Executive Leadership in New Zealand: A Monocultural Construct

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Abstract

The purpose of this paper is to report on a ‘comeback theme’ in a study that examined the chief executive officer (CEO) role in New Zealand. This context-specific study was approached from a constructivist grounded perspective. The study sample comprised 30 participants: 22 CEOs and 8 non-CEO executives. The criterion for inclusion was that the individual was currently or had previously been a CEO in a large New Zealand organisation.

The findings identified an absence of any reference to Māori CEOs or executive leaders. In the study, the CEO role surfaced as a monocultural construct framed by the exogenous models of leadership that have developed from the research conducted in North America and Europe. The role is also framed by the narratives and frameworks that have emerged from European colonisation processes and from twentieth-century industrial models.

The findings have implications for the ease with which talented Māori could be excluded from CEO roles and for the acquisition, retention and enactment of effective CEO leadership in the future. There are also implications for how sampling processes are carried out in research of this nature. There is an identified need for more reflection and research on what CEO leadership really means in New Zealand.
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Executive Leadership in New Zealand: A Monocultural Construct?

Introduction

This paper reports on a ‘comeback’ theme in a study that examined the CEO role, as an executive leadership role, in large New Zealand organisations. Glaser (1998) uses the term ‘comebacks’ for themes that emerge from data and ‘have less relevance for the theory but provide an interest area on their own’ (p. 200). Comebacks prompt researchers to come back to these areas to study them in more depth, and they can arise from identified gaps in the data, as was the case in the study that this paper reports on.

Within the context of this study, a CEO was defined as the individual who has responsibility for the conduct and performance of an entire organisation, as opposed to a subunit of an organisation. Defining the role in this way presupposes that the CEO role is a strategic leadership role (Hambrick, 2004). Underlying this definition is a presumption that if one individual has overall responsibility for the management and results of an organisation, the characteristics and actions of that individual are of critical importance both to the organisation and to its stakeholders (Finkelstein & Hambrick, 1996).

Although there is a copious amount of literature focusing on leadership per se, empirical research confined exclusively to the study of CEOs is not as common as could be expected (Harrison & Pelletier, 1997). Zaccaro and Horn (as cited in Storey, 2005) state that an assessment of the leadership literature revealed that less than 5 per cent has focused on executive leadership. Research on executive leadership has been informed by theories and models that have predominantly arisen from North American and European studies.

There is also a paucity of context-specific empirical research examining the CEO role. This has resulted in deficiencies in the body of knowledge about a role of critical importance to the success of an organisation. It is imperative that a deeper understanding of the role is achieved, especially in contexts outside the traditional research environments of Europe and North America. Achieving this deeper understanding will aid in ensuring there are no ambiguities about the effectiveness or otherwise of an individual in the role.
The requirement for a greater understanding of the CEO role and executive leadership in New Zealand has been heightened by increasing global competition and by the entrance of larger multinational organisations into the local market. Chetty (2001) states that in order to compete against the larger global organisations, New Zealand businesses have entered the international arena by collaborating with other firms. This collaboration has enabled them to accelerate the internationalisation process and achieve success in markets that would normally be inaccessible to an organisation reliant solely on its own resources. Chetty goes on to assert that this collaboration has enabled firms to gain knowledge, skills and economies of scale at a level higher than would have been possible if they had not collaborated. As a consequence, New Zealand organisations are experiencing a demand for highly skilled people at levels not previously anticipated. The demands for executive leadership – and, in particular, for CEO capability – are equally high.

For the study under discussion in this paper, the research design was a response to the previously identified need for more context-specific research examining the executive leadership construct within contexts outside North America or Europe. Specifically, the study sought to establish how the research participants create meaning from the interactions experienced and the messages received from within their context. That is, the research questions were designed to ascertain how the participants make sense of their context and the tensions and paradoxes they encounter when enacting their roles.

This working paper discusses the literature pertaining to the executive leadership construct. It then provides an outline of the methodology and its role in identifying the gap in the research findings. The paper then discusses the findings that led to the identification of the theme executive leadership as a monocultural construct. The paper concludes by outlining the implications of the findings, particularly for further context-specific research in this field.
Literature

Despite the high level of written commentary on leaders and leadership (Grint, 2005; Jackson, 2001) and the ongoing evolution of leadership theory, there is a perception on the part of some researchers that leadership behaviour is still not fully explained (Grint, 2005; Jackson & Parry, 2001; Kan, 2002; Parry, 1998). The rationale proffered for this lack of a full explanation is that the leadership literature and theories are firmly embedded in the Western industrial models of organising. These models are deemed responsible for generating the values and assumptions that have dominated the field of leadership research in the twentieth century (Ospina & Schall, 2001; Rost, 1993). The consequence is the creation of mental models of leadership that are based firmly within a heroic framework (Ospina & Schall, 2001). Ospina and Schall (2001) assert that leadership research and theory have drawn on a narrow set of voices with a predisposition to a particular style and form of leadership, and this in turn has marginalised alternative approaches and types of leadership from varied contexts.

Bryman, Gillingwater and McGuinness (1996) argue that for leadership research to have any future value, context has to become central to the study rather than remain a marginal issue. For, as Muczyk and Adler (2002) contend, the study and development of leadership theory has been strongly influenced by a cultural predisposition towards North America. The majority of organisational theories are stamped with the label ‘Made in the USA’ and are shaped by the political, economic and cultural context of the United States in the twentieth century (Col, 1993). This view has been expanded to include the influence of European research on the development of organisational theories (De Cieri & Dowling, 1997; Wright, Lane, & Beamish, 1988). Muczyk and Adler (2002) argue that leadership theories have a predisposition towards the democratic individualism that is found in North American culture. This predisposition has been assimilated into the leadership literature, consciously or otherwise, and it has been further intensified because ‘the scholars involved in the development of leadership theory were academics with strong predispositions toward the collegial model of leadership and governance’ (p. 3).

Tsui (2004) contends that there is a need for more context-specific and context-bound leadership research to add to the body of knowledge; specifically, there is a need for research examining indigenous leadership. She detailed three distinct means by which context can be dealt with in leadership research. The first is to develop models from context-free research; these models are applicable to any social, cultural or political context. The second is to develop models
through context-bound research; these models are applicable to some contexts and not others. The third type of research is context-specific, in which models or knowledge apply only to a particular context. Context-specific studies make up a small proportion of the studies that examine executive leadership and a small proportion of the body of knowledge pertaining to the role of context in determining executive leadership effectiveness (Tsui, 2004). Tsui (2004) says that this situation is exacerbated when the few context-specific studies that do exist are used as context-free findings and generalised to other environments.

The lack of attention to context has implications for any study of leadership conducted in contexts outside the United States. An exploration of cross-cultural leadership theories conducted by Pfeifer (2005) found that leadership theories developed in contexts other than the United States reveal that alternative conceptualisations of leadership do exist. This suggests that the major leadership theories may not consider the full range of leadership behaviours. Therefore, if the theories underpinning executive leadership have been developed from frameworks and scripts developed from Western exogenous models and theories, it can be presumed that there are still gaps in the knowledge base to fill, and one of these gaps relates to how the CEO role is defined and enacted in New Zealand.

Smith (2005) argued that much of the early leadership research conducted in New Zealand has been informed by Western models that perceive indigenous models as second class. Furthermore, Pfeifer (2005) asserts that where studies have been conducted – for example, those of Hines (1973), Kennedy (2000) and Parry and Proctor-Thomson (2000) – they have incorporated all the members of the sample into one cultural grouping. While there is increasing awareness of the non-applicability of North American and European theories to other parts of the world (Adler, 1982, 2002; Hessling, 1971; Hofstede, 1980; Hofstede & Kassem, 1980; Maruyama, 1974; Muczyk & Adler, 2002), there is still a need for leadership research to be situated within the specific institutional, situational and societal contexts applicable to the role being studied (Alvesson, 1996; Biggart & Hamilton, 1987; Bryman & Stephens, 1996; Muczyk & Adler, 2002).

In addition, Finkelstein and Hambrick (1996) contend that the majority of writings examining the CEO role have focused on the who, when and where questions rather than on the interplay or processes occurring between the CEO and society and the influence this interplay has on the individual CEO’s perceptions of his or her role. This view is supported by Parry (1997, p. 27), who reasoned that because leadership research has tended to be overly descriptive, there is a flaw in the development of the theoretical base. He believes that because scholars have failed to theorise on the social processes within a specific context, there is still a need for
a more systematic theorised examination of the leadership role; specifically, there is a need for studies that answer the how and why questions.

The perceptions of CEO leadership created by the exogenous models and theories are entrenched still further by the images of leadership presented in various forms of media. Chen and Meindl (1991) contend that meaning is socially constructed through various agents in society, and one of these agents is the media. Their argument is that the mediated images of leadership are more to the forefront than many other images found in the media. The consequence is that an individual constructs meaning from these leadership images and this meaning becomes the reality for that individual. Giddens (1991) believes that these socially constructed realities can be experienced by an individual in two ways: first, as external and remote, and second, by way of entering an individual’s life and becoming part of his or her everyday activities. Giddens goes on to argue that these mediated experiences can act to generate a familiarity that may result in the real objects or events having a less concrete existence than that of their media representations.

When viewing or reading any form of media, the individual engages in schematic thinking to provide a frame within which to situate the particular representation. Graber (1986, p. 250) contends that individuals interpret the representations of CEOs in the media by drawing on personal schemas or frameworks of knowledge in order to ‘fill in gaps’ and create meaning from the images presented. If the mediated images of CEO leadership are those created by exogenous theories and models, it can be difficult for indigenous models to gain credence and value.
Methodology

The constructivist grounded theory approach as outlined by Charmaz (2000, 2003, 2005) was utilised for the concurrent collection and analysis of the data in this study on the CEO role in New Zealand. In traditional grounded theory, the researcher enters the study as a *tabula rasa* (Glaser, 1978; Glaser & Strauss, 1967). Where this is not possible, as was the case in this study, the researcher has to acknowledge his or her participation in the research and show how he or she has developed a participatory consciousness as part of the research process (Bishop, 2005; Heshusius, 1994). Charmaz (2005) asserts that approaching the study from a constructivist perspective acknowledges the presence of interactive relationships between the researcher and the participants, thereby allowing the centrality of the researcher to be brought to the methodological forefront (Mills, Bonner, & Francis, 2006). The research questions that the study was designed to answer were:

- How does the context in which the CEO role is situated influence the perceptions of the research participants as to the definition and enactment of that role?
- Why is an individual attracted to the CEO role, and why does he or she choose to remain in or leave the role?

Purposive sampling was used to select the research participants. This method involves the selection of a sample according to the possession by its members of an appropriate characteristic (Zikmund, 2000). In quantitative research, the sampling strategy is designed to support generalisability from the sample to the larger population. In contrast, in qualitative studies the sampling strategies (for example, purposive sampling) are designed to select information-rich cases for in-depth study. While it is possible to gain insights and in-depth understanding in such situations, it is not possible to generalise the findings to other populations (Patton, 2002). As an aim of this study was to attain a better understanding of the CEO role, purposive sampling was considered the most appropriate strategy.

Theoretical sampling is another form of sampling that is used for grounded theory studies. It is employed within the grounded theory method to increase the robustness of the identified themes (Chenitz & Swanson, 1986; Glaser, 1978). The researcher develops a sample on the basis of concepts that have proven theoretically relevant to the emerging theory. According to Gordon (2008), the term ‘theoretically relevant’ describes certain concepts that become significant
in the data because they are repeatedly present or absent when incident after incident are compared. As the substantive theory emerges, the researcher selects theoretically relevant concepts and data sources in order to build the theory (Locke, 2001).

The use of these sampling strategies led to a sample that comprised 30 participants: 22 CEOs and 8 executives in non-CEO roles. The criteria for selection was the position an individual held in an organisation; the individuals chosen were currently, or had previously been, CEOs in large New Zealand organisations or were directly involved with the CEO role (for example, as a board chairperson). There was an effort to achieve a gender and ethnicity mix in the research sample. However, the ability to achieve a mix was constrained by the gender and ethnicity of the people who held positions that fitted the specified criteria. In order to attain a balance of gender within the sample, organisations that had women CEOs or board members were targeted. This resulted in a sample of 10 females and 20 males. A similar strategy was undertaken with regard to ethnicity. There were no participants who identified themselves as Māori.

The primary data resulted from semi-structured interviews of 1–2 hours. A total of 40 formal interviews were conducted. In addition, 20 informal interviews were conducted when the interviewer considered that there was a need for additional information. Ten of these informal interviews were carried out with individuals outside the main sample group. Secondary data was sourced from company publications and documentation, news media reports and relevant research literature.

A fundamental aspect of the study was the guarantee of anonymity for the participants. Studies of CEO leadership frequently focus on the individual who has been ascribed the role, naming the lead actor and supporting players and their organisations. A lack of anonymity can silence participants or lead them to sugar-coat their perceptions. It can also lead to a situation that Drath and Palus (1994) and Ospina and Schall (2001) see as an issue with the majority of executive leadership studies: they produce a reality that is undebatable and unrelated to the achievement of an in-depth, holistic view of the role. By ensuring the anonymity of the participants, these issues were minimised, and the voices of the participants could emerge and be heard.
Findings

A gap analysis that was conducted towards the end of the research process identified the presence of the theme ‘executive leadership as a monocultural construct’. The name of this theme refers to the absence of any reference by the participants to Māori (indigenous) leadership, specifically in a CEO role. During the study, the interviewees were asked to reflect on why some issues – for example, criticisms of executive remuneration – occurred to the extent they did. In response, the interviewees referred to the influence of European colonisation and the working class ethic brought by the colonists and to the authority that heritage has on the business environment in the twenty-first century.

While the analysis focused on what was present in data obtained from both primary and secondary sources, it also identified the absence of any reference to Māori leadership – in particular, to Māori CEOs or potential CEOs. While there was a high level of awareness of the influence of European colonisation and its heritage, there was not the same level of awareness of the role of Māori in executive leadership and the forms of Māori business that existed prior to European colonisation. Nor was there any evidence of pre-European business having an influence on perceptions of the CEO role. This is despite evidence provided by authors such as Frederick and Henry (2004), who identify a history of entrepreneurship and enterprise upon which Māori are able to draw. The post-colonial leadership contributions of Māori – for example, the Māori Women’s Welfare League and the land and Treaty of Waitangi protest movements of the 1970s – were also not acknowledged. Within the context of this study, the CEO role surfaced as a monocultural institutionalised construct that is positioned within the narratives associated with post-European colonisation and the twentieth-century industrial theories and models of leadership that were developed in North America and Europe.

The participants spoke of how the CEO role is represented in the media and how these representations influence perceptions of the role. They recognised that these images emanate primarily from contexts outside New Zealand – news media reports and images contained in television programmes (for example, The Apprentice) – that the participants believed did not represent the reality of the CEO role. As mentioned previously, Graber (1986, p. 250) argues that the viewer is then left to ‘fill in the gaps’ in order to create meaning from the images presented. The images presented in the media help create the perceptions held about the CEO role and executive leadership and how it is defined and subsequently enacted. The consequence of this situation is the potential marginalisation of indigenous executive leadership models.
In response to these findings, the researcher conducted a review of both the primary and secondary data. The lack of acknowledgement of indigenous leadership did not appear to be intentional, in that there were no deliberate attempts to reject or marginalise Māori, or their leadership, on the part of the participants. Rather, the strength and diversity that indigenous leadership styles can bring to an organisation were not mentioned. The analysis identified that the research participants’ perceptions were informed by the exogenous theories, models or perceptions that had their genesis in the narratives associated with the European colonisation of New Zealand.

The theoretical sampling processes as utilised within the grounded theory method endorsed the researcher’s return (albeit later in the study) to selected participants to ask questions directly related to this situation. These selected participants were asked, ‘If you had the opportunity to draw a model of CEO leadership that is specific to New Zealand, what would that model include?’ Comments such as the following were received in response:

I think that again when we talked about the celebrating success stuff. What is it to celebrate success in a uniquely New Zealand way? Because I think it is important to acknowledge and recognise others and make it a New Zealand way. We haven’t worked that out at all yet.

The participants indicated that the exogenous theories and models played a significant role in defining their perceptions of the CEO role and executive leadership. While they had given some thought to the development of a uniquely New Zealand model of leadership, there was no evidence that these thoughts had been formalised. The participants also perceived that it would be beneficial for CEOs and their organisations to be able to utilise styles and approaches to leadership that ‘fit’ with a specific context and culture. However, the expectations people had of the participants as CEOs and of their enactment of the role were so embedded in the colonisation narratives and traditions and in the existing theories and models that the participants felt constrained in their ability to deviate from the norm by making radical changes. Despite this situation, the participants appreciated that different ethnic groups do have something to bring to the leadership table and that this does add value to an organisation. This was expressed by one CEO in the following way:

I think that’s the appealing and the powerful part of what it is to be Polynesian that somehow we haven’t got our minds around. There’s a huge amount to offer there because we’ve lost our sense of community, yet Polynesians have more of a sense of community than we do, and I think that it is a sense of belonging, and I think a lot of people don’t have that in a company.

As part of the theoretical sampling process, the researcher continued to ask probing questions in an attempt to expose another layer of the participants’
perceptions about the CEO role. It was at this point in the study that the reflections began to move away from the Western, twentieth-century industrial models and focus on the potential development of new forms and styles of leadership – specifically, indigenous leadership. One participant commented:

We have these stereotypes around Māori leadership … which is not necessarily wonderful. We need to understand more, and who these kids [bright young people] are … There are some incredibly impressive [Māori] kids that are coming through.

The probing questions used required the interviewees to reflect more deeply on what they meant. They then spoke of the need to take a different view and to move away from the traditional models that have typified organisations in New Zealand. It must be noted that this was not a ‘top of mind’ response. Specific structured questions had to be used in an effort to elicit a deeper explanation of what the participants were trying to verbalise. For example, the question ‘Can you explain what a different approach may be?’ led to comments such as the one below:

… taking a different view … thinking about what it is that we want to be … and it is obviously cultural issues, Māori, Pākehā, Asian, Pacific Island …

As the analysis continued, it became evident that a uniquely New Zealand model would take account of indigenous models, and there was an appreciation that these indigenous models have the potential to be extremely powerful:

Because if you get it right, I think it would be very powerful model, but you won’t find that one in a book on American leadership …

The potential for a powerful, unique New Zealand model appeared to be deeply hidden under the cloak of expectations that inform the CEO role and executive leadership. The ability of an individual CEO to act independently and move away from the traditional exogenous models may be constrained by the expectations of stakeholders, the media and other groups within the business community.
Discussion and conclusion

The findings discussed in this paper provide an opportunity for debate on how the identities of executive leaders are created. The perceptions of the participants in this study are aligned with the narratives of colonial New Zealand and the theories and models developed in North America and Europe. These narratives focus on a European-oriented national identity at the expense of Māori perspectives.

The orientation towards European history and narratives has contributed to a set of implicit assumptions that inform executive leadership. These assumptions are firmly entrenched in the European colonial experience and emphasise an egalitarian, individualistic view of leadership. Contributing to the formation of these assumptions is the predominating influence of mediated images and the exogenous theories and models of leadership that are aligned with European perceptions. However, this creates conflict with the images of biculturalism and racial tolerance that are also part of New Zealand’s national identity.

The colonial perspectives also place an emphasis on the geographic isolation of the country and have contributed to the perception that New Zealand has a unique national identity that has influenced the development of executive leadership. However, the globalisation process and the advent of new information technology have partly ended this isolation. The country has to compete with large multinationals despite not possessing the same level of resources. This situation is exacerbated by geographic isolation, which adds additional costs to the conducting of business. Excluding any group within a society from contributing to a healthy economy is a cost that a small, resource-strapped country can ill afford. Therefore, it is imperative that capable executives are sourced from all spheres of the community and that they are valued and developed appropriately. Executive leadership should not be the preserve of individuals who possess attributes informed by Western European narratives and models of leadership.

It must be noted that the findings of this study have relevance to the organisations that took part in this research (that is, large global organisations in New Zealand) and should not be applied to other contexts without further research. However, it is possible to posit some outcomes of the findings. One is the potential exclusion of talented Māori from executive leadership roles, especially in organisations that are not based on Māori interests. If the only styles of leadership that are perceived to have legitimacy are those that are informed by exogenous theories and models, this has implications for the
recruitment, development and retention of talented executive leadership. The participants accepted that there is a need for differing forms and styles of executive leadership. However, the frameworks and scripts of the exogenous models are so deeply institutionalised that they prevent individuals from acting outside them. To do so may result in negative scrutiny and commentary, which may compel an executive to remain within the institutionalised frameworks of the role.

The requirements of the Treaty of Waitangi need to be taken into consideration, and there is also a growing expectation that all business organisations will interact with indigenous groups. These factors, combined with the increasing economic power of some Māori groups, demand business executives who are not only skilled in executive leadership and governance but also sensitive to the needs of indigenous organisations and communities. An inability to meet the needs of indigenous groups in any country is unacceptable, and it is imperative that indigenous forms and styles of leadership gain greater recognition than they currently receive.

The findings emerged as a result of a gap analysis; therefore, further research examining this aspect of the CEO role is vital. This research should include Māori CEOs, CEOs from both Māori and non-Māori organisations, and non-Māori CEOs who lead large Māori businesses. One aim of further research would be to determine the extent of the lack of recognition of indigenous leadership. It must be noted that conducting high-quality indigenous research does not involve testing the applicability of Western models (Tsui, 2004), nor does it necessarily require Western-trained researchers (Bishop, 2005; Smith, 2005). Rather, this form of research requires researchers who are able to move beyond the boundaries between business, society and cultural groups and who use theory-generating research methods (Tsui, 2004). Failure to approach the study of leadership from this broader perspective may lead to the continued invisibility of alternative forms and styles of leadership behaviour.

There are also implications for the selection of research samples. Researchers may need to be proactive in ensuring that samples are inclusive of the population under study. This could involve researchers targeting organisations to ensure a diverse sample that contains indigenous participants. In addition, rather than the sample being consolidated as one cultural grouping as per Pfeifer’s (2005) finding, dividing the sample into different cultural groups will aid in the attainment of a diversity of perceptions. Such an action will raise the profile of indigenous participants and provide alternative perceptions of executive leadership, thereby contributing to the debate in this field.
While this working paper does not attempt to provide definitive answers, it does provide tentative evidence of the value ascribed to indigenous CEO leadership within the substantive research environment. The findings of this grounded research can act as a prompt for other researchers to ascertain a more comprehensive picture of the interrelationship between indigenous leadership and the CEO role in large organisations in New Zealand. Currently, the social norms that inform the role are those that appear to exclude indigenous leadership. These factors in turn influence the definition and enactment of the CEO role and the acquisition and retention of talented people to that role. The concluding words come from two of the CEOs who took part in this study.

...there needs to be a broadening of the skill base ... and there aren’t that many CEOs just found under trees and things, especially in New Zealand.

My view is that the three greatest attributes a company has are people, people, and people. I think that depending on your people is the best way to achieve the goals; I mean, it’s a case of ‘we’ rather than ‘me’.
References


