“The Management and Leadership Research Group”
(Part 1)
Presentation at the Department Seminar September 2013
Agenda Part 1

• Introduction (Please find our interactive poster!)
  – Aim and approaches
  – Between rational and institutional perspectives
  – Research projects - Overview

• Example 1: “Patient surveys and organizational change” (Jørn Flohr Nielsen)

• Example 2: “TMT* Gender Diversity and Financial Performance in Danish Municipalities” (Anders Villadsen)
  
  * TMT: Top Management Team
Agenda Part 1

• Introduction (Please find our interactive poster!)
  – Aim and approaches
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* TMT: Top Management Team
We are...
The Management and Leadership Research Group

We are...
- different but connected
- believe in practical relevant research but not in simple and general to-do-lists
- We don’t think there is one best way to organize and to lead
- We think that there is a dark side of centralization and standardization (sorry, Lauritz!)
- We think that what is good leadership and good good organization is context dependent
We are...

An open group...
   We are related to several other groups and we are ready to collaborate!

Our approaches on *methodology* range from quantitative surveys and social network analysis to anthropology studies

*Theoretically*, we draw on management and organization theory in the broadest sense (including contributions from economics, sociology, psychology). Several have interests in institutional organization theory and several have interests in leadership and organizational behavior at the group and individual level.
Management & Leadership

- Innovation Management
- iCARE (Entrepreneurship)
- Information Systems Research Group
- MAPP - Customer Relations
- Marketing & Sustainability
- Quantitative Analytics
- DoGE - Global Enterprise/B2B Marketing Management

CORE
SOL: Management and Leadership

How courses in the Strategy-Organization-Leadership MsC-programme are related to central management concepts:

- **"Management"**
  - Planning
  - Organizing
  - Leading
  - Staffing
  - Controlling (setting goals - monitoring - correcting) (corporate governance)

- **"Strategy"**
  - Strategic management (Formulation and implementation)

- **"Leadership"**
  - Qualitative aspects of manager and employee behavior (on motivation etc.)
  - Contingency approaches?
  - Cross-cultural leadership
Management and Leadership Projects

**Multilevel projects**
1. Chinese regions
2. Corporate governance
3. Strategy as practice etc

**Organizing**
1. Public/private
2. Network

**Leadership**
1. Shared
2. Public

**"Management"**
- Planning
- Organizing
- Staffing
- Controlling
- Leading

**"Leadership"**
- Managerial & employee behaviour
- Cross-cultural leadership

**Organizational Change**
1. Hospital wards
2. Management of Change
3. Process consulting

**HRM & D**
1. Human capital development
2. Engagement & Commitment
3. Work Design in Public Service
4. SHRM & Sustainability

**Cross-cultural Management**
1. Creativity
2. International teams
3. Expatriation
Projects (1)

Organizational change:
1) Patient surveys and organizational change (Jørn Flohr Nielsen)
2) Middle managers in change processes (Mona Toft Madsen)
3) Translation of process consulting interventions – a study of learning in consultant-driven development processes (Kasper Trolle Elmholdt)
4) Legitimation of management consulting (Jørn Flohr Nielsen)
5) Innovation, social cognition, and indeterminacy (Jakob Arnoldi and Pernille Smith)

Human Resource Management and Development
1) Developing and managing human capital in mid-sized firms— International collaborative project (Frances Jørgensen)
2) The influence of human resource content and practice on employee perceptions and performance - International quantitative study (Frances Jørgensen)
3) Employee psychological well-being in health care providers (Frances Jørgensen)
4) People and Performance - Industry-funded collaborative project with researchers from Australia (Frances Jørgensen)
5) HR in Family Firms (Frances Jørgensen)
6) Employee Engagement in Public Service Organizations (Mette Strange Nielsen)
7) The impact of HRM practices on pro-environmental behavior (Josefine Weigt-Rohrbeck)

Cross-cultural Management
1) Creative Designing in Multicultural Organizations (Jakob Lauring et al.)
2) Expatriate management and global mobility (Jakob Lauring et al.)
3) Global and virtual teams (Anders Klitmøller)
4) Virtual teams and virtual leadership (Anders Klitmøller and Rikke Lindekiide)
5) Self-initiated expatriates in institutional context (Annamária Kubovcikova)
6) Remote control – controlling subsidiaries (Jørn Flohr Nielsen)
Projects (2)

Leadership

1) The Emergence of Shared Leadership in an Inter-Organizational R&D Team (Pernille Smith and Jørn Flohr Nielsen)
2) Virtual leadership (Rikke Lindeklide & Anders Klitmøller)
3) Public leadership - National collaborative project (Anne Bøllingtoft, ICOA)
4) Strategy and leadership (Elmer Fly Steensen)

Organizing and Organizational Structure

2) How organizations manage institutional complexity (OMT)(Toke Bjerregaard)
3) Between Public and Private: An Institutional Perspective on Public Sector Search for Performance (Sarah Maria Lysdal Krøtel)
4) Social network and social capital (Christian Waldstrøm)

Multilevel International Projects

1) How organizations manage institutional complexity (OMT)(Toke Bjerregaard)
2) Heterogeneous Business Regimes (Jakob Arnoldi, Anders Villadsen, Yulia Muratova og Xian Chen)
3) How are firms impacted by regional disparities and how do firms’ strategies impact regional disparities? The case of mergers and acquisitions in China (Yulia Muratova).
4) Risk cultures in China (Xian Chen)
Management and Leadership Projects

Institutional Perspectives

Organizational Change
1. Hospital wards
2. Management of Change
3. Process consulting

HRM & D
1. Human capital development
2. Engagement & Commitment
3. Work Design in Public Service
4. SHRM & Sustainability

"Management"
- Planning
- Organizing
- Staffing
- Controlling
- Leading

"Leadership"
- Managerial behavior
- Cross-cultural leadership

Leadership
1. Shared
2. Public

Organizing
1. Public/private
2. Network

Multilevel projects
1. Chinese regions
2. Corporate governance
3. Strategy as practice etc
“Into context...”
- theoretical perspectives

Rationality - practical?

Rationality as a basic behavioral assumption in organizing has been challenged since Simon’s formulation of bounded rationality.

Institutional theory provides an overall framework that captures some of the less rational aspects: Rational purpose-oriented organizing is limited because of coercive, normative and mimetic pressure (DiMaggio & Powell, 1983).
## Three Pillars of Institutions

<table>
<thead>
<tr>
<th>Mechanisms</th>
<th>Regulative</th>
<th>Normative</th>
<th>Cultural-cognitive</th>
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<tbody>
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<td>Coercive</td>
<td>Normative</td>
<td>Mimetic</td>
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<tr>
<td>Indicators</td>
<td>Rules, laws, sanctions</td>
<td>Certification, Accreditation</td>
<td>Common beliefs, issues</td>
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<td>Basis of legitimacy</td>
<td>Legally sanctioned</td>
<td>Morally governed</td>
<td>Comprehen-sible, Recognizable</td>
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*Simple version adapted from Scott (2008)*

**Keywords** in institutional approaches: Legitimacy, Institutional logics, Competing logics, Field level analysis, Communities (Too much macro, too much irrationality?)
The maturing of institutional theory

There should be room for human action (agency), and institutional theory moved ...

“from institutions as irrational influences to institutions as framework for rational action” (Scott, 2008, p. 217)
Other perspectives and challenges

International perspectives
• Developments in cross-cultural control
• Coping with institutional voids in emerging markets
• Communication theory and new media

Micro level perspectives
• New work design and engagement
• Leadership: emerging and shared leadership
• Virtual leadership
• Coping with diversity
• Cognition and collaboration
Recent Publications Management & Leadership (In peer-reviewed journals 2013)


Recent Publications Management & Leadership (Book and Academy of Management papers 2013)

**Book:**

**Papers accepted for presentation at the Academy of Management, Orlando, 2013**


Bjerregaard, T.: Self-initiated expatriates navigating institutions: A study of strategies and effects.


Flohr Nielsen, J.: Problem Perceptions in Distant Subsidiaries: Does expatriation Matter?


Smith, P.M.S, & Flohr Nielsen, J.: The Emergence of Shared leadership in an Inter-organizational R&D Team.
“From patient surveys to organizational change: Rational change processes and institutional forces”

Jørn Flohr Nielsen

Based on:
Agenda

1. The Idea
2. The Research
3. The Results
4. The Perspective
(83% of the patients in the county satisfied: “outstanding” or “good”)
The Idea

• Questionable usefulness of patient surveys in general (Just an unimportant part of the evaluation, accreditation, and measuring connected New Public Management?!)  
• Experience from ambitious use of patient surveys in our region (access to data)  
• Aim to understand change processes in this context  
  (with the help from my American idols: Scott, March, Van de Ven etc.)
The research question

- Why are some units able to use the information from patient surveys to change procedures and increase patient satisfaction?

(Analyzing local adoption of semi-customized patient surveys and actor responses to survey results)
And some improved their satisfaction score...
Data

1. Patient survey data from 4 rounds, 2000-2006, \((N = 32809, \text{ response rate } 53.6\%)\)
2. Ex post perceptions and comments from department heads and hospital managers \((N = 173)\)
3. Follow-up interviews in 2009 with 24 key employees and managers in four of the eight hospitals studied.
<table>
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<th>Models of Organization Change</th>
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<td><strong>Survival of the fittest</strong></td>
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<td><strong>Guidelines from outside, imitation, etc. determine the process</strong></td>
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<td><strong>Mode of Change</strong></td>
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## The results
*(Table based on department head comments)*

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<th>Drivers (for rational change)</th>
<th>Barriers/other forces</th>
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<tr>
<td>Acceptance</td>
<td>Common values/compromising</td>
<td>Competing logics</td>
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<td>- professional participation in planning the survey</td>
<td>- disagreement between professions on the usefulness of the results</td>
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<td>- relevant benchmarks</td>
<td>- perceived by professionals as initiatives for standardization and control</td>
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<td>- validation of surveys</td>
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<td>Attention</td>
<td>United focus</td>
<td>Multiple competing change motors</td>
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<td>- customized surveys</td>
<td>- competition with other ideas in the field (decoupling mechanisms)</td>
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<td>- intelligible reports and comparable format</td>
<td>- mergers and restructuring</td>
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<td>- (quantitative and qualitative inputs)</td>
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<td>- significant deviations in results</td>
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<td>Action</td>
<td>United action and actions to foster unity</td>
<td>Competing forces</td>
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<td>- employee participation</td>
<td>- lack of resources</td>
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<td>- human process interventions</td>
<td>- cross-functional cooperation problems</td>
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<td>- experienced relationship between change initiatives and specific improvements</td>
<td>- unclear action effect relationships</td>
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<td>- lack of autonomy</td>
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</table>
The results (2)

• The role of professionals in the field
• The role the national level accreditation etc.
  – The Danish Healthcare Quality Program
• The role of the regional level administration
• ...Hospital managers
• ...Heads of Departments/wards

And some positive and negative conclusion
The Perspective

- Explanatory power of institutional theory in its mature form
- Multiple perspectives often needed, but be cautious!
- Study change processes by “collecting rich data and canvass it for several alternative motors of change” (Van de Ven & Poole, p. 533)
- Multilevel analysis often needed
- Study change as “translation of ideas” (Czarniawska etc.)
- Legitimation is important but has to take competing logics into account
- Legitimation of OD consultancy and management consultancy in general different in different sectors, different industries and different countries
**Models of Organization Change**

Models of Organization Change

Note: Arrows on lines represent likely sequences among events, not causation between events.
The Right Mix?
Gender Diversity in Top Management Teams and Financial Performance. The Moderating Role of Organizational Structure

Niels Opstrup
University of Southern Denmark

Anders R. Villadsen
Aarhus University
Gender Diversity of Top Management Teams

- Values
- Skills
- Task vs performance orientation
Gender Diversity of Top Management Teams

• Team diversity is a two-edged sword

1. Provide more knowledge, new perspectives, and different worldviews which may lead to qualitatively better outcomes and more innovation

2. Diversity may inhibit effective team work. It is harder to reach consensus and dysfunctional conflicts are more likely
TMT Gender Diversity and Financial Performance in Public Sector Organizations

Financial performance only one of many goals

Yet it’s still important!
Why is TMT Diversity important?

• Better decision making
  – Different perspectives which are evaluated based on more different cognitive backgrounds.

• Traditional male dominated TMTs may value from the interactions with highly skilled and knowledgeable women often having taken a challenging road to a TMT position

• Task variety → Diversity an asset
  – Male (construction) vs female (care) oriented tasks

Hypothesis 1: Higher TMT Gender Diversity is related to better financial performance.
• Benefits of diversity will not be realized in traditional (public) management organizing’
• Newer approaches facilitate better team dynamics

_Hypothesis 2: The positive relation between TMT gender diversity and financial performance is moderated by organizational structure such that the relation is stronger when organizations use an executive board model and TMT work is more collective._
Two Approaches
Empirical Study

• Gender diversity in TMTs of Danish municipalities 2007-2011
• TMT: Municipal director (kommunaldirektør) + managing directors (forvaltningsdirektører) of different service areas (2-12 people)
• Data for 91 municipalities with TMT>2
• Data compiled from different sources:
  – Diversity: Handcoded from Municipality Handbook
  – Dependent and control variables obtained from public registers and databases
Variables

• **Independent variable: TMT Gender Diversity**
  – 21% of TMT members are women
  – Diversity calculated by Blau index: $1 - \sum p_i^2$.
  – Range: 0 (perfect homogeneity) - 0.5 (perfect heterogeneity)

• **Dependent variables: Financial performance**
  – Financial Operating Result: operating revenues (tax revenue and block grant from the national government) minus operating expenses and net interest payments. Both per citizen.
  – Budget Overrun: Budgeted Operating Result – Realized Operating Result

• **Moderator: Use of “Executive Board Model” (Direktionsmodel)**
  – Used by 17.4% of our cases

• **Controls:**
  – Financial, demographic, political
Operational Result

Low TMT Diversity  High TMT Diversity

- Other Management Model
- Executive Board Model
Low TMT Diversity High TMT Diversity

Budget Overrun

- Other Management Model
- Executive Board Model

Low TMT Diversity High TMT Diversity
Discussion

• Composition of TMT matter
• But so does organizational structure!
• A potential for public sector development?
• What leads to TMT diversity?

• Caveats:
  – Correlational evidence
  – What about other outcomes?
Thank You!
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<td>1.53</td>
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<td>(0.84)</td>
<td>(0.86)</td>
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<tr>
<td><strong>Number of groups</strong></td>
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<tr>
<td><strong>Number of observations</strong></td>
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