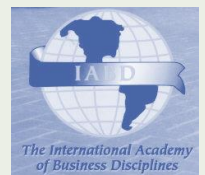

QRBD

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FROM THE EDITORS

This issue of *Quarterly Review of Business Disciplines (QRBD)* includes articles written by two of our IABD colleagues in Germany, Michael Bächle and Armin Roth. At our annual conference in April 2014, we learned from Bächle and Roth that German MBA students work with businesses to solve problems and formulate solutions. This variant in teaching methodology enriches students, faculty, and the business community. Ricardo Moguel and Mohammad Elahee have written an interesting empirical analysis of deceptive behavior in intra- and cross-cultural business negotiations of Mexican people.

David Yerger's article probes student perceptions about future earnings according to majors and how those perceptions impact career decisions. JoAnna Shore, Shakil Rahman, and Patti Tilley explore young adult outlooks on women in leadership positions. Their study gathers information that helps us understand student choices.

Emma Daugherty's article allows us to explore ethical dilemmas in PR and marketing communications experienced by female agency owners, as well as, the gendered viewpoints that are prevalent in the field of PR. The article of Ali Kanso and Kathryn Dinnin-Schultz investigates the exploitive world of sex trafficking and offers a plan of attack to make the world safer and more aware. As editors we are proud to share the work of our colleagues with you in this issue.

Margaret A. Goralski, *Quinnipiac University*, Editor-in Chief

Kaye McKinzie, *University of Central Arkansas*, Associate Editor

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SOME COST-BENEFIT ANALYSIS ON THE USE OF ENTERPRISE 2.0 FOR BUSINESS PROCESSES

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ABSTRACT

Enterprise 2.0 is about the use of social software for communication and collaboration in and between companies. Consulting firms market the idea as more efficient and effective than “classical” tools like email. But many companies are very reluctant in replacing email as the main tool for communication and collaboration because they don’t see the advantages. It is the main objective of this article to give some recommendations based on real figures of cost- and-benefit estimations in selected German companies. This is done by presenting two case studies which show that Enterprise 2.0 has two possible positive impacts for business processes: (1) business processes can be redesigned to be more efficient and effective and (2) even already optimized business processes can benefit from improvements in productivity, execution time and information quality by Enterprise 2.0.

Keywords: Business Process, Enterprise 2.0, Social Business Software, Social Network

ENTERPRISE 2.0 AND SOCIAL BUSINESS SOFTWARE

When McAfee published his book (after his first post on the idea in his blog in 2006) about the use of social software (Bächle, 2006) he defined Enterprise 2.0 as “the use of emergent social software platforms by organizations in pursuit of their goals” (McAfee, 2009, p. 73). In short he means the use of wikis, blogs and social business software like Jive or Yammer for the communication between employees, suppliers, customers etc. of a company.

Table 1 shows the difference in the social system between a conventional company (called “Enterprise 1.0”) and Enterprise 2.0. Enterprise 2.0 is not a new release of the old idea of organizing and managing a company (Bächle, 2008). Vision and mission statements are still the same but the way of managing information and knowledge is different. A company that follows Enterprise 2.0 is more focused on encouraging and enabling the employees to ask for and share knowledge whereas Enterprise 1.0 would see this more as a problem they have to fix by further standardizing tasks and processes to get the “human factor” under better control. Enterprise 2.0 sees people not as a human resource they have to control but as an intangible asset they can trust and rely on.

[†] This paper is dedicated to Dr. Stephan Kruppa, inspiring friend and colleague (1964 – 2013).

Table 1. Social System of Enterprise 2.0

Enterprise 1.0	Enterprise 2.0
Knowledge as property	Knowledge sharing
Unidirectional communication	Bidirectional communication
Organisational units	Social networks
Employee as resource	Employees/Humans as objective
Mechanical organisation	Learning organisation
Manager and assistants	Knowledge manager and knowledge workers
Supervision	Trust and autonomy
Functional-oriented	Process-oriented
Authoritarian leadership style	Participative management style

This different perspective on employees and management leads to a different need for technical tools to support the social system of Enterprise 2.0, as can be seen in Table 2 (Bächle, 2006; Bächle, 2008).

Table 2. Technical System of Enterprise 2.0

Enterprise 1.0	Enterprise 2.0
Content is generated by the company and officially controlled	Content is generated and controlled by employees
Focus on content	Focus on collaboration
Read-only	Create, read, update and delete (CRUD)
Monolithic	Loose coupling
CMS, DMS, E-Mail	Social Software
Taxonomies	Taxonomies and folksonomies
Standard: no access to information/content	Standard: full access

Trust in employees, for example, means more user management rights for the individual employee. Of course this doesn't mean full access to everything but limited access to more information and knowledge they need without having to search/ask along the "chain of command." Social Software, like wikis etc., is the main tool for the technical system of Enterprise 2.0. Social Business Software comprises these tools under one portal platform. Gartner (2013) shows many examples, like Yammer (acquired 2012 by Microsoft), Jive or SAP Jam (based on SuccessFactors, acquired 2012 by SAP) comprise several social software tools under "facebookish" looking user interfaces. The benefits of Enterprise 2.0 are manifold, as can be seen in Table 3 (Bächle, 2006; Bächle, 2008).

Table 3. Benefits of Enterprise 2.0

Objectives and Benefits	Explanation
Improve access to information and knowledge	The use of social software supports all phases of the knowledge cycle., but in particular generation, storage and distribution of knowledge.
Increase productivity and team performance	Social software can improve communication and collaboration in (spatially and temporally distributed) project teams.
Improve networking with business partners and other stakeholders	Communication and collaboration can be improved by tools like social networking platforms.
Increase agility and innovation	Social software supports fast response to changes in the corporate environment, eg in corporate communication, viral marketing. It strengthens the ability to capture innovative ideas from the customer environment.
Reduce costs	Social software can, for example, help to reduce travel expenses and training costs.
Reduce e-mails / information overload	Social software can help to reduce the e-mail flood, for example by centralized knowledge wikis.
Increase reputation	View as attractive business partner / employer by social software.
Development of new distribution channels (and new business)	Social software can be used to open up new channels of distribution, such as social commerce. It can also be used for new business models if a company can use it to define new products.

In 2012, the news magazine TIME (Wolverson, 2012) published an article about the use of Enterprise 2.0 in companies. The starting point of this article was an announcement by Thierry Breton, CEO of the French-based consultancy ATOS with 75,000 employees, of a "zero email" policy: Employees should use less emails and more blogs, wikis, internal social networking platforms and so on to communicate and collaborate. In fact, he hit a real problem in our daily style of business communication via the excessive use of emails. When email became more and more popular for business communication it started to be kind of a multi-purpose tool, even for things it never was intended for.

The reasons seem to be clear: cost, time and usability of email. At first glance, emails are free for companies, at least in comparison to the classic mail. But emails are often time-wasters, which want to be read and deleted because they contain no relevant information or work orders. In addition, they often interrupt the workflow because new mails are announced via a popup window or tray icon. Relevant emails will have to be read, sorted and stored. A British-Australian study from 2011 estimated costs in companies with 3,000 to 6,000 email users to US\$ 5,000 to US\$ 10,000 a year per employee. According to Inderscience (2011) the study also says that 13% of received emails were irrelevant and 41% were used for information only. Radicati and Hoang (2011) report in their annual email statistic report an average number of 72 daily received business emails in 2011 and 84 of daily received business emails in 2015. This means an increase of 17% in four years, only for receiving business emails. Already in 1996 Whittaker and Sidner (1996) observed the phenomenon of “email overload” because people use email software for personal information management tasks it never was intended for. The authors suggested some improvements like viewing by conversation thread. In Whittaker, Matthews, Cerruti, Badenes, and Tang (2011) the phenomenon of email overload is restudied once again. Nearly nothing changed between the first study in 1996 and the second study in 2011 – except the fact that the amount of received and sent emails increased significantly.

METHODS

This article is based on two case studies which were conducted in German companies. Each company is anonymous and presented briefly by its industry characteristics. In each case study, a business process has been identified, which is characterized by intensive use of emails. This business process is analyzed to see how it can be improved through social software. For this, a rough cost-benefit estimate is also done to get a first impression of the cost saving potentials.

Participants

The first case study comes from a mid-sized company (Company A) in the electronics industry with approximately 6,000 employees. It is one of the world’s leading suppliers for the household appliance industry. It produces electromechanical and electronic components that facilitate cooking, baking, washing, drying and dishwashing. At the same time, new products are developed in cooperation with industrial customers.

The second case study is from a German services provider (Company B) with approximately 28,000 employees. The company is one of the leading auditing and certification institutions in Europe. The case study was conducted for a project group that develops and maintains a service portal of the company. This service portal is used by clients to query the service results.

Procedures

The empirical research on the economical effects of Enterprise 2.0 is still in its infancy and characterized by case studies, mainly in the form of success stories. Therefore, we chose to do – as a first step into deeper scientific analysis of Enterprise 2.0 – some case studies on the

economic effects by the method of cost-benefit analysis. The case studies are based on a common analysis scheme: First, a particularly communication- and/or collaboration-intensive business process was identified which uses email for communication. In the next step the email communication was analyzed and examined as to how these emails could be replaced by social software. In the last step, a cost-benefit estimate was conducted to determine whether, and if so, what the potential savings could be through social software.

CASE STUDIES

Case Study #1 – Company A

Business Process Analysis. In Company A we found a very conservative business process that could benefit from social software (see Fig. 1). This business process deals with the information of the employees by top management in the headquarters of the company. If an executive wants to inform the employees about, for example, new developments then he or she has to write a letter, transform it into PDF and send it via email to all department managers. Those managers have to send the PDF via email to all employees of their departments. Where employees don't have access to email, the department manager has to print the PDF and pin it on the blackboard. This is a very traditional way of information about more or less important news. Typical newsletters of this kind inform the employees for example about organizational changes, new hired staff or changed/new policies. Of course this business process is labor-intensive, costly, time-consuming and not very reliable because you can't be sure whether people really have access to the news or not.

It's interesting to see that in Company A the IT department already installed sophisticated components for social software: IBM Lotus (email), IBM Lotus Notes (instant messaging), IBM Connections (Social Business Platform with wikis, blogs and other community building features) and IBM Lotus Quickr (document sharing and management). The analysis of the business process under investigation showed clear potential for optimization by the use of social software. Only minor changes would be necessary as shown in Figure 2.

Cost-Benefit Analysis. Based on experiences with the old business process we calculated with three emails/week for newsletters and five minutes to read and archive the newsletter and go back to work. This adds up to 200 hours/week for all 800 employees of the headquarters for the old business process. This is about 9,200 hours/year for the old business process via email and without calculating the costs for the "black-board branch." We calculated for the new business process with IBM Connections that the 800 employees at headquarters could get the same information in 3,067 hours/year. Therefore savings would be 6,133 hours/year or 306,650 EUR (424,404 US\$) if you multiply this time effort with the average hourly wage of 50 EUR (69 US\$).

Figure 1. Company A – Old Business Process

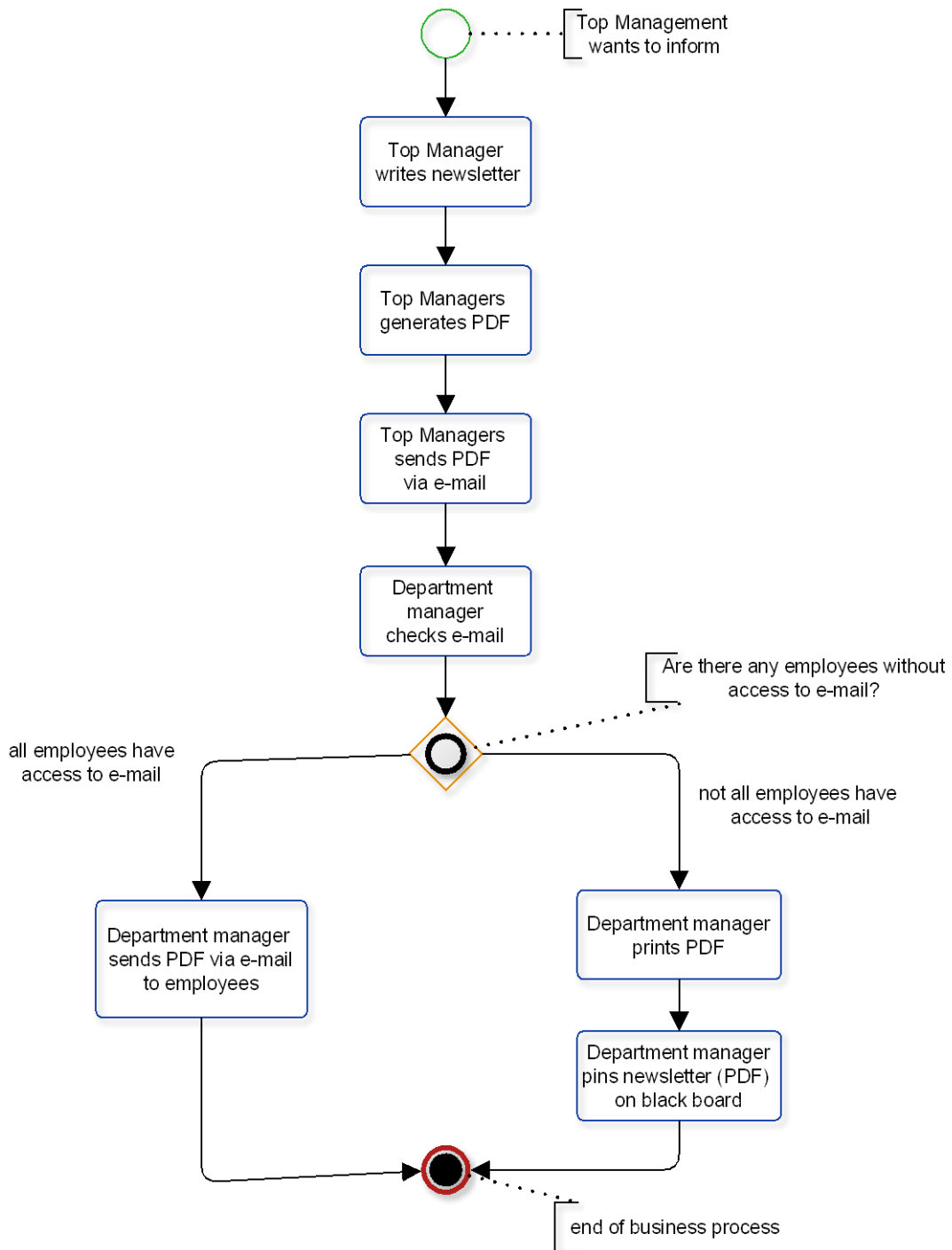


Figure 2. Company A – Optimized Business Process

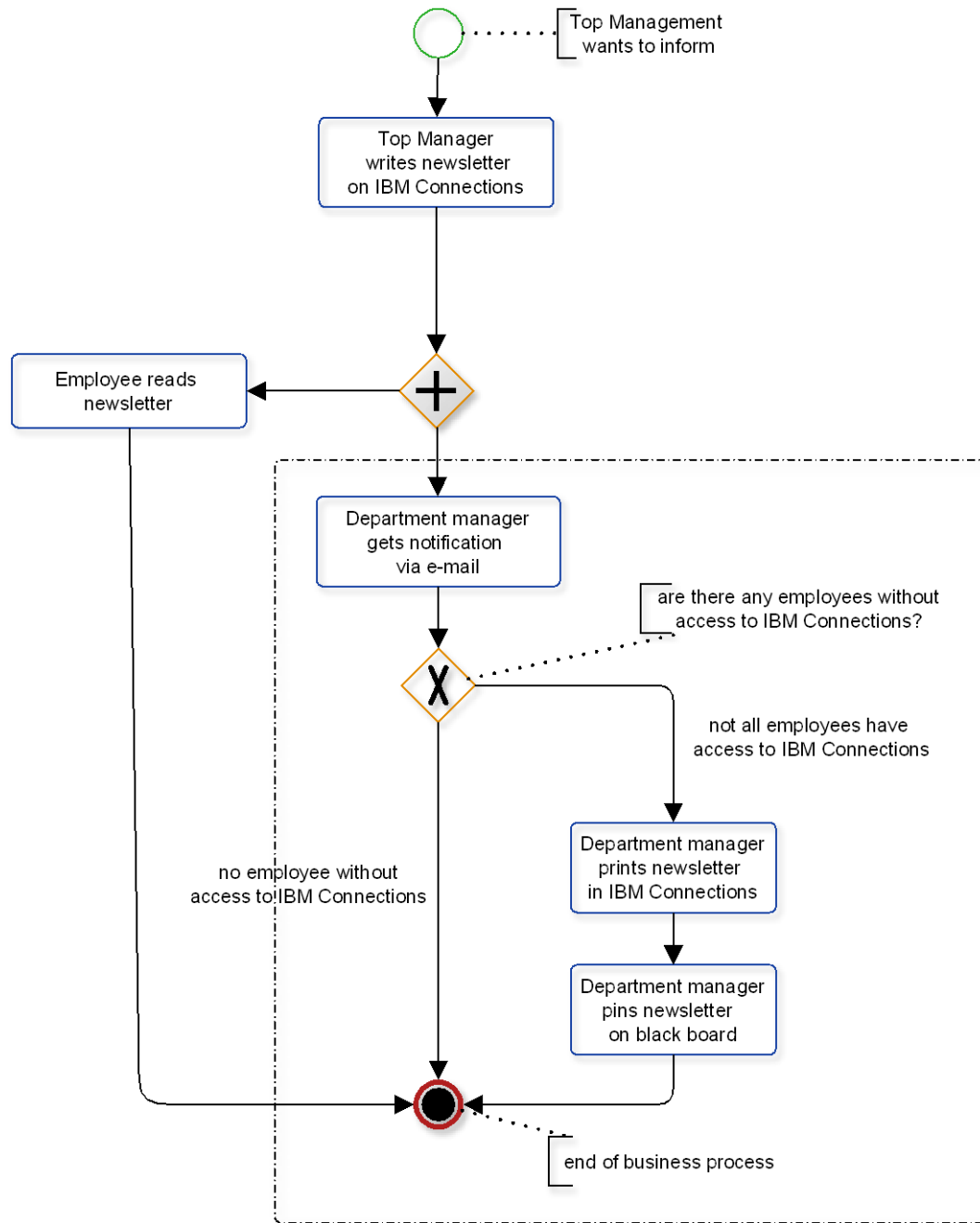


Figure 2 could be further optimized by eliminating all tasks in the dotted box. This could be reached by giving access to IBM Connections to all employees. Because this is not possible at the moment, we only calculated the cost-benefit analysis for the headquarters of Company A with its 800 PC, where all employees have access to a PC and to IBM Connections. This means that we did a very conservative and exemplary calculation because we ignored the “black-board branch” in the business process with its high proportion of manual tasks.

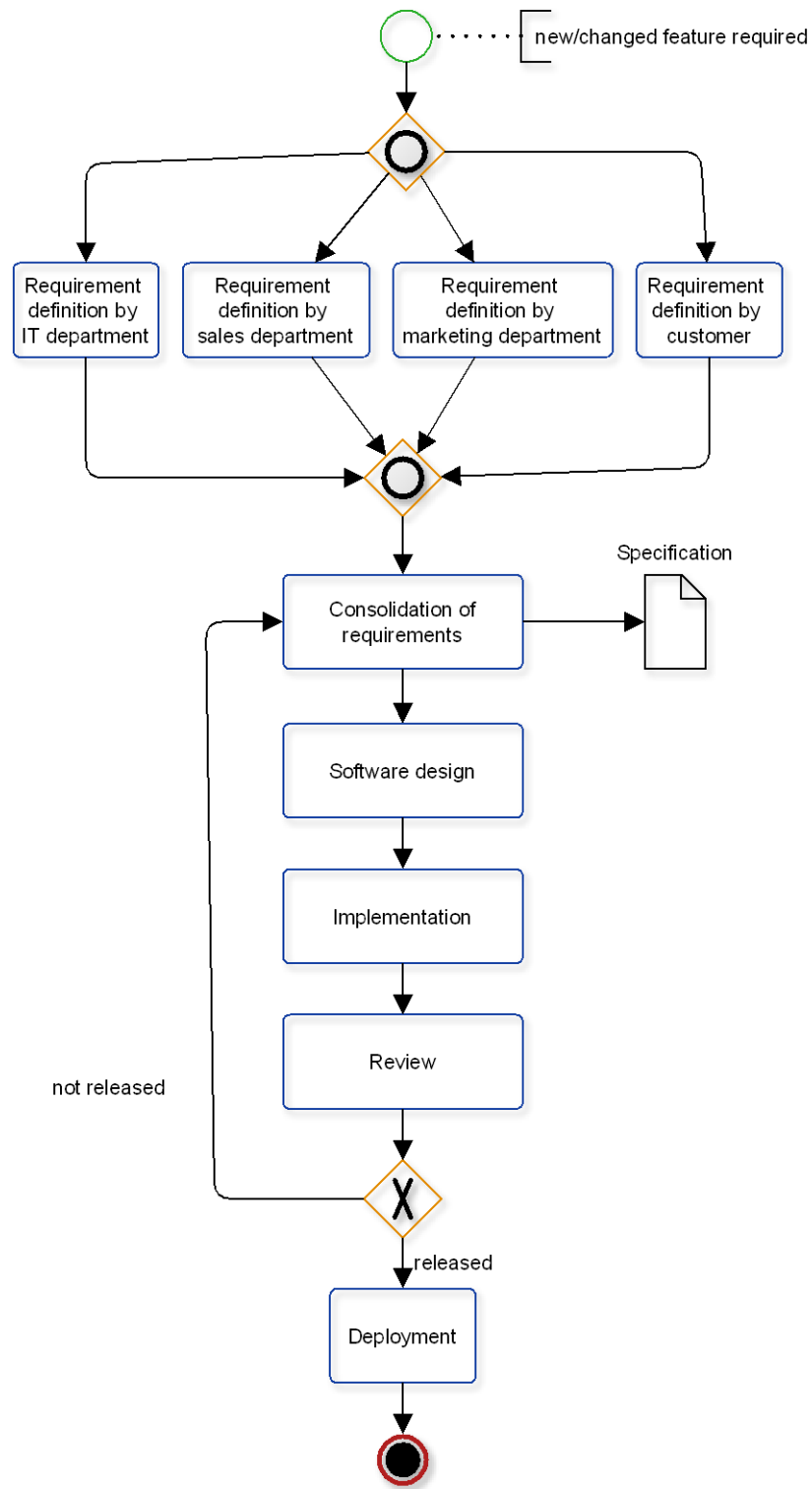
Case Study #2 – Company B

Business Process Analysis. The second case study shows that even an already optimized business process can benefit from the use of social software instead of email for communication and collaboration.

The department under investigation of Company B develops a service portal for the customers of the company. Figure 3 shows the business process for the implementation of new features or changes. Typically this complex process needs a lot of collaboration between all stakeholders – development team, sales, marketing and customers. It’s interesting – but not really surprising – that the necessary communication for this complex collaborative work is mainly done via email. Especially the tasks “Software design,” “Implementation.” and “Deployment” generate huge amounts of email traffic between the stakeholders. We therefore analyzed how this could be avoided by social software and how this could also improve information quality.

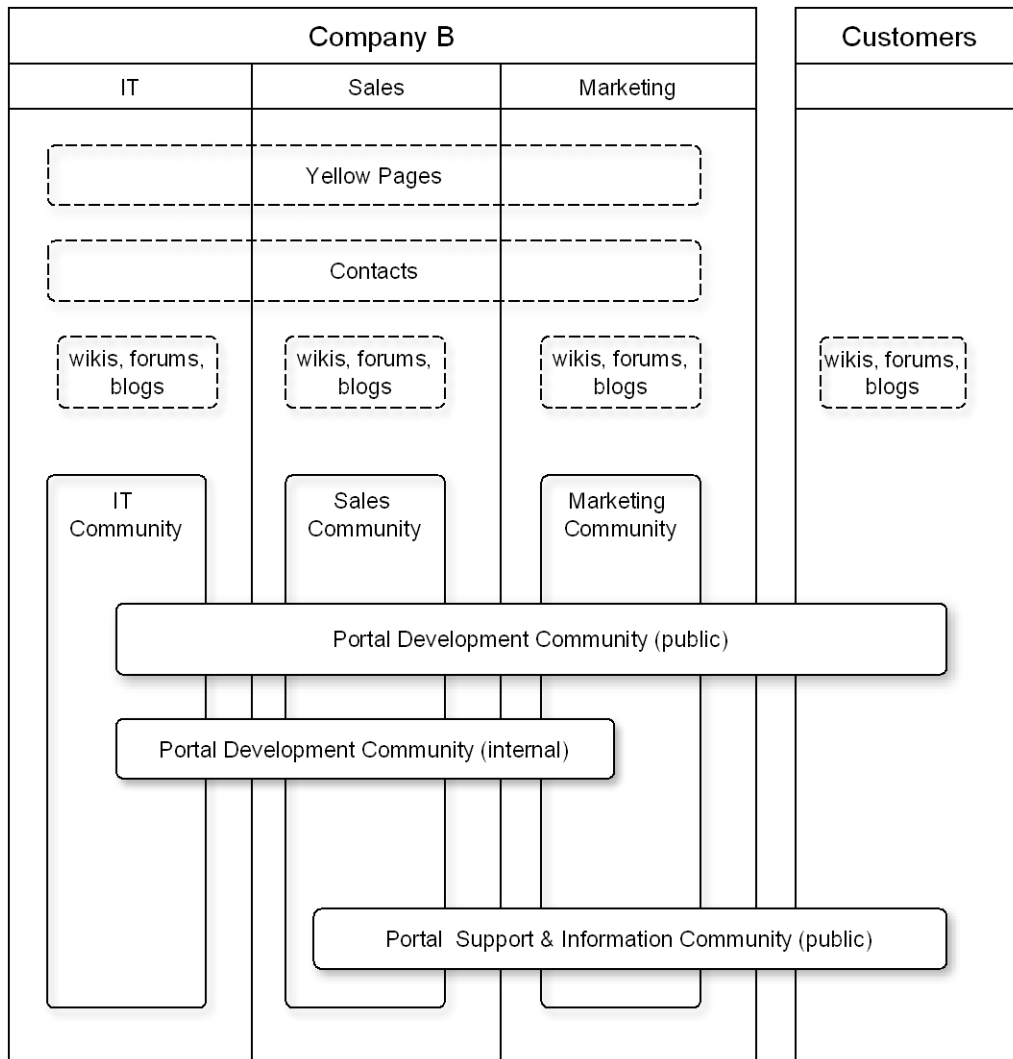
We suggested a Social Business Platform to build communities. In this business process, communities should be set up for each department (IT, Marketing, Sales). In this way, ideas can be discussed and refined, without exchanging information by email. This would lead to more transparency, better solution quality and higher stability of the requirements. As platform a web-based system can be selected, like IBM Connections, Liferay Enterprise Portal, Jive or Yammer, which are all already licensed by the company or under investigation for future use. The “facebookish” design and features would make it very easy for all stakeholders to work with the system without much training or support. Even mobile devices can be supported with such a solution. Yellow Pages with profiles and contact data as third component would enhance the quality of solution finding in such communities. A search feature in these Yellow Pages for experiences, skills, interests, project roles and organizational affiliation could further optimize the expert search. By using contact lists, and concepts such as "Following" all members of the community could see activities and contributions of the experts they are interested in.

Figure 3. Company B – Already Optimized Business Process



Wikis and blogs could be used to share, store and search information. Figure 4 shows the suggested substitution of email by social software.

Figure 4. Company B – Suggested Social Business Platform for Business Process



Cost-Benefit Analysis. As Figure 4 shows the Social Business Platform could support internal and external communities with several tools (dotted boxes). Of course this would lead to a substantial reduction of emails.

We therefore first calculated the actual costs of the business process and then estimated the possible improvements in productivity to get a cost-benefit analysis.

Actual Costs for Definition and Analysis of Requirements:

- Resources: 5 persons (from IT, Sales, Marketing)
- Effort: 25 person days

Actual Costs for Design and Implementation:

- Resources: 5 persons (from IT)
- Effort: 93.75 person days

Actual Costs for Review:

- Resources: 5 persons (from IT, Sales, Marketing)
- Effort: 12.5 person days

Actual Costs for Deployment:

- Resources: 5 persons (from Sales and Marketing)
- Effort: 12.5 person days

The actual costs for the whole business process are 80,985 EUR (112,077 US\$); based on the effort per activity, department and average labor costs). The next thing was more difficult and is – of course – only a “best guess” about the possible improvements in productivity by reducing the amount of emails with the proposed new Social Business Platform: We expect the proposed platform to enhance productivity by 10%. This would lead to a reduction of the total process costs to 72,886 EUR (100,876 US\$). It is worth mentioning that – as a nice side effect – even the process execution time could be reduced by this 10%. The positive side effect of the reduction in execution time was not further analyzed by us but is surely another big benefit.

DISCUSSION

The two case studies show that our business communication styles are significant cost drivers in business processes. Especially the widely used multi-purpose tool “email” shows substantial potential for improvements.

The first case study is a good example of how processes are designed around email, regardless that there are better communication tools which enable faster and cheaper business processes with higher information quality. This reminds us of the times when telephone was introduced. Of course one still was able to write a letter or walk by for a meeting. That worked of course. But over time the economic rules of efficiency and effectiveness ruled them literally out for many purposes. Following Markus (1987) this will happen sooner or later also with all business processes that are designed around email, as in Company A.

The second case study shows that even optimized business processes show potential for improvements in productivity, execution time and information quality if social software is carefully chosen for the different purposes of communication and collaboration instead of email.

In both companies we presented the results of our analysis to the management. Both companies decided to wait with the implementation of the suggested new solutions to optimize their communication flows and the respective business processes. The main problem is more or less cultural: People are used to email as the normal style of communication. Another point is that both companies were surprised of the saving potentials shown in our analysis by “only” changing communication styles and flows. This means that there is some more work to do for us to convince management that communication is a significant factor to improve business

processes. Over the last 20 years the literature on Business Process Management (BPM) stressed the fact that work flows have to be improved but systematically underestimated or even ignored the influence of communication flows for the optimization of business processes and even new methods like BPMN 2.0 (OMG, 2011) lack an analysis of communication flows. Fortunately there is now some work on the combination of BPM and social software like Bruno et al. (2011) or Erol et al. (2010) that supports our findings by discussing the usefulness of Enterprise 2.0 for business processes.

To change communication behavior companies have to keep in mind several success factors, as shown in Figure 5. The model in this figure is comprised from several research projects and consultancy by the author. In short the success factors can be described as follows:

- *Involve all stakeholders:* A stakeholder analysis will show which groups or persons are more or less important in which ways for the success of an Enterprise 2.0 project.
- *Communicate benefit:* Make clear that Enterprise 2.0 is not just another tool on top of all other tools but will address a real problem by substituting an inappropriate tool (email).
- *Proceed agile:* Do not be intimidated by the apparent size and complexity of the overall problem. Break the tasks down into manageable units. Concentrate on executing the individual tasks. When the individual tasks are done, the problem will have gone away.
- *Communicate idea:* Social Software is no automatism and no "silver bullet". That means you should inform, train and walk ahead ("walk the talk").
- *Address a real problem:* Take a real problem and solve it with Enterprise 2.0 by (1) integrating the solution into the business process, (2) avoiding a tool discussion in the first place and (3) using already accepted/known/installed IT tools of the company.
- *Integrate into business processes:* Problems in business processes are well suited for a first solution, if (1) the business process is clearly defined (no discussions about how, who etc.), (2) the problem is a poorly structured decision problem (= high need for communication) and (3) email is used for problem solution.
- *Problem-oriented media choice:* In the first step you should understand process and problem. In the next step you should analyze the need for a solution and define the requirements. In the third step you should select and install a technical solution. Usability is more important than the number of features!
- *Win middle management:* Most barriers and ideas for social software come from middle management, where operational problems and business strategy meet. Their communication problems are typical for Enterprise 2.0 solution: (1) high volume of communications to the "top" and "bottom" of the organization; (2) "information overload" by email but (3) at the same time also fears of losing control of communication.
- *Manage cultural change:* What kind of company and leadership do we have? What cultural adaptations are necessary regarding openness of communication, trust, etc.?

Finally, Enterprise 2.0 is not a technical revolution but a question of Change Management to get people to adapt their personal communication style to the best and most

appropriate (and not the easiest one at hand) communication tool for the specific communication purpose (Schütt, 2013).

In the future it would be very interesting to combine Enterprise 2.0 with Social Network Analysis (SNA). As the case study for Company B showed even optimized business processes can benefit from the creation and management of online communities. We should also keep in mind that business is about networking, even in highly standardized business processes. Informal communication and collaboration networks should not be hindered but enforced and supported by social software.

Figure 5. Success Factors for Enterprise 2.0



Therefore the analysis of such existing informal networks would prove – as already shown in Cross and Parker (2004); Cross and Thomas (2009); Easley and Kleinberg (2010) – very helpful to improve not only the quality of communication and collaboration but knowledge management in total (Matschke, Moskaliuk, Bokhorst, Schümmer, & Cress, 2014). Cross & Thomas (2009) for example identified two different archetypes of networks which fit perfectly to our findings in the two case studies:

- *Customized response networks*: These networks can be found mainly in development teams who have to frame a problem and find an innovative solution, like in the case study of Company B.

- *Routine response networks*: These networks operate best in stable environments with fairly well defined problems and solutions, where work is standardized, like in the case study of Company A.

Both archetypes show specific characteristics that need different support by social software. Customized response networks have a dense and redundant internal connectivity within and across boundaries. They also have diverse external connectivity to sense and respond on opportunities, as was the case in Company B. Their culture is collaborative within and across organizational lines. Culture and leadership of routine response networks show centralized decision making and a focus on standardization and task accountability, like it was the case in Company A for the newsletter process.

With the classical centrality measures of SNA (degree, betweenness, and closeness), it would be possible to identify the most important “players” (Borgatti, 2006; Burt, 2004)) the social software should support, like people who can bridge gaps between sub teams who otherwise would never talk with each other or people who have a high social rank (which often has nothing to do with their position in official organizational charts). Matthews et al. (2013) suggest some additional metrics that can help to monitor the health of communities of practice. In the next step Enterprise 2.0 projects could make use of this knowledge by adapting on these informal networks. This would not only improve acceptance but the success of social software by giving it the chance to show its potential for business processes beside its well-known use for leisure activities and marketing (Krogh, 2012).

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CONCEPTION OF A HOLISTIC AND LONG-TERM PERFORMANCE MANAGEMENT: FIVE PART DISCIPLINES AS SYSTEMATIZING FRAMEWORK

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ABSTRACT

Many companies practice performance management in the framework of a heterogeneous, grown mix of numerous separate decisions, instruments, processes and systems and not in terms of a strategically and systematically planned management system.

Due to the inefficiency of the above mentioned performance management style, a holistic and integrated approach is a key factor. Performance management must be able to meet central objectives and requirements and set the groundwork for long-term corporate success.

This article presents a central approach of the conception of holistic and long-term performance management. The five equal part disciplines are illustrated and demonstrate the issue and composition complexity of a performance management due to their characteristics and combination. The objective of this article is to display and communicate the performance management issue and its context through an easily comprehensible system without following a general recipe.

Keywords: holistic, corporate performance, management, project management

INTRODUCTION: THE STARTING SITUATION IN COMPANIES

Companies operate their individual performance management through a variety of management concepts, separate instruments, tools, processes and systems. Oftentimes, the mix of applied instruments is not strategically or systematically planned but has grown historically out of many separate decisions within the different departments.

For example, the company uses a balanced scorecard for its strategy implementation regarding production; “Continual Improvement Processes” (CIP) are developed and optimized. Administration and sales processes are documented via the method of event-oriented process chains (EPC). Another example would be that in the area of finance and controlling, the company uses different Business Intelligence (BI) systems for its planning and reporting purpose, however the sales department has established its own consolidation solution on another technology basis.

These examples clearly show that due to historic separate decisions, a professional, methodical, organizational and technological integration is difficult for companies. Interfaces, coordination and validation efforts are huge. In management reporting, if there is an integrated one at

all, a hodgepodge of data and information from entirely different systems with different professional and methodical background appears to be without any objective or strategic relation. This leads to delayed management decisions because a variety of queries and clarifications are necessary until the required transparency for the decision is achieved. Alternatively there is the risk of making the wrong decisions or informing the management about critical circumstances and facts too late due to this information basis.

Jetter (2004) stated that in general, a consistent master plan, that unites the different methods and instruments as a harmonic and optimized whole, is missing. Oftentimes, separate and isolated operating components of performance management might be established but the objective is to connect these components in a way that individual information can be used towards the management of diverse performance areas as well as for a useful overall corporate control throughout all company levels.

REQUIREMENTS OF A HOLISTIC PERFORMANCE MANAGEMENT

Much academic work, many essays and lectures of managers at conferences start with discussing the challenges arising from the increasing complexity, dynamics and volatility of economic events. As a result the changes in the market and competitive environment are the focal point. Analyzing the facts and its deriving consequences is certainly interesting and worth further regard.

In this article, what consequences these challenges have on internal performance management will be discussed. In summary, internal performance management has to adapt to market changes. A separate conception, e.g. targeted towards separate company functionalities or processes, appears to be unreasonable due to the increase of interdependencies between other functionalities and business units and beyond. Using instruments separately holds the danger of everyone optimizing their sub-area or sub-process but doesn't automatically secure the success of the overall process. Roth and Behme (1997) stated that in extreme cases this can even lead to a suboptimum on the entire company level.

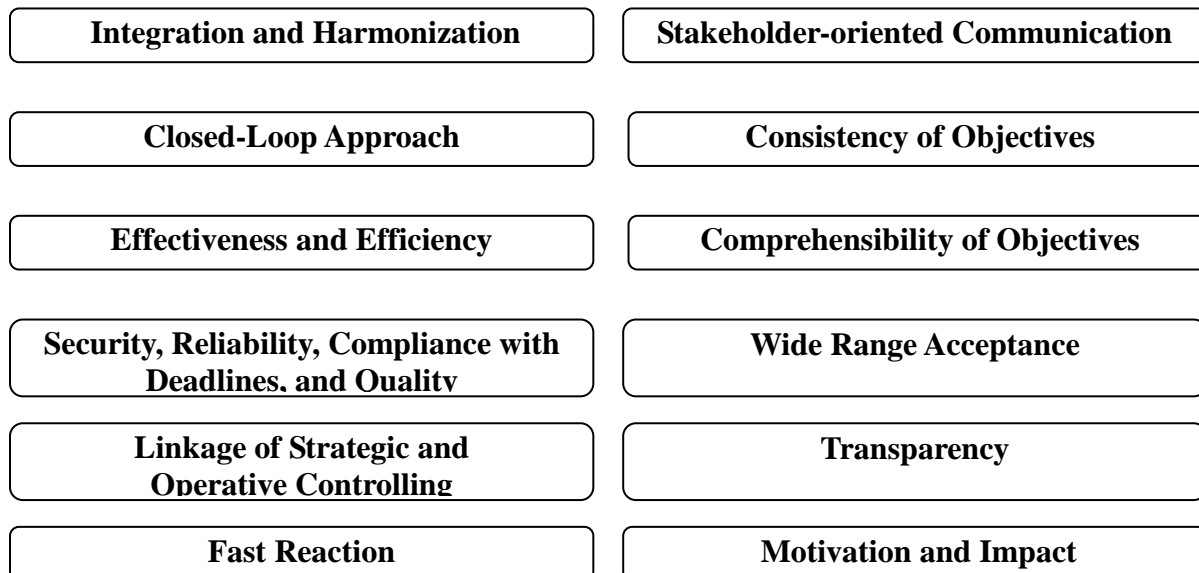
Just like integration and end-to-end process thinking predominates on process level, an integration as well as harmonization should also occur on management level. Oftentimes this is not the case in the existing corporate praxis. A department or silo thinking in isolated applications dominates. Often similar functionalities, such as finance and controlling, encounter difficulties to work on a consistent controlling concept or to utilize consistent controlling concepts and tools. This takes place despite the many advantages, such as that many interfaces and validation steps would become no longer necessary if a consistent master data management existed. Controlling processes could be organized more efficiently. While efficiency is top priority in product development processes, this clear prioritization in the conception of controlling processes is not always the case. Departments which are responsible for the management process build in media breaks in their own controlling process. This is where, as a last step, management reporting utilizes tools such as Excel or PowerPoint. Data is sometimes kept redundant in order to adapt numbers. Also, many management meetings are exclusively carried out via PowerPoint.

This results in consequences of the speed in which conclusions are made from operative processes and data. Unnecessary coordination and validation steps as well as manual adaptations of numbers require valuable reaction time, especially because the fast reaction to market changes is regarded as a critical success factor. Furthermore, interfaces, manual process steps and employees' room for interpretation imply risks for the security, reliability, compliance with deadlines and quality of information.

Until now, the controlling process has only been regarded bottom-up. However, a top-down view is crucial for target-oriented performance management. Orientation effectiveness regarding separate operative activities can only be ensured if a controlling process is established and oriented towards company objectives and strategies. Therefore, a linkage of strategic and target-oriented company management with an operative, process-driven controlling system is necessary. Concepts, objectives and strategies that have been generated through market observation or innovative ideas as part of the strategy development process for example, can only unfold their effect when the strategy implementation process runs successfully. Therefore a consistent controlling concept is indispensable, making the performance requirements of all company levels transparent. However, transparency alone is insufficient. Via stakeholder-oriented communication, the comprehensibility of objectives for all employees needs to be ensured. For this, it is important to pay attention to the consistency of objectives. Oftentimes, inconsistencies between vertical and horizontal controlling (beyond different areas) are noticed. Conflicts of objectives between line, project and process management need to be avoided because they reduce or endanger the acceptancy of the objectives on operative management level and of the employees.

Only if the acceptance of performance requirements has been established in the wide range of the company, can one assume that performance management is established throughout the company. When all members of the organization provide their potential and energy for the overall objective, the company's success should be ensured long-term. The figure below displays the requirements of a holistic performance management.

Figure 1. Overview of the Requirements of a Holistic Performance Management



APPROACH TOWARDS A SYSTEMIZING FRAMEWORK

Meeting all requirements might be experienced as an unreachable ideal state or even magic. Certainly, both are not the case. After the long-term study by Joyce, Nohria, and Robertson (2003) the “4+2 Formula” has proven to be a successful approach in order to achieve sustainable company development. Strategy development, strategy implementation, culture optimization and structure optimization are called out to be compulsory relevant management processes. Talent, improvisation, and management optimization as well as fusions and cooperation are regarded as partially optional. Depending on the situation, two of the just mentioned areas need to be taken into account in the overall controlling concept. In order to be successful in the long run, companies should integrate a mix of these six different areas into holistic performance management.

By bringing these insights of the 4+2 Formula together with the objectives and requirements derived from the areas of issues mentioned before, an overall logic can be developed as a performance management approach. This logic tries to regard the complex issue of performance management from different perspectives, which will be covered as part disciplines.

In total, this approach differs in five central part disciplines, which are outlined and explained in the following.

First Part Discipline: Management of Companies and Business Units

Performance management regards managing the company as a whole (in its totality) as well as in its part areas (business units) to control its organizational units on different aggregation levels. This part discipline is called management of companies, respectively business units.

Second Part Discipline: Management of Processes

The value adding of a company from process perspective and controlling in terms of performance management is just as important and interesting. This part discipline breaks through and adds on the organizational view and affects the process level. It is called management of processes.

Third Part Discipline: Management of Projects

Projects have an increasing share on the value adding of companies. Most of the time, projects are drivers for innovation and advancement within and of companies. Additionally they follow an entirely different hierarchical logic, due to mostly bypassing established principles and responsibilities in the operational and organizational structure. This part discipline of performance management applies to project, program and portfolio management and is called management of projects.

Fourth Part Discipline: Management of Employees

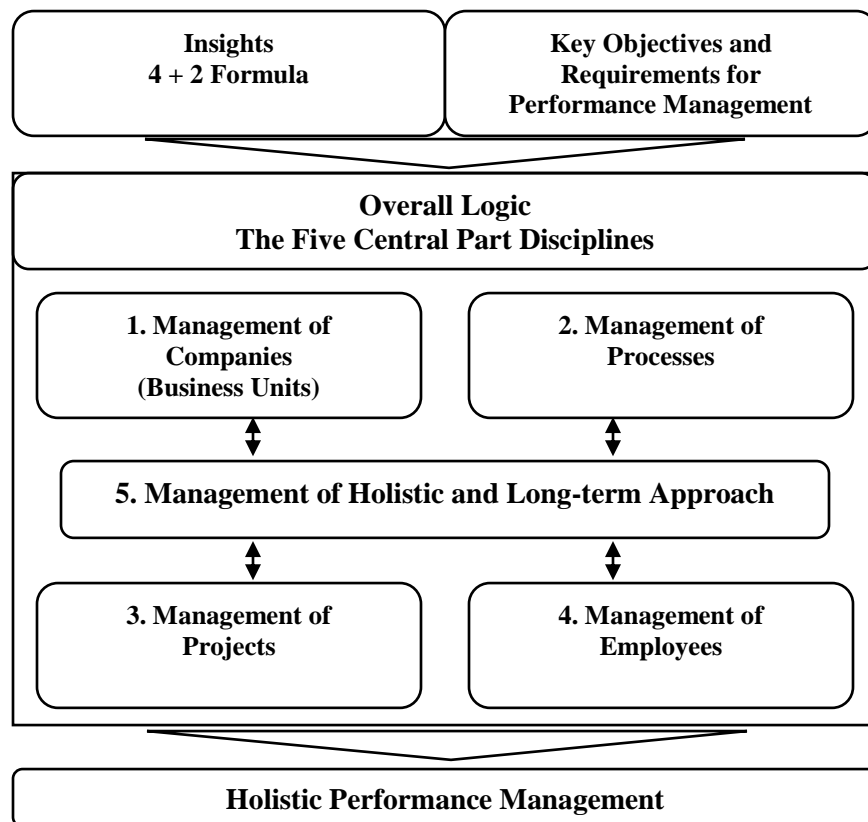
Another, very important success factor for a performance management is the actual initiators of value adding - the employees. They are crucial for the company's success due to their willingness to introduce their experience and productivity. This part discipline involves the management of employees.

Fifth Part Discipline: Management of Holistic and Long-term Approach

Content wise the four above described part disciplines would cover all perspectives of performance management. However, one crucial aspect of performance management is missing: Integrating the perspectives into one holistic view. A performance management should be built long-term and be sustainable to unfold its effect. That is why the fifth part discipline is called management of holistic and long-term approach. This part discipline has a special status which will be covered next.

The overall logic in the figure below visualizes the approach towards a holistic and long-term performance management consisting of five part disciplines.

Figure 2. Overall Logic for a Holistic and Long-term Performance Management



Demand and intention of this overall compilation is not to design a solely and generally valid concept for holistic performance management. Moreover, this approach displays how the complexity of issues and organization of performance management can be put together and can

derive from different part disciplines. There is no preference of one or another discipline but an equal consideration of all part disciplines in terms of a holistic performance management explanation and design approach.

The objective is to easily communicate the overall issue in all its perspectives, connections and hierarchies within the company and beyond. A generally valid recipe doesn't exist in order to solve all issues within performance management. Roth (2013) stated that within this approach, groundwork for a company individual, company-wide set-up of a holistic performance management can be established. In the following, the single areas of activities and toolset of the separate part disciplines are presented and the logical structure is explained overall.

PART DISCIPLINES OF A HOLISTIC AND LONG-TERM PERFORMANCE MANAGEMENT

First Part Discipline: Management of Companies and Business Units

Oftentimes, the steering of companies or business units is also called Corporate Performance Management (CPM). One may find many definitions for CPM in literature. In this article, it involves the provision of data, methods and tools to holistically support the management processes planning, steering and controlling. Business Intelligence (BI) supports these tasks. The term business intelligence also has a wide range of interpretations. Some authors like Chamoni and Gluchowski (2010) have a rather narrow understanding by focussing on analyses of BI only, others like Baars and Kemper (2008) also link the processes of data acquisition, data processing, and data management. Within this publication, BI implies the structured way of collecting and analyzing internal and external company data with the objective of generating crucial steering information to support the management and management decisions at best.

The main task of this part discipline is to significantly support the process of developing, implementing and steering strategies. The basis for the strategy development is to collect, interpret, and crucially prepare relevant market and competitor information in a target-oriented and reliable way to be able to make the strategic gap or direction of the management transparent and arguable. Crucial to a successful implementation of a strategy is mainly that the objectives appear motivating and that precise actions can be derived.

The linkage of operational and strategic management steering creates an entrepreneurial objective for performance management, which makes the contribution of business units (such as divisions, functions, departments, teams, and so on) as well as actions taken, transparent. In order to support the targeting orientation and operational measurements, key indicator systems are often used. They need to be designed in a way to meet the demands of different levels and addressees and they need to be reconciled within an overall picture, to consistently contribute to performance management. To foster the acceptance and the focus on performance of everybody involved, key figures need to be comprehensible and capable of being directly influenced.

Business intelligence solutions are supposed to provide a meaningful and efficient support of these management tasks. The BI market is a market that has strongly grown for many years, as Business Intelligence applies to more and more areas within companies. BI trends with

buzzwords such as Big Data, Predictive Analysis, Software as a Service (SaaS), Self-service-BI etc., intensify the demand of companies. For many of them it is getting increasingly challenging to build an integrated architecture for corporate performance management out of the many de-central and historically grown BI island solutions. Only if the functional, methodical and technical linkage of these "data-silos" is successful, can a significant contribution to the holistic performance management approach be achieved.

With a BI strategy, conditions are set to effectively establish a useful BI within an organization. It is advisable to focus technologically on one reference architecture or platform, particularly to make the running effort cost-effective.

Having defined the strategic direction of Business Intelligence, it is time to functionally, methodically and technical-efficiently organize the implementation of BI within the company. One has to define, where which BI competence should be established from an organizational point of view and how the interaction of these BI competencies throughout the entire lifecycle (project, run, etc.) takes place. Its objective is to increase the efficiency with BI and to enlarge the benefit of using BI for business departments, controlling, research and development, operation, and management.

Oehler (2006) stated that for performance management, planning is of particular significance, because planning sets up the general objectives and the conditions for measuring the achievement of the objectives. Since planning had to adjust a lot to the dynamics and volatility of the markets during the past years, it is of importance that the planning processes and systems are on the one hand very flexible and on the other hand highly functionally and technically integrated. Through a consistent and integrated planning process, essential conditions for performance management become formed.

Second Part Discipline: Management of Processes

In addition to the perspective focus on organizational units, the second discipline centers on the management of processes.

BPM targets a process-oriented organization of a company and contains the design, documentation and improvement of processes with regard to effectiveness and efficiency. The value adding for the customer is to be optimized. With the increase of effectiveness and efficiency of the processes, the increase of quality of the products and services, the reduction of delivery times, and the lowering of costs, higher customer satisfaction can be achieved in the end as well as corporate performance enhancement.

Due to the dynamics of the markets, successful companies increasingly concentrate on consistent processes, since they are the basis for a higher agility. Consistent processes also support strategy implementation since they increase the transparency for all parties involved. Only if processes get clear and palpable are they comparable to each other. They can be discussed (everybody has the same picture and speaks the same language) and they can be standardized. Preconditions are obviously a homogeneous notation, process modelling and process management rules.

The advantage of processes are that they give early indications of the achievement of the objectives. That is why they are of high interest for performance management. Through a process-oriented performance management the information gap between the strategic and operational level is compensated for and the time gap between a business transaction and possible required countermeasure is shortened. Especially in times of volatile markets, when time slots for reactions shorten, up-to-date and real-time information is essential to make business decisions. Companies which recognize process bottlenecks early and react very quickly to market changes do have competitive advantages.

Through an ongoing Business Activity Monitoring (BAM), it is not only possible to optimize business chances, but also to improve the business model itself continuously and in a target-oriented way. To increase the performance of the organization, a closed-loop-model should be built up by continuously monitoring and controlling the process activity. With a Key Performance Indicator (KPI) based continuous improvement process optimization potentials can be uncovered and realized (Hoffmann 2002). This transparency generates the informational basis to weigh whether outsourcing of a whole process or parts of the process may be of advantage.

Third Part Discipline: Management of Projects

Projects, in a simplified way the temporary collaboration of different experts to achieve a common objective, become more and more important. Back in the days projects were more or less an exception, however, today they are a standardized organizational instrument for adding value, company advancement (organizational development, IT development, method development, etc.) or innovation (process, product development, etc.). Companies want to use this special condition to increase their performance internally because people with different professional backgrounds can work together on one interdisciplinary task.

Unfortunately many projects do not reach their targets. The Standish Group stated in the Chaos Study (2013), that almost 70% of IT projects aren't reaching their targets. Twenty percent of them fail or are cancelled whereas 50% miss the objectives (time, quality [result concerning content], costs).

With a structured project, program and portfolio management companies try to generate successful projects that can be reproduced in order to improve the potentials of increasing performance.

On project level, the application of suitable steering methods is meant to ensure operative excellence (projects reach the desired results in time and quality within the predefined means).

On program level the focus lies on the overview of the project landscape including interfaces and dependencies as well as the steering capability of the program besides considering operative excellence.

On portfolio level the circle towards strategic management is completed. The value added of projects and programs of the company strategy is made transparent. The project application process and project prioritization (cost/benefit inspection) is especially important because a rela-

tion to the company objectives is established and through resource allocation a course setting for the future company direction is undertaken.

Next to a variety of challenges in project, program, and portfolio management, the following critical success factors have been emphasized for an effective and efficient performance management: updating of the business case throughout the entire project period, dealing with changes in the passage of time, the human factor and its need for communication, creation of PM communities with the objective of sharing best practices and documentation of knowledge building (Lehner 2009).

Fourth Part Discipline: Management of Employees

An important, oftentimes neglected discipline in terms of performance management regards employee management. The significance of human capital is reflected in motivation, guidance, and development of the company's top performers. The productivity of the company depends substantially on the employees' willingness to perform. Bruch and Vogel (2009) stated that only because of the commitment of the employees does a company have the power and energy to move target-oriented and be successful long-term. This circumstance within performance management is oftentimes forgotten despite the fact that it is obvious that humans are not machines that can perform independently from their environment and situation.

Motivation and guidance of employees are key factors. A high willingness to perform is achievable when the personal interests of the employees are regarded and cherishing guidance is lived. Top performers expect on the one hand to have freedom in their task fulfillment and be supported in their individual performance and on the other hand to encounter secure and stable general conditions.

Especially in times of change this becomes evident when performance management is introduced that mixes up accustomed processes and structures. These changes can generate fear and frustration of employees and destroy valuable energy. This energy could be used in terms of performance management in an optimum case. At this point instinctive feeling in a form of change management is asked..

The challenge of performance management is to steer change processes proactively.

Fifth Part Discipline: Management of Holistic and Long-term Approach

As mentioned before, the separate management methods are only part disciplines of a performance management. Only the interaction of these part disciplines in one integrated management system, which has to ensure a continuous operationalization of the strategy, can unfold its effect.

This is why the part discipline management of holistic and long-term approach offers the possibility to unite the different views. Now the task is to compose the part disciplines into one company-individual integrated management concept by establishing it sustainably.

For a holistic performance management a professional, methodical, technical as well as procedural integration of methods and instruments is needed. Only in this way can the entire management process be supported by strategy development, planning, agreement to objectives, steering, decision finding and implementation.

It is important to link the entire steering and controlling process, from establishing objectives and strategies to breaking down operative entities, processes, programs or projects with bottom-up driven processes such as the continuous improvement and corresponding data collecting and data refinement. Ideally, a company collects market development data, competitor and client data continuously, for example by monitoring social media and other platforms. The data has to be analyzed and interpreted promptly regarding relevancy and objective relation as well as preparation for management on the right levels for the right addressees in order to matter for decision making processes. When the management decision has been made, the measurement implementation process needs to be supported by adequate monitoring (Gladen 2011).

Roth (2012) determined that a management cockpit helps to develop a holistic steering understanding on all levels by creating transparency and therefore makes a significant contribution as a centralized communication, collaboration and monitoring platform for holistic performance management. Next to integration, the continuous improvement process should be initiated sustainably in terms of long-term management.

In order to be successful long-term, it is important to document competitive knowledge about clients, products and processes that are crucial to success and make it available to the relevant employees. A structured knowledge management supports increasing the productivity of companies long-term (North 2011).

A long-term-oriented performance management requires active management of valuing employees and calls for responsible actions by companies overall. The principles of sustainability can be well transmitted to performance management in order to have a long-term performance management effect.

CONCLUSION

In this article it is clearly indicated that there is no single overall management method and no overall comprehension of performance management. Moreover, the interaction of all management disciplines that are crucial to success in terms of an integrative management system is important where all actors and parties involved pull the same strings even though they have a different focus and view. However, it is critical to success, that a company-individual adaptation including a holistic background of experience is planned, composed and interlinked.

This way, management cockpits make a significant contribution by generating a transparency and communication platform for a holistic performance management as integration level, even when the general, professional, methodical, procedural and technical integration has not been completed or reached.

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DECEPTIVE BEHAVIOR IN INTRA- AND CROSS-CULTURAL BUSINESS NEGOTIATIONS OF MEXICAN PEOPLE: AN EMPIRICAL ANALYSIS

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ABSTRACT

Business negotiations are often plagued by various forms of unethical tactics. This paper focuses on deception, a widely used unethical tactic in negotiations. Building on existing research, this study examines emotional deception and informational deception and the likelihood of their use in intra- and cross-cultural negotiations by Mexican negotiators. Based on responses from 116 Mexican managers, this study shows that Mexican negotiators are more likely to use informational deception rather than emotional deception in both intra and cross-cultural negotiations. The study however did not find any difference between intra- and cross-cultural negotiation behaviors of Mexican managers with respect to the extent of use of deceptions. The study also found that for the most part, female and male negotiators exhibit very similar behavior in both intra- and cross-cultural negotiations.

Keywords: Cultural Values, Deception, Intra-cultural, Cross-cultural Negotiation

INTRODUCTION

Business negotiation dates to the dawn of human civilization, perhaps even earlier. Almost every country has its own literature devoted to business negotiation. Despite the existence of this broad and deep expanse of research, gaps exist. For example, we have very limited comprehension of the role that ethics plays in business negotiations. Since unethical behavior can alter significantly the outcomes of negotiations, any study of negotiation behavior can be enhanced by using the lens of ethics. It is generally held that empirical analysis of ethical behavior leads to a better ethical environment (Goolsby & Hunt 1992). Further, the ability to understand what constitutes acceptable and expected behavior in a negotiation can be a key success factor in international business (Volkema, 1998).

Mirroring the growth of international trade and cross-border investments, international business negotiations have also grown significantly over the past few decades (Lytle, Brett, Barsness, Tinsley, Janssens, 1995). Examining the role of ethics in international business negotiations, which involve people from different cultural backgrounds, could be far more challenging than studying ethics in purely domestic negotiations. This is mainly because our notion of what is ethically appropriate and what is not is often influenced by our cultural values

(Kopelman & Rosette 2008; Volkema & Fleury, 2002). Every culture has its own norms about what is right and what is wrong behavior (Brett, 2000).

Many scholars (e.g., Barry & Robinson, 2002; Menkel-Meadow & Wheeler, 2004; Volkema, 1998) posit that business negotiations are intrinsically full of ethical dilemmas and provide a fertile environment for engaging in opportunistic behavior. Some scholars (e.g., Allhoff, 2003; Carson, 1993; Dees & Crampton, 1991) even argue that unethical behavior may be necessary in certain business situations. However, in this age of social media when people expect ethical behavior from the business community, the use of unethical tactics in closing a deal may deprive such a deal of the legitimacy that it needs. The use of unethical negotiation behavior also extracts a toll on the society as it affects general economic development and well-being of people (Bird & Smucker, 2007). It is thus not surprising that the topic of ethics has generated renewed interest among researchers. This surge in research on ethics is a reflection of the growing societal concern for ethical lapses in the corporate world (Bazerman & Banaji, 2004) that calls for a better understanding of how we perceive and handle ethics in a business context. This paper seeks to contribute to our better understanding of ethical behavior in international business negotiations by probing how Mexican business people are likely to conduct themselves in both intra-cultural (e.g., negotiating with people from the same national culture) and cross-cultural (i.e., negotiating with foreigners) contexts. We are examining both intra- and cross-cultural negotiation behavior as our behavior differs from negotiation to negotiation depending on the context (Carnevale & Pruitt, 1992). Several studies (e.g., Elahee, Kirby & Nasif, 2002; Warden & Chen, 2009) show that our ethical behaviors vary significantly between intra- and cross-cultural- negotiations.

While there can be a wide range of unethical tactics used in business negotiations, this paper focuses on deceptive behavior in its two forms, informational deception and emotional deception (discussed in detail later in the paper), and examines the likelihood of use of emotional and informational deceptions in both intra- and cross-cultural business negotiations by Mexican business people. A secondary objective of this paper is to see if there is any difference between male and female Mexican negotiators in their propensity to engage in these two deceptive negotiation behaviors. Finally, this study also seeks to examine if Mexican people are inclined to engage in one type of deception more than the other.

We have chosen Mexico as the focal country of our study for a number of reasons. First, Mexico, with a population of over 120 million people, is one of the important emerging economies in the world. As of June 2014, Mexico has the 11th largest economy in the world (Worldfactbook, 2014). Mexico is an important member of the World Trade Organization (WTO), the North American Free Trade Agreement (NAFTA), and the Pacific Alliance. Second, it is the second largest trading partner of the United States (US) after Canada and also one of the largest recipients of US foreign direct investment. Third, Mexico is also the only country in the Americas which has free trade agreements with over 50 countries including the US, the European Union and Japan (Worldfactbook 2014). Fourth, Mexico is home to several large multinational firms which are active in different parts of the world. As Mexico is playing an increasingly important role in global trade and investment, it is imperative for us to gain a better understanding of various aspects of Mexican negotiation behavior.

THEORETICAL FOUNDATIONS

Ethics refers to the set of rules that define the behavior of a person. Chester (2012) describes good business ethics as the behavior involving adequate use of knowledge and known facts, demonstrated in line with strong integrity, honesty, and professionalism in order to ensure transparency in all actions. In an intercultural negotiation however, determining what is ethical becomes challenging as social environment, religion, belief systems, and laws that determine the behavior of individuals need to be taken into account (Paul & Elder, 2012).

Being unethical, on the other hand, is to act differently from what the majority of society would perceive to be fair and right according to the circumstances. Rivers and Lytle (2007) define unethical tactics as being those tactics that could be regarded as improper depending on an individual's ethical reasoning. In other words, unethical behavior is breaking the set of rules that our societies have defined as right. There are several ways one can be unethical in business negotiations such as paying or receiving bribes, bluffing, cheating, lying, misrepresenting, skipping facts, not rectifying the wrong assumptions of the other party, withholding pertinent information, etc.

Carr (1968), in his seminal work on ethics, raised the question of whether bluffing in business is unethical. Comparing business with poker games, Carr showed that both business and poker games lack strict rules that prohibit the use of bluffing as a tool. As a result, bluffing is widely used by negotiators. Not using this tool, Carr argued, is tantamount to ignoring the opportunities that the game allows to the players and could seriously jeopardize the negotiator's business prospects. Carr also pointed out that people act differently depending on the context. For example, businessmen with families may adhere to a strict sense of ethics in their family life, exhibit values formed by their religious beliefs, and obey the rules of the society where they were raised. However, these very same business people may not behave ethically in their workplace; because when they are in their offices, they become just game players exhibiting different sets of ethical behavior according to what they are motivated by in their jobs.

While discussing about the ethics of deception in negotiation, Strudler (1995) posits that lying in negotiation is common. Strudler further posits that dishonesty can bestow an unfair advantage on one party over the other. However, if the opponent responds by being dishonest, that would eliminate this unfair advantage. Similar views were expressed earlier by Dees and Crampton (1991) who opined that that being untruthful is a tactic that may be accepted to defend oneself from an opponent who is lying. Carson (1993) echoed the same view by arguing that deception as a self-defense technique is justified when the other party is being dishonest.

Fulmer, Barry and Long (2009) provides examples of two forms of deception: deception as an element of *interaction* (e.g., cheating) and as an element of *emotions* (e.g., fear, false happiness). Sometimes, deception occurs when the counterpart does not ask for enough information. It can also happen when one party simply omits some information. Fulmer, et al. (2009) present some examples to illustrate that negotiators who use more deceptive tactics during negotiations frequently get better outcomes at the bargaining table.

Building on the work of Fulmer, et al. (2009), which was greatly influenced by previous work by Robinson, Lewicki, and Donahue (2000), this study examines four deceptive negotiation behaviors, namely ‘Positive Emotion Management,’ ‘Negative Emotion Management,’ ‘False Promises,’ and ‘Misrepresentation.’ Fulmer, et al. (2009) labeled the first two tactics as “*Emotional Deceptions*” and the last two tactics as “*Informational Deceptions*.” They developed the emotional deception scale items from the work of Barry (1999) and the informational deception scale items from the work of Robinson, et al. (2000). These tactics are explained below:

Emotional Deceptions

- **Positive Emotion Management**, as defined by Fulmer, et al. (2009), consists of behavior in demonstrating emotions that are designed to not make the other party(ies) feel comfortable.
- **Negative Emotion Management**, as defined by Fulmer, et al. (2009), refers to manipulation of expressions with the goal of influencing others to create an uncomfortable situation so as to force the other party(ies) to change his/her position.

Informational Deceptions

- **False Promises**, as explained by Robinson, et al. (2000), and also reiterated by Fulmer, et al. (2009), consists of making promises by a party which he/she has no intention of following through.
- **Misrepresentation**, also originally propounded by Robinson, et al. (2000), and subsequently used by Fulmer, et al. (2009), refers to providing informational that misstates the party’s position interest and intentions.

While this paper relies heavily on the theoretical framework developed by Fulmer, et al. (2009), it has extended their work in a significant way by looking beyond domestic negotiations. This study compares the same group of people’s likely behavior in both intra- and inter-cultural context with respect to the likelihood of use of the four aforementioned deceptive negotiation tactics.

HYPOTHESES

Our focal country Mexico possesses an interesting culture blending the cultural beliefs and practices of invading Spaniards and native Amerindian population. In his seminal work, Hofstede (1980) reported an individualism score of 30 for Mexico. This low individualism score squarely puts Mexico in the category of collectivist cultures. The same study reported a score of 82 for the uncertainty avoidance index, a score of 81 for the power distance index, and a score of 69 for the masculinity-femininity index for Mexico. Mexico is thus considered a masculine country with a large power distance and strong tendency to avoid uncertainty.

While people in every country may show, to a certain extent, preferential treatment for local people over foreigners (Brewer, 1999), the tendency to treat foreigners differently than

compatriots is likely to be particularly prevalent in collectivistic and strong uncertainty avoidance cultures like Mexico. This is because members of a collectivistic and strong uncertainty avoidance culture usually exhibit less trust toward foreigners (Doney, Cannon, & Mullen, 1998; Lituchy, 1997).

Fulmer, et al. (2009) demonstrate that deceptive tactics are less frequently used when the opponent is a known person rather than a stranger. It could be due to a variety of reasons such as fear of retaliation, the risk of earning a bad reputation, possibility of law suits by the other party, etc. Foreigners may not be in the same position like local people to retaliate against a party or cause it social embarrassment for its unethical behavior. Foreigners are also less likely to go through the trouble of resorting to legal recourse unless the amount involved is significantly high. In other words, there are less disincentives for engaging in deceptive behavior with foreigners as opposed to local people. Therefore, we can argue that when people negotiate with a person from the same country, they are less willing to use deceptive tactics than when they are negotiating with a person/party from a different country. It is therefore hypothesized that:

H₁: Mexican negotiators are likely to use emotional and informational deception tactics more with foreigners than with people from their own country.

The role of gender in negotiation has attracted a lot of research attention for quite some time. However, the previous findings are contradictory when it comes to the question of gender differences in ethical behavior in negotiations. It was shown by Anton (1990) that both women and men tend to use unethical tools such as bluffing in negotiation. On the other hand, Westbrook, Arendall, and Padelford (2005) demonstrate that there is a gap in the negotiation styles between women and men. Women are believed to exhibit more compassion and sympathy for their opponents, regardless of their prior contact with them. As women are more cooperative than men, they are expected to have a better understanding of their opponents during a negotiation (Babledelis, Deaux, Helmreich, & Spence, 1983), and consequently, be able to close a deal successfully. Men, on the other hand, are considered risk takers, which is a characteristic that defines the competitive style that men tend to have. Olekalns and Smith (1999) found strong evidence for their assertion that negotiators who are competitively driven are inclined to resorting to unethical behavior during negotiations. Greenhalgh and Gilkey (1993) argue that men view negotiation as an encounter sport, using tactics that lead them to present unethical behavior more than women. Based on these findings from the extant literature, we hypothesize that:

H₂: Male Mexican negotiators are likely to use more deceptive tactics than female negotiators.

While the use of both emotional deception (consisting of positive and negative emotion management) and informational deception (comprising false promises and representation) are common, people may not necessarily use them to the same extent. Using emotional deception may not come naturally to people as it requires pretention and acting. In situations when the negotiating parties do not have adequate information and knowledge about the needs, interests, positions, resources etc. of the other party, they may be tempted to provide information that is incorrect, incomplete, or over- or under-stated. Therefore, it is hypothesized:

H₃: Mexican negotiators are more likely to use informational deception tactics than emotional deception tactics.

METHODOLOGY

Instrument

The survey used in this study for data collection was constructed based on a study by Fulmer, et al. (2009). It was developed originally in English. The questionnaire was translated into Spanish by one of the authors who is bi-lingual (in English and Spanish), with Spanish being his mother tongue. To ensure translation accuracy and equivalence, a second opinion of a bilingual professional (English and Spanish) was sought and necessary adjustments were made. The questionnaire was administered electronically.

To capture the difference in unethical negotiation behavior in intra-cultural (i.e., negotiations within country) and cross-cultural (negotiation with foreigners) negotiations, the same scale items developed by Fulmer, et al. (2009) were used in both section 1 and 2 of the instrument. However, in section 1, the respondents were primed to assume that they are negotiating with someone from their own country, while in section 2, they were primed to assume that they are negotiating with someone from a foreign country. Section 3 of the instrument contained some demographic questions for classification purposes.

Sample Selection and Data Collection

We used a snowball sampling method for this study. At the first stage, through our personal network, we electronically contacted young Mexican managers occupying senior management positions in their firms who are involved with global business. We then requested them to help us identify more subjects for our study. We explained to them the criteria for eligibility to be our subjects - managers who are relatively young and who possess experience in business negotiations. We deliberately targeted young Mexican managers as young managers are more frequently well-versed with English than older managers and as such are more likely to possess experience in international negotiations.

A filter question was added at the beginning of the questionnaire about negotiation experience of the respondent. About 98% of the respondents had previous negotiation experience. We excluded the responses of those who did not have negotiation experience. This yielded a usable response of a total of 116 managers.

DATA ANALYSIS AND DISCUSSION

As stated in the earlier section, data was collected by means of a self-administered survey. We had decided on a cut-off date for receipt of our data. The late responses received after our cut-off dates were used as proxy for non-respondents and used for non-response analysis. A total of 28 n responses came after the cut-off date. No difference was found in the response of regular and late respondents.

Sample Characteristics

Of the 116 usable responses received, 57 were male and 58 were female, while one person did not disclose his or her gender. About 85% of the respondents had a bachelor degree and over 45% had a master or a higher degree. The occupation of the respondents also showed considerable diversity. Thirty-five percent of our respondents had a job related with sales and the remaining 65% of the respondents held positions in various other departments such as procurement, purchasing, human resource, finance, R&D, general administration, etc. Over 31% of our respondents had negotiation experience of five years or longer, while the remaining 69% had less than five years of negotiation experience. About 17% of the respondents held a senior management position, while 83% of our respondents held an executive position. An overwhelming majority of our respondents (107 out of 116) were below 30 years of age, thus fulfilling our objective of reaching out to young Mexican managers.

Findings

First, to test the reliability of the measures, Cronbach Alpha of each of the four constructs were calculated. Since the respondents were presented with two scenarios, one involving negotiation in their home country (i.e., intra-culture) and one involving a foreign country (cross-culture), the reliability of the four constructs were measured for both intra-cultural and cross-cultural negotiations. Table 1 below reports the Cronbach Alpha score of the constructs.

Table 1. Reliability Scores of the Constructs

Construct	Alpha Score in Intra-Cultural Negotiation	Alpha Score in Cross-Cultural Negotiation
Negative Emotion Management	84.3%	86.2%
Positive Emotion Management	91.9%	92.9%
False Promises	94.8%	92.9%
Misrepresentation	78.2%	82.8%

Nunnally (1978) recommended 85% Alpha score for descriptive studies. Most of the alpha scores reported above indeed meet the criteria recommended by Nunnally. After calculating the reliability score, we conducted paired T tests to compare the mean score of the likely use of various deceptive tactics by Mexican negotiators in both intra- and cross-cultural negotiations. The mean score and standard deviations of emotional and informational deception tactics are provided in Table 2A and 2B.

Table 2A. Comparison of Likelihood of Use of Emotional and Informational Deception

Category of Deception	Types of Deception	Mean: Intra-cultural	Mean: Cross-cultural	Std. Dev.: Intra-cultural	Std. Dev.: Cross-cultural
Emotional Deception	Positive Emotion Management	2.08	2.15	0.72	0.78
	Negative Emotion Management	3.0	2.99	0.85	0.91
Informational Deception	False Promises	2.56	2.58	0.98	1.0
	Misrepresentation	4.75	4.75	0.92	0.95

The results of the paired T test are reported in Table 2B.

Table 2B. Results of Paired T Test Comparing the Use of Deception in Intra- and Intercultural Negotiations

Types of Deception	Significance
Positive Emotion Management	0.450
Negative Emotion Management	0.429
False Promises	0.783
Misrepresentation	0.325

The scores reported in Table 2A show that the likelihood of using the various deceptive tactics does vary between intra-cultural and inter-cultural negotiations. However, when we look at the results of the T-test provided in Table 2B, we find that there is indeed no statistically significant difference between the likely negotiation behavior of Mexican managers in their intra-cultural and cross-cultural negotiations. Therefore, we did not find any support for H₁.

To test if there is any difference in the likelihood of use of deception among male and females in their intra- and cross-cultural negotiations, an independent sample T test was calculated. The results are provided in Table 3A and Table 3B. Table 3A contains the descriptive statistics about the likelihood of use of various deceptive tactics by male and female negotiators in intra-cultural negotiations as well as the p value from the T test. Table 3B contains the descriptive statistics about the likelihood of use of various deceptive tactics by male and female negotiators in cross-cultural negotiations as well as the p value.

Table 3A. Comparison of Male and Female Responses for Intra-cultural Negotiations

Deception Tactics	Male		Female		Significance (2 tailed)
	Mean	Std. Dev.	Mean	Std. Dev.	
Positive Emotion Management	2.91	.93	2.94	.85	.88
Negative Emotion Management	2.23	.70	1.90	.67	.01
False Promises	2.35	.86	2.32	1.03	.87
Misrepresentation	2.62	.90	2.50	.93	.47

Table 3B. Comparison of Male and Female Responses for Cross-cultural Negotiations

Deception Tactics	Male		Female		Significance (2 tailed)
	Mean	Std. Dev.	Mean	Std. Dev.	
Positive Emotion Management	2.88	.97	2.90	1.06	.89
Negative Emotion Management	2.23	.70	1.96	.78	.06
False Promises	2.58	.87	2.58	1.09	.69
Misrepresentation	2.54	.92	2.43	.99	.47

The T test results show that with the exception of negative emotion management, there is no significant difference between men and women in the likelihood of use of deceptive tactics in negotiations. The lower score for female respondents indicates that female negotiators are less likely to exhibit negative emotion in negotiation as compared to their male counterparts. In other words, men are likely to use more negative emotion in both intra-cultural and inter-cultural negotiations than women. Therefore, the findings provide only partial support for H₂.

As for the likelihood of using informational deception more than emotional deception tactics, we combined the scores for the items of positive and negative emotion management into one variable called “Emotional Deception” and the scores for the items of false promises and misrepresentation into one variable called “Informational Deception” and compared the mean scores of these two variables in both intra and cross-cultural contexts. Table 4 below presents the descriptive statistics of these two variables. The mean score is higher for the likelihood of use of information deception than the likelihood of use of emotional deception in both intra- and cross-cultural negotiations.

Table 4. Comparison of the Scores of likelihood of Using Emotional and Informational Deceptions

Deception Tactics	Intra-cultural		Cross-cultural	
	Mean	Std. Dev.	Mean	Std. Dev.
Emotional Deception	2.368	.82	2.32	.79
Informational Deception	2.6	.76	2.48	.89

The T test result shows significant difference at 95% level between these two types of deceptions about the likelihood of their use in both intra- and cross-cultural negotiations. The findings thus lend support to H₃ that Mexican negotiators are more likely to use informational deception than emotional deception.

CONCLUSION

This research was conducted with a view to find out how Mexican business people use deception in intra-cultural and cross-cultural negotiations. While the findings of this study do answer some of the questions raised, they also leave some questions unanswered and raise new questions that warrant further investigation.

Due to the growing trend of globalization, the nature of business operations have changed and negotiators are increasingly bargaining in an international context. As this study demonstrates, there is not a large difference in the use of unethical tactics by Mexican negotiators in their domestic and international negotiations. This contradicts some previous findings (e.g., Elahee et al., 2002). This change may have happened due to the fact that Mexico is now much more integrated with the global economy than it was before when the previous studies on Mexican negotiation behavior were conducted. The demographic statistics of our respondents show that the majority of our respondents are young managers, below the age of 30. They grew up in a post-NAFTA, post-WTO environment and have gained more international exposure at an early age than the managers of previous generation of Mexicans. It is therefore possible that the new generation of Mexican managers are more open to people from other countries than their predecessors. As a result of this higher comfort level with foreign nationals, they may use very similar bargaining styles with both their compatriots and foreign negotiators. This finding can motivate foreigners to do more business with Mexico as they are now aware that Mexican people would exhibit similar negotiation behavior regardless of the nationality of their opponent.

We also did not find any support for the hypothesis about gender differences with respect to the use of deceptive tactics in intra- and cross-cultural negotiations (with the exception of use of negative emotion by men), which contradicts previous findings. This lack of difference in the negotiation behavior of male and female negotiators could be explained by the fact that now-a-days female negotiators receive the same types of education and training that men receive. Moreover, in their everyday life, they are exposed to similar experiences that men face. As a result, the gap between male and female negotiators has mostly disappeared even in a masculine society like Mexico. This finding has profound implications for business firms. It is important for business

firms to take note of this convergence in the negotiation behavior of male and female negotiators and treat them equally when forming negotiation teams. As female negotiators behave very similar to that of male negotiators, similar negotiation responsibilities should be delegated to both men and women.

We did find support for our third hypothesis that Mexican business people would use more informational deception than emotional deception in negotiations. The premise on which this third hypothesis was built is perhaps true for other countries as well. Therefore, the finding that people tend to resort to informational deceptions more than emotional deceptions could be true beyond the borders of Mexico. As our findings show that negotiators frequently use informational deception, it is important for negotiators to pay special attention to the information provided by their opponents. In other words, this finding reinforces the saying, “Trust but verify.”

Limitations

Similar to any scientific endeavor, this study also suffers from certain limitations. One of the main limitations of this study is the possible effect of social desirability bias on the part of the respondents. Ethics is a subject that is difficult to examine because people often avoid a controversial subject and give the answer that the society wants to hear, a phenomenon that experts call ‘social desirability bias.’ It is quite possible that the actual likelihood of using emotional and informational deception is much higher than what the respondents have indicated in our study. Another limitation of the study stems from the fact that we had used snowball sampling instead of random sampling, which may limit the generalizability of the findings to the larger context of Mexico.

Direction for Future Research

The limitations stated above provide opportunities for future research. Future researchers should try using a larger sample selected randomly and also complement the quantitative research with qualitative work to gain a richer understanding of the complexities involved in business negotiations. The findings indicate that the new generation of Mexican managers’ exhibit different negotiation behavior than managers of previous generations as reported in earlier studies on the topic. However, no conclusion can be drawn based on the findings of a single study. Future researchers should further investigate if the new generation of Mexican managers do exhibit different behavior than the previous generation of Mexican managers.

Additional insights about the complex relationship between cultural values and ethical negotiation behavior could be gained by extending this study to other countries. It should be noted here that different cultural groups within a country may also have different ethical orientation and negotiation style. It is thus recommended that future researchers also examine the negotiation behavior of specific groups or subcultures within a country. Future researchers should use more sophisticated statistical tools such as structural equation modeling to uncover latent relationships, if any, among different variables and also consider conducting longitudinal studies to see how managers’ ethical perception and behavior may change over time. Finally, future researchers should also attempt to study how management intervention can reduce the likelihood of use of unethical behavior in negotiations. While much work lies ahead, it is hoped that this study would

encourage future researchers to undertake further research to enrich our understanding of various facets of international business negotiations.

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STUDENTS' ESTIMATES OF EARNINGS BY MAJOR: ASSESSING THEIR USEFULNESS IN THE CLASSROOM AND IMPLICATIONS OF THEIR ACCURACY

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ABSTRACT

This research project introduces a short in-class learning exercise involving students' forecasting the likely earnings for their selected major that has been very well reviewed by the students. The data collected establishes that for this sample from a regional public university, many students make sizable errors when estimating median earnings for their selected major. The evidence weakly supports the view that students with business-related majors have more accurate earnings forecasts than do students with non business-related majors. Stronger support is found for the hypothesis that students selecting lower earning majors are more likely to overestimate earnings for their major than are students selecting higher earnings majors. There does not appear to be any robust linkage between students' grade outcomes and the accuracy of their earnings forecasts. The potential implications for students of large earnings forecasts errors also is examined.

Keywords: earnings forecasts, college major

INTRODUCTION AND LITERATURE REVIEW

This research paper introduces a time-effective, well-received, in-class active learning exercise that introduces students to comprehensive data on earnings by college major. The students' responses are then analyzed to assess the accuracy of students' estimates of earnings for their selected undergraduate major. This pilot research project has findings relevant to several strands of recent research literature: the need for, and benefits of, motivating students with real world examples and applications; the impact of rising student loan debt and a weak labor market in recent years for new college graduates; and, the accuracy of students' estimates of earnings in their selected majors and occupational choices.

In the early 1990s, Krueger (1991) led a comprehensive overview of the state of graduate education in economics and emphasized "our major concern focuses on the extent to which graduate education in economics may have become too removed from real economic problems" (p. 1039). Their primary recommendation was "that graduate education can be improved if relatively more emphasis is given to providing students applications of the tools of economics to economic problems" (p. 1052). This report on graduate education in economics was motivated in part by growing dissatisfaction with the all lecture and all theory approach so common in undergraduate economics education. In a comprehensive overview of current practices in undergraduate economics instruction, Becker (1997) found that fewer than 25% of professors in introductory economics courses assigned materials from outside the textbook or related problems

workbook. Summarizing relevant literature, Becker (1997) argues that having students “actively engaged in the learning process, through discussion and small-group activities, encourage(s) persistence and appear(s) to be conducive to learning, especially if combined with rapid feedback and positive reinforcement” (p. 1370). A follow-up study by Becker and Watts (2001) largely confirms earlier findings on the infrequency of outside the textbook materials being incorporated into introductory economics classes. As noted by Becker (2000), a major concern is “that for many students, textbook discussions of markets are often too hypothetical and do not involve current events and observable phenomena.... More headline-grabbing material, however, needs to be in prominent places” (pp. 111-112). As explained in the methodology section, the student exercise that generated the data for this research project very much involved current events, observable phenomena, and for the students was “headline grabbing,” all of which help to motivate student interest in, and learning of, economics.

In addition to helping motivate student interest in the economics course itself, another important reason for doing the exercise was to increase the information set for students as they decide upon their likely undergraduate major. While most students taking the introductory economics course in the classes that were surveyed already have a declared major, many of them will change majors before graduating. Since most students are in their first three semesters when taking the course, some flexibility remains for them to switch majors if they decide it is in their best interests to do so. It has been increasingly well documented that student loan debt has risen sharply in recent years, and at the same time the labor market for new college graduates has been amongst the weakest seen in the past 50 years. In such a world, there is definite value-added from using some class time to have students examine data on earnings by major. Having a realistic sense of the likely earnings path of their major is necessary information to compare against the student debt load to be accrued in pursuit of that major. Reed and Cochrane (2012) analyzed student loan debt data for Class of 2011 graduates that was voluntarily reported by 1,057 public and private nonprofit four-year colleges. They estimate that 66% of 2011 graduating seniors had student loan debt, with an average of \$26,600 for those with loans. The average debt load is higher than this for students in Pennsylvania, which is behind only New Hampshire in the state rankings of average student loan debt. Moreover, the average debt of 2011 graduates at Indiana University of Pennsylvania (IUP), the institution at which this research was completed, ranked in the Top 20 of all public universities in the 1,057 colleges data set. In 2011, 83% of IUP graduates had student loan debt and the average debt of these graduates was \$32,416 (College Insight, 2013). These students need to be as fully informed as possible about the earnings potential of various majors as they decide upon their path through college.

The weak labor market for new college graduates, combined with the growing student loan repayment obligations, has resulted in sharp increases in student loan default rates. Reed and Cochrane (2012) estimate an 8.8% unemployment rate in 2011 for young college graduates, a modest improvement from the 9.1% rate in 2010. This unemployment rate underestimates the slack labor existing for new college graduates, as they estimate that up to 19.1% were either working part-time involuntarily or had given up looking for work. Of the student loan borrowers who entered repayment in 2010, 13.0% at public and 8.2% at nonprofit colleges had defaulted on their loans by 2012. Students who are unaware that they are selecting a low earnings path major are more likely to struggle with loan repayments as they are less likely to be carefully evaluating debt repayments against likely earnings.

The existence of large variation in earnings across college majors has been documented for many years, with Daymont and Adrisini (1984), Grogger and Eide (1995), and Hammermesh and Donald (2008) as informative examples of this literature. The literature assessing the accuracy of students' estimates of earnings by major or occupation is more limited, but one widely cited work is by Betts (1996). He surveys 1,269 undergraduates at UC-San Diego, with engineers oversampled, and asks them several questions including estimates for salaries for four specific engineering majors and average earnings for 25-34 year olds with "High School Diploma Only" versus "Bachelor's Degree." Across all questions asked, the median of the absolute value of the students' forecast errors was 19.6%. Dominitz and Manski (1996) surveyed 110 high school and college students about the earnings of high school and college graduates and found the median female overestimated the earnings of female high school graduates by 22% and female college graduates by 42%. Nicholson (2005) examined data on 25 different cohorts of medical students who were surveyed in both their 1st and 4th years of school and asked to estimate current physician income in six different specialties. The median student underestimated physician income by 15%, and the median absolute value of the errors was 26%. By their fourth year, medical students were 35% more accurate in their forecasts than in their first year. In this study, the accuracy of IUP students' forecasts will be compared against these prior surveys of forecast accuracy that had emphasized higher earning engineering and medical specialties.

METHODOLOGY AND FINDINGS

Obtaining Students' Earnings Forecasts: In-Class Exercises

As an in class bonus exercise, students were given a sheet of paper that on one side listed 120 different undergraduate majors and an ID number. In space provided on the other side of the paper, students entered the ID number and name of the listed major that most closely matched their selected major (or major they are considering). Next, the instructor carefully reviews the concept of the median earnings in an occupation and after that review students are instructed to write down their best guess for the median earnings nationally for people with that undergraduate major (and no other advanced degree) and approximately two years of work experience. Lastly, they write down their best guess for the median earnings nationally for people with that undergraduate major (and no other advanced degree) and approximately 15 years of work experience. These student earnings forecasts are the data evaluated in this research paper.

After collecting the students' responses, they would be given the actual data for the earnings by college major and the link to the data at www.payscale.com. Then, there would be a several minute class discussion about characteristics of relatively high paying, and low paying, college majors. This discussion would be tied into the Supply-Demand framework. To assist students in appreciating the sizable differences in cumulative lifetime earnings across different undergraduate majors, a follow-up exercise requires the students to compute estimated lifetime earnings for three different majors of interest to them. After these assignments are submitted, the class is given the estimated lifetime earnings for all of the 120 majors covered by the payscale.com data set. The Table 1 below is an extract of these lifetime earnings estimates that shows the occupations at the 90th, 75th, 50th, 25th, and 10th percentile of lifetime earnings. Lifetime earnings were estimated by assuming an individual earns the median starting salary for their major their first two years of working, then the salary rises in equal increments each year

for years 3-15 to reach the mid-career median salary estimate from payscale.com, and the person works another 30 years at the mid-career salary estimate (a 45 year work career takes a 22 year old to 67 years old at retirement). These cumulative life earnings are not discounted to present value equivalents in order to keep the time spent on the exercise relatively brief, but the exercise still conveys valuable, easily understood, information to the students on the wide variation in earnings across undergraduate majors.

Late in the semester, students completed a short evaluation sheet on several different bonus exercises done during the semester. Student evaluations of this exercise were quite strong. On a 1-5 scale of 1(strongly disagree), 2(disagree), 3(neutral), 4(agree) and 5(strongly agree), student responses to five questions are summarized in Table 2. Fifty of 59 respondents strongly agreed or agreed that the exercise was interesting, 49 of 59 that the exercise was worth the class time used, and 40 of 59 intend to make future use of the payscale.com data set. Further evidence of the positive response to the exercise is that 18 of the students already had showed the data to friends or family members, and another seven were planning to show the data to friends or family. This exercise helped to create linkages between the classroom and the “real world” and was a positive motivation for the strong majority of the class.

Table 1. Earnings by Major, 2011

Percentile Rank	Major	Starting Salary	Mid-Career Salary	Estimated Lifetime Salary
90 th	Computer Science	\$56,200	\$97,700	\$4,043,750
75 th	Chemistry	\$42,400	\$83,700	\$3,415,450
50 th	Geography	\$39,600	\$71,200	\$2,935,400
25 th	Photography	\$35,100	\$61,200	\$2,532,150
10 th	Education	\$35,100	\$54,900	\$2,302,000
Starting & Mid-Career Salaries from payscale.com , lifetime estimate as described in text				

Table 2. Summary of Student Evaluations of the Earnings by Major Exercise

	Interesting	Worth Class Time	Make Future Use of	Showed to Friend/Family	Will Show to Friend/Family
# 5's	20	19	12	7	11
#4's	30	30	22	11	14
#3's	9	8	18	9	19
#2's	0	1	6	21	6
#1's	0	1	1	11	9
SUM	59	59	59	59	59

Evaluation of Students' Earnings Forecasts

A total of 74 students completed the initial in-class bonus exercise where they estimated the median earnings at two years and 15 years of work experience for their selected undergraduate major (with no additional degrees earned). These student estimates were compared against the payscale.com data and the forecast error for each student is estimated as:

$$(\text{forecasted earnings} - \text{actual earnings}) / \text{actual earnings}$$

The distribution of students' forecast errors are summarized in Table 3. Students were roughly equally likely to underestimate as overestimate starting salaries with 36 students underestimating and 38 students overestimating median starting salaries. Those students overestimating starting salaries, however, were notably more likely to have a larger forecast error than those students underestimating median starting salaries. Of the 36 forecasts underestimating starting salaries, 15 of the forecasts were within 10% of their actual value. In contrast, only eight of the 38 forecasts overestimating median starting salaries were within 10% of their actual value. Defining large forecast errors as greater than 30%, we see that only five of the 36 underestimating forecasts were large errors while 15 of the 38 overestimating forecasts were large errors.

Table 3. Distribution of Student Forecast Errors of Median Earnings for Their Selected Major
(Error = (Forecasted Value – Actual Value) / Actual Value)

Forecast Error Range	# of Starting Salary Errors	# of Mid-Career Salary Errors	Forecast Error Range	# of Starting Salary Errors	# of Mid-Career Salary Errors
< -40%	2	3	> 40%	13	12
-40% to -30%	3	13	40% to 30%	2	4
-30% to -20%	5	5	30% to 20%	5	7
-20% to -10%	11	9	20% to 10%	10	2
-10% to -5%	10	9	10% to 5%	2	4
-5% to 0%	5	2	5% to 0%	6	4
TOTAL	36	41	TOTAL	38	33

While students were not likely to have large underestimates of median starting salaries, they were much more likely to have large underestimation errors for their forecasts of median mid-career earnings as 16 of the 41 underestimates had large errors of more than 30%. While fewer students, 33 of 74, overestimated mid-career median earnings than underestimated, 41 of 74, the fraction of students overestimating mid-career earnings who were making large errors was nearly 50% as 16 of the 33 overestimates had errors of 30% or more. Both the large underestimation and large overestimation errors are potentially quite damaging to students. A student with a large underestimation of the likely earnings path for their selected major will be more likely to drop out of college when confronted with academic, financial, or personal challenges that are in fact surmountable since their expectation of future earnings from completing the major is falsely low. Conversely, those students with large overestimations of the likely earnings path for their selected major will be more likely to accrue student loan debts that are too large to be manageable given the likely earnings of the selected major. While the latter scenario has garnered most of the attention in the popular press, both types of large forecast errors have the potential to be significant policy problems. The data in Table 3 prompts several follow-up questions:

- Does forecast accuracy vary by course grade?

- Does forecast accuracy vary by selected major?
- Are students selecting lower paying majors more likely to overestimate earnings?

Table 4 below contains results of tests for difference in proportion of either large underestimate errors of more than 30% (too pessimistic) or large overestimate errors of more than 30% (too optimistic) in students' forecasts of median starting salaries across grades received by students. The "Too Optimistic" column utilizes for each grade level the null hypothesis that is that there is no difference in the proportion of students with that grade outcome having overestimation errors larger than 30% as compared to the proportion of students with all other grades having overestimation errors larger than 30%. Values for the chi-square test statistic > 2.71 (3.84) lead to a rejection of this null hypothesis at the 10% (5%) significance level in favor of the alternate hypothesis that students with that grade outcome are more likely to have large overestimation errors. As none of the test statistics even exceed 1.0 in value, we find no evidence that students with any particular grade outcome are more likely to be excessively optimistic about median starting salaries. Similarly, the "Too Pessimistic" column shows the test statistics for the null hypothesis that is that there is no difference in the proportion of students with that grade outcome having underestimation errors larger than 30% as compared to the proportion of students with all other grades having underestimation errors larger than 30%. Given the 10% (5%) critical value of 2.71 (3.84), students with an "F" grade outcome are the only grade category for which the null of equal proportions is rejected in favor of the alternate hypothesis that students with an "F" grade are more likely to be too pessimistic about median starting salaries. Overall, the results in Table 4 suggest that there is no substantial link between student's grade outcome and the likelihood of large salary estimation errors.

Table 4. Tests for Differences in Proportion of Large ($>30\%$) Student Forecast Errors for Median Starting Salaries by Student Grade Outcome

Student Grade	"Too Optimistic" Test Statistic	"Too Pessimistic" Test Statistic
A	0.731	0.087
B	0.532	0.005
C	0.790	1.265
D	0.095	0.095
F	0.863	3.744
Reject Null of = Proportion for reported grade and for all other grades combined for students with $> 30\%$ overestimation (Too Optimistic) or $> 30\%$ underestimation (Too Pessimistic) when test statistic > 2.71 (10% level) or > 3.84 (5% level)		

While there is little evidence that student earnings forecast errors are systematically related to grade outcomes, it might be the case that students in certain majors are more likely to be aware of the earnings prospects for their major. In particular, it is plausible that students in business related majors make more accurate earnings forecasts than do students in non business majors since business students are more likely to be focused upon immediate job prospects and identified career paths than are students in more traditional liberal arts majors. Fortunately, there

was sufficient diversity in majors amongst the students who completed the earnings forecast exercise that this hypothesis can be tested. As seen in Table 5, 41 of the students can be classified into Business-Related majors and 33 students into Non Business-Related majors. There is some evidence that Business-Related majors have more accurate forecasts of median starting salaries as their mean absolute value forecast error is 20.1% versus 26.8% for Non Business-Related majors and the variance of the forecast errors for Business-Related measures is only 60% as large as the variance for Non Business-Related majors. The formal hypothesis test of equal means across the two samples, unequal variances assumed, is borderline statistically significant with a p-value of 0.10. Given the relatively moderate size of each sample, and the resultant moderate power of the statistical test, these results provide some support for the view that students in Business-Related majors have a better understanding of likely salaries upon graduation than do other students. This leads to the question, not investigated in this initial research work, of whether or not early exposure in college to the data on variation in earnings across majors would impact students selection of undergraduate major. Examining the mid-career earnings forecast errors, once more the Business-Related majors have smaller average errors at 28.8% versus 38.3% for Non Business-Related majors. In addition, the variance is now much larger for the Non Business-Related majors at 34.8% versus 6.2% for Business-Related majors. This suggests that the Non Business-Related majors are responsible for more of the large forecast errors on mid-career salaries. Unsurprisingly, the large variance in forecast errors for the Non Business-Related majors leads to a failure to reject the formal statistical test of equal average forecast errors as the t-statistic is just -0.86 with a p-value of 0.19.

Table 5. Difference in Absolute Value Salary Forecast Errors
Business-Related versus Non Business-Related Majors

	Starting Salary Forecast Errors		Mid-Career Forecast Errors	
	Business-Related Majors	Non Business-Related Majors	Business-Related Majors	Non Business-Related Majors
Mean	0.208	0.268	0.288	0.383
Variance	0.037	0.062	0.062	0.348
Observations	41	33	41	33
t-statistic	-1.28		-0.86	
p-value (one-tailed)	0.10		0.19	

Another possible explanation of large overestimations of earnings is that students who select lower paying majors are more likely to be overestimating the actual median earnings for that major than are students in higher earnings majors. Are students in low earnings majors more likely to be delusional in their salary forecasts? This question is assessed by dividing the 74 student sample into the top and bottom quartiles based on actual median starting salaries for the students selected majors, and testing for a difference in the mean forecast errors. Note that this test does NOT use the absolute value of the forecast errors since the test is focused upon the likelihood of overestimating earnings and not on the symmetric accuracy of the estimates. Given the relatively small size of the two samples, the evidence reported in Table 6 strongly supports

the view that students selecting lower paying majors are more likely to be overestimating median starting salaries than are students in higher paying majors. The average forecast error for students in the highest paying quintile was less than one percent while the students in the lowest paying quintile overestimated median starting salaries by 16.4% on average. Even with the relatively large variance on the forecast errors for the bottom quintile group, the formal test of no difference in average forecast error is rejected given the p-value of 0.07.

Table 6. Difference in Median Starting Salary Forecast Errors
Majors in Top Quartile of Earnings versus Majors in Bottom Quartile

	Top Earnings Quartile Majors	Bottom Earnings Quartile Majors
Mean	0.009	0.164
Variance	0.072	0.117
Observations	18	18
t-statistic	1.51	
p-value (one-tailed)	0.07	

SUGGESTIONS FOR FUTURE RESEARCH AND CONCLUSION

The next stage for this research agenda is to collect student forecasts of earnings across a larger sample of students to see if the patterns found in this pilot study are consistent: large overestimation errors are more likely than underestimation errors, Business-Related majors have more accurate salary forecasts than non Business-Related majors, and students in lower earnings majors are more likely to overestimate future earnings. With a larger sample, another potentially important question to investigate would be if differences exist in salary forecasts by gender. There exists a sizable literature documenting that males are more likely to overestimate their odds of success in a variety of economic outcomes, see for example Barber and Owens (2001) as well as Niederle and Vesterlund (2007).

Another important question left to future research is if exposure to the salary data impacts students' selection of major. Recent work suggests that responses to information often is asymmetric, bad news is less likely to lead to altered behavior than is good news as seen in Brunnermeier and Parker (2005), Kozegi (2006), and Eil and Rao (2011). This could be investigated by comparing students who learned they had been underestimating the median earnings for their major against students who had learned they were overestimating the median earnings for their major. If this information asymmetry holds, then the former group would be more likely to retain their major than the latter group would be to switch majors. Lastly, another extension of this research would be to survey students at different types of institutions to see if the results are robust to public versus private, liberal arts college versus university, and more selective versus less selective institutions.

In sum, this pilot research project has established that the in-class exercises exposing students to earnings by undergraduate major were quite well received by the students, helped motivate students, and drew valued linkages between the classroom concepts and real-world

outcomes directly relevant to their lives. The collected forecast error data reveals that for this student sample at a public regional university, many students make sizable errors when forecasting median salaries for their own major. These errors can have substantive future consequences for these students and support additional efforts to inform students about the likely earnings consequences associated with their selected college major.

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WOMEN AND LEADERSHIP POSITIONS: AN ANALYSIS OF YOUNG ADULTS OUTLOOK

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ABSTRACT

This study examines perceptions about the role of women in leadership positions. Specifically, it examines the views of university students and their opinion of women in current leadership positions. A sample of 136 students was randomly surveyed to find out who they currently view as leaders and visionaries of today's society. The survey included questions about positive and negative labels used to describe themselves. Finally, students were asked to develop a preferential order of life events, which included getting married, having children, climbing the corporate ladder, and seeking personal fulfillment. This study is unique for the questions asked to students concerning their perceptions of future life events, the personality characteristics of leaders and their own personality characteristics. Other studies have focused on the characteristics of leadership but the authors did not discover any other studies that linked future perceived events with leadership.

Keywords: women, leadership, future life events

INTRODUCTION

Women have been told for decades to endure and aim for leadership positions. However, they continue to make-up only a fraction of top management in industry and government. On the jacket of Sheryl Sandberg's 2013 book *Lean In* she wrote, "Thirty years after women became 50 percent of college graduates in the United States; men still hold the vast majority of leadership positions in government and industry." Even though great strides have been made by women in various industries, women still account for only 4.2 percent of the Fortune 500 CEOs and 4.5 percent of Fortune 1000 CEOs (Knowledge Center, 2013). Therefore, this paper investigates the views of students, currently at a four year public university in both undergraduate and graduate management programs, about women in leadership positions. In addition, this paper analyzes the positive and negative labels many young adult place on themselves, when describing themselves as a leader or visionaries of today. This study is unique for the questions asked to students concerning their perceptions of future life events, and their own personality characteristics. Other

studies have focused on the characteristics of leadership but we did not discover any other studies that linked future perceived events with leadership.

LITERATURE REVIEW

There is evidence that stress often accompanies positions of leadership and power, whether the leader is male or female, and it is believed that men and women handle stress differently (Kiamba, 2008). It is well-known that climbing the corporate ladder to positions of authority and leadership can be stressful. However, can it be harder on a female than a male? There are barriers related to culture, family, and gender biases in the business world (Carter, 2011). Even with barriers, a few women have risen above these circumstances and fought for equal opportunities, even though some have been labeled in negative ways. Few women have gained top management positions without facing challenges (Kiamba, 2008). A select few women have truly succeeded in obtaining positions of leadership, however this does not mean true equal opportunity has been realized (Mullany, 2011).

In many cultures, leadership is viewed as a masculine trait and many have the perception that males make better leaders. In the United States government, 17 percent of senators are women, and only 16.8 percent of the members of the House of Representatives are women. Only one-third of the Supreme Court is women and a mere 12 percent of United States governors are women. “Although the number of women leaders has increased, they are often named as an afterthought” (Kiamba, 2008, p. 2). Some believe that social convention disregards women in top management because of the masculine undertones of leadership (Højgaard, 2002). Højgaard also explained that only in the past two decades have women truly gained access to top leadership positions; this cannot be said for all countries.

The True Meaning of Leadership

At one time it was believed that leaders were born and not made. Most of today’s understanding of leadership is that it is taught and learned. Beyond this understanding many management professors and practitioners also believe that leadership is both a skill set and a behavior (Critical Leadership Skills, 2006). Ibarra, Ely, and Kolb (2013) stated that leadership is a learned process. It is not something that comes naturally and generally takes tremendous preparation. Being placed in a leadership role does not automatically mean that individual is an effective leader. Leadership involves much more than simply learning a new skill set. In a sense, the new leader’s identity must completely change. Effective leaders must take necessary action regardless of apprehensions in order to adequately serve and benefit their subordinates and company as a whole (Ibarra et al., 2013).

The Gender Discriminations of Leadership

Stereotypes regarding women’s performance may in fact lead to reduced female performance or may even prevent women from pursuing positions that are traditionally considered male positions (Farrington, 2012). These gender stereotypes may lead women to believe that they do not have the appropriate qualities to succeed in traditionally masculine occupations, which may make it less likely for women to strive for promotions into those

positions (Bosak & Sczesny, 2008). Employers may also fail to notice qualified women workers, therefore making the probability of getting promoted that much more difficult for women. However, the stereotypes may not be accurate. Studies have shown that companies headed by female leaders, typically tend to outperform companies that are headed by males, particularly public companies (Treasurer, Adelman, & Cohn, 2013). Even though these stereotypes may not be accurate, women may steer away from traditionally male fields altogether, because they do not feel as though they belong or that they would have opportunity for advancements (Farrington, 2012). In several studies conducted by Fine (2010), participants examined identical resumes, the only difference being the gender of the applicant. Both male and female subjects stated that the male applicant was more qualified than the female applicant far more often than the reverse (Fine, 2010).

Studies have also shown that superiors tend not to acknowledge women's future leadership potential even though they recognize their capabilities in the present (Ely, Ibarra, & Kolb, 2011). Perhaps society simply views men as more capable than women in leadership positions because most of these positions were conceived when few women were working and therefore were specifically intended for men (Ely et al., 2011). One study of the backgrounds and experiences of female board members showed that women had to be more qualified than their male counterparts to even be considered for a position on the board (Groysberg & Bell, 2013). The women in this study stated that they often felt as though they were treated as if they were not full members of the board. They stated that they often felt as though they constantly had to reestablish their credentials to the male board members. However, the women in the study believed that the men were seemingly unaware that they created this unequal playing field (Groysberg & Bell, 2013).

Are there Gender Specific Barriers in Leadership?

Leadership has long been thought of as a man's domain with women incapable of possessing the appropriate attributes of a leader. Women are typically thought of as weaker, more emotional, and less decisive than men (Ely et al., 2011). With these characteristics women are usually seen as unable to provide proper leadership. Society seemingly believes that men naturally possess the appropriate qualities of a leader, including strength, independence, and responsibility (Ely et al., 2011). Women who do reach leadership positions may be forced to sacrifice or hide feminine attributes so they are seen as more capable. However, this may reduce their likeability as they may be seen as not being genuine (Ely et al., 2011). Evidence has indicated that women leaders tend to be evaluated less favorably than male leaders, even when they have the same attributes and behave in exactly the same way (Ryan & Haslam, 2007). This seems to be more pronounced when women are perceived to behave in a stereotypically masculine way. Men who are assertive are seen to possess quality leadership attributes; however assertive women are seen as too pushy. It seems as though women are always caught in a "lose-lose" situation (Ryan & Haslam, 2007). When women behave in a way that goes along with gender stereotypes, they are seen as incapable of being an adequate leader. Yet when women behave with stereotypical leader qualities they are seen as not acting like proper women (Ryan & Haslam, 2007).

With so few women in top leadership positions, women are lacking appropriate role models who could potentially help them develop their identities as leaders (Ely et al., 2011). This may be especially troublesome for non-majority women as they have even fewer role models to identify with. Similarly, due to the small amount of women in top leadership positions, women have fewer opportunities to network with individuals of the same-sex (Ely et al., 2011). While women can also network with men, males may put more emphasis on assisting fellow males with career development or opportunities for advancement due to the assumption that they are more likely than women to succeed (Ely et al., 2011). It is crucial that women be active and direct when networking since those connections do not come as easily as they do for men. However, women may feel as though they are not being their genuine selves when they force the networking process (Ibarra et al., 2013).

To get to the top, women may need to make tradeoffs (Groysberg & Bell, 2013). Career interruptions due to pregnancy and motherhood may serve as a barrier for women to obtain leadership positions (Matsa & Miller, 2011). One study showed that female board members were less likely to be married or have children and more likely to be divorced than their male counterparts (Groysberg & Bell, 2013). However, studies have indicated that women tend not to leave management positions due to family commitments, but rather they leave these positions because there is no opportunity to advance (Ryan & Haslam, 2007).

Then of course there is the well-known glass ceiling; the invisible and informal barrier that stops women from reaching top management positions (Bruckmuller & Branscombe, 2011). More recently there has been a phenomenon happening that has been termed the glass cliff. The glass cliff is when women break through the glass ceiling and gain access to those coveted top management positions, but only when the organization is in crisis. A company's previous leadership history seems to play a role in the appointment of women to these glass cliff positions. A company without a history of women in leadership positions is more likely than those with previous women leadership to appoint women to leadership in times of crisis. This may suggest that as women gain more and more access to top management positions and as other's get used to seeing women in leadership roles companies will be less likely to only appoint women to leadership positions in times of crisis (Bruckmuller & Branscombe, 2011).

METHODOLOGY

The survey was administered to both males and females in the same room at the same time. None of the students had knowledge of the research being completed. Students in several randomly selected management classes at a four year public university were asked to complete a twelve question survey. In this survey female and male students were asked to develop a preferential order of life events, which included getting married, having children, climbing the corporate ladder, and seeking personal fulfillment. Male students' answers were compared with the answers of their female counterparts. Male and female students were also asked to give both positive and negative self-perception labels of themselves and identify who they perceived as leaders and visionaries of today.

The students were unaware of the use for the survey. A total of 149 surveys were collected, however, only 136 surveys were used in this study. The other thirteen surveys were

evaluated as unusable due to their incomplete nature. The survey was designed with three unique sections. The first section of the survey consisted of nine demographic questions. These questions asked the participant about gender, age, ethnicity, current residing state, major, GPA, and marital status. The next section of the survey asked participants about their future plans. Students were given six life events; which included getting married, having children, climbing the corporate ladder, and seeking personal fulfillment. They were asked to place them in order of however they see these events occurring in their future. These events were chosen after reading the book “Life After College: The Complete Guide to Getting What You Want,” which is a book that offers life coaching information for recent college graduates. These six events are the top concerns for most: relationships, money, life, goals, happiness, and career (Blake, 2011).

Finally, Students were also asked to list individuals they see as being leaders. They were given seven labels and asked to identify an individual for each label. The labels they were given were: ambitious, leader, visionary, self-confident, risk taker, aggressive, and powerful. In the final section of the survey, students were given seventy-nine positive labels and ninety-four negative labels to choose from for self-labeling. They were asked to circle five positive and five negative labels that best identified them.

ANALYSIS AND DISCUSSION

The 136 participants in the study consisted of 40% female and 60% male. The age breakdown was 9% younger than 20, 87% were between the ages of 20 to 25, and 4% were older than 25.

Below is a table with the ethnicity distribution.

Table 1. Ethnicity Distribution

28%	African American
1%	Asian American
64%	Caucasian
4%	Hispanic
3%	International

The next table shows the distribution of the participants’ current college classification.

Table 2. College Classification

7%	Freshmen
32%	Sophomore
58%	Junior
3%	Senior

The breakdown of their college major is shown in the table below.

Table 3. College Major

22%	Accounting
3%	Economics
2%	Finance
17%	Marketing
48%	Management
8%	Non Business

The participants' self-reported GPA distribution is shown below.

Table 4. GPA Distribution

16%	3.5 to 4.0
30%	3.0 to 3.49
45%	2.5 to 2.99
8%	2.0 to 2.49
1%	1.0 to 1.99

The participants were asked to rank the six life events in the order that they are likely to occur in their future. The life events included; getting married, starting a career, raising children, climbing the corporate ladder, contributing to society, and seeking personal fulfillment. The sample was stratified based on gender. An average ranking for each life event for each gender was calculated. For females the average ranking in order of most importance to least importance was starting their careers, personal fulfillment, contributing to society, getting married, climbing the corporate ladder, and raising children. For males the average ranking in the same order was starting their careers, personal fulfillment, climbing the corporate ladder, getting married, contributing to society, and raising children. For each life event an unpaired *t*-test was run. The average ranking and standard deviation for each life event for both genders is given in the table below. The results of each of the unpaired *t*-tests are also shown in the table below.

Table 5. Gender Ranking of Life Events

Gender to Life Event	Average Ranking		Unpaired <i>t</i> -test	Standard Deviation	
	Female	Male		Female	Male
Getting married	3.92	3.86	No significant difference in means	1.24	1.11
Starting my career	1.48	1.49	No significant difference in means	0.69	1.11
Raising children	4.83	4.62	No significant difference in means	1.33	1.57
Corporate ladder	4.11	3.59	Significant difference in means at 0.05 alpha	1.40	1.46
Contributing to society	3.81	4.03	No significant difference in means	1.44	1.82
Personal fulfillment	2.54	3.01	Significant difference in means at 0.1 alpha	1.61	1.62

Table 5A: Gender View of Life Events by Priority (from Table 5 above)

Life Events in Order for Males		Life Events in Order for Females	
Starting my career	1.49	Starting my career	1.48
Personal fulfillment	3.01	Personal fulfillment	2.54
Corporate ladder	3.59	Contributing to society	3.81
Getting married	3.86	Getting married	3.92
Contributing to society	4.03	Corporate ladder	4.11
Raising children	4.62	Raising children	4.83

In summary, there were no significant differences between the average ranking for males and females in terms of getting married, starting a career, raising children, or contributing to society. However, there was a significant difference between the average ranking by females and males in terms of climbing the corporate ladder ($p < 0.05$). Females ranked climbing the corporate ladder significantly lower than males. Also, there was a significant difference between the average ranking of females and males in terms of personal fulfillment ($p < 0.1$). Females ranked personal fulfillment significantly higher than males.

The participants were asked on the survey to circle five positive qualities that best describe their personality. The list contained seventy-nine positive personality labels. The table below shows the top five positive terms picked by participants. It also shows the number and percentage of females and males that included these terms in their choices. The term “Competitive” was significantly more likely to be used by males than females ($p < 0.001$). The term “Ambitious” was significantly more likely to be used by females than males ($p < 0.1$).

Table 6. Top 5 Positive Terms

Number of Participants	Top 5 Positive Terms	Number of Males	Percent of Males	Number of Females	Percent of Females	Two Proportion Test
56	Easy Going	36	43.9%	20	37%	No significant difference
41	Competitive	34	41.5%	7	13%	Significant at the 0.001 alpha level
33	Achiever	17	20.7%	16	30%	No significant difference
25	Ambitious	11	13.4%	14	26%	Significant at the 0.1 alpha level
22	Compassionate	12	14.6%	10	19%	No significant difference

The participants were asked on the survey to circle five negative qualities that best describe their personality. The list contained ninety-four negative personality labels. The table below shows the top five negative terms picked by participants. It also shows the number and percentage of females and males that included these terms in their choices. The term “Impatient”

was significantly more likely to be used by females than males ($p < 0.1$). The term “Sarcastic” was significantly more likely to be used by females than males ($p < 0.05$).

Table 7. Top 5 Negative Terms

Number of Participants	Top 5 Negative Terms	Number of Males	Percent of Males	Number of Females	Percent of Females	Two Proportion Test
50	Impatient	25	30.5%	25	46%	Significant at the 0.1 alpha level
50	Sarcastic	24	29.3%	26	48%	Significant at the 0.05 alpha level
42	Stubborn	25	30.5%	17	32%	No significant difference
32	Lazy	22	26.8%	10	19%	No significant difference
28	Indecisive	14	17.7%	14	26%	No significant difference

CONCLUSION AND IMPLICATIONS

Graduate and undergraduate students were asked to respond to a survey designed to measure their perceptions of the importance of future possible life events, as well as to rank themselves with regard to positive and negative personality traits.

The results of the survey showed some significant differences in the desirability of future life events between females and males. There was a significant difference between the average ranking by females and males in terms of climbing the corporate ladder. Females ranked climbing the corporate ladder significantly lower than males. Also, there was a significant difference between the average ranking of females and males in terms of personal fulfillment. Females and males ranked personal fulfillment second most important. These differences may be influenced by the difficulty that women encounter in attempting to attain leadership positions. The differences could also possibly be explained by the general differences in gender disposition. Future research would be needed to better understand the factors influencing the results obtained in this research.

Differences in perception of positive personality traits were seen between females and males. Males chose the term “competitive” to describe themselves significantly more than females did, and females chose the term “ambitious” to describe themselves significantly more than males. Having the perception of being more competitive, that relates more to action than ambitious which relates more to desire, may give males an advantage of realizing their goals of attaining leadership positions. Future research is needed to develop this idea more fully.

There were also differences in the perception of negative personality traits between females and males. Females chose the terms “impatient” and “sarcastic” to describe themselves significantly more than males did. These two terms are not the characteristics firms look for in people aspiring to leadership positions. If women express their impatience and sarcasm while

working or interviewing, that may be a factor in limiting their ability to climb the corporate ladder.

It has been shown that women in leadership positions have contributed positively to corporate success. Narrowing the gender gap in leadership positions is important for continued improvement in business. Understanding the differences in female and male perception of life goals and differences in personality traits may help give managers important knowledge of how to better prepare more women for leadership roles. We expect this area to lead to further research and understanding of the factors that influence women's aspirations to obtaining leadership positions. This research had limitations in that the surveyed population was students. We recommend future research that incorporates surveys given to people in varying stages of their careers.

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ETHICAL DILEMMAS OF FEMALE AGENCY OWNERS: PRACTICES IN PUBLIC RELATIONS AND MARKETING COMMUNICATIONS

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ABSTRACT

In the past two decades, women have dominated the public relations practice, leading to a feminization of the field. Women's enrollment in public relations courses has skyrocketed and now exceeds 80 percent in undergraduate programs. Studies on women in public relations have focused on the field's loss of status, salary disparity, discrimination, stereotyping, and practitioner roles. Few studies, however, have investigated women who broke through the glass ceiling and forged their own pathway in the practice. Several studies have revealed that women are much more inclined to consensus build and focus on the interests of others, which are important characteristics in the two-way symmetrical model of the practice. This study used a phenomenological approach to investigate the pathways of women entrepreneurs in communications, those women who founded their own public relations and marketing communications firms and bypassed the glass ceiling by constructing their own reality. Thirty women – ten from Los Angeles and Orange Counties, ten from New York City, and ten from London – who head top public relations and marketing communication firms, which they founded, were interviewed in-depth about the ethical challenges they face and how they deal with them. Ethical dilemmas involved client credibility, billing, and various employee issues. Although the participants practiced a coalescence of the four models of the practice, the women leaned more heavily toward the two-way symmetrical model. Requiring courses on ethics and gender issues in public relations was recommended for undergraduate and graduate programs, along with ethical training for professionals.

Keywords: Agency women in public relations; Female entrepreneurs in communications; Ethics in public relations; Ethical challenges and dilemmas in communications

OVERVIEW AND PURPOSE OF STUDY

In the past two decades, women have dominated the public relations practice, leading to a feminization of the field. Women's enrollment in public relations courses has skyrocketed and now exceeds 80 percent in many undergraduate programs. Studies on women in public relations have focused on the field's loss of status, salary disparity, discrimination, stereotyping, and practitioner roles. Few studies, however, have investigated women who founded thriving public relations practices and examined their approach to ethical challenges. Furthermore, in the past four decades, the public relations practice has shifted from the press agency/publicity model to a two-way symmetrical model of public relations, one considered most ethical. Several studies have revealed that women are much more inclined to consensus build and focus on the interests of others, which are important characteristics in the two-way symmetrical model of the practice.

Thus, this study examined the ethical challenges of successful female practitioners, women who bypassed the glass ceiling by becoming their own boss, and the model of the public relations practice they employ.

This study used a phenomenological approach to investigate the pathways of successful women entrepreneurs in public relations. Thirty women – ten from Los Angeles, ten from New York City, and ten from London – who head top public relations and marketing communication firms, which they founded, were interviewed in-depth about the ethical challenges they face and how they deal with them. Participants also completed a questionnaire about their modes of practice.

LITERATURE REVIEW

Women and Career Paths

In 2010, women comprised about 47 percent of the workforce in the United States, according to the Bureau of Labor Statistics. According to the U.S. Department of Labor in 2008, women constitute less than 10 percent of senior executives despite the surge of women entering management in the last 45 years. Title VII of the Civil Rights Act of 1964 prohibited employment discrimination based on race and sex. In the early 1970s, feminist pressure for its enforcement assisted women in their pursuit of management positions. In 1972, Congress passed the Equal Rights Amendment and Title IX of the Higher Education Act, which prohibited sexual discrimination in school admissions. Hence, female enrollment in business schools surged, which paved the way for women's subsequent movement into high-paying, male-dominated professional occupations.

According to Choi and Hon (2002), Hymowitz and Schellhardt were the first to report on a glass ceiling, the invisible barrier faced by middle-management women who want to attain top-level positions, in an article of the Wall Street Journal on March 24, 1986. Glass ceiling is a metaphor for a barrier preventing women from advancing to the executive suite. The Department of Labor (1991) defined glass ceiling as “artificial barriers based on attitudinal bias that prevent qualified individuals from advancing upward in their organization into management-level positions” (Wrigley, 2002, p. 1).

In a 1993 study of over 4,000 women by Korn/Ferry International, more than 90 percent reported that they believe in the glass ceiling, and almost 80 percent said they had been sexually harassed. O'Neil, Hopkins & Bilimoria (2008) examined research on women's careers appearing in academic journals from 1990 to 2008 in three areas – careers, management, and applied psychology. The researchers found that the bulk of empirical studies continued to rely predominantly on traditional male-oriented career outcomes, such as position in the corporate hierarchy, income, and wealth accumulation. Admirable management practices, such as sharing responsibility and contributing to the development of others, reflect stereotypically feminine behaviors, but these best practices are not publicly acknowledged as feminine. Schein (2007) found that males still perceive that men are more suitable for management positions than women. O'Neil et al. (2008) also noted that women face a “paradoxical reality” in the workplace (p. 734).

Their management skills included collaboration, teamwork, and conflict resolution, but these attributes did not result in reward or recognition.

Mainero (1994) interviewed 55 high-profile executive women, who broke through the glass ceiling, about key events in the early stages of their careers that allowed them to become fast tracked. She found that the women were team players and alliance-builders with fellow employees and their own subordinates. Blair-Loy (1999) found that many of the female entrepreneurs starting firms 15 years ago said they were trying to bypass the glass ceiling in large companies and to accommodate their families' needs. In contrast, those launching businesses more recently report that they were motivated by the desire to escape bureaucracies and to create new business opportunities.

In the 1990s, studies addressing gender and career paths surfaced, suggesting that women are disadvantaged by social constraints and discrimination. Historically, men and women have assumed different societal roles. Some jobs are considered more appropriate to men while others are more suitable for women. The growth in entrepreneurship by women increased despite – or because of – discrimination and stereotyping in the workplace (Mueller, 2004). Furthermore, starting one's own business is a way to bypass the glass ceiling (Wrigley, 2002). Moreover, women's definition of success may not align with the traditionally male, corporate criteria but instead may embrace a sense of personal fulfillment, integrity, and lifestyle balance. Women entrepreneurs are creating their own businesses instead of continuing in careers constricted by organizational structures and policies (O'Neil, et al., 2008). Empirical research on socialization and gender roles generally supports the proposition that women are more cooperative and empathetic, and are more interested in the welfare of others and achieving harmony in the group. They tend to place more value on interpersonal relationships (Mueller & Dato-On, 2008).

Women in Public Relations and Communications

In 1960, women comprised a quarter of the public relations practitioners. In 1968, student societies in public relations formed, and women accounted for 34 percent of the membership (Gower, 2001). In the 21st century, however, women comprise about 70 percent of the practitioners in the public relations field (Aldoory & Toth, 2002; Aldoory & Toth, 2004; Sha & Toth, 2005). In 2008, more than 80 percent of the undergraduates enrolled in public relations programs in the United States were women. According to Grunig (2006), "The study of women in public relations provides a superb model of women in the workplace as a whole" (p. 135).

Some scholars claim that public relations is a feminized field where women are ghettoized in technical positions, which garner lower pay and prestige (Aldoory & Toth, 2002). "Technical" positions involve tasks that require hands-on application of technical skills, such as writing news releases, coordinating special events, or producing publications. On the other hand, managerial skills, seen as more prestigious and more likely to lead to promotions, include managing employees, overseeing budgets, and strategic planning. Other scholars warn that women relegated to the technician role are kept out of the boardroom, thus creating a "velvet ghetto" (Gower, 2001, p. 14). Encroachment, the assignment of nonpublic relations professionals to manage the public relations department or function in an organization, such as marketing, may be tied to the loss of status as a result of the feminization of the public relations field (Farmer &

Waugh, 1999). Two influential research reports – *The Velvet Ghetto* (Cline et al., 1986) and *Beyond the Velvet Ghetto* (Toth & Cline, 1989) – were commissioned by the International Association of Business Communicators (IABC) Research Foundation to explore the effects of feminization, including salary disparity, gender bias, and gender roles. Toth and Grunig (1993) sampled 1,012 respondents on a list of 17 role activities “to challenge the interpretation of roles research ... as means of providing the missing story of women in public relations so that we also may empower women and begin to change the social structures that have devalued them” (p. 159). They found that women who devoted more time to managerial activities still performed technical tasks while the managerial men performed more traditionally managerial tasks, such as counseling, policy making, and supervising the work of others.

Patterns of gender role segregation and salary discrimination exist in public relations (Tam, Dozier, Lauzen, & Real, 1995). Women practitioners appear to be clustered in technician roles unlike men who appear to dominate managerial roles. In turn, role and gender appear to affect advancement in the field. Hon (1995) explored the factors explaining discrimination against women in public relations and the liberal/radical feminist strategies that affect equity for women in public relations and found that women faced major obstacles in the practice, including gender stereotyping, marginalization of women, and the balancing of work and home responsibilities. One of the coping strategies recommended by Hon (1995) was becoming the boss. For some women in her study, becoming the boss was “the ultimate form of empowerment” (p. 79).

Krider and Ross (1997) used a phenomenological approach to examine the roles and experiences of seven women in public relations who were employed at a large public relations firm in the Midwest. Participants used terms such as “white male ego at the top of practically every organization ... very male dominated world ... very heavily male dominated” (p. 444). The terms that surfaced most were white male ego, superwoman, sexism, and glass ceiling. Serini, Toth, Wright, and Emig (1998) took data from a national survey completed by 678 Public Relations Society of America (PRSA) members and six focus groups to explore the effects of sexual harassment in public relations. Focus group findings revealed that some women in agencies found relationships with their male clients a particular concern, especially social obligations after work involving alcohol. Based on the results of focus groups and in-depth interviews with women as potential managers, Cline and Toth (1993) found that women were seen as caring, understanding, and capable of working well with clients, especially in small agencies. Grunig, Toth, and Hon. (2000) discussed how feminist values, such as cooperation, justice, equality, equity, honesty, perceptiveness, intuition, fairness, loyalty, commitment, and altruism, enhance the ethical practice of public relations. With the onslaught of women in the field, such values “help establish the field as a vital and ethical organizational function” (p. 49).

Aldoory and Toth (2004) used a quantitative survey and focus groups to examine perceptions of leadership styles and opinions about gender and leadership – particularly styles considered most effective in public relations. Focus group participants perceived women as making better leaders in public relations due to acquired socialized traits of having empathy and being collaborative in nature, which are traits of transformational leadership style. Pompper (2004) conducted four focus groups of 28 African American women and discovered that women

in her study practiced a special brand of two-way symmetry by fulfilling the role of pioneer, educator, mentor, and agenda-builder.

Ethical Approaches in the Practice

Public relations remain relatively new professional occupation. Uncertainty exists among its practitioners about what it is, what its ethics and its values are (Starck & Kruckeberg, 2003). Its professional ideology remains amorphous and is yet to mature, especially with professional value systems that differ greatly throughout the world. If the goal of public relations is harmony and the development and maintenance of community, then the practice of public relations should be, in large part, an ideal paradigm for all other practices. In the business world, such an approach furthers the concept of public relations as the conscience of an organization, according to Leeper and Leeper (2001). Public relations and communications professionals are perhaps best qualified intellectually and professionally to address questions related to corporations' relationships with their stakeholders (Starck & Kruckeberg, 2003). As reputation managers, "ethics and reputation concerns go hand-in-hand, making ethical counsel a natural activity in public relations" (Bowen, 2008, p. 285). On the other hand, Bowen noted that managers have little training in ethical decision making (2002) and recommended a practical and rational model of ethical decision making (2005).

In the two-way symmetrical model of the public relations practice, public relations professionals act as the social conscience of their organization (Gower, 2003). Practitioners employing this model serve as mediators between the organization and its various publics, achieving mutual understanding through consensus building (Bivins, 1989). The two-way symmetrical model is the best model of practice to achieve organizational excellence (Pompper, 2004) and one considered to be most ethical (Grunig, Grunig, & Dozier, 2002). Some researchers argue that women are more ideally suited for practicing two-way symmetrical public relations because of feminist values, such as caring, sensitivity, and diversity (Andsanger & Hust, 2005; Grunig, Toth, & Hon, 2000; Hon, 1995).

Female leadership has been found to be expressive, by focusing on relationships, cooperation, and consideration (Aldoory, 1998). Grunig's 1992 excellence study suggested that "the most effective public relations grows out of an entire world view that is feminine" (Grunig et al., 2000, p. 59). Most participants in Choi and Hon's (2002) study,

believed that more women in top management positions would make a qualitative difference in how organizations and society overall would function. They also felt that both women and men, as well as the public relations function, would benefit from this change. (p. 239)

Women's perceived feminine traits, such as cooperation, consensus building, and conflict resolution, are actually well suited to the practice of excellent public relations and communications management (Grunig et al., 2000; Wrigley, 2002). Public relations is an industry founded on feminist values, such as honesty, justice, and sensitivity, and such values are replete in the two-way symmetrical model of the practice considered most ethical. These feminist values have a positive effect on the practice (Frohlich & Peters, 2007). "In summary, it is argued

that men lack crucial sensitivity and empathy toward maintaining relationships with clients, journalists, and target groups; women, in contrast, are ‘naturally suited,’ as one participant puts it, for service-oriented professions like public relations” (Frohlich & Peters, 2007, p. 240).

Gilligan (1982) conducted a well-recognized qualitative study that illuminated how women and girls resolve the serious moral dilemmas in their lives. She found that the development of morality for women centers around responsibility and care. To be impartial and fair, men are more inclined to adhere to abstract laws and universal principles to handle ethical dilemmas. Women, on the other hand, tend to use dialogue to allow each individual to be understood on his or her own terms. “They believe that mutual understanding is most likely to lead to a creative consensus about how everyone’s needs may be met in resolving disputes (Belenky, Clinchy, Goldberger, & Tarule, 1997, p. 8). Hence, these studies further the notion that women possess natural abilities in consensus and relationship building, which are skills needed in the public relations profession.

This study’s theoretical framework draws on feminist perspectives and on the theoretical models of the public relations practice, particularly Grunig’s excellence theory. The feminist perspective uncovers women’s experiences through their own cultural lenses rather than from a traditionally patriarchal viewpoint. Grunig’s framework of the public relations practice identifies the two-way symmetrical model as the most ethical and most successfully implemented by women.

RESEARCH QUESTIONS

To discover the ethical pathways of women who head their own public relations firms regarding their ethical challenges and modes of practice, the following research questions were addressed:

- What are the ethical challenges these successful women entrepreneurs face and how do they deal with them?
- What theoretical model of public relations practice do they employ?

METHODOLOGY

This study used a phenomenological approach to examine the experiences of women entrepreneurs in public relations. Qualitative study lends itself well to feminist research (Grunig, 2006) and is typically associated with the feminist paradigm (O’Neil, 2003). In-depth interviews are ideal for small, purposive samples in public relations (Broom & Dozier, 1990). Thus, data was collected using in-depth interviews with 30 women at their place of business. Women from three major media markets – Los Angeles/Orange Counties in California, New York City, and London – were selected, identified through agency rankings in the area business journals, and *O’Dwyers Directory of Public Relations Firms*. A set of open-ended questions were asked of each participant, using a standardized interview guide approach. At the end of the interview, a brief questionnaire was administered to each participant, which included four demographic questions and attitudinal questions about the nature of their practice. Interviews, which were

conducted by the researcher between 2010 and 2012, lasted from one hour to two and a half hours with the average interview being 97 minutes in length. Participants were guaranteed anonymity and confidentiality to protect their clients and business. Therefore, the names of the participants and their firms were not identified in this study. Responses were transcribed verbatim and analyzed for common themes and unique comments that emerged from the interviews.

RESULTS AND DISCUSSION

Four major themes emerged concerning the ethical challenges faced by these women: client credibility, billing issues, intolerance of bad client behavior, and employee issues.

Client Credibility

All 30 of the women mentioned that the credibility of the client affected their own reputation, and their agency's reputation meant a great deal to them. They affirmed that they tried to accept only ethical clients and avoid ones who cannot deliver what they say.

- “We really do as much research as we can because I don't want to be affiliated with unethical companies, frauds, gimmicks. There's always a grey area with some of that stuff. To me our people here have to be proud of what they are doing, so that's the ultimate test here. It's not just their reputations. They affect our relationships and our credibility with the media” (personal communication, June 13, 2012).
- “I'm careful about the clients that I choose to work with. For instance, I've had a couple of clients in the past who I didn't feel that they were good people or ethically wise people. Nothing good is going to come of it, so I don't want anything to do with it” (personal communication, May 24, 2012).
- “I don't take on shady clients. Someone very wise in public relations once told me, ‘You make your money walking away from a deal or from clients.’ You know that if someone is dishonest, they're not going to be fun to work with.”

To avoid working with a dishonest client, one participant explained that she uses her intuition:

- “I get a sense. I do a little research, but it's just a gut instinct. Like, I have someone right now begging me to take their account. And I don't feel that I can distinguish them. I don't want to take their money and not be able to deliver the results.”

Others also say they get a sense, a gut feeling that something is not right about a potential client or an existing client. One gave an example of her reasons for resigning an account:

- “I don't have any outside proof it (the product) works, and we've been working (on it) for some time now. I've had the growing realization that I don't have a lot of

confidence in this product.... I don't want to be responsible for recommending the product or the company.”

Others use methods of investigation before taking a new client, including social media and the Internet to investigate the legitimacy of claims:

- “If a client can't deliver, I won't take them on. You need to be honest. I counsel on the content and credibility of the message so I have to look at scientific research, third-party endorsements, and the long-term implications of the product. I have turned down business without it.”
- “You can find a great deal about potential clients on the Internet and through social media about all kinds of things.”
- “Not only do clients interview us, we interview clients. I have to believe in what I promote. If it was unethical and it was a lot of money, it would end up screwing you anyway. If they're going to be unethical, they'll be unethical with me too.”

On the other hand, a few of the women owners felt it was unreasonable to thoroughly investigate the claims of the client:

- “I can't tell you that I've researched every ... company in the country before we accepted the ... company we work with as a client, but they seem really good and really smart. I think I probably want to, but I don't know if you could find someone that knew enough about their clients and their competitors on the inside. That would require some kind of crazy amount of research that I'm not sure that we would have any access to. We'd have to buy it. How would you go and find out which ... companies are the best.”
- “We had clients come to us and tell us this is the fact, and we don't know their company better than they do. You promote it the way they tell you to. You can't (check out all the facts). We're not engineers. There's no way.... There's not an ethical review in the new business process. I wouldn't even know how.”

One woman discussed the ethical dilemma of angel investing – that is, obtaining investors for a new product venture that may or may not work.

- “So we're always striking a balance between helping our clients communicate what is possible and what is real without preventing them from communicating incorrect information to employees, to investors, to media. That's one of the biggest ethical dilemmas because you know very much the nature of an entrepreneur is some guy creates a product. They believe in it, but they also very often believe in their own hype, so we have to help dissect that hype into very real and tangible elements.”

Billing Issues

Another major theme was billing issues: charging for time and projects, employee mistakes, clients not paying, and reducing fees for clients. Overwhelmingly, the agency owners talked about full disclosure with the client, the importance of detailing agency charges and ensuring clients get their money's worth. Some struggle with over serving their clients:

“I think our biggest challenge in agency is not to over service our clients. We get so excited we just go running and sometimes we forget to get the budget signed....We also have an agreement with our clients that there are no surprises....Part of customer service is sending invoices that people expect. And not sending surprises over or being vague about what it's going to cost.” Some of the agencies work for other agencies. Some of the participants' firms pick up the slack or use their particular specialized expertise for another agency. Sometimes this causes ethical dilemmas in billing:

- “We're always spending above and over the time that we've allotted for. But we don't bill that back to the client. The ethical issue with billing was when a client, a third party, thinks that they're paying X for a retainer, but then they have this major mark-up that increases their retainer to Y, and we're being asked to perform to the client's expectations. But the reality is that we're only getting paid X. That was the dilemma that I had to resolve directly with the other agencies we were working under. It put us in an ethical dilemma that we've really had a hard time with.”

Probably all agencies have experienced a non-paying client. These women have as well, but one faced a rather unusual ethical dilemma:

- “A client refused to pay us. I was really angry because we worked so hard. We bill our time and we always bill under, and I just eat it. We're always giving so much value for the dollar. We had a client that wouldn't pay their bill and then they accidentally double-paid a different bill and mailed me a check for almost the whole amount that I felt they owed me....I took my scissors out and chopped up the check and threw it in the trash because I didn't trust myself. You kind of have to make your decision whether or not you're a thief pretty early on.”

One owner fired an employee who overcharged:

- “I had one employee that overcharged a client. I have a policy that no invoice goes out without my final approval. She sent it out without my approval. She charged them, and she charged them to estimate, and we came in under estimate...I think she thought she was doing me a favor, pay me more money. But you don't make money like that.”

Another agency owner faced an ethical dilemma when a client asked her to reduce her fees in exchange for continuous business:

- “When it goes on for years and years and years, it came to the point where I feel that that was a very ethical issue...that to me was an ethical issue because I knew I was being taken advantage of.”

Non-payment or reduced payment by clients extends to agency vendors, and for some women, these relationships are important. In one case, a client authorized payment for a rush job. The agency owner said the vendor worked extremely hard, putting in far more hours than he billed. The client, however, refused to pay the vendor for the full amount. This agency owner stepped in and paid the vendor, after several attempts with the client failed:

- “Sometimes it’s the little guy that always seems to get the short end of the stick. That doesn’t seem fair. I’m the little man myself, but I’m always going to make sure that vendors get a fair shake.”

Intolerance of Bad Client Behavior

The third major ethical theme to surface among the women was an intolerance of bad client behavior. Although many of the women have mentioned that they have counseled their female employees when they have encountered inappropriate advances from clients or journalists, they did not see this as an ethical dilemma. Rather, they seemed to view it as part and parcel of the business world. When probed about sexual advances in their agency role, all admitted being hit on by clients and some by clients, subordinates, and reporters. All seemed to feel that male advances were part of the reality of doing business:

- “I think if I’m going to be one of 200 women in a room of 15,000 people, and if you expect not to have, you know, verbal comments, what am I doing here?”
- I’ve been hit on. I’ve been put in very precarious situations. But I have thick skin so if I didn’t have thick skin, then I don’t think that I would have a lot of my clients. Unfortunately, that’s really the way it is. The way I handle that and especially that kind of situation is I laugh it off. I make it funny and I say, ‘Oh, well.’ A couple of times I’ve had to say, ‘I’m a happily married woman, but thank you. Ha-ha.’ You just kind of have to stand your ground and remain true to yourself.”

All of the women seemed adamant that sex and romance have no place in their relationships with clients, subordinates, vendors, or journalists. The following statement in particular best represented their thoughts on this matter:

- “But the key to success when it comes to that kind of stuff – and this is where I think too many women do a disservice – don’t sleep with people in your industry! Stay the hell out of the bedroom! I will never date anybody that I ever have to pitch or have to work with. Period. I think it’s a good business model for women.”

On the other hand, poor treatment of agency members by clients was intolerable to all:

- “I do not tolerate men ganging up on a woman.”

- “I will fire a client for the way the team is treated. I won’t take abuse from a client. It doesn’t have a place here. It affects morale.”
- “I have resigned clients because they’ve been too abusive to me or my staff.”

Employee Issues

The last theme concerning ethical dilemmas dealt with employees, but the issues relating to employees were varied. There were few similarities among the participants.

The issue mentioned most was layoffs and firings:

- Making payroll – “My biggest concern is making sure I make payroll. I absolutely do not ever want to go through a layoff. For me, that’s just not acceptable. You offer somebody a job; you got to pay them.”
- Losing an account that will result in a loss of jobs – “You know there’s a layoff at the end of the quarter because a contract is ending or a client is experiencing financial difficulties, but there’s still a lot of work that needs to get done by then. When do you give employees a heads-up?”
- Firing an employee – “You’re playing with someone’s life. You can’t forget the impact that it has on the other side that this is their job that they’re losing. And like, especially in this economy, if you toss someone out, they probably can’t find something else and you’re really hurting them. That feels like ethics to me.”

One agency owner faced a difficult ethical situation that cost her a valued employee:

- “There was one instance where I had an employee who shared information with one of my client’s competitors, and I immediately fired him. That was an ethical dilemma. And he was fired. Period. That day. He was a pretty valuable employee to me, but that was just not acceptable.”

Another agency owner felt that the method of payment – salaries for managers vs. hourly for technicians – was an ethical issue, surfacing from recent changes in the law. Another felt it was only ethical to give her employees an opportunity to decline working on an account they could not support, such as controversial political issues. Another said she encountered an ethical issue when an employee took databases and client contacts when the individual left her employment. One owner questioned the use of social media as a tool used by employees to tell others about their lives, including their thoughts about an employer:

“I’m still trying to figure out how do I respect that and not impede in their private area. At the same time, how do I communicate that we need to just be aware of how we’re going to be presenting ourselves? We brought in a consultant to provide some guidelines. So while I would never want to impede in their own personal life, when you’re reflecting back on (your place of employment), there just needs to be some thought about what you’re putting out there.

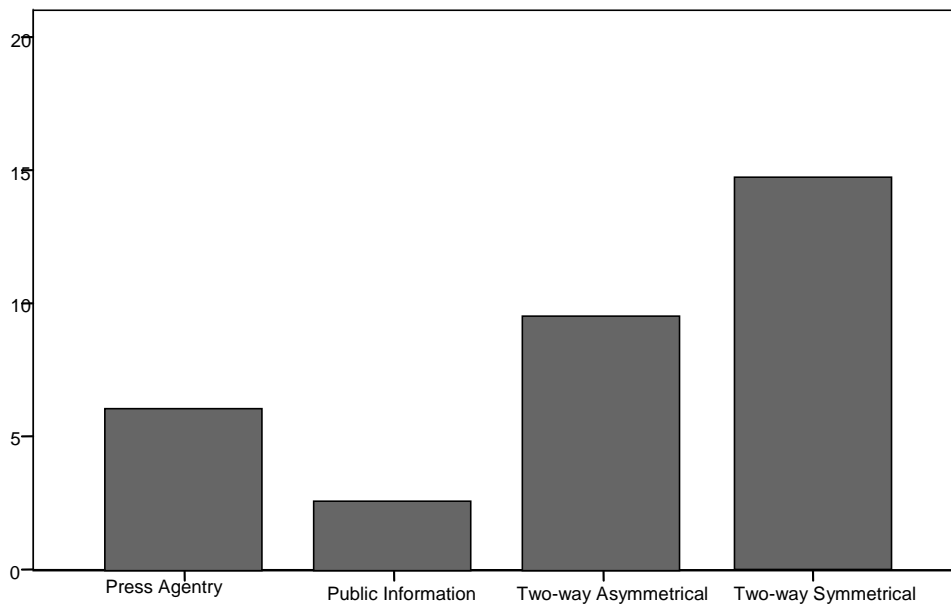
Miscellaneous Client Issues

In addition to the four major themes, a few other client issues surfaced that are worth mentioning. Working with clients that may compete with one another, which can be a problem for agencies that specialize in certain industries, such as technology, health care, and land development, was a concern for a few women. One woman described her biggest ethical issue being when to disclose to a client that the key account liaison has departed from the agency: “My biggest ethical dilemma pretty much comes when you lose a staff member. At what point do you go in and tell the client. And, how much do you reveal about it because clients tend to leave.” She described the first ten years of her career before she was a business owner when “e-mails going back and forth from names that weren’t there anymore...That to me is an ethical dilemma.” She explained that “Not every client’s happy all the time. Every single client is going to have an issue at least once or twice a year. Sometimes it’s your fault. Most of the time, to be honest, it’s not. But you’re a scapegoat.”

Many of the agency founders handled global clients, and for some, they explained what is unethical in the United States may be an ethical practice abroad. Gift giving in some cultures may be seen as a bribe. In other cultures, the absence of gift giving is seen as an insult. One owner gave another example: “You do things that North America would perceive as unethical. Like we’ll pay a reporter for a piece of coverage.”

Although the results of the questionnaire cannot be extrapolated to the general population based on a sample size of 30, the results are nevertheless interesting. Almost half – fourteen of the women – reported that they practice the two-way symmetrical model of the practice, described on the questionnaire as “building relationships with your clients’ publics through communication tools, consensus building, and socially responsible business practices.” Eight reported that they practice the two-way asymmetrical model, described as “communicating with your clients’ publics through various means and getting audience feedback.” Two reported they practice the public information model, explained as “preparing news releases, brochures, and other forms of media to inform and educate audiences about your clients’ products or services,” and six reported they practice the press agency/publicity model, detailed as “employing publicity techniques to obtain coverage in the media.” This table illustrates the respondents’ models of practice:

Figure 1. Models of public relations practice that participants selected as the best description of their own agency.



Ethical issues and social responsibility were two concerns that surfaced from the participants' responses. Client credibility topped the ethical dilemma list. Ensuring that a client is credible and able to deliver what it promises is a concern and a challenge for most of the women. All said they have not accepted a client they suspect is unethical or unable to deliver. Some research clients and client claims thoroughly while others find it unrealistic to do so.

Billing issues were understandably a concern. Overcharging, undercharging, employee mistakes in billing, and clients refusing to pay are ethical issues that concerned these women. Miscellaneous client issues also surfaced, which included when to inform the client that the account person has left the agency and is working with competing clients. Moreover, a few of the women mentioned facing varying ethical standards in different countries.

Another major theme that the women considered an ethical dilemma was bad client behavior. The majority of women mentioned an assortment of client abuses they found intolerable, such as men ganging up on a woman, abusive behavior toward agency members or the client's own staff, and poor treatment when traveling with a client. All were concerned about ethical issues involving employees – lawful payment arrangements, meeting payroll, losing an account that results in a layoff, and the firing of employees.

These women addressed these ethical issues by seeking special counsel, legal services, setting policies, consensus building, and confronting the issues directly through consultation. Instead of practicing one particular model of the public relations practice as described in the literature, these women appear to practice a coalescence of the four models. Still, in the participants' responses to ethical issues, they expressed a real concern about the importance of

being socially responsible and ensuring that their agency dealings and recommendations are ethical. To them, ethics is just good business.

LIMITATIONS OF THE STUDY

The participants in this study were selected from the top firms in Southern California, New York City, and London, using agency rankings based on billings and the number of employees. Therefore, the participants have achieved a certain level of success. Their situation is unique. Women who oversee the public relations function in companies and nonprofit organizations were not included in this study. Women who head smaller agencies, firms that handle smaller accounts and businesses that specialize in multicultural relations were not included in this study. The sample size of 30 women is not large enough to extrapolate the findings to the broader population. Since women are the only subjects in this study, no gender comparisons can be made between men and women.

RECOMMENDATIONS FOR THE PROFESSION

Ethical issues surround the women in this study. Few of the participants indicated that they have received much formal training in this area. Most have learned by doing. Some have consulted other agency owners, asked the advice of clients, and sought legal counsel. Therefore, the Public Relations Society of America (PRSA) and the International Association of Business Communicators (IABC) should offer seminars, workshops, white papers, and other resources on how to address a wide array of ethical issues. Public relations and marketing communications professionals must challenge their organization's particular way of thinking, of solving problems, and of viewing the world. An organization's ideology, values and worldview cannot remain static or unchallenged within the professional public relations community. However, practitioners must first acknowledge their own professional ideology, values, and belief systems before they can address the same for their clients or the organizations which employ them. Public relations professionals must work with management to establish ethical guidelines that focus on community building with all stakeholders, including multicultural and diverse societies worldwide. As professionals, public relations and marketing communications executives must not blindly take orders nor accept their client or organizational worldviews without question or challenge; rather, they must be able to apply professional problem-solving methodologies and their own professional body of knowledge to address client and corporate issues of relationship-building and community-building across cultures and nations.

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SEX TRAFFICKING: A PUBLIC AFFAIRS PLAN TO HELP CURB A FORM OF MODERN SLAVERY

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ABSTRACT

Human trafficking is one of the most immoral crimes afflicting our civilization. In fact, it is the single fastest growing criminal offense. Most victims of human trafficking are forced into the sex trade by coercion and deception. Other forms of trafficking involve forced labor in sweatshops, factories, migrant agricultural work, and even domestic servitude. This public affairs plan focuses on human trafficking in the sex industry. The main purpose of the plan is to highlight the severity of global human trafficking and raise awareness of this ever-growing issue among specific target publics in the United States. The plan is based on personal interviews with knowledgeable sources and a nation-wide online survey.

Keywords: Human trafficking, Moldova, sexual slavery, and United Nations

INTRODUCTION

Human trafficking is irrefutably one of the most immoral crimes plaguing the global society. Due to an increasing activity by organized crime syndicates, human trafficking is estimated to be the single fastest growing criminal offense. According to the Administration for Children and Families, a division of the United States Department of Health and Human Services, most victims of human trafficking are forced into the sex trade by compulsion and deception. Other forms of trafficking involve forced labor in sweatshops, factories, migrant agricultural work, and even domestic servitude (Department of Health and Human Services [DHHS], 2012). This public affairs plan focuses only on human trafficking in the sex industry. The main purpose is to highlight the severity of this ever-growing issue. The primary target publics are members of the United States Congress, the armed forces and government officials. These key publics can help slow down the growth of human trafficking. The plan is based on both qualitative and quantitative research.

SITUATION ANALYSIS

Human trafficking, also described as modern slavery or involuntary servitude, affects 700,000 to 2 million people around the globe every year. About 17,500 individuals are brought annually into the U.S. and held against their wills as victims of human trafficking (Chisolm-Strake, 2014). Women and children are tricked or kidnapped mainly from economically deprived

countries in South America, Asia, and Eastern Europe and taken to wealthier locales in Moscow, Tokyo, Dubai, and Los Angeles to work as slaves in the sex industry (Flynn, 2007). Traffickers have a propensity to instill fear in their victims to keep them enslaved. While women and children are often held under lock and key, the most common intimidation practices are: debt bondage, isolation from the public, seclusion from family members and members of their ethnic and religious community, confiscation of passports, visas, and/or identification documents, use of threat or violence toward victims and/or families of the victims, and telling victims they will be imprisoned or deported for immigration violations if they contact authorities (DHHS, 2012).

The Trafficking Victims Protection Act of 2000 made human trafficking illegal in the United States. This federal law was enacted to: (a) help prevent the trafficking of humans by imposing stiff penalties, (b) offer victims of trafficking refuge within the U.S. to rebuild their lives, and (c) prosecute the traffickers under strict federal penalties (106th United States Congress, 2000). Shortly following the enactment of this act, the Trafficking in Human Being Task Force (THB Task Force) was established to work in association with several U.S. agencies including but not limited to the Federal Bureau of Investigations (FBI), the Department of Homeland Security (DHS) as well as other international organizations such as the International Organization of Migration (IOM), the Stability Pact Task Force on Trafficking in Human Beings (SPTF), the International Center for Migration Policy Development (ICMPD), the International Criminal Police Organization (INTERPOL), and European Law Enforcement Organization (EUROPOL).

As defined in the Trafficking Victims Protection Act of 2000 and provided by the Administration for Children and Families (ACF) website, “Sex trafficking is the recruitment, harboring, transportation, provision, or obtaining a person for the purpose of a commercial sex act, in which a commercial sex act is induced by force, fraud, or coercion, or in which the person forced to perform such an act is under the age of 18 years” (DHHS, 2012). For this study, the ages of trafficked women are not confined to 18 and under but they encompass every range to ensure the target publics are capable of comprehending the full impact of the horrific tragedies.

Trafficking is not just smuggling. By a broad definition, it is consensual, transnational, and generally a breach in the integrity of international borders. On the other hand, trafficking of humans is consistently against the will of the victim. Although most traffickers move their so-called slaves across borders to keep their identity and behavior anonymous, human trafficking is not always transnational. In Moldova, according to the British Broadcasting Corporation’s Radio 4 documentary program *Crossing Contents*, one in six adults has left to work abroad and the children they abandon become rich pickings for human traffickers in and out of the poor former Soviet republic (Rooke, 2007). In recent years, the United Nations has stepped in to make the fight against human trafficking a global issue and not a crisis left to the resources or vices of any one individual country. Former United Nations Secretary Kofi Annan described human trafficking in a report published by the UN as “one of the most egregious violations of human rights” (United Nation [UN], 2002, p. 4). The report suggests that the main intent of the UN is to represent the objectives and interests of member nations that suffer during times of crisis or post-crisis situations because they are the most susceptible in being manipulated and overrun by entities such as organized crime mafias and corrupt government officials as seen in the real life trafficking interviews (Flynn, 2007). In the International Organization for Migration 2000

publication “Forced Prostitution is Slavery,” UN peacekeepers can sometimes provide a beacon of hope for women and children who are at risk of being trafficked by corrupt and evil entities, according to Sebastian Junger’s (2002) “Slaves of the Brother” article in *Vanity Fair*.

Research suggests that organizations around the globe are making concerted efforts to combat the trade of humans. Some of these programs include the development of training materials focusing on appropriate strategies and tactics for entities to use in fighting trafficking. The main objectives of the majority of these organizations is to assist women and children who are in danger of being trafficked and provide tools that can support the efforts of not only those volunteering for the morality of the cause but also to assist those who are currently trapped in the trafficking trade. According to the International Organization for Migration 2010, the trade of humans is an international crime (International Organization for Migration [IOM], 2014).

A major difficulty in combating the trade of humans is the struggle to determine the specific geographic area or region at the heart of the trafficking trade. Many people who were contacted during the research phase of this plan assumed that most victims of human trafficking come from Asia. This is partly correct. A large number of people subjected to the trafficking trade come from Asia followed by smaller percentages from the Pacific Islands, Africa, U.S., and Eastern Europe. Russia Intercessory Prayer Network affirms that Moldova, being the poorest nation in Europe, is leading the sex slave industry by a landslide. Many citizens of this impoverished nation feel they should seek work outside of their country where wages are significantly higher. Fred Larson of the International Organization for Migration (IOM) was quoted as saying, “Moldova is probably the country in Europe from which the most trafficked migrants come” (Chubashenko, 2001, para. 1).

Due to the underground nature of the trafficking industry, accurate data confirming the actual number of women and children caught up in trafficking is very difficult to determine. According to the IOM, just under half of the women rescued from the brothels in the Balkans are trafficked from the tiny nation of Moldova. A main obstacle in combating human trafficking is that it flourishes in impoverished second and third world countries where resources are limited and basic human needs go unmet. Sociologist Eduard Mihailov pointed out that four of five people claim that they cannot meet their personal and family needs and over half of them want to leave their country (Chubashenko, 2001).

RESEARCH

This study used both qualitative and quantitative research. The qualitative research consisted of personal interviews for a period of two months and the quantitative research involved an online survey for a period of three weeks. The research was conducted to: (1) determine the target public’s awareness of transnational human trafficking, (2) investigate the target public’s reactions to transnational human trafficking, and (3) probe into the public opinion on how to curb the trade of humans on a global scale.

Personal Interviews

Between the months of February and April 2007 four personal interviews were conducted with: S. Davis, Executive Director of Children's Emergency Relief International (CERI); D. Ieseanu, Director of the Moldovan CERI operations; C. Belciug, Central Region Missions Director of CERI, Moldova; J. Long, Training Specialist at the Federal Emergency Management Administration (FEMA). In addition, a telephone interview was run with A. Raiu, a young Moldovan lady who once begged on the streets of Chisinau, Moldova and has been in transitional living program. Here is a summary of the interviewees' viewpoints.

A common thread of agreement among the interviewees was that the human trafficking trade is fueled by corruption, greed and money. Davis reported that the causes of the human trafficking problem include poverty, criminal and governmental corruption and collusion. He also indicated that the anonymity of children at risk is due to underdeveloped social support systems and lack of interdictory personnel and infrastructure (personal communication, April 11, 2007). Ieseanu considered job opportunities as the reason for women and girls to become trafficked. He said, "Since there are limited opportunities in their home countries, they take certain organizations up on questionable offers that ultimately lead them to a desperate situation." He added, "Those of us who try to help these victims call this form of trafficking 'trickery'. The women and girls are 'tricked' into believing that they are trying a respectable job to support their family back home but they end up trapped in a life full of sex, drugs, abuse, and all around horror" (personal communication, April 12, 2007). He pointed out that women and children look for work to support their crumbling families while false advertisements lead them to fall into the clutches of organized crime. He also indicated that once they cross their home country's border, these victims fall into the hands of traffickers and the nightmare begins with taking their passports and capturing them into a life of imprisonment. Due to this "trickery", many towns and villages in Moldova and other countries have lost up to half of their inhabitants (personal communication, April 12, 2007).

Both Davis and Ieseanu noted that each country and entity involved in the fight against trafficking needs to be conscious of the events that take place around the world. This is because rules, regulations, and responsibilities vary widely across governments who have troops or citizens in foreign countries that employ trafficking. They also stated that different laws create inconsistent prosecution or a habit of blindness to the problem. For example, people who commit crime in a foreign country are tried for their actions in their respective home country. The same applies to human trafficking violations. Thus, catching and prosecuting those who violate human rights outside their country is difficult. The punishment of those who violate a person's civil liberty falls on the home country's shoulders. However, in many countries ignorance, inaction, and blurred legal responsibility prevail. Long said, "*See no evil, hear no evil, and speak no evil* is applicable to these sorts of situations. In countries like the United States, it is easier for the government, military, and even humanitarians to turn a blind eye since trafficking and the practice of forced sexual labor is not occurring in their own backyard" (personal communication, March 16, 2007).

Prevention can be attained with a global effort. However, according to Belciug, trafficking cannot be stopped altogether. Based on her own experience in Moldova,

Job opportunities and income levels need to be increased in poor countries to encourage young women and girls who seek work to stay in their home countries. Since economic development is so poor in many developing countries these women and girls think that their only chance of being able to make money and support their families is to travel abroad where they are often trafficked into the sex trade. (personal communication, April 12, 2007)

Ieseanu agreed with Belciug that creating jobs in poor countries would minimize human trafficking but he added, “If Moldovan officials and leaders of countries all over the world could break ties with organized crime and find a way to prosecute the mafia instead of taking their money, then the rate of human trafficking would probably drop at a very fast pace. Belciug and Ieseanu also consented that foreign military nourish the trade of humans for their constant presence in brothels all over the world. Furthermore, they contended that if the U.S. shows more interest in educating the military about human trafficking and take necessary steps against human trading hot spots or brothels, then the trend of human trafficking would be restrained (personal communication, April 12, 2007).

Raiu asserted that most young women in Moldova are trafficked because they look for jobs and need the money. She mentioned when young girls are in desperate situations they will do anything for money. Raiu has three younger siblings. One sister has already fallen into the hands of traffickers because she did not heed her warnings. She also has a younger brother who hangs around with mafia recruiters associated with trafficking. It is not uncommon for families like Raiu’s to experience these activities on a daily basis. Raiu who makes \$55 per month at a furniture factory was initially hesitant to talk about the trafficking industry and the mafia for fear of retribution. She thought that Moldova has the ability to change with more honest and better-paid jobs. She also recommended the use of more television shows to educate young girls about the dangers of trafficking. Raiu concluded, “People in the U.S. live better than Moldovans. You have much freedom and a better chance to work in good jobs making money for the family. If there is a chance for people to support a child with just little money to eat, buy clothe, and receive education, then trafficking might be stopped” (personal communication, April 13, 2007).

According to the International Organization for Migration, the United Nations trained peacekeepers in 2011 to educate young girls who are at the greatest risk of being trafficked (IOM, 2014). Therefore, severe punishment needs to be enforced when abuse is suspected by peacekeepers, humanitarian workers, other UN personnel, missionaries from countries around the globe, and even local officials.

Online Survey

A national online survey of 16 questions was administered from April 22 to May 2, 2007. Using surveymonkey.com, the survey was emailed and posted on discussion boards and student websites to determine people’s awareness levels of human trafficking. Since networking is important in the communication field, one co-author of this article relied on her connection with some organizations to distribute the questionnaire. For example, the Baptist Child & Family Services allowed her to send out a personalized email to 500 employees and business associates

implored them to participate in the survey. She also asked her family and friends to forward the survey link to all people in their address books to glean as many different opinions as possible.

One hundred and sixty-five people responded to the online survey. There were more female than male respondents (59% and 41% respectively). A little over half of the participants (50.3%) graduated from college and their ages ranged from 18 to 63. About 77% of the respondents were white/Caucasian, 15.3% Hispanic/nonwhite, 3.8% American Indian or mixed races, 3.2% Asian/pacific islander, and 1.3% were African American.

The findings revealed that 148 respondents (89.7%) were aware of the transnational human trafficking and only 26 (15%) were exposed to the human trafficking trade. Of the latter group, only nine claimed to have been personally associated with the trafficking trade either by working against it on a regular basis, or having a friend or family member close to them that had been trafficked, or stumbling upon it while traveling. The other 17 respondents indicated that they were made aware of the issue either through churches, associates, work places, or schools. About 58% of the respondents believed that human trafficking affects their daily lives.

Given that most of the survey participants live in the United States (with approximately 5% responding from other countries such as the Philippines, Moldova, England and Sri Lanka, the data suggest that the trade of humans does not only affect countries in economic distress but world powers as well. The vast majority of the respondents (73%) knew of human trafficking through television news. About 54.5% of the participants mentioned newspapers as their source of information about trafficking. Surprisingly, almost 40% of the respondents mentioned word of mouth as their source of knowledge about human trafficking. About 36% of the respondents indicated that human trafficking is common in the United States and 55% claimed that this phenomenon is very common in other countries. Furthermore, 93% of the participants either strongly agreed or agreed that the U.S. can make a difference in the fight against human trafficking. Almost half of the respondents (47%) considered the Internet as an effective medium to learn about global issues.

When participants were asked which group of people they believed is most affected by human trafficking, they were split on this issue: 38% answered children, 30.4% said women, and 24.7% mentioned adolescents. Respondents were also asked to identify the most affected region by the transnational human trafficking. Unexpectedly, 52.5% answered Asia, followed by Europe with 15.8%, the United States 10.8%, Africa 8.9%, and the Pacific Islands 5.7%. A few respondents mentioned South America and the Middle East.

The respondents offered invaluable input on how to curb the human trafficking trade. Some of their recommendations included: (1) placing more severe penalties on anyone caught being involved in any aspect of the trafficking experience, (2) improving communication between countries and law enforcement agencies, (3) establishing moral, medical, and spiritually educational programs, (4) using covert task forces, (5) reinforcing border patrols, (6) establishing victims rights groups, (7) providing early intervention programs that target at-risk youths, (8) employing better background checking systems to catch the traffickers crossing borders, (9) asking the United Nations to devise a plan that helps reduce global poverty, (10) imposing economic sanctions on any entity that facilitates human trafficking, (11) instating an immediate

death penalty to send a strong message to other traffickers, and (12) conducting conferences that encourage global agreement on the issues at hand.

PLANNING

Based on the study findings, this public affairs plan articulates some techniques to raise awareness of human trafficking among the following publics: Members of the United States Congress, the armed forces, the general public, and local and national media. More specifically, the plan addresses the horrors of transnational human trafficking and brings not only the facts to the target publics but also attempts to enable people to reach out and help those who become victims. It is hoped that the plan will generate sympathy for the victims and persuade governments around the world to take swift and decisive actions to severely punish trafficking oppressors, abusers, and offenders.

Target Publics

Current and future members of the U.S. Congress. The United States legislature consists of two sections: the Senate and the House. Members of each are assigned to committees that propose law to govern the sole remaining superpower. The Senate oversees appropriations, armed forces, finance, and judiciary while the House concentrates on such issues as energy, commerce, appropriations, armed services, and judiciary.

U.S. armed forces. The United States military consists of five branches that are headed by a mastermind of intelligence officers at the Pentagon. These branches are the Army, Marine Corps, Navy, Air Force, and Coast Guard. The groups often work under tremendous amounts of pressure and stress while on assignment overseas. Due to circumstances of being away from home, many men give into their sexual frustration and look for distractions from their duties. The easiest form of release for these men is through their sexual desires. Leaders of organized crimes and individuals who partake in the trafficking of humans understand this weakness and exploit it to the utmost by purposefully building brothels around many military bases. Thus, the plan will focus heavily on this public because the saying of “what happens outside the country stays outside the country” does not hold true. Despite the fact that some of these men are stationed in other countries to help save women, they help carry on the cycle, wittingly or not, of abuse for these women and children.

The general American public. Feigning naivety and ignorance reflects negatively on a super power such as the U.S., thus educating the masses is necessary. As mentioned earlier, about 90% of the surveyed people are aware of transnational human trafficking and a vast majority of these respondents live in the United States. If those people are acquainted with the issue at hand, then there should be more of a movement to aid those in need.

Local and national media. No campaign can have an impact without the media attention. The media can highlight the horrors of the trafficking industry at local, national and global levels. After drawing the public’s attention with true stories of the poor women and children who are trapped in this slave industry, the media can communicate the steps or actions taken to help rescue these poor souls or aid them in their escape back to life.

Objectives, Strategies and Tactics

Objective 1: To increase awareness of transnational human trafficking among members of the Congress by 30% in one year.

- Strategy: Develop a campaign that leaves a long-lasting impression on the members of Congress to ensure further progress towards the battle against human trafficking.
 - Tactic: Distribute a brochure to all members of the Congress and their local staff to educate them about the threat of transnational human trafficking.

Objective 2: To increase awareness of transnational human trafficking within the U.S. armed peacekeeping forces by 25% in two years.

- Strategy: Develop a campaign that is specifically directed at the U.S. military by drawing upon relationships the armed forces respect such as superiors and significant others.
 - Tactic: Establish different levels of sensitivity and awareness courses for all military personnel to participate in as part of their required mission training.

Objective 3: To encourage the U.S. military public relations departments to devise a plan that will raise awareness of transnational human trafficking within U.S. soldiers and media.

- Strategy 1: Persuade the military to publicly acknowledge human trafficking and its consequences on the stability of national and international relations.
- Strategy 2: Appeal to the U.S. military officers by encouraging them to develop a course to educate all deploying military overseas.
 - Tactic: Produce a multimedia educational program for use at military training bases to educate soldiers on the devastation of human trafficking, detailing the stories of girls living in the brothels surrounding bases overseas.

Objective 4: To increase awareness of the issue of transnational human trafficking within the general population in the United States by 5% in one year.

- Strategy: Develop a succinct and direct message to the average American emphasizing specific situations of trafficking in order to gain empathy.
 - Tactic 1: Create an Internet initiative including a website with blogs, information and links to other helpful sites that will be easy to use.
 - Tactic 2: Distribute media kits that will disseminate information about transnational human trafficking to citizens of the United States.
 - Tactic 3: Develop a quarterly email newsletter for advocates working to counter the human trafficking problem. Make the newsletter available at no cost to leaders who have resources and can help make a difference either in public policy or public education. Insert returns in the newsletter to help track readership and measure awareness levels of transnational human trafficking.

Objective 5: To educate 20% of U.S. adolescents and children under the age 18 of the dangers of being trafficked by the mafia while traveling overseas in one year.

- Strategy 1: Create a lesson plan for use in Social Studies that is offered to teachers across the nation.

- Strategy 2: Develop pro-active communication materials that bring awareness to the United States' next generation of human trafficking and its dangers around the world.
 - Tactic: Establish a program for high schools and colleges to instate in their curricula. This program will be a module with lesson plans attached for use by high school political science teachers and college professors.

Objective 6: To increase the United Nations' approval rating of anti-trafficking tactics of the United States government by 30% in one year.

- Strategy: Build confidence in the United Nations' fight against human trafficking to make future progress on the issue.
 - Tactic 1: Use the Internet to publicly account for the positive ideas and actions the U.S. government, military and citizens pursue to help combat the trade of humans.
 - Tactic 2: Write and distribute opinion/editorial letters addressing the trafficking problem and supporting successful programs and ideas initiated by the UN for national media.

Objective 7: To hold forums once a semester on selected high school and college campuses (scheduled around major traveling holidays) to educate students about the dangers of crossing the mafia while traveling.

- Strategy: Develop a campaign aimed at high school and college leaders to help bring greater awareness to campuses.
 - Tactic: Provide educational modules that appeal to school district superintendents and fit within the current required curricula.

Objective 8: To enlist leaders of 30 organizations that already supported victims of human trafficking to tell real stories for use in public service announcements during Mother's Day each year.

- Strategy: Capitalize on a national holiday like Mother's Day by appealing to the parents' sympathetic nature that this campaign has a better chance of success.
 - Tactic: Make customized public service announcements that fit organizations' missions to bring awareness of human trafficking to their constituent publics.

Objective 9: To establish a web site with updated information and statistics on the global human trafficking issue and make the site accessible and user friendly.

- Strategy: Use the Internet as a global grassroots tool to reach mass audiences and effectively communicate the urgent need to report or help women and children who are either in danger of being trafficked or are already prisoners of organized crime.
 - Tactic: Publicize the website to allow all countries to become involved in the fight against human trafficking.

Objective 10: To generate at least 200,000,000 media impressions during the first year of the campaign.

- Strategy: Establish and maintain open and frank relationships with all targeted media and offer them updated news on the fight against human trafficking.

- **Tactic:** Distribute print and electronic materials pertaining to the issue of human trafficking to at least 40% of local and national media in one year.

Theme

This campaign involves a highly sensitive issue. Thus, the following theme should have a global appeal: *A free society cannot be born of slave mothers. Help stop the trade of humans today.*

Key Messages

Members of the U.S. Congress:

- It is time for the U.S. government to take more actions to prevent human trafficking on American soil.
- Actions of the U.S. military overseas will not only bring support from constituents at home, but also help prevent men in the armed forces from using the trafficked brothels.

U.S. armed forces:

- It is time for the military to return to the glory days of being respected for honor, dignity, and courage.
- Helping women and children who are in danger of being trafficked or already have been trafficked will shine a positive light on men in the U.S. armed forces.

The general American public:

- Anyone can make a difference in the struggle to end the tragedy of human trafficking by contacting organizations that work against the trade of humans.
- Joining advocacy groups can help combat the trade of humans.
- Contact your elected leaders and ask them to support legislation that puts teeth in punishments for those who are involved in or benefit from trafficking

Local and national media:

- People all over the world are in danger of being trafficked every day.
- Media assistance in raising awareness for this campaign can save lives.

IMPLEMENTATION

- Enlist the aid of a globally known public relations firm to help reach every target public.
- Alert U.S. Congressional members and key members of the administration of the campaign to gain the assistance of key leadership and public relations resources.
- Kick off the campaign by having a rally in Washington D.C. involving political leaders, celebrities, and organizations that work for this particular cause. The event will generate a media blitz and show that America is united against the transnational trade of humans.
- Let U.S. military work with host nation law enforcement authorities to prevent U.S. military personnel from visiting brothels.

- Recruit a multilingual celebrity like Mira Sorvino, an advocate against trafficking, to star in radio and video PSAs that can be aired in the United States as well as throughout the world.
- Enlist a woman who has experienced trafficking to write a feature story from her perspective. If it is acceptable, have her film a video PSA as well.
- Connect with organizations such as Children’s Emergency Relief International, the International Organization of Migration, Amnesty International, and the Administration for Children and Families to help spread the message across the globe.
- Establish a web site containing basic information on the trafficking trade, with blog areas, ways the public can help, and links to other organizations such as the ones mentioned before to allow those visiting the site access to as much information as possible
- Establish a nation-wide educational program titled Operation Freedom. The program should include courses for high school and college students, the military, the government, and the average citizen. Each course should be tailored to a specific target public but all courses should be housed under the same program to assure uniformity in messages.
- Create traveling seminars with special speakers such as former U.S. Secretaries of States and women who have experienced trafficking. These seminars will be open to the public and address actual accounts of trafficking incidents, the U.S.’s stance on the issue, personal feelings of the victims, and ways the public can help. These seminars should be held at major venues such as Madison Square Garden and the Staple Center and include live music from bands that are advocates of the issue at hand, such as U2, to help draw a crowd.

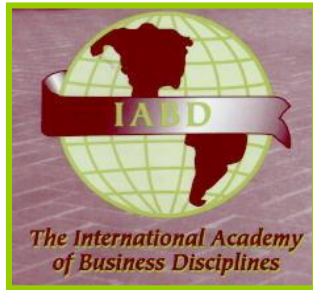
To draw the targeted publics’ attention to various kinds of materials recommended in this plan, horrific stories and statistics of human trafficking around the globe will be highlighted. In addition, the numbers of women and children who have been helped since the U.S.’s involvement will be publicized.

EVALUATION

- Conduct multiple focus group sessions to determine the effectiveness of print materials and major campaign events.
- Establish a post-online survey inquiring about the levels of awareness in the U.S. after the campaign completion.
- Mail out post surveys to all people who received newsletters and brochures to measure their levels of awareness at the end of the campaign.
- Monitor the media to document the number and length of media impressions gained.
- Collect baseline data from members of the U.S. military who have engaged in visiting brothels and evaluate the success of the prevention and educational efforts.
- Keep track of the number of hits on the www.notrade.org website concurrent with the campaign to gauge its effectiveness.
- Survey the U.S. Senate and government officials to determine increases in their awareness levels and figure out what they have done to help curb the trade of humans.

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