scale provided for each statement.

Scale: 5=Strongly Agree, 4=Agree, 3=Undecided, 2=Disagree, 1=Strongly Disagree

1. I follow my superior’s orders………………………………………5 4 3 2 1
2. I like to do what my superior suggests……………………………5 4 3 2 1
3. I prefer not to comply with my superior’s instructions ……………5 4 3 2 1
4. I comply with my superior………………………………………….5 4 3 2 1
5. I do what my superior suggests……………………………………..5 4 3 2 1
6. I don’t like to follow my superior’s orders…………………………5 4 3 2 1
7. I prefer not to comply with the directives of my superior………..5 4 3 2 1
8. I follow the work-procedures set up by my superior………………5 4 3 2 1
9. I prefer to follow the work-procedures set up by my superior……5 4 3 2 1
10. I comply with the instructions of my superior……………………5 4 3 2 1
Appendix G.

Trust Questionnaire (McCallister, 1995)

Please indicate your agreement or disagreement with each statement by selecting a number from 1 to 5, with 1 representing Strongly Disagree to 5 representing Strongly Agree or 1 representing very to 5 representing not at all.

1. I am willing to execute this direction from the supervisor……………………………………………………………………………………………………… 1 2 3 4 5

2. How much do you trust the leader? ……… ………………………………………1 2 3 4 5

3. How supportive of the leader’s instructions are you willing to be?…………1 2 3 4 5

4. How supportive is the leader?…………………………………………………………1 2 3 4 5

5. How credible is the leader?……………………………………………………………1 2 3 4 5
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