Index

11 September 2001 44–5, 80–81, 162
AT Kearney 290
ABC-TV 80
Accenture 290
accountability 264–73
AccountAbility 184
accountancy companies 290, 291, 294–5
accounting principles 184
achieved qualities 115, 310
acquisitions 290–92, 293
actor bias 342, 343
Adelphia 54
adversarial systems 229–34
AES 15
affective
commitment 205, 206, 208–9
emotions 310, 319
Africa 321–2
see also Morocco; Nigeria; South Africa; Sudan; Zambia
agency
problem 248–9, 287–9, 296–7
theory 11, 243–4, 276–7, 281, 336–7
agent incentives, mechanisms to align 250–53
Ahold 59, 307
AIDS/HIV 162–3, 233–4
altruism 137–8, 167–70
as a component of leadership 141–2
development of 150–54
nurturing of 154–5
Alzheimer’s 100
America’s Most Admired Companies’ 58
American Finance Association 245
American Management Association 140
American Productivity and Quality Center 48
ancillary hormones 100
analysis, responsible leadership 104–5
ancient Greece, ethics 163
Anglo-Saxon
countries 309, 310, 313
leadership 311
Annan, Kofi 185
AOL-Time Warner 61
appreciative enquiry 88
Argentina 318, 375
aristocratic selection processes 286
Aristotle 160, 314–15
Armstrong, Lance 63
Arthur Andersen 54, 61, 181, 184, 187, 277
ascribed qualities 115, 310
Asia 174, 262–3, 321–2, 335–6
see also China; East Asia; Hong Kong; India; Indonesia; Japan; Korea; Malaysia; Philippines; Singapore; South Asia; South Korea; Taiwan
Asian Institute of Management 394
Aspen Institute 53, 389–90
Business and Society Program (BSP) 45–6, 50–51, 53, 222, 223, 224–33, 236, 238
Developing Balanced Leaders Program 51
assertiveness 372–4
assets, divestment of 26
Association of British Insurers (ABI) 270
Association to Advance Collegiate Schools of Business International (AACSB) 389, 390
AT&T 129
Atkins, Paul 255
attribution errors, reduction of 345–6
aspects, divestment of 26
audit
Europe 271
United Kingdom 268
United States 264, 265
Responsible leadership and governance in global business

Australia 59, 66, 322
Austria 318, 322, 372
authentic transformational leadership 199, 202
authenticity 62–4, 65
autocratic leadership styles 77
autonomous leadership 355, 359

Bagley, Constance 225
Baker, Mila 45, 49, 53
balanced leadership 45–52
bank-oriented corporate governance 262, 336
banking sector 78–9, 81–2
banks, insider role of 337
Banyu Pharmaceutical 172
Barings Bank 307
Barrons 132
bear markets 45
behavior 163–4
Belgium 318
Ben & Jerry's 63, 196
benchmarking 47, 66
Bertelsmann 176
best practice 48, 263, 272
best regarded companies 59–65
biases due to lack of information 341–2
Big 5 290
bin Laden, Osama 112
biology 170–72, 176–7
BizEd 389
boards of directors
appointment and behaviour of 265–6, 267
composition and leadership 246–50
decision-making by 84
effectiveness of 246
evaluation of management by 338–9
governance structure 343–5
incentive structure 250–51
as an oversight structure 285–6
powers of 243–4
promotion of ethical leadership responsibilities of 245
restructuring of 254
role in CEO succession 118–33
role in performance evaluation 340
size of 254
structures and practices 312–13, 335–6, 337
Boeing Co. 44, 82–3
bond traders 81
Borgia, Cesare 161
BP 60
brand equity, dilution of 295
Brazil 263
Bremer, Paul 77
Bristol-Myers Squibb (BMS) 63
‘broaden and build’ phenomenon 94
Brookings Institution 65
Brown, John 60
Brunswick 128
BSkyB 176
Buffet, Warren 78–9
bull markets 45
bureaucratic control 281
bureaucratization 116
Burke, Daniel 80
Bush, George W. 175
business demands, balancing of 45–6
ethics 43–5, 353–4
purpose of 224–7
values 324

Business and Society Review 53
business education 50–52, 84, 380–81, 397–8
developing responsible global leaders 385–8
models of responsible global leadership 381–5
new educational framework 391–7
see also leadership development

Business Roundtable 248
business schools
contribution to responsible leadership 388–91
teaching of ethics 43–4

Cadbury Report (1992), UK 263, 267–8, 269
Cadbury, Sir Adrian 260
calculative commitment 205, 206–9
California Public Employees’ Retirement System (CalPERS) 248, 264
calling work orientation 91–2
can-do culture 78
Canada 209, 314
candidate identification, succession process 125–33
Cap Gemini 290, 291
capabilities evolution of 381–2
leveraging of 27–8
Capital Cities 80
cardiovascular system 100–101
career development 396
work orientation 91–2
Carter, Jimmy 165
Catholicism 112, 364
causal attribution 342–3
causality, responsible leadership 105
Caux Principles 185–6
Roundtable 384
Center for Creative Leadership (CCL) 142–6, 148, 150–55, 385–6
centralized consensual decision-making structured 335–6
‘cerebral face’ 23
CERES 183, 184
Chainsaw Al 161–2
Chamberlain, Joshua Lawrence 72
change agents 34
leadership for 23–4
charisma 112–13, 133–5
board role in CEO succession 118–33
sociological approaches to leadership 112–18
charismatic leadership 5, 210–16, 322
and GLOBE study 355, 359, 361, 363, 365–9, 376
checks and balances 167, 312
Cheney, Elizabeth 175
chief executive officers (CEOs) compensation rates 187
dialogue on ethnicities 42
pressures on 45
see also compensation, succession processes
Chile 318
China business schools 390
corporate governance 272, 320
media 343
nepotism 174
private sector 364
uncertainty avoidance 368
Christian Solidarity International 163
Cicero 160
Cisco Systems 76–7, 290–91
Citibank 79
Citigroup 290
citizenship behavior 88
clan loyalty 174–5
client control 281
clusters of decisions 81–3
co-ordination process, leveraging capabilities 28
Coca-Cola 37, 61, 63
codes of conduct 30, 31, 44, 57, 183–4, 188, 189, 314
corruption 20
Cognitive aspect of culture 308
biases, performance evaluations 344–6, 348
moral failures 162–3
collective noticing/feeling/responding 102–3
collectivism 319, 336, 356–61
Columbia 318
‘combinative capabilities’ 27
Combined Code (2003), UK 267–8, 269
combined leadership structure 247–50
Comcast 80
Commission on Public Trust and Private Enterprise, US 265
commoditized industries 60
communication enabling 98–9
patterns 96–9
programs 59–65
styles 343
community control 281
compassion 101–2
psychology 88
Company Law Review, UK 271
see also compensation, succession processes
compensation and corporate performance 135
as disciplining tool 285–6
excessive nature of 187
as incentive 288, 289, 294
principles relating to 265–6, 268,
271, 272
competitive advantage, source of 24–5
complexity, management of 23–4
CompuStat 212
concentrated ownership structure 262,
335, 336–8, 340–41, 343–5, 347,
348
concepts, responsible leadership 104,
105
conceptual capacity 207
Conference Board, US 189, 190, 265
Confucianism 6, 168, 174, 309, 336,
366
Conger, Jay 53
connectivity 97
consistency 62, 65
consulting companies 290, 291, 294–5
contemporary leadership research 5
convergence hypothesis of cultures 308
Cooper, Cynthia 73
cooperation 170–72
corporate identity 57
performance, and ethics 44
responsibility 43–5, 313–14
scandals 42–5, 54, 61–2, 64–5, 72–3,
78–9, 137, 259, 264
strategy 196
wealth maximization 337–8
corporate governance 243–4, 259–60
board composition and leadership
246–50
calculative models of 333–4
development of 260–63
effects of share ownership 252
external and internal mechanisms
245–6
future issues 254–5
global consensus 272–3
Cross-national differences
317–19
cross-cultural perspective of 308–11
cultural biases, performance evaluations
345–6
diversity 391–2
sensitivity 394
creditability in monitoring 184
critical resources
human capital 28–9
social capital 29–30
crony capitalism 262–3
cross-business perspective, responsible
leadership 307–8
cross-cultural leadership research
319–23
cross-national differences 317–19
culture 308–11
current state and future directions
323–8
institutional context of responsible
leadership 311–14
leaders and their behaviour 314–17
cross-national differences, responsible
leadership 317–19
crucial decisions 82–4
cultural
CSR2 9
corporate social responsibility (CSR)
8–9, 88, 182–3, 195–7
corporate social responsiveness
(CSR2) 9
cross-cultural perspective, responsible
leadership 307–8
cross-cultural leadership research
319–23
cross-national differences 317–19
culture 308–11
current state and future directions
323–8
institutional context of responsible
leadership 311–14
leaders and their behaviour 314–17
cross-national differences, responsible
leadership 317–19
crucial decisions 82–4
cultural
CSR2 9
Index 403

dimensions of 353, 354, 355–6
influence on evaluation process 34
role in resource management 25–6
customer loyalty, building of 56

Darwin, Charles 170
data, reliability of 75, 76–7
De Fato 160
deadlines 77, 81–2
Dean, Howard 83
decision-making
acting decisively 76–8
calculating deliberately 74–6
clusters 81–3
impacts of 139
relying on teams 80–81
responsible decision-making 83–4
self-confidence 78–80
thinking like a president 71–4
decisiveness 76–8
Degussa 84
deliberation 82
democratic selection processes 286
Denmark 59, 82, 318, 368
deontological theories in ethics 163
deployment of resources 28
development
assignments 386–7
needs 48–9
support for 154
diffuse action 310
Direct Marketing Association 184
discipline mechanisms, top
management 285–6, 297
disconfirmatory strategies 345, 346
disenfranchisement 80
Disney 75, 80
dispersal ownership structure 335,
336, 338, 340–41, 343, 344, 348
distinctiveness 59–60, 65
divorce, study of 97
dominant coalitions 282, 287, 298–9
dominating authority 115
Dozier, Major General James 151
Duke Corporate Education 45, 48–9,
53
Dunlap, Al 161–2
‘dynamic capabilities’ 27

East Asia
collectivism 360
corporate governance 335, 336, 340,
341
corporate ownership structure 343,
348
Eastern Europe 50
Eastman Kodak 133
eBay 80–81
economic value added (EVA) 247–8
education, role in ethical leadership
50–52
educational methodology 387–8
effectiveness and ethics 161–4
Einstein, Albert 78
Eisner, Michael 75
emotional
component of transformational
leadership 199
imagery 62–3
emotions 94
employee leadership preferences 204,
323–4
Employee Retirement Income Security
Act (1974), UK 269
empowerment 80–81, 92–3
enabling 35, 105–6
enacting 35
generators 95
engaging 35
enlightened self-interest 168, 169
enriching bundling process 27
Enron Corporation 43, 54, 61, 72–3,
181, 215–16, 246, 255, 264
tenrepreneurial opportunities 33
entrepreneurs see social
entrepreneurship
environmental
education programs 390
pollution 60
social responsibility 211
standards 181, 183–4, 185–6
envisaging 34–5
equal opportunities 175
equity compensation 266
Ernst & Young 290
Estée Lauder 175
ethical
decision-making 13

Doh 04 chap17 403

via free access

Jonathan P. Doh and Stephen A. Stumpf - 9781845425562

Downloaded from Elgar Online at 03/29/2019 12:05:03PM
Responsible leadership and governance in global business

dilemmas 137–8, 139
relativism 9–10
Ethical Dimensions of Leadership (1996) 167
ethical leadership 45–52, 159–60
instrumental perspectives on 7–8
normative perspectives on 6
pillars of 316–17
roles for enhancement of 46–52
versus human nature 172–4
ethics 4–8, 88
and biology 176–7
in the context of work 139–40
and corporate performance 44
and corporate scandals 44–5
definitions of 160–61
and effectiveness 161–4
and financial performance 44–5
free will/determinism problem 164–5
and strategic leadership 31–2
see also organizational ethics
Ethics Officers Association 43
Ethics Resource Center (ERC) 44
Europe
companies 190
corporate equity 262
corporate governance 263, 270–71, 335, 337
leadership 321–2
see also Austria; Belgium; Denmark;
Eastern Europe; France;
Germany; Greece; Hungary;
Ireland; Netherlands; Poland;
Portugal; Russia; Scandinavia;
Spain; Sweden; Switzerland;
Turkey
European Foundation for Management Development (EFMD) 390
European Union 268
corporate governance 270–71
High Level Group of Company Law Experts 270
executive search firms 122, 125–6
explicit knowledge 21, 26
exploratory study, corporate social responsibility
findings 212–14
future directions 214–16
measures and procedures 210–12
sampled companies 209–10
expressiveness 59, 65–6
external
attributions 343, 344
boards of directors 248–9, 250, 254, 265–6, 267, 276
governance mechanisms 244–6, 254
information 344
shareholders, professional services companies 287
social capital 29–30
succession 120–25, 127
voluntary regulation initiatives 183–4
Exxon 62
facilitating idealist leadership type 7
Fair Labor Association 183, 188
familiarity of companies 61
family
owned companies 335
values 174–6
fast-movers 76
Fastow, Andrew 73
Federal Mogul 132–3
feedback 145–7, 148–9
Feedback-Intensive Model 386
femininity–masculinity 309
Ferrari 59
Feuerstein, Aaron 89
financial
collapses 259
effect of large shareholders 337
institutions, regulations of 336
markets 45
stability 24
financial performance
and CEO succession 127, 129–31
communication of 56–7
and ethics 44–5
Financial Times 388
Fiorina, Carly 129–30
first-order signals 56
focus groups 58–9
Ford, William 175, 176
‘forehandedness’ 74
forgiveness 101–2
Fortune 58, 119, 174, 324
‘Four Empires’ model 7
free market theorists 74
free rider problem 297
free will
  individual and collective 236–7
metrics for 234–6
Friedman, Milton 73, 224
Fulmer, Robert M. 53
functional responsibilities 21
future orientation 366–8
gender egalitarianism 361–3
General Electric (GE) 37, 76, 119–20
generally accepted accounting
  principles (GAAP) 184, 190
genesis 174, 176
Germany
  assertiveness practices 372
  corporate governance 312, 313, 334,
   335, 336, 337
  uncertainty avoidance 368
Gerstner, Louis 83
Gillette 122
global
  competition 388–9
  consensus on corporate governance
   272–3
  corporations, power of 187–8
developments on corporate
governance 271–2
governance mechanisms 192
leadership 353, 355, 391–7
mind-sets 394
responsibility and accountability
  9–11
Global Corporate Governance Forum
  271
Global Crossing 61, 246, 264
Global Reporting Initiative (GRI) 184,
  185, 188, 189–90
Global Sullivan Principles 183,
  185–6
GLOBE (Global Leadership and
  Organizational Behavior
  Effectiveness) study 140, 320,
  321–3, 352–5, 376–7
assertiveness 372–4
Collectivism I 356–9
Collectivism II 359–61
future orientation 366–8
gender egalitarianism 361–3
human orientation 370–72
performance orientation 363–6
power distance 374–6
theoretical model 355–6
uncertainty avoidance 368–70
goal agreements 314
goals
  attitudes towards 20, 22
  variations in 338–9
Goldman Sachs 290
‘good to great’ companies 73, 141–2
‘Gottman index’ 97
governance, definitions of 3
  see also corporate governance;
  traditional governance
  mechanisms
government mandate 187
gratitude 101–3
Graziado School of Business,
  Pepperdine University 43, 53
Great Man theory 315
Greece 318
groupthink 344–5, 347
Gutfreund, John 78
‘habit of thought’ 127
Hackett, James 140
Harris Interactive 58, 63
Harvard Business Review 53, 225
Harvard Business School 221
health benefits, of positive
  relationships 99–101, 103
health care companies 62–3
HealthSouth 255
heroism 162
Hewlett-Packard 129, 133, 290, 291
high performing companies, recruiting
  from 129–33
high-context cultures 343, 346, 347
Hilti AG 327
HIV/AIDS 162–3, 233–4
Hofstede’s dimensions 318
Hong Kong 174, 318, 364
hormonal effects of relationships 100
horse race succession 36–7, 119–20
human
capital 25–6, 28–9
needs 191
potential, enabling of 87–8
relationships 212–22
rights 185–6
human nature 159–60
altruism 167–70
biology, reciprocity and cooperation 170–72
definitions 160–61
ethics and effectiveness 161–4
family values 174–6
leadership, ethics and common biology 176–7
moral luck 164–5
moral standards 165–7
natural inclinations 172–4
human resource (HR) professionals 382
human resource development (HRD) 43
humane orientated leadership 355, 361, 365–6, 367, 369, 370–72, 374, 376
Hungary 362
‘hypernorms’ 11
IBM 83, 309
identification 91
ideomotor reflex 96
‘idiosyncrasy credits’ 166–7
image 204–6
IMD International 391
Immelt, Jeffrey 119–20
immune system 101
impression management 204–6
in-group collectivism 359–61
inadequacies 98–9
incentive
contracting 252
structures, boards of directors 250–51
incompetency 162–3
independence of boards of directors 248–9, 250, 254, 265–6, 267, 276, 285, 296
India
Corporate governance 263, 267
leadership 320, 322
power distance 318
individual purpose 328–8
strengths 355–6
individualised consideration component of transformational leadership 199
individualism–collectivism 309, 310
individualistic–collectivistic cultures 343
Indonesia 320, 335
industrial research 80
industry membership and performance 252–3
information
lack of 341–2
prompting 345–6
reliability of 75, 76–7
information technology (IT) companies 76–7
initial public offerings (IPOs) 290
insider
Corporate governance structures 253, 335–6, 343–5, 347
ownership structure 261–2
‘insightful face’ 23
inspirational leadership 320
institutional
collectivism 356–9
context of responsible leadership 311–14
environment of corporate governance 334
frameworks 327
investors 264, 268, 269, 270, 271, 272
solutions, transmission of 120
theory 116–17, 291
institutionalized authority 115–16
intangible
assets 57
resources, leaders as 32
integrity 137–8
as a component of leadership 140
development of 144–50
nurturing of 154–5
intellectual
component of transformational leadership 199–200
stimulation 8, 204, 206–8, 210–14, 216
intellectual property rights (IPR) 233
intentions 163–4
interaction and culture 308–9
interactions, perceptions of 325–7
Index  407

internal attributions 342–3
governance mechanisms 244–6, 253, 254
information 344
responsibility management 182–3
social capital 29
succession 120, 121, 124–5, 126
internalization 91
International Business Leaders Forum (IBLF) 315
International Corporate Governance Network (ICGN) 271
International Financial Law Review 255
International Monetary Fund 272
interpersonal leadership theories 315, 323–4
intrinsic motivational factors 92, 209
Intuition at Work (2003) 71
investments, return on 295
investor confidence 55, 56–7, 64–5
Iran 360
Iraq, US attack on (2003) 77
Irish Governing Council 77
Ireland 318, 370
Islamic world 112
International Organization for Standardization (ISO) 183
isolationism 9–10
Israel 100, 318
Italy 59, 66
Japan
corporate governance 312, 313, 334, 335, 336, 337, 338, 340, 341, 348
corporate ownership structure 343
culture 314
leadership theories 320
medicines 172
uncertainty avoidance 318, 319
Jepson School for Leadership, University of Richmond, US 389
job
challenges 149–50
descriptions 314
involvement/enrichment 92
Johnson & Johnson 15, 30, 47–8, 59, 62–3, 161
Jordan, corporate governance 321
Judgment in Managerial Decision Making (2002) 71
Judgments under Stress (2000) 71
Kant, Immanuel 165, 172, 173, 312, 316, 317
keiretsu 310, 312, 313
Kennedy, George 128
Kinder, Lydenburg and Domini (KLD) 211–12, 213, 215
King, Martin Luther 168
knowledge production 280
Korea 336
KPMG Consulting 290–91
labor standards 25–6, 28–9, 181, 182, 185–8, 191
Larsen, Ralph 47–8
Latin America 322
see also Argentina; Brazil; Chile; Peru; Venezuela
Latin countries 310
Lauder, Jane 175
Lay, Kenneth 72–3
layoffs see redundancies
leadership 4–8
altruism as a component of 141–2
behaviour 314–17
boards of directors 246–50
characteristics 123–4, 311–12, 320
choice of 151–2
classifications 3–4
competencies 382–5, 392–6
and culture 354–5
definitions of 5, 7, 160–61
dilemmas 317
effectiveness 324
integrity as a component of 140
qualities 196
responsibilities of 312–14
sociological approaches to 113–18
theory 197–8, 322
types 7–8
see also business education;
succession leadership development 137–8
altruism 150–54
408 Responsible leadership and governance in global business

foundational concepts 138–44
implications and future directions 154–5
integrity 144–50
Lee, General Robert E. 72
legal systems
differences in 259
impact on corporate governance 260–63
legitimated authority, leadership as 113–16
legitimized action 317
Lego 59
Lehman Brothers 81
Levi's 9
limitations, overcoming 148–9
Lincoln, Abraham 72
Livingstone, Linda 43, 53
Lockheed Martin 44
London School of Business 53
long-term goals 339, 340–41
low-context cultures 343, 346, 347
Lucent Technologies 129–30
Lykketoft, Mogens 82
Machiavelli 161
Mackey, Don 82
'macro' culture 341
Mafia 162
Malaysia 174
management
development programs 84
entrenchment 251–2
evaluation of 338–9
management, professional services
companies
managerial research 278–81
top management strata 292–3
top management team strata 282–4
managerial
control/discretion 337–8
hegemony theory 248–9
leadership 21–4
research, professional services 278–81
theories 278
manipulative dispositions 204–6
manufacturing sector 277
'market for corporate control' 286–7
market value added (MVA) 44, 247–8
marriage, study of 97
Martha Stewart Living Omnimedia
(MSLO) 61, 64–5
Maulden Mills 89
Mbeki, Thabo 162–3
MBA
curriculums 50–52, 394
graduates 389–90
programs 84, 388, 390, 393
students 175, 227, 228, 233, 396
McGaw, Nancy 45, 50, 51, 53
measurement, positive phenomena 105
'meme replicators' 173
mental
maps 207
programming 309
Merck Corporation 89, 172
mergers 291–2, 293
Meriwether, John 78
Merrill Lynch 132
Meta-Analysis 250, 253
Mexico 318, 322
Michelson, Gigi 128
Microsoft 59
mid-level decision framing 72–3
Middle East 322
see also Iran; Iraq; Israel; Saudi Arabia
mobilization process, leveraging capabilities 28
modern capitalism, failure of 9–10
Mohn, Liz 176
monitoring
board of directors 247, 248–9, 250–51
leadership education programs 389–90
Monterrey Institute of International Studies 388, 395
Moore, Mike 190
moral
commitment 206
failures 162–3
hazard 287–9
leadership 4
luck 164–5
reasoning 324, 387
morality, definitions of 160–61

Jonathan P. Doh and Stephen A. Stumpf - 9781845425562
Downloaded from Elgar Online at 03/29/2019 12:05:03PM via free access
Index

Morgan Chase Bank 233
Morocco 375
Mortenson, Greg 89
Morton Thiokol 75
most admired companies 47–8
Mother Teresa 167
motivational factors, work 90–93
Mozer, Paul 78
Mueller, Robert 73
multi-practice professional services companies 290, 291, 294–5
multi-stakeholder engagement 186–7
Multifactor Leadership Questionnaires (MLQs) 210, 320
multinational organizations (MNEs) 10, 189, 234
multinational professional services companies 289–93
Murdoch, Rupert 176
mutual altruism 168
obligations 139
narcissistic dispositions 204–6
NASA 75
National Association of Corporate Directors 49, 248
negative emotions, impact of 94
energizers 95
events, impact of 93–4
phenomena 104
neofreudian reductionism 133
neocharismatic leadership theories 200, 203
paradigm 198, 298
nepotism 174–6
Netherlands 59, 280, 322–3
network relationships 348
theory 298–9
network-oriented ownership structure 336
neutral emotions 310
new educational framework 391–7
institutionalism 116–17
leadership theories 315
New York Stock Exchange (NYSE) 45, 50, 266–7, 269–70
New York Times 79
New Zealand, power distance 318
Nigeria 374
Nike 9, 189
non-audit services, rules for 264–5
non-governmental organizations (NGOs) 9–10, 12, 14, 52, 182, 184, 185, 186, 189
non-market systems 337
non-western leadership theories 319–20
normative commitment 205, 206, 208–9
leadership theories 6
North America 263, 264–7, 322
see also Canada; US; Mexico
objective neutral leadership type 7
observer bias 342
Office of National Statistics, UK 268
officer class, professional service firms 276, 283–4, 286, 288–9, 296
oil industry 245–6
on the job learning 381–2, 386–7
one-tier board systems 313
opportunism 11, 12, 281
Organisation for Economic Co-operation and Development (OECD)
corporate governance report 269–70
definition of corporate governance 260
Guidelines for Multinational Corporations 183
Principles of Corporate Governance (1999) 263, 271, 272
organizational commitment 204–5
cross-cultural leadership differences 322–3
culture 324
ethics 30–35
leadership, challenges of 11–12
initiatives/tools for ethical leadership 48–9
knowledge 28–9
learning 25
neutral emotions 310
objective neutral leadership type 7
observer bias 342
Office of National Statistics, UK 268
officer class, professional service firms 276, 283–4, 286, 288–9, 296
oil industry 245–6
on the job learning 381–2, 386–7
one-tier board systems 313
opportunism 11, 12, 281
Organisation for Economic Co-operation and Development (OECD)
corporate governance report 269–70
definition of corporate governance 260
Guidelines for Multinational Corporations 183
Principles of Corporate Governance (1999) 263, 271, 272
organizational commitment 204–5
cross-cultural leadership differences 322–3
culture 324
ethics 30–35
leadership, challenges of 11–12
initiatives/tools for ethical leadership 48–9
knowledge 28–9
learning 25
organizational antecedents
- corporate social responsibility 8–9
- global responsibility and accountability 9–11
- outside directors 249, 250, 253
- outsider
  - corporate governance structure 335–6
  - ownership structure 261–2
  - outsourcing 187, 188
- overconfidence 78–80
- Ovitz, Michael 75
- owner–manager agency 281
- ownership structures 346–8
- differences in 259
- impact on corporate governance 260–63
- implications for corporate governance control 336–7
- insider-outsider corporate governance distinction 335–6, 343–5
- professional services companies 286–7
- oxytocin 100

Pacific Rim 322
- Parmalat 255, 307
- parochial concerns, decision-making 73–4
- participative leadership 355, 359, 361, 363, 365–6, 369, 376
- particularistic-oriented cultures 319
- partner–associate structure 280
- partner–producer model 295
- paternalistic
  - business culture 336
  - leadership 368
- path–goal theory 197–8
- patriarchal leadership 318
- Penrosian economics 24

People and Profits? The Search for a Link between a Company’s Social and Financial Performance 53
- people-oriented leadership 321
- Pepperdine University
- Executive Learning Forum 49–50, 52–3
- Graziadio School of Business 48
- PepsiCo 61

perception 145–7
- performance
  - attributes 58–9
  - and board structure 249–50
  - and industry membership 252–3
  - and leadership structure 247–8
  - orientation 363–6
  - and share ownership 251
- sorting, succession process 129–31
- performance evaluation process 339–41
- influence of culture 342–3
- reduction of cultural and cognitive biases 345–6
- role of information 341–2
- performance-maintenance (PM) theory of leadership 320
- personal concerns, decision-making 73–4
- decision-making 71
- integrity 48, 150
- responsibility 48, 316–7
- values 324
- personality traits 4–5
- personality-based leadership 147–8
- personalized 200–204, 206, 214–15
- Peru 318
- Pfizer 45, 48, 49
- Philip Morris 61
- Philippines
  - collectivism 359–60
  - family businesses 174
  - humane leadership 370
  - power distance 318
- pioneering bundling process 27
- Plato 169
- Poland 362
- Porras, Jerry 45
- Portugal 318
- position matching, succession process 128–9
- positive
  - climate 93–6, 104
  - communication 96–9, 104
  - organizational scholarship 87–90
  - phenomena 104
  - psychology 88
  - relationships 99–103

work orientation 90–93, 104
- Pounds, William 112
Powell, Michael 175
power
asymmetry 281
and corruption 166
distance 309, 318, 319, 336, 374–6
of global corporations 187–8
practical consciousness 118
practice implications, responsible
leadership 14–16
pricing of resources 26
private ownership 335
professional services companies 275–7,
293–9
and the agency problem 287–9
characteristics of 277–8
managerial research on 278–81
top management strata 292–3
top management team strata 282–4
and traditional governance
mechanisms 285–7
in transition 289–93
professional services sector, emergence
of 277
projects, framing of 34
prosocial behaviour 88
Protestant work ethic 364
pseudotransformational leadership 199
psychological distance 346
Public Company Accounting
Oversight Board (PSAOB) 264,
265
public concern, business ethics 51–2
publicly traded professional services
companies 290–91
quality stakeholder relationships 13–14
rational–legal authority 113–14
rationalization 116
Raytheon 44, 47, 49, 53
Reagan, Ronald 112
reality, social construction of 118
reciprocity 170–72, 173
recruitment 25–6
succession 36
redundancies 26
reflected best self feedback process 98–9
regulation, professional services
companies 290, 291
responsibility
management systems
responsibility disposition 203–4
education programme 390–91
responsibility management systems
180–82
external voluntary initiatives 183–4,
187–90
internal responsibility management
182–3
multi-stakeholder engagement 186–7
UN Global Compact (GC) initiative
185–8

Reich, Robert 190, 232
relationships 99–103
relativism 353–4
relay succession 36
religion 42, 172–3
remuneration see compensation
 rent extraction 135
Reports on Standards and Codes,
IMF/World Bank 272
Republic 169
reputation
crossroads of literatures 54–7
measurement 58–9
roots of 59–65
see also corporate reputation
Reputation Institute 54, 55
‘Reputation Quotient’ (RQ) 59, 61–2,
63, 66
reputational
capital 31
rankings 56
research
implications, responsible leadership
14–16
questions, responsible leadership
103–6
research and development (R&D) 28,
212, 213, 249
resource
base, professional services firms
278–80
dependency theory 297–8
resources, management of 24–5
bundling 27
leveraging capabilities 27–8
resource portfolio 25–7
see also critical resources
respect 153–4
responsibility
disposition 203–4
education programme 390–91
responsibility management systems
180–82
external voluntary initiatives 183–4,
187–90
internal responsibility management
182–3
multi-stakeholder engagement 186–7
UN Global Compact (GC) initiative
185–8

religion 42, 172–3
remuneration see compensation
 rent extraction 135
Reports on Standards and Codes,
IMF/World Bank 272
Republic 169
reputation
crossroads of literatures 54–7
measurement 58–9
roots of 59–65
see also corporate reputation
Reputation Institute 54, 55
‘Reputation Quotient’ (RQ) 59, 61–2,
63, 66
reputational
capital 31
rankings 56
research
implications, responsible leadership
14–16
questions, responsible leadership
103–6
research and development (R&D) 28,
212, 213, 249
resource
base, professional services firms
278–80
dependency theory 297–8
resources, management of 24–5
bundling 27
leveraging capabilities 27–8
resource portfolio 25–7
see also critical resources
respect 153–4
responsibility
disposition 203–4
education programme 390–91
responsibility management systems
180–82
external voluntary initiatives 183–4,
187–90
internal responsibility management
182–3
multi-stakeholder engagement 186–7
UN Global Compact (GC) initiative
185–8
responsible decision-making 83–4,
responsible global leadership
development of 385–8
models of 381–5
responsible leadership and governance
contributions of business schools
388–91
effectiveness of 190–92
enabling of 90
ethical decision-making 13
and positive organizational
scholarship 87–90
quality stakeholder relationships
13–14
values-based leadership 12–13
see also cross-cultural perspective
Ricardian economics 24
Rieder, Rick 81
risk
aversion 288, 289
in decision-making 82–3
from visionary leaders 22, 23
RJR 61
role modelling 31, 98
Roosevelt, Franklin D. 54
Ross, Steven J. 24
Royal Dutch Shell 186
Russia
corporate governance 267
gender egalitarianism 362
Social Accountability International
(SAI) 184, 188
Salomon Smith Barney 78–9, 290
Samuelson, Judith 233
Sarbanes-Oxley Act (2002), US 50,
243, 248, 254, 255, 264, 265, 307
Saudi Arabia 321
Scalia, Eugene 175
Scandinavia 318, 335
Schulich School of Business, York
University, Toronto 394–5
Schwartz, Mark 89
search committee, succession process
119–21
Securities and Exchange Commission
(SEC), USA 47, 255, 264, 266,
290–291
self-awareness 393–4
self-confidence 78–80
self-control 281
self-insight 138, 142–4
self-interest 72, 74, 167, 168–9, 171,
172, 280–81, 287–8
self-perception 145–7
self-protective leadership 355, 359, 361,
363, 367, 369, 370, 376
self-regulation 180–82
alternatives to 190–92
effectiveness of 187–90
external voluntary initiatives 183–4
internal responsibility management
182–3
multi-stakeholder engagement 186–7
United National global compact
185–6
self-sacrifice 167, 168, 169
self-serving bias 342, 343, 344
self-worth 21
selfishness 167
services sector, consolidation in 278–9
share ownership
effects of 250–52
professional services companies
286–7
structures 262–3
United Kingdom 268–9
shared
leadership 318
values 205
vision 320
shareholders
blocks of 285
powers of 243–4
wealth maximization 337–8
Sheppard, Blair 45, 48–9, 53
short-term goals 338–9, 340–41
Sidley, Austin, Brown & Wood 162
Silicon Valley 76
Simmel, Georg 113, 115, 116
Singapore 318
Singer, Peter 173
situational
aspect of leadership 4–5
relevant information 343, 345, 347
slow-movers 76
small and medium-sized enterprises
(SMEs) 189
Smith, Adam 259
Index 413

SmithKline Beecham 128
Snell, Richard 132–3
social
activists/investors 181–2, 191
capital 29–30
consequences of strategic decisions 55
corporate social responsibility
as 116–18, 133–5
culture ownership and performance
evaluation 339–46
implications for future research 346–8
sociological approaches to leadership
charismatic leadership as a social
construction 116–18
leadership as legitimate authority 113–16
social impact management 221–3
South Africa 263
South East Asia
corporate governance 335, 336, 340, 341
corporate ownership structure 343, 348
Sovereign wealth fund 191
Spanish 131
stock
market performance 339
options 285–6, 294
strategic
social entrepreneurship (SE) 30–31, 32–4
use of strategic leadership 34–5
social impact management 221–3
free will 236–7
individual purpose 227–8
metrics 234–6
purpose of business 224–7
social context 229–34
social entrepreneurship (SE) 30–31, 32–4
socially constructed concept, corporate
governance as 332–3
socially responsible investment (SRI)
12, 269–70
societal culture 354–5, 358
societies, unique aspects of 353
society, collective good of 358–9
sociocultural perspective, corporate
governance
comparative models of corporate
governance 333–4
corporate governance as a socially
constructed concept 332–3
corporate governance as a socially
constructed concept 332–3
South Korea, corporate governance 335
Southwest Airlines 26, 372
Spain 318
specific action 310, 319
specification sheets, succession process 121–5
spin, negative effects of 64
stabilizing bundling process 27
stakeholder
engagement 186–7
management 11–12
perceptions of companies 60–61, 190–91
pressure 259
relationships 13–14, 182–3
theory 9, 180–82, 207–8
state ownership 334–5
status matching, succession process 131–3
Steelcase Inc. 140
stewardship theory 33–4, 253, 280–81, 294, 297
Stewart, Martha 61, 64–5
Stoa 314–15
stock
market performance 339
options 285–6, 294
strategic
corporate social responsibility 112–15
corporate social responsibility
as 116–18, 133–5
decisions, social consequences of 55
414  Responsible leadership and governance in global business

implications of corporate social responsibility 195–6
philanthropy 64
planning 292–3
projections 55
strategic leadership 30–31
characteristics of 37–8
and ethnics 31–2
and social entrepreneurship 34–5
theory 197–8
see also succession
stratified systems theory (SST) 207
strengths, capitalization of 148–9
subjective controller leadership type 7
suboptimal performance, causes of 339, 344, 347
suborganizational cross-cultural leadership differences 322–3
succession processes 35–6, 117–18, 134–5, 311–12
analysis of board role 118–33
best practice in 48
horse race succession 36–7
professional services companies 286
relay succession 36
Sudan 163
Sunbeam 161–2
supportive
communication 98
development 154
relationships 149–50
SustainAbility 190
sustainability reporting 189–90
Sweden 318, 358
Swette, Brian 80–81
Switzerland 318
synthetic deadlines 77
systems approach, improvement of ethical practice 47
tacit knowledge 22–3, 26, 314
Taiwan 336
taken-for-grantedness 116, 117
team-oriented leadership 355, 359, 369, 370
top management strata (TMS) 278, 282–4, 292–3
Top management teams (TMTs) 296, 297
tasks and responsibilities 292, 293
total quality management (TQM) systems 182
total responsibility management (TRM) systems 182
traditional authority 113–14
governance mechanisms 285–7
training, business ethics 43–4, 45–53
transactional leadership 198, 203
transformational leadership 5, 315–16, 322
across nations 320–21
culture-specific and universal aspects of 321–2
exploratory study 209–16
model of 199–209
as moral leadership 202
at the strategic level 197–9
theory 198–90
Index
