

FOLLOWER'S WORK ROLES

Do they matter in perceptions of leader behaviors?

Master's Thesis
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Fall 2016
Management and
International Business

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Title of thesis Followers' Work Roles: Do they matter in perceptions of leader behaviors?

Degree MScBA

Degree programme Management and International Business

Thesis advisor Kristiina Mäkelä

Year of approval 2016**Number of pages** 111**Language** English

Abstract

Followership has recently emerged as a complementary perspective to existing leadership research. At the same time, research in leadership has shifted its focus from examining mere leadership effectiveness to followers' perceptions of leadership. Scholars have recently turned their attention to followers' expectations that can potentially shape their perceptions. Role Theory provides useful theoretical underpinnings to the matter, as it treats roles as expectations held toward a social position. The current study introduces these three streams of research and synthesizes them into a Theoretical Framework.

More specifically, the objective of the study is to examine whether holders of two separate work roles would perceive leader behaviors (task vs. person-oriented) differently. The study was conducted in the context of investment banking by focusing on roles of investment banking analysts and associates. Rather than being on a single individual, the level of analysis employed in the study can be defined at the level of a role, thus spanning across multiple individuals. The Research Problem is of exploratory nature and suggests a mixed method research strategy. The Thesis is designed into two sub-studies. Study 1 is based on quantitative survey data and uses a Two-Way Repeated Measures ANOVA to detect a potential difference between holders of two roles and their perceptions of leader behaviors. Study 2 utilizes qualitative interviewing and incorporates a Thematic Content Analysis to examine reasons for potential differences found in Study 1.

Results of Study 1 indicate that investment banking analysts rate perceived Leader Initiating Structure (task-orientation) higher than associates. A borderline statistical significance for the difference was detected. However, no difference regarding perceived Leader Consideration (person-orientation) was found. The study suggests that due to differences in work role expectations, analysts and associates are likely to possess different levels of Need for Leadership, which accounts for the differences in perceived Initiating Structure. Moreover, it is suggested that while Leader Initiating Structure is considered as an in-role behavior, Leader Consideration may be deemed as an extra-role behaviour, thus having no impact on followers' expectations and subsequent perceptions of leadership.

The study concludes by discussing implications of the findings first from the point of view of academia and then from a more practice-based perspective in terms of managerial work.

Keywords leadership, followership, perceptions of leadership, Role Theory

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Työn nimi Työperusteiset roolit: Onko niillä merkitystä johtajuuskäsitysten kannalta?

Tutkinto KTM

Koulutusohjelma Johtaminen ja kansainvälinen liiketoiminta

Työn ohjaaja Kristiina Mäkelä

Hyväksymisvuosi 2016**Sivumäärä** 111**Kieli** englanti

Tiivistelmä

Seuraajat (englanniksi *followership*) ovat hiljattain nousseet yhdeksi vaihtoehtoiseksi näkökulmaksi johtajuustutkimuksen alalla. Samaan aikaan johtajuustutkimuksen fokus on siirtynyt johtajien tehokkuudesta seuraajien käsityksiin johtajista ja heidän tehokkuudestaan. Tutkijat painottavatkin yhä enemmän seuraajien odotuksia ja niiden vaikutuksia johtajuuskäsityksiin. Rooliteoriaa voidaan soveltaa tässä yhteydessä, sillä se määrittelee roolit odotuksina tiettyä sosiaalista positiota kohtaan. Tässä gradussa paneudun näihin kolmeen tutkimusvirtaan ja teen niistä synteetin teoreettisen viitekehysten muodossa.

Tutkimuksen päätavoite on tutkia kahden eri työroolin välisiä mahdollisia eroja heidän ylläpitämisestään johtajuuskäsityksistä niin johtajan työtehtäviin kuin ihmissuhteisiin liittyvän käytöksen perusteella. Tutkimus toteutettiin investointipankkikontekstissa keskittymällä analyt- ja associate-tason investointipankkiireihin. Yksittäisten henkilöiden sijaan, analyysi kohdistettiin kahteen eri rooleja edustavaan ryhmään, jotka koostuivat useammasta henkilöstä. Tutkimusongelman luonne voidaan kuvailla nk. tutkivaksi tutkimukseksi, joka yhdistää sekä määrällistä että laadullista tutkimusta kahden eri alatutkimuksen saralla. Study 1 perustuu määrälliseen lomaketutkimukseen ja hyödyntää kaksisuuntaista ANOVA-analyysiä. Study 2 on puolestaan rakennettu laadullisen tutkimuksen varaan, jossa Study 1:een liittyviä eroja selvitetään yksilöhaastattelujen kautta ja analysoidaan teemoitettua sisältöanalyysiä noudattaen.

Study 1:n pääasiallinen löydös on analyt- ja associate-tason investointipankkiirien lähes tilastollisesti merkitsevä ero heidän käsityksistään johtajiensa työtehtäviin liittyvästä käytöksestä (Perceived Leader Initiating Structure). Samankaltaista eroa ei kuitenkaan löydetty johtajuuskäsityksistä, jotka liittyivät johtajien ihmissuhdekykyihin (Perceived Leader Consideration). Tutkimuksen johtopäätös on, että johtuen eroista eri roolien välisissä työtehtävissä ja niistä kumpuavissa odotuksissa, eriävät johtajuustarpeet analyt- ja associate-tason pankkiireilla todennäköisesti selittävät löydetyn eron. Tutkimus myös pitää mahdollisena, että investointipankkiirit odottavat johtajiltaan enemmän työtehtäviin kuin ihmissuhteisiin liittyvää johtamista, mikä osaltaan niin ikään tukee tutkimuksen löydöksiä.

Johtopäätöskappaleessa käsitellään erikseen tutkimuksen vaikutuksia sekä johtajuustutkimuksen alalla että käytännön johtamistyön näkökulmasta.

Avainsanat johtajuus, followership, johtajuuskäsitykset, rooliteoria

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1. INTRODUCTION

Leadership research has traditionally been dominated with leader-centered perspectives, while approaches focusing the situation and followers has only emerged later (Uhl-Bien, Riggio, Lowe & Carsten 2014). While the 1990s witnessed a strong increase in the number of studies adopting a follower-centric view to leadership, it was not until the early days of the present millennium that *followership* by itself started to be concerned as an area of scientific inquiry. Still, to date, considerable debate exists whether followership should be viewed as a phenomenon in its own right (e.g. Carsten, Uhl-Bien, West, Patera & McGregor 2010). Majority of studies, however, adopt a stance similar to Shamir (2007) who argued followers be treated as co-producers of leadership.

Research in the leader-centered domain has evolved from examining leader effectiveness through trait, behavioral and situational approaches to relational and neo-charismatic theories (Dinh, Lord, Gardner, Meuser, Liden & Hu 2013). Rush, Thomas & Lord (1977) were some of the first scholars to question the validity of followers' ratings of leader effectiveness. In fact, they argued that the variance with regards to behavioral leadership questionnaires could be explained by differences in respondents' characteristics and subsequent perceptions, which had previously been treated as mere measurement error. Ever since, the research on followers' Implicit Leadership Theories (ILTs) as focusing on leader-specific traits and behaviors as determinants of perceptions of leadership has been rather extensive (Uhl-Bien et al. 2014).

The study of perceptions of leadership is closely tied to research in the follower-centric view to leadership. More specifically, perceptions bring out the socially constructed nature of leadership - a topic that has started to emerge only recently in the literature (Dinh et al. 2013). In fact, in their recent article, Lord & Dinh (2014) identify perceptions as products of individual characteristics that derive from individuals' implicit and explicit cognition. Scholars in the field (e.g. Lord & Dinh 2014; Harms & Spain 2014) call for a separation between perception and effectiveness in leadership research and more research emphasis on

followers' expectations and perceiver biases as shaping perceptions. In fact, the field is starting to incorporate Hollander & Julian's (1969) research agenda from almost four decades earlier.

The nature of expectations, however, has been more thoroughly studied in the area of Role Theory (e.g. Biddle 1979). In fact, roles are defined as expectations toward the behavior of a person occupying a certain social position (Katz & Kahn 1978). To date, existing research related to Role Theory is quite fragmented (Ilgen & Hollenbeck 1991). While a dominant part of scholarly work is focused on studying consequences of role-related expectations, research on matters, such as leadership (e.g. Shivers-Blackwell 2004), Role Content and Role Perceptions is only emerging (e.g. Neale & Griffin 2006). The socially constructed nature of perceptions and organizational roles suggests there is a fair amount of potential for common ground between the two topics.

1.1. Background to the Study

The present study has been conducted in conjunction with an international research project between Aalto University School of Business, Turku School of Economics and Kingston University. The project studies investment banking professionals' experiences in relation to a multitude of factors - one of them being leadership and specific leader behaviors. Investment banking in itself makes a perfect context of studying different phenomena, mainly due to special characteristics related to the industry, such as high performing individuals, clearly defined roles and corporate hierarchy as well as largely project-based organization of work.

I have myself worked as a part-time Research Assistant in the project. During February 2014, I interviewed four investment banking professionals at a global investment bank's office in Stockholm, Sweden. The interviews centered on individual experiences working with sales pitch projects that represent a rather standardized project format in investment banking. The resulting transcriptions were used as a pilot study to prepare for a quantitative questionnaire directed to investment bankers as well. Together with a Doctoral student, I

participated in the data collection phase of the quantitative study between autumn 2014 and spring 2016. A total of 12 investment banking offices in Finland, Sweden, Denmark and Norway participated in the survey, contributing to 280 individual sales pitch projects discussed with 66 participants.

The resulting qualitative and quantitative data provides a unique and fresh perspective to studying perceptions and role-related expectations in the context of investment banking. It also provides one with a unique possibility for a mixed-method research design - one that has been applied in Master's Thesis.

1.2. Research Problem

In order to connect the previously presented idea of perceptions and expectations, research efforts connecting these two separate streams of literature are needed. Therefore, I propose an approach that studies perceptions of leadership in the context of Role Theory. More specifically, I argue that one's work role expectations toward their leaders should affect how subsequent leader behaviors are perceived. To validate this proposition, firstly, a difference between perceptions of two groups holding different expectations (i.e. Roles) should be detected. Secondly, the factors that contribute to shaping perceptions based on differing expectations should be examined and discussed further.

The investment banking industry provides an excellent context of studying the aforementioned phenomena. Due to clearly defined work roles along a corporate hierarchy, individuals can easily be allocated to various distinctive groups that are faced with different expectations. Similarly, the existence of a strict chain of command forces individuals working in the industry to constant exposure of leader behaviors. The organization of work into intense, and often standardized, short-term projects makes between comparisons of subjective individual evaluations (i.e perceptions) of leader behaviors feasible.

1.3. Research Gap and Contribution

As implied by the previous sections, there is a clearly identifiable gap between research concerning perceptions of leadership and Role Theory. More specifically, research in Role Theory has mainly been focused on consequences of role expectations, such as Role Ambiguity, Role Conflict and Role Overload (e.g. Marks 1977, Jackson & Schuler 1985), while studies related to Role Content and Role Perceptions (e.g. Humphrey & Berthiaume 1993, Neale & Griffin 2006) have only emerged recently. On the other hand, research regarding perceptions of leadership has mainly addressed individual differences of followers in relation to perceptions based on leader-specific traits and, more recently, on specific behaviors (e.g. Epitropaki & Martin 2005, Felfe & Schyns 2006, Schyns, Kroon & Moors 2008).

Due to socially constructed nature of perceptions and roles, many similarities between the two domains can be identified. In Role Theory (e.g. Katz & Kahn 1978) expectations are communicated in an attempt to influence a focal person's *behavior*. In a similar vein, literature on perceptions of leadership already has established theoretical foundations for studying how perceptions are formed based on leader behaviors. Combined, these two perspectives can be used to increase our understanding of role expectations and resulting perceptions of leader behaviors.

Hence, the study makes significant contributions to both theoretical domains. Within Role Theory, the study adds to the currently developing knowledge of Role Perceptions, while reinforcing existing theoretical perspectives to Role Content as well as linkages between role expectations and leadership. In relation to perceptions of leadership, the current study is likely to make its greatest contributions to connecting perceptions and followers' expectations as suggested earlier by Lord & Dinh (2014). Also, incorporating roles as an additional level between individual and organizational levels of analysis contributes to Harms & Spain's (2014) articulated need for discovering "a broader perceptual tendency" (p. 188) in relation to follower perceptions. Finally, the unique characteristics of the

investment banking context are likely to offer fresh testable propositions to both streams of literature.

1.4. Research Objectives and Research Questions

All in all, this study has three distinct objectives that all derive from the Research Problem, which suggests the need for an exploratory approach to advancing theory. First of all, the study brings theories of Followership and Role Theory together to examine Role Perceptions and perceptions of leadership. The resulting synthesis is presented in the form of a Theoretical Framework. Secondly, through a quantitative approach, the study will test two sets of hypotheses that relate to differences of perceptions of leader behaviors between members holding two distinct work roles. Thirdly and finally, the results of the quantitative approach will be complemented with a more qualitative approach that sheds light onto what may cause the identified differences.

Thus, to guide the research process, the following overarching research questions was developed:

1) How does the role of followers influence their perceptions of leader behaviors and why?

In addition, two more specific sub-questions were derived to guide the remainder of the study:

a) Do significant differences exist between investment banking Analysts and Associates in terms of their perceptions of leaders' task-oriented behaviors (Leader Initiating Structure) or leaders' person-oriented behaviors (Leader Consideration)?

A quantitative study (Study 1), presented in Chapters 3 and 4, will answer this question in Chapters 5 and 6.

b) What role-specific factors are likely to explain the differences? Why?

A qualitative study (Study 2), presented in the course of Chapters 3 and 4, will address this question during Chapters 5 and 6.

1.5. Definitions of Key Concepts

Need for Leadership

"the extent to which an employee wishes the leader to facilitate the paths towards individual, group and/or organizational goals" (De Vries et al. 2002, p. 122).

Implicit Leadership Theories

Cognitive structures, prototypes or schemas that specify those traits, abilities and behaviors that are typical of leaders. Opposite to explicit theories developed by scientists, ILTs are of implicit nature and, therefore, represent socially constructed theories in the minds of people (Epitropaki, Sy, Martin, Tram-Quon & Topakas 2013)

Romance of Leadership

Followers' tendency to romanticize leaders and attribute events (e.g. organizational performance) to their personalities despite them being caused by situational factors, such as unfavorable macroeconomic conditions (Bligh et al. 2011).

Role

Behavioral patterns connected to a certain social position or status, determined by expectations and rooted in a wider social network that is socially constructed by Role Holders and Role Senders (Biddle 1979).

Role Expectations

Source for Role Behaviors that can take many forms, such as anticipations, norms, values and feelings. Expectations derive from beliefs and attitudes of what should be done (i.e. prescriptions) and should not be done (i.e. proscriptions) as part of Role Behavior (Katz & Kahn 1978).

2. LITERATURE REVIEW

The purpose of this chapter is to familiarize the reader with key literature in relation to the Research Problem as well as to explicitly show the vast amount of research conducted during the process. I will begin with a brief introduction of research in leadership, which will take us from early approaches to leadership to more current ones, such as Need for Leadership, Followership and perceptions of leadership. After this I turn to Role Theory and provide an account of major theoretical foundations in the field, which I summarize into a model of Perceived Role Episode (PRE) at the end of the section. The chapter will conclude with a Theoretical Framework and hypothesis development. In this particular section, I bring together these two, historically separate streams of research. Based on findings in the literature, I argue for key similarities and construct a framework that will serve in further analysis. I will conclude by developing two hypotheses based on the framework and Research Problem.

2.1. Leadership

In this section, I will firstly provide you with a conceptual definition of leadership and then show how the academic domain was born by studying effectiveness of single leaders, while it later moved on to consider situation as part of the leadership process. Furthermore, and more recently, some of the more critical approaches have started to question the value-added and *need* for leadership. This type of development has also caused greater consideration for the followers as part of the leadership process, thus examining the phenomenon from a socially-constructed perspective. As noted earlier, in their recent work, Lord & Dinh (2014) called for a greater separation of effectiveness and perception in relation to research in leadership. In fact, this section intends to show how we move from studying effectiveness to perceptions.

Leadership is often thought to be as old of a concept as the human kind itself. The earliest references made to Great Men date back to Plato in ancient times, while our history books are filled with descriptions of heroic men and women that devoted themselves to a cause,

inspired others and took the lead (Bass 1990). The scientific interest toward leadership, however, did not emerge before the beginning of the 20th century. The Scientific Management and following Human Relations movement initiated scholars to differentiate between task and people in organizations and, more importantly, focus on the role of manager as a provider of goal setting and support to subordinates (Hersey, Blanchard & Jonson 2001).

To date, leadership is regarded as one of the most prominent fields of scholarly interest (Dinh et al. 2013). Consequently, every leadership scholar has attempted to define the phenomenon from the perspective of their own beliefs and assumptions. To provide the basis for the remainder of this section, I will discuss leadership from the point of view of work conducted by Bass (1990) and Yukl (2006).

Leadership, first of all, is seen as a *role* that is acknowledged by the people being lead, i.e. *the followers*. Traditionally, leaders were appointed to their roles, but in the presence of the modern day organization, shared and self-conducted forms of leadership have started to emerge. In addition, leadership can also be regarded as a process that involves an act of *leading*. In fact, leadership can be considered as a goal-oriented act of moving forward from a present state, guided by a vision held by the leader. The fulfillment of such an act also involves planning and coordinating *collective* effort towards a shared, pre-defined and mutually held objective. Then, it follows that leadership is essentially an influence process that always involves an extent of power exerted toward the followers.

Now, if one would argue that leadership did not differ at all from management, most scholars would say that, in fact, there is a seed of truth in such a statement. Hersey, Blanchard & Johnson (2001) argue that "Management is a special kind of leadership" (p. 9). While leadership does undoubtedly include many of the tasks common to the Manager, a clear difference can still be found. By citing Bennis (1994), Hersey, Blanchard & Johnson (2001) present that, whereas management is mainly a way of restoring and maintaining the

status quo, leadership is treated as a complete opposite; a creative act that attempts to change to constantly change the status quo.

In conclusion, leadership can be characterized as both a state (role) and a process that occurs across different domains, such as the leader, followers and the situation in which leadership takes place. Perhaps coincidentally, the research concerning leadership has evolved from studying each of the domains separately toward considering them jointly as a process whilst examining the internal dynamics of such a process. As noted, the rest of the section is devoted for further clarifying this, rather recent development in the field.

2.1.1. Approaches to Studying Leadership

The study of leadership started by examining the leaders themselves, in the form of traits and behaviors of people that were considered as leaders and, especially, what made such people effective in the eyes of those following them. Soon it was noticed that focusing merely on leaders was not enough and scholars began to examine situational determinants for leadership, first including followers as a part of the situation and, then, as a separate domain in their own right. In this section, however, I purposefully adopt a very leader-centric perspective to past research. I begin from the earlier theories and conclude with more recent developments. In later sections, as noted earlier, I then turn to emerging perspectives additional to the traditional view of leadership effectiveness.

Trait Approaches

Perhaps inspired by early theories of Great Men and the recently emerged Human Relations movement, researchers in 1930s were mostly interested in identifying specific personal characteristics and traits that may have contributed to leaders being perceived as leaders. One of the most influential pieces of work was presented by Stogdill (1948) who built a review of based on 124 studies conducted on physical attributes and personal traits of leaders between 1904 and 1947. The findings indicated that all factors could be classified into five general categories of: *capacity* (e.g. intelligence), *achievement* (e.g. knowledge, accomplishments), *responsibility* (e.g. dependability, initiative, and persistence),

participation (e.g. activity, cooperation, adaptability) and *status* (e.g. socio-economic position and popularity) (p. 64).

Although intuitively appealing, only weak empirical support was found for the identified categories of traits. Even Stogdill himself acknowledged that situations in which leadership occurs seem have much more importance in explaining leadership. In fact, the critique that Stogdill presented was absorbed to such an extent by the rest of the field that the trait approach was nearly neglected for the next decades to come. Only recently have new research interests emerged, not only due to improved statistical methods, but also because of more rigid consideration of the dynamic effect that traits may pose for explaining leader effectiveness (Zaccaro 2007).

Behavioral Approaches

Besides acknowledging the importance of the situation, Stogdill's work on leader traits initiated another important stream of literature within leadership research, for which he was also a significant contributor. Instead of asking the question of "Who?", Stogdill (1974) asked the question of "What?". More specifically, his intention was to focus the specific behaviors that leaders exhibit. Using a 150-item Leader Behavior Description Questionnaire (LBDQ), Stogdill was able to identify and narrow responses down to two main dimensions of leader behaviors: Initiating Structure and Consideration.

Initiating Structure is defined as "the extent to which a leader initiates activity in the group, organizes it, and defines the way work is to be done" (Bass 1990, p. 512). Specific behaviors related to Initiating Structure include those that are directed toward task accomplishment and goal attainment. More specifically, detailed planning of sequence of work tasks, definition of roles, clearly communicating current performance along and establishing standards of evaluating performance are often quoted as specific behaviors in relation to Leader Initiating Structure.

Consideration, on the other hand, is related to the degree of concern that a leader shows for the welfare of an individual or a group of people (Bass 1990, p. 511). Showing appreciation for the subordinates' work, consulting subordinates prior to taking decisions and putting subordinates' ideas into practice can be considered as behaviors of Leader Consideration. Furthermore, considerate leaders are seen as advocates of satisfaction in the workplace by making subordinates comfortable with themselves and with one another, while supporting the subordinates' development and self-esteem. Relationships between subordinates and considerate leaders are often characterized by friendship and mutual trust.

Historically, Leader Initiating Structure and Leader Consideration were considered as mutually exclusive sets of behavior at the opposite ends of a single continuum. Later, however, researchers have abandoned such a strict conceptualization and now consider leaders to exhibit both types of behaviors to a varying degree (e.g. Lambert, Tepper, Holt, Carr & Barelka 2012). Nevertheless, it is clear that Initiating and Consideration build significantly on the task vs. people divide of Scientific Management.

Situational Approaches

Shortly after Stogdill's (1948) famous conclusion of his trait-based review, a situational approach to leadership began to emerge. The notorious Stanford Prison Experiment is often quoted as an example of an extreme form of situational leadership, where the situation entirely defines subsequent leadership (Bass 1990). However, situational leadership theories commonly adopt a more neutral stance. As we will see, there are roughly two types of theories: those that examine how leaders can affect situations and those that study how situations affect leaders. Similar to behavioral approach, the task vs. people divide remains quite salient.

Hersey & Blanchard developed their Situational Leadership Model in 1969 (Bass 1990; Hersey, Blanchard & Jonson 2001). The model assumes that leadership should be tailored to the needs of the situation. It divides leadership styles between task and people-oriented and provides proscriptions regarding the situations that are likely to be most suitable for

these styles. Path-Goal Theory (House 1996) that emerged after the Situational Leadership Model represents a similar theoretical basis. The theory posits that leaders will only be effective to the extent to which they are able to aid subordinates in individual goal-setting by shaping the environment in such a way that it facilitates the goal attainment process, results in greater intrinsic motivation and extrinsic rewards. In other words, leaders should seek to complement the situational factors that affect subordinate performance.

In the 1970s, the dominant theory within the situational paradigm was undoubtedly the Contingency Model of Leadership Effectiveness (Fiedler 2005). The model assumes that leadership is based on two main factors: 1) Leader's task or relationship motivational orientation and 2) leader's situational favorability. Thus, opposite to the Situational Leadership Model, it assumes that situations determine whether leaders are to be effective or not. For instance, leaders with a task motivational orientation are likely to be effective in so called "high- and low control situations", while relationship-oriented leaders show greater effectiveness in moderate control situations (p. 148). Based on their style, the model attempts to match leaders with the most favorable situations. The method of Least Preferred Coworker (LPC) scale is used to identify a leader's motivational orientation.

The traditional situational theories of leadership have been formulated under the assumption that leadership is necessary in any given situation. However, some of the more recent work in the field has introduced the concept of followers' self-leadership referring to situations where a person does not wish to be lead (e.g. Yun, Cox & Sims 2006). It has to be noted, as we will see that such a notion bears a great relevance with regards to the following section and the remaining chapters of this Thesis.

Neo Charismatic and Relationship-Based Approaches

In the beginning of this section, I defined leadership as a process of mutual goal attainment that is guided by a vision. Leadership theories reviewed so far have not, at least explicitly, paid much attention to elements that would reflect leaders' capabilities in this regard. Rather, these theories can be assumed to adopt a more *transactional* perspective, which

treats the leader-follower relationship as a more of 'an exchange-based' relation (Bass 2005). However, scholarly interest toward leaders styles that emphasize mutual benefits arose quickly. Ever since, the *transformational* perspective on leadership has been a popular construct in the constantly developing field of Neo-Charismatic theories (Dinh et al. 2014).

Bass (2005) provides a classification of transactional leadership styles that varies depending on the degree of intervention exhibited by the leader. Contingent reward is described as an active style that recognizes good performance. Management by Exception (active) entails monitoring for errors and possible deviations from agreed performance, while Management by Exception (passive) requires intervention only if the standards are not being met. Finally, Laissez Fare leadership can be characterized as a form of non-leadership; responsibilities are avoided by the leaders at all costs.

Furthermore, Bass (2005) defined four specific behaviors that characterize transformational leaders. Charisma helps leaders to provide a vision, a sense of being (mission) and to attain subordinates' trust. Inspiration allows leaders to challenge their subordinates to by setting goals high and constantly emphasizes the attainment of these goals. Intellectually Stimulation makes leaders the ambassadors of intelligence in the organization. And finally, through Individualized Consideration, leaders can differentiate their approaches to take into consideration the needs of single subordinates.

Similar to Individualized Consideration, Graen & Uhl-Bien (1995) presented a theory of Leader-Member Exchange (LMX). The main assumption of the theory is, contrary to Average Leadership Style (ALS), that leaders develop highly differentiated relationship with their subordinates. Hence, the unit of analysis is focused on the specific dyad between the leader and the follower. Due to differentiated dyads, leaders are assumed to develop in-groups and out-groups. Naturally, the in-groups are likely to enjoy greater benefits by the leader. Graen & Uhl-Bien do suggest that high quality dyads are often characterized with transformational leader behaviors, while low quality dyads mainly form a transactional

relationship between the leader and the follower. Therefore, LMX is often referred to as a relationship-based approach to leadership.

Emerging Theories

The myriad of theories presented earlier represent the most established theoretical streams in the field of leadership effectiveness. As leadership is a field that faced with high interest by the public, newer, complementary theories emerge constantly (Dinh et al. 2014). The Information Processing theories focused on leader and follower cognition has recently become quite established in the field. Similarly, Strategic Leadership, Team Leadership and Contextual theories of leadership are emerging. Identity-Based Approaches rooted in Social Identity Theory have received great scholarly attention during recent years and are posed to revolutionize the area of leadership inquiry.

In the beginning of this section, I presented an idea by Lord & Dinh (2014) - that leadership should be divided between effectiveness and perception. In this brief review of past work by major leadership scholars, I have clearly showed how the effectiveness domain has evolved over time, building on accumulated theoretical work. To maintain progress, the field needs to move beyond the leader-centrism and consider leadership as a dynamic process by leaders, followers and the situation. As the emerging work in the field has shown, followers, together with socially-constructed aspects of leadership, are gaining momentum. In the upcoming two sections, I wish to review this process to a greater detail.

2.1.2. Need for Leadership

So far, the review has treated leadership as a given benefit to the subordinates, or followers. However, can it always be considered as such? In relation to the former, De Vries (1997) asked an extremely relevant, yet groundbreaking question: What is the value-added of leadership? The critique he presented was especially directed towards the situational theories of leadership, such as the Situational Leadership Model and Contingency Theory, which were seen to contain several empirical and theoretical fallacies.

By building on the Path-Goal Theory and the Substitutes Theory of Leadership, he argued that, in fact, there are situations in which leadership can be considered redundant by a subordinate. Such can happen in situations where subordinates have sufficient knowledge and experience to undertake their tasks; they are intrinsically motivated to perform their work, or can obtain feedback from sources other than the leader. In relation to the previous section of Situational Approaches to leadership, and Self-Leadership, it has already been observed that in some cases subordinates can and are willing to find satisfactory and substituting sources for key leadership behaviors. Similar findings have been suggested by Substitutes theory of leadership (Kerr 2005).

Resulting of all the critique, De Vries (1997) introduced the theory of Need for Leadership (NfL) that would function as a 'catch-all' variable in relation to contextual moderators of the leadership process. De Vries et al. (2002) defined NfL as "the extent to which an employee wishes the leader to facilitate the paths towards individual, group and/or organizational goals" (p. 122). NfL is seen as individually defined variable, through personality and other characteristics, that stems from the situation itself (e.g. leader, organization, task and peers).

NfL is considered as a 'quasi-need', meaning that, rather than serving a fundamental purpose, it is likely to bear a more instrumental aspect to it. De Vries 1997 states: "Individuals may need leadership to fulfill their wants and to provide the means to attain their own goals" (p. 92). Such a utilitarian perspective to leadership also implies that personal tendencies, in addition contextual factors, are likely to greatly shape how these needs are formed. In other words, NfL is both internally and situationally defined. For example, subordinates at different levels in the organization are likely to possess different types of needs, which, then, would require leaders to take differentiated action to fulfill those needs.

Based on previous paragraph, it is logical to conclude that NfL is an individually and contextually defined construct, which is based on the assessment of the individuals themselves. By definition, NfL always represents a subjective view held by the individual

concerning situational variables. De Vries (1997) did already acknowledge that incorporating follower perception into NfL would contribute to an even greater explanatory power of the theory. In fact, De Vries' work, perhaps coincidentally, was a clear attempt to shift the focus from leaders to followers - an idea that is central to considering the remainder of this Thesis.

2.2. Followership

At the end of his famous study, Stogdill (1948) called for research into the needs and interests of followers. However, contrary to the ideas put forward by Stogdill, traditional leadership theories have almost solely focused on the leader - their traits and behaviors as well as their role as source of inspiration and driver of change. In the literature, this approach is commonly referred to as *leader-centric* (Uhl-Bien et al. 2013). While the literature has not entirely ignored the existence of followers and, perhaps, the role that followers play in leadership, it can still be argued that followers have mainly been viewed from a one-way perspective, either as recipients or moderators of leaders' influence (Shamir 2007).

In order to balance the dominant leader-centric approach to studying leadership, a *follower-centric* view to leadership was born, which eventually led to the study of *followership* as a phenomenon in its own right (Uhl-Bien et al. 2013). To date, there seem to be no agreement whether the follower-centric views and followership represent entirely separate perspectives by themselves. More importantly, no consensus exists to what concerns the field's relationship toward leadership. Whilst the more extremist views defines leadership as a pure social construction in the minds of followers, a more 'balanced' view regards followers as co-producers of the leadership phenomenon (Shamir 2007).

Uhl-Bien et al. (2013) cite Uhl-Bien and Pillai (2007): "if leadership involves actively influencing others, then followership involves allowing oneself to be influenced" (p. 83). Building on this very same idea, I adopt a view that treats leadership partly as a social construction of followers that are active co-producers of the whole leadership process

through their cognitive, attributional and social identity processes (Uhl-Bien et al. 2013, p. 86).

The idea of social constructions also brings us to a topic that underlies most of the existing literature in followership - that of perceptions that followers hold of their leaders. Hollander & Julian (1969) were early to treat leadership as a process by recognizing the inter-linked nature of leaders, followers and the situation. More importantly, and similar to De Vries' (1997) theory of NfL, they argued that followers may indeed have a much more crucial role in the process of leadership than was previously thought. The following section will shed more light onto how the importance of followers has been slowly realized through studying the perceptions they form on the basis of observed leadership.

2.2.1. Followers' Perceptions of Leadership

In the 1970s, the Behavioral Approach was already much established in leadership research. As also noted earlier, leadership scholars, such as Stogdill (e.g. 1974), had developed questionnaires that would provide measures of leader behaviors. Eden & Leviatan (1975) were two of the first scholars to question the objectivity of those questionnaires, after having detected considerable differences in the ratings of the same leader by different followers. Building on this stream of work, Rush, Thomas & Lord (1977) argued that, instead of treating such deviations as rater bias, the differences can be explained by Implicit Leadership Theories (ILTs) that individuals hold about leadership. In essence, ILTs would impact followers' ratings of leader behaviors, which suggested that, instead of representing an objective measure, the leader behavior questionnaires were formed by followers' subjective views of their leaders, by their *perceptions of leadership*. In fact, Schullen et al. (2009), cited in Junker & van Dick (2014), found that up to 62% of variance in leader ratings by followers can be explained by ILTs.

ILTs build heavily on Attribution Theory (e.g. Calder 1977 & Heider 1958 cited in Schyns & Hansbrough 2008). The theory posits that leadership can be *inferred* from either traits or behaviors of leaders themselves (personal causality) or from situational factors (causal

attributions). In fact, individuals tend to underestimate the impact of situational factors and, consequently, overestimate the impact of the individual in any given situation. To illustrate, the performance of an organization can be easily attributed to have been caused by the leader of the organization despite the presence of favorable macroeconomic conditions. This phenomenon is referred to as the fundamental attribution error (Hansbrough, Lord & Schyns 2015).

Attributions are essential for the human information processing (e.g. Shondrick & Lord 2010), as they allow individuals to quickly make sense out of complex situations. As shown by Eden & Leviatan (1975) as well as Rush et al. (1977), outcomes of such processing results in subjective evaluations of the situation at hand. Moreover, as these subjective views are dynamic in nature, even in the case of retrospective evaluations, followers' ratings are likely to reflect the most recent impression (Hansbrough et al. 2015). In terms of leadership research, the implication is far more fundamental: it shows that, in fact, leadership is, at least partly, socially constructed in the minds of followers (Shondrick & Lord 2010).

The objective of this section is to provide a brief overview of what is known about perceptions of leadership to date. It is no surprise that the study of ILTs have made great contribution to our knowledge in the area. However, other theories have emerged both independently and in relation to ILTs. The section is concluded by a short glimpse into the most recent work in the field, which is where the current study will make its largest contribution.

Research within ILTs

Following Epitropaki, Sy, Martin, Tram-Quon & Topakas (2013), ILTs are characterized as cognitive structures, prototypes or schemas that specify those traits, abilities and behaviors that are typical of leaders. Thus, opposite to explicit theories developed by scientists, ILTs are of implicit nature and, therefore, represent socially constructed theories in the minds of people. ILTs are shaped through socialization over time to develop specific knowledge

structures that followers hold about leaders (Shondrick & Lord 2010). ILTs are always unique to the individual (Junker & van Dick 2014). Thus, the individual schemas and prototypes facilitate cognitive simplification in allowing followers to evaluate encoded information quickly. ILTs, then, consist of accumulated previous information that provides individuals with a predefined set of assumptions, beliefs and expectations regarding a leader and a situation (Shondrick et al. 2010). It also implies that ILTs are highly context-specific and dynamic in nature.

Recognition-Based Approaches

Followers are able to infer information from directly observable traits and behaviors of leaders. In the study of ILTs, this phenomenon is referred to as *a recognition-based approach*, simply meaning that followers are able to directly witness (i.e. recognize) the traits and behaviors leaders exhibit. Conversely, in the absence of such directly or completely observable behaviors or traits, followers have a tendency to *infer* such information from the situation itself.

The earlier approaches in studying ILTs have mostly built on *Leader Categorization theory* (e.g. Shondrick et al. 2010; Epitropaki et al. 2013). According to the theory, followers possess ILTs that specify traits which a potential leader should exhibit. The presence of matching traits would result in a person being perceived as a leader, as opposed to a non-leader. Initially, the earlier studies (e.g. Rush et al. 1977) emphasized the traits of leaders in the activation of ILTs, while more recent approaches have been concerned with how followers' characteristics affect the development and enactment of ILTs and subsequent leader categorization (Epitropaki et al. 2013). ILTs

Information Processing in relation to ILTs

As noted earlier, research in human information processing has been very influential in the development of research in ILTs. In fact, some of the recent developments in ILTs are due to contributions from this particular stream of literature that draws upon behavioral measurement and sensemaking in terms of individuals' cognitive and affective processes

(Shondrick & Lord 2010). Hence, ILTs can be thought of as 'cognitive shortcuts' that are stored in the long-memory (Shondrick & Lord 2010). For instance, Grossberg's (1999) cited in Shondrick & Lord (2010) Adaptive Resonance Theory (ART) depicts the process of ILT enactment and creation. ART holds the view that ILTs are mental representations with a top-down influence that interact with bottom-up processes, such as traits and behaviors.

However, researchers in the information processing field characterize such top-down-bottom-up interactions as highly simplistic and static (e.g. Epitropaki et al. 2013). The notion that information in relation to ILTs is processed in a cybernetic fashion (Junker & van Dick) so that past and present information is connected with future planning (i.e. the idea that ILTs reflect the most recent evaluation of a leader), has given rise to a perspective that views ILTs as more dynamic than they have been perceived so far. More recently, research in the field has turned into a Connectionist Perspective (Epitropaki et al. 2013) that treats the processing of information at even more detailed level. Nevertheless, taken the Research Problem and Research Objectives of this study, only a brief overview of information processing should suffice.

Inferential Processes

In the beginning of this section, it was noted that, in addition to inferring leadership from directly observable events, followers also have a tendency to ignore contextual information and over-attribute outcomes of events to outside of perceived individuals' actual capabilities or areas of accountability (Bligh, Kohles & Pillai 2011; Hansbrough et al. 2015). Such *causal attributions* (e.g. Schyns & Hansbrough 2008) are commonly discussed in relation to ILTs and termed as *the Romance of Leadership (RoL)* (Bligh et al. 2011).

The RoL holds that followers have a tendency to romanticize leaders and attribute events (e.g. organizational performance) to their personalities despite them being caused by situational factors (e.g. favorable macroeconomic conditions). In the early days of RoL, only such positive attributions were considered. However, as the theory gained more

ground, the RoL is often referred to as "a dual-edged sword" (Bligh et al. 2011, p. 1062) meaning that both positive and negative events tend to be over-attributed to a leader. More recently, Schyns & Hansbrough (2008) suggested that negative information may even be 'more valuable' than positive information in making causal attributions.

RoL was first positioned as a 'radical' or 'anticonventional' view of leadership (Bligh et al. 2011). It builds heavily on the legacy of James R. Meindl, who, in fact, was one of the first scholars arguing that leadership was a social construction of the followers. In the very beginning, RoL was concerned as a general tendency by all followers to make romanticized attributions to leaders without concern to the situation. Currently, and similarly to the study of ILTs, the dynamics in relation to the RoL have been studied further by known scholars, such as Bligh et al. (2011).

Emerging Trends in the Study of Perceptions of Leadership

So far, ILTs have mainly been studied in laboratory settings and only a few studies exist that have examined their applicability in organizational settings (Epitropaki et al. 2013). Moreover, scholars are moving away from studying leader categorization and increasingly placing emphasis on factors other than traits that could have an impact on how ILTs are constructed by individuals. Harms & Spain (2014) argue that "What the leader does is not expressed in a vacuum but must be interpreted through the filter of the followers' pre-existing (sic) beliefs, values, and motives. In other words, the leader's actions are seasoned by the followers' perceptual biases" (p. 188). In relation to observed behaviors, for instance, it is assumed individuals encode them into behavior-related traits that aid further in the categorization process (e.g. MacDonald, Sulsky & Brown 2008).

Some recent studies have also studied ILTs in relation to major leadership theories. Felfe & Schyns (2006) studied personality characteristics in relation to followers' perceptions of transformational leadership. Epitropaki & Martin (2005), on the other hand, found that the closer the fit between one's ILTs and a leader, the higher the perceived LMX quality. In

addition, Blight et al. (2011) provide many examples of studies where the RoL has been studied in relation to transformational or charismatic leadership.

More recently, Schyns, Kroon & Moors (2008) studied how followers' characteristics are related to their perceptions of the quality of LMX. The results indicate that LMX perceptions are positively related to individual Need for Leadership (NfL) explaining greater variance than ILTs. In fact, it seems to give considerable support for the notion by De Vries (1997) presented earlier of NfL as a contextual 'catch-all' variable. In line with Harms & Spain (2014), NfL could serve as a potential "broader perceptual tendency" (p. 188) to further understanding individual perceptions of leadership.

2.2.2. Summary

In this section, I have provided a brief history and background on the study of Followership with an emphasis on Implicit Leadership Theories and resulting followers' perceptions of leadership. I have shown that the perceptions of leadership emerged as its own field, after being treated as a measurement error in Leader Behavior Questionnaires. ILTs have later developed into a highly sophisticated stream of research that incorporates human information processing and the socially constructed aspects of leadership in the form of perceptions.

Perceptions of leadership are formed on two separate bases. The recognition-based approach treats perceptions of leadership as products of ILTs based on directly observed traits and behaviors. The inferential approach, on the other hand, builds on overattribution based on environmental cues, suggesting an indirect source of perceptions of leadership. While not much research has delved into the inferential approach, the recognition-based approach has recently shifted from studying individual and leader-specific traits to observed leader behaviors, expectations and beliefs by followers. More importantly, along with Schyns et al. (2008), Need for Leadership has been found to explain much variance in followers' ratings of leadership. Figure 1 summarizes key points of the literature for later theory development.

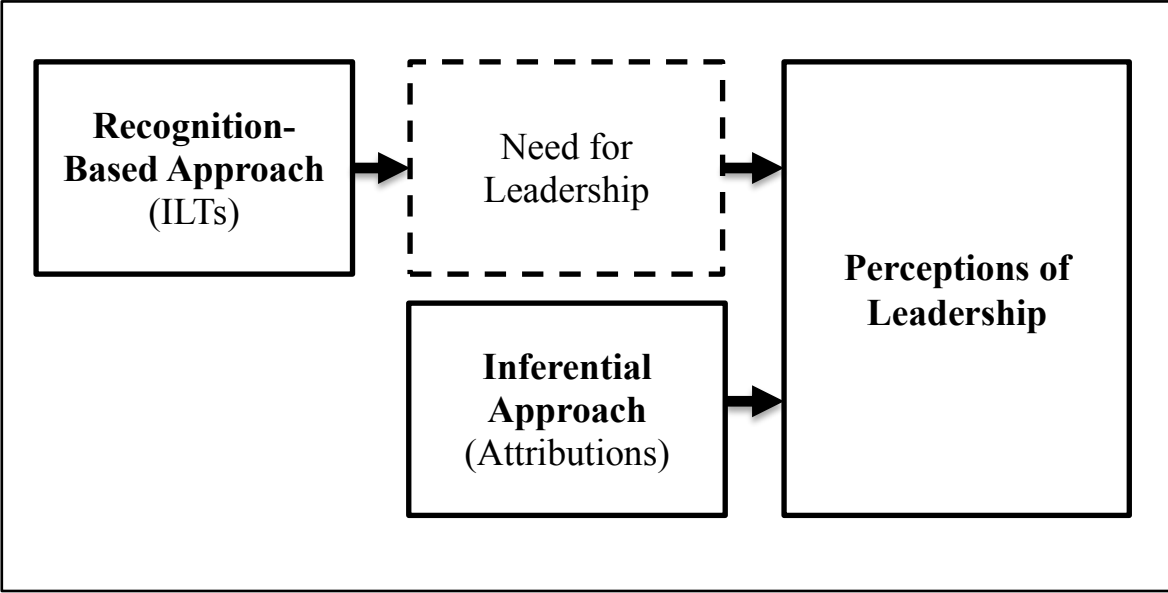


Figure 1: Theoretical Foundations of Followers' Leader Perceptions

2.3. Role Theory

I begin this section with a brief introduction to the history of Role Theory and provide definitions of key concepts that are widely used within the theory. I discuss major approaches to theory and present support for adopting a perspective from Organizational Role Theory. Although existing theoretical literature is quite scattered, and, it seems, that the field is still emerging, I then move on to presenting some of the few theoretical developments in the field of Role Theory.

I firstly review the much-cited model of the Role Episode by Katz & Kahn (1978). In fact, their model constitutes the backbone for the remainder of the section. Then, I integrate 'missing pieces' into the model by discussing sources of role expectations (Role Content) in more depth. After that, in accordance with Organizational Role Theory, I define organizations as systems of roles that are assumed to constitute of multiple, simultaneous and interrelated Role Episodes. Finally, I switch from an objective lens to a subjective one and discuss Role Perceptions, while incorporating the previously presented theoretical foundations into the discussion. To illustrate the discussed theoretical underpinnings in a summarized fashion, I conclude the section with a synthesis.

2.3.1. Introduction to Role Theory

In the 1920s and 30s, disciplines of anthropology, sociology and psychology, coincidentally yet simultaneously, examined the concept of *Role*. However, it was not until a few decades after that these separate streams were brought together. Biddle (e.g. 1979; 1986) was one of the early scholars to present and define *Role Theory*. As a theatrical metaphor, the theory builds on the analogy of social behaviors created by actors that appear on the stage to perform a part, for which a predefined script has been written, and thus providing a frame of reference for the role being played (Biddle 1986).

Throughout the years, there have been as many definitions given to a role, as there have been authors examining the concept. The most basic of them treats roles as simple *behavioral patterns* connected to a certain *social position* or *status* (Biddle 1979). Such a

position is rooted in a wider social network (e.g. an organization or an informal group) and represents a common identity among those who occupy the same role. Similarly, roles and associated behaviors help others to recognize those who enact them. Enacting and maintaining a role is done "primarily for the extrinsic rewards of membership" (Katz & Kahn 1978, p. 187).

Consequently, characteristics of each role are largely dependent on the specific social network, in which they are enacted. This suggests that roles are defined by the *context*. In fact, roles construct 'the glue' connecting the individual and their surrounding context. This glue can be defined as a set of *expectations* toward a person occupying the role (Hindin 2007). The expectations can take many forms, such as anticipations, norms, values, feelings or even thoughts about the feelings of *others* (Biddle 1979, p. 5). Put in another way, the expectations derive from beliefs and attitudes of what should be done (i.e. prescriptions) and should not be done (i.e. proscriptions) as part of role behavior, which, depending on the context, may be made explicit through such mechanisms as rewards and sanctions (Katz & Kahn, 1978).

The definition given above suggests that some roles may adhere to a certain *function*, while others may emerge in more informal settings. It is clear that such functional attributes, when applicable, are likely to shape the expectations of role behavior. To illustrate, the role of a policeman is highly functional. We all are able to explicitly define what is expected of policemen and, more importantly, what type of behaviors can or cannot be considered as part of that role.

Although left out from the initial definition of Role, expectations are a fundamental characteristic of them. In fact, citing Biddle (1979): "roles are induced through the sharing of *expectations* for role behavior" (p. 5). This specific statement highlights, first of all, the dynamic nature of roles, but also another, even more integral notion that I delve into in a greater detail later in this section: expectations are exogenously given to us and construct a frame of reference for individual behavior. Roles are socialized through practice (role

playing), internalizing the expectations of others (role taking) leading to a self-concept comprised of the internalized (i.e. perceived) expectations (Biddle 1979, p. 7).

2.3.2. Approaches to Role Theory

The definition, originally given by Biddle (1979), dictates that "Role Theory ... is a science concerned with the study of behaviors that are characteristics of persons within contexts and with various processes that presumably produce, explain, or are affected by those behaviors" (p. 4). Despite numerous contributions appearing in the field, this definition still seems to hold largely to date.

In his later review article, Biddle (1986) gives an extensive account of the approaches applied to the study of Role Theory over time. Functional Role Theory represented one of the first schools of thought in this regard. It defined roles solely in association with normative behaviors in a social position, with the aim of accomplishing a specific function. While the theory dominated much of the field until the mid-1970s, it began evident that it treated social systems in a too simplistic manner; social systems are rarely stable entities, while roles are not entirely tied to such systems, nor do all roles possess a functional purpose.

Ever since, two approaches are commonly discussed in relation to Role Theory (e.g. Turner 2001). The Structural approach views roles as arising from a context, which sets the boundaries for the behavior for whoever occupies that particular role. Quite on the contrary, the Symbolic Interactionist approach views roles as emergent from social interaction between individuals. In other words, roles can be seen through two lenses: either as predefined structures that demand adaptation from the occupant or as emerging individual actors that are created by their occupant and are in constant flux due to social dynamics. While it is acknowledged that the reality is likely to be found between these two somewhat opposing views, in this study I treat roles from a more structural point of view.

Biddle (1986) notes, however, that most work conducted within Role Theory is found neither within Structural nor Symbolic Interactionist role theories. A specific form of a social structure, namely that of the formal organization (e.g. Katz & Kahn 1978) has indeed provided a solid ground for scientific inquiry. Organizational Role Theory postulates that roles are defined by recognized social positions and constructed by normative expectations. The theory adheres to individual differences by further stating that norms may rise from both the formal and informal context, while they may vary amongst individual occupants (Biddle 1986, p. 73).

Finally, another important source of theoretical contribution is that of Cognitive Role Theory. It adopts a more specific approach to the study of roles and focuses on relationships between role expectations and role behavior. More specifically, the theory examines how expectations are formed and measured as well as how they influence social conduct (Biddle 1986, p. 74). Recently, the approach has also moved to studying the importance of individual perceptions in such a process.

Viewing this theoretical basis in light of Biddle's (1979) early definition of Role Theory given in the beginning of this section, despite its evident relevance, it can also be concluded that the field is still emerging and somewhat fragmented (Turner 2001). Although a total of five different approaches were identified, it is without doubt that these approaches complement one another. For example, the Organizational and Cognitive theories build heavily on existing work in the Structural and Symbolic Interactionist domains. In fact, Organizational Role Theory seems to share much common ground with Structural Role Theory, although the latter seem to have gained more relevance in settings outside of the formal organization.

In terms of this study, as the research problem rests heavily on the notion of a formal organization, I adopt the view of Organizational Role Theory. Nevertheless, at the same time, I want to highlight that the study does acknowledge and build on the principles of Cognitive Role Theory. While there are already some examples on where these two schools

of thought have been brought together (e.g. Ilgen & Hollenbeck 1991), further strengthening such a link remains as one of the largest contributions of this study to the field of Role Theory.

2.3.3. The Role Episode as a Basic Organizing Unit of Roles

Katz & Kahn (1978) can be considered as pioneers within the domain of Organizational Role Theory. Their contribution, "A theoretical model of factors involved in the taking of organizational roles" (p. 196), laid the groundwork for much of the following theory development in the field. It introduces the concept of a *Role Episode* that illustrates the role process between a *Role Sender* and a *Focal Person*. In very simple terms, the Role Sender derives a set of expectations from the organizational environment, processes the expectations and sends them further toward the Focal Person. The Focal Person, then, receives the communicated role, translates it into a Perceived Role. The resulting Role Behavior is assumed to be a result of expectations that the Focal Person has derived from the Perceived Role. For the Role Sender, the resulting Role Behavior represents a feedback loop that can be used as a basis for adjusting future expectations. In addition to the simple dynamics, the model also acknowledges the existence of individual and interpersonal moderators. Figure 2 depicts a simple model of a Role Episode.

In essence, a Role Episode depicts a relationship between two parties - that between one or more Role Senders and a Focal Person. The Role Senders can be characterized as anyone who is either formally or informally included in the organization (e.g. peers, managers or subordinates) and who either directly or indirectly engages in interaction with the focal person. In other words, Role Senders include all individuals that can be thought of as stakeholders in the focal person's performance.

Before Role Sending can occur, the Role Senders themselves need to make sense of expectations (i.e. prescriptions and proscriptions) that they possess concerning their own roles. Based on derived information, and being the stakeholder of the focal person's perfor-

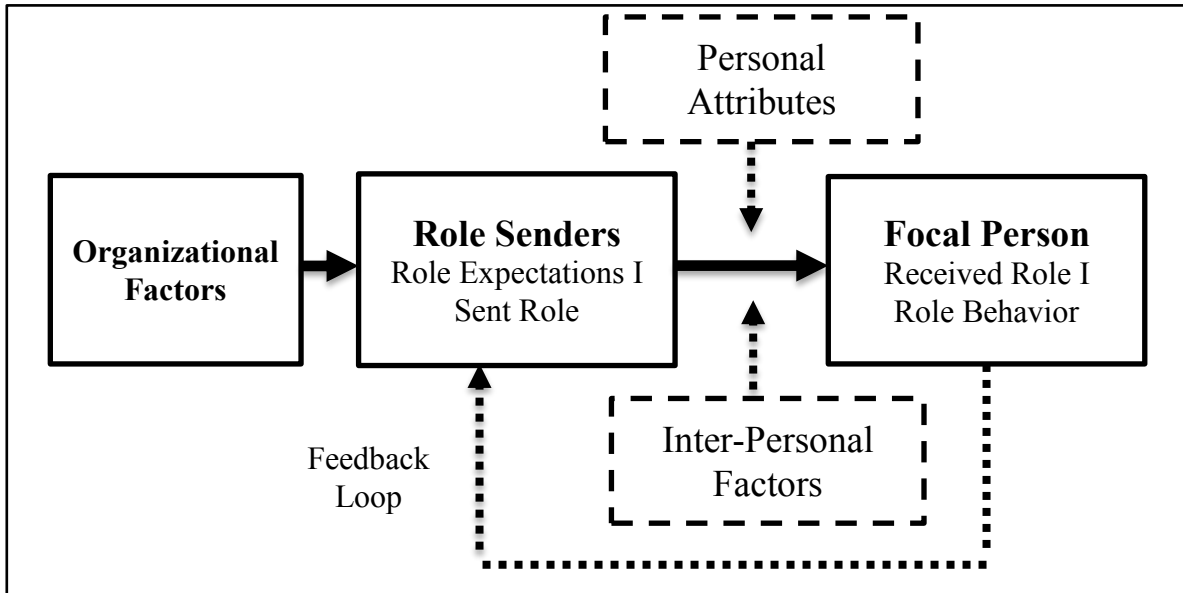


Figure 2: The Role Episode (Adapted from Katz & Kahn 1978)

mance, the members of the role senders will then develop their own expectations on the behaviors that they expect from the focal person. These role expectations are communicated by the role sender through various influence attempts at the focal person, the resulting compilation of which is referred to as the Sent Role within the Role Episode.

The model assumes that the sending of a role is followed by receiving the role. Due to possible "noise" in between these two processes, the resulting Sent Role and Received Role may not be identical. In other words, the Received Role is always a *perception* by the Focal Person, thus the literature refers to the Received Role as the Perceived Role. The relationship between the sent and the received roles has received some attention in the Role Literature. For instance, Bliese & Castro (2000) use the term *Role Clarity* to denote a situation where individuals have a complete understanding of all expectations regarding their role. Conversely, a situation in which such understanding is not present is referred to as *Role Ambiguity*.

As has been noted, due to intrinsic motivation toward fulfillment of role expectations by the Focal Person, the Perceived Role will result in a set of Role Behaviors, which result from the Sent Role and the subsequent Perceived Role. However, this raises the following question: Are all behaviors exhibited by the Focal Person considered as Role Behaviors? Tepper, Lockhart & Hoobler (2001) divide Role Behaviors between *In-Role* and *Extra-Role* behaviors. In-role behaviors are those that directly relate to one's required work activities, while extra-role behaviors extend beyond the scope of these direct requirements in a way that benefits the organization as a whole. From this, it follows that the Role Senders' expectations solely focus on behaviors that are considered as in-role in nature.

Dynamics and Consequences of the Role Episode

Although groundbreaking in their time, Katz & Kahn's (1978) work regarding the Role Episode was faced with criticism by latter scholars, who argued the model to be a too simplistic of a representation of the complex dynamics that role processes would imply. Graen & Scandura (1987) emphasized the importance of Role Behaviors as a Feedback Loop from the Focal Person to Role Senders. In fact, building on the assumption of sequential nature of Role Episodes, they presented *The Theory of Dyadic Organizing*, which identified three phases along which Role Episodes between Role Senders and Focal Persons are likely to develop. Furthermore, they acknowledged that both Role Senders and Focal Persons are equally likely to shape the process.

The role process is initiated by an individual entering an organization, which entails an acquisition of an organizational role - termed *Role Taking* (Graen & Scandura 1987). This specific phase is assumed to be closest to the very simplistic description of the Role Episode presented in the previous section. However, as noted, Role Taking assumes a one-way interaction from Role Senders to Focal Persons, which forces the Focal Person to adapt to the Role Senders' expectations. The following phase of *Role Making* acknowledges that, when entering an organization, each focal person is likely to possess a set of self-held expectations regarding the role, which will shape the resulting Role Behaviors. As we

know, these behaviors feed back to the Role Senders as a feedback loop, which presumably have an impact on how Role Senders formulate their future expectations regarding the Focal Person performance.

Once both Role Taking and Role Making processes start to resemble one another, a phase of *Role Routinization* has been reached that is characterized by well-established, shared common expectations and stable working relationship by both the Role Senders and the Focal Person. In fact, in the context of existing Role Theory, the Theory of Dyadic Organizing postulates that a role process is likely to start with higher degree of Role Ambiguity, which, through simultaneous Role Taking and Role Making, will eventually involve into a routinized process with an almost perfect Role Clarity.

From the perspective of Role Theory, most research efforts have, in fact, focused on studying the underlying phenomena that arise from the Role Episode and/or Dyadic Organizing, such as Role Ambiguity and Role Clarity. Furthermore, the literature acknowledges that expectations, either from the point of view of Role Senders or the Focal Person, are not always optimally presented. Thus, Role Theory denotes situations in which an individual is faced with incompatible expectations as Role Conflict (Jackson & Schuler 1985). Similarly, Role Overload (Marks 1977) characterizes individuals' incapability of meeting all expectations taken their limited resources.

2.3.4. Sources of Role Expectations

So far, I have mostly focused on describing the dynamics and some consequences of the Role Episode and resulting Dyadic Organizing, while treating Role Expectations as given. Although Katz & Kahn (1978) acknowledged organizational as the main source of role expectations, perhaps due to absence of research in the field, the initial model of the Role Episode did not elaborate much upon the components of this domain. The literature focusing on *Role Content* is still, to date, rather scattered, especially in the field of Organizational Role Theory.

Only one recent study could be identified that explicitly studies sources of role expectations. Shivers-Blackwell (2004) adopts Yukl's (1989) Role Model of Leader Behavior Determinants (LBD Model) to study how Role Requirements (Expectations) translate into leader behavior. Yukl's well-known model identifies four sources of expectations regarding the role of a leader: 1) Organization's formally defined expectations (e.g. job descriptions, rules, regulations and policies), 2) Expectations arising from the nature of the task and the organization itself, 3) Orally communicated expectations by others (e.g. superiors, subordinates and peers), and 4) Expectations communicated through feedback on behavior and performance.

With the assumption that the same determinants also apply to individuals other than leaders, I will use the LBD model as a backbone for the following section. Next, will elaborate on each of the four determinants identified in the model, while incorporating supporting work of other authors.

Occupational and Organizational Context

In the original LBD model, the organizational context was assumed to include formally defined expectations of an organization, mainly in the form of job descriptions, rules, regulations and policies (Shivers-Blackwell 2004). In their meta-analysis, Jackson & Schuler (1985) touched upon the concept of Formalization as an antecedent to Role Conflict and Role Ambiguity. Formalization is defined as the extent to which work is guided by rules, regulations and other practices and policies, thus capturing the idea of the LBD model.

Similarly, Jackson & Schuler (1985) identified Job Level as an antecedent to Role Conflict and Role Ambiguity deriving from the organization. Job Level relates to the relative complexity of a given job in a way that jobs at the higher level in the organization are assumed to be more complex, thus making them less specific in nature. Dierdorff & Morgeson (2007) reached a similar conclusion in their study of the extent to which expectations are shared in the organization. Contrary to the previous, they argued that

expectations are found at two different levels: the discrete and the occupational context. This suggests that some role expectations may be derived from outside of the organization (i.e. from expectations of the occupation itself) that attaches similar expectations according to one's profession.

Task Environment

The LBD model acknowledges the nature of the task as a second source for expectations regarding a role. In fact, some of the previous literature has addressed this specific matter. Namely, Ilgen & Hollenbeck (1991) noted that the jobs literature would complement Role Theory in terms of Role Content, since both jobs and roles are socially constructed and influenced by similar motivational constructs. More specifically, they argue that roles are likely to incorporate the social aspects of the organization, while jobs are more likely to pertain to processes related to the task environment in a way that jobs are embedded in roles. They explain the task environment in relation to roles with the Job Characteristics model (Hackman, Lawler & Oldham 2005). In addition, Jackson & Schuler (1985) found support for the factors of the Job Characteristics model in their meta-analysis discussed previously.

Although specifying several determinants of the individual task environment, the original purpose of the Job Characteristics model (Hackman et al. 2005) was to define conditions for individual motivation in a given job. The model does so by assuming there are three critical psychological states that will lead to work motivation: 1) Experienced meaningfulness of the work, 2) experienced responsibility for outcomes of the work and 3) knowledge of results of the activities. In addition and altogether, five core job characteristics give rise to these psychological states. An illustration of the model can be found in Figure 3.

The first three are related to the task itself and are assumed to impact the *experienced meaningfulness of the work* in terms of 1) Skill variety (i.e. the extent to which various skills and abilities can be used to complete required job activities), 2) Task identity (i.e. the

extent to which the required job comprises an identifiable whole), and 3) task significance (i.e. the extent to which the required job has an impact on other people's work within the organization).

The latter two relate to the remaining two psychological states. *Experienced responsibility for outcomes of the work* is mediated by Autonomy, which is defined as the extent to which individuals feel ownership in relation to their actual work tasks and the outcomes of the tasks. Finally, knowledge of the results is naturally mediated by feedback from the job in terms of explicit information about performance.

In addition, Hackman et al. (2005) have found that those employees who possess a high need for growth tend to react in a more positive manner to jobs that are of complex nature. Thus, it is posited that an individual's *Growth Need Strength* should further moderate the motivational process just described.

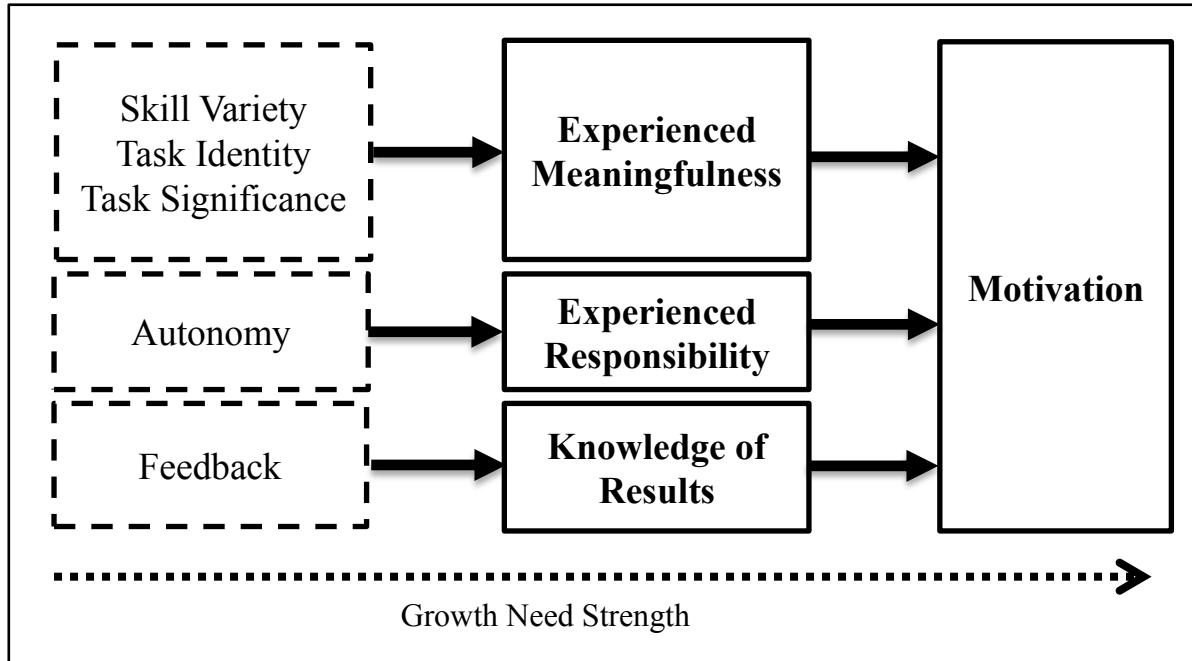


Figure 3: Job Characteristics Model, adapted from Hackman, Lawler & Oldham (2005)

Social Environment and Feedback

The LBD model treats orally-communicated expectations from other members of the organization as another source of expectations. In the model of the Role Episode, on the other hand, such process was assumed to take place between Role Senders and the Focal Person. In other words, a slight difference between two models exists. From the point of view of the Focal Person, the Role Senders (i.e. the other members of the organization) do constitute a source of expectations towards them. However, as these expectations are likely to reflect the organizations expectations towards the Role Senders, one may argue that, in fact, the social environment is embedded both in the organizational and task environments.

Lastly, the LBD model acknowledges feedback as a final source of expectations. Again, in the context of the Role Episode, a feedback loop was identified. More specifically, it was assumed that the resulting Role Behavior will function as a feedback loop toward the initial senders of the role. Then, based on the feedback, the Role Senders will adjust their future expectations regarding the Focal Person's behavior. Jackson & Schuler (1985) also support the findings of the Role Episode by having identified feedback from other people as an antecedent to Role Conflict and Ambiguity. More specifically, they suggest that leader behaviors in terms of Initiating Structure and Consideration may further impact on feedback in relation to roles.

2.3.5. Conceptualization of Roles as Role Systems

So far, the concept of Role has been discussed as a single unit within a social system. However, it is widely acknowledged that roles often compose interlinked social systems. For example, organizations were defined as a system of roles already by Katz & Kahn (1978) arguing that one consists of a multitude of *offices* (p. 188) that are interrelated and situated both hierarchically and horizontally in relation to one another. In the modern day organization, these linkages are rarely of physical nature, meaning that they have to assume a psychological form. Put differently, also organizations are social constructions of their Role Holders and, thus, are in constant flux of change.

Now that we understand the existence of multiple, simultaneous Role Episodes, without much difficulty, it can also be concluded that each individual is likely to be faced with multiple demands at any given time that compete for their limited resources. As noted, such a phenomenon has been addressed as Role Overload (e.g. Marks 1977) in the literature. Similarly, it also follows that each individual may possess multiple roles due to the differing positions in relation to other members of the organization. The term Intra-Role Conflict (Jackson & Schuler 1985) has been used to denote such situations. Inter-Role Conflict, on the other hand, occurs when there are conflicting demands arising from other domains, such as between work and the family. Instead of directly influencing the Role Episode, these phenomena can be characterized as direct consequences of the Role Episode, especially in the context of a Role System.

2.3.6. Role Perceptions

Katz & Kahn (1978), together with Graen & Scandura (1987), acknowledge the existence of personal attributes, together with inter-personal factors, in relation to shaping the dynamics of the Role Episode. They assume that individuals are likely to enter organizations with a predefined set of attitudes and beliefs regarding their expected role behaviors. More importantly, these attitudes and beliefs are assumed to reflect the individuals' own interests. In fact, Kahn et al. (1964) cited in Shivers-Blackwell (2004) put forward the idea that people are self-senders of their roles. This is supported by Katz & Kahn (1978), who note that individuals have a tendency to choose roles and organizations in accordance with their own needs and abilities. Later, in line with the predictions of earlier scholars, Dierdorff & Morgeson (2007) accounted for a variety of personal-level factors that affect how role expectation and behaviors are shaped, such as personality, task engagement, work experience and ability.

At this point, it can be argued that, so far, we have viewed the Role Episode from a rather objective point of view. However, at the same time, what the personal attributes identified above suggest is that due to individual differences, each Role Holder is likely to experience

their roles in a quite different from others. As was noted previously, individuals have a clear tendency to enact roles on selfish grounds, which advocates that there might be such a subjective reality toward the role after all. In fact, Neale & Griffin (2006) state that, despite being posed by equal expectations, individuals' own evaluations regarding these expectations are likely to result in the role being seen as unique to the specific individual. Therefore, and similar to perceptions of leadership, roles can be seen as subjective perceptions that are socially constructed in the minds of the role holder.

Neale & Griffin (2006) are the first scholars who have specifically looked into the concept of Role Perceptions in relation to individuals' Role Expectations. They have identified three inter-related components of roles that shape individual's expectations and resulting role behavior. *System Requirements* reflect the behavioral expectations communicated by the employing organization. These are likely to include all of the factors related to organizational context and the task environment discussed earlier in this section.

Role Schemas are cognitive structures comprised of individuals' pre-existing beliefs and expectations regarding a role that they hold when entering an organization. Members of the organization or the wider society are also assumed to share similar beliefs and expectations about a given role. Over time, as the individual gains more experience in the organization, these schemas are believed to start reflecting the ones generally possessed by the members of the organization. In fact, the dynamic process around Role Schemas resembles that of Dyadic Organizing touched upon earlier in this section.

Lastly, the *Self-Concept* is defined as "a cognitive schema that filters, stores and organizes information about the self" (Neale & Griffin 2006, p. 29). The self-concept is assumed to contain beliefs, attitudes and expectations of oneself that should guide the role behavior of individuals. Mainly due to the Self-Concept, individuals have a tendency to engage in behaviors that are self-congruent, which is aligned with the earlier notion of individuals' tendency to enact roles on selfish grounds.

In conclusion, Neale & Griffin (2006) argue that Role Perceptions are formed through the expectations communicated by the external environment (e.g. organization and task). The expectations will, first of all, interact with individuals' self-held role schemas and further with the self-concept of individuals to form the subjective perceptions by each role holder. Indeed, Neale & Griffin implicitly suggest that Role Perceptions are likely to be shaped by similar personal attributes that shape the way role expectations are subsumed.

Role Systems and Role Perceptions

Humphrey (1985) and Humphrey & Berthiaume (1993) have studied Role Perceptions from a slightly different point of view. They posit that, contrary what has been accepted before, our perceptions about one another in organizations are more influenced by the roles we occupy instead of being merely determined based on abilities and personal dispositions. More specifically, they state that organizational factors and roles as well as job characteristics bias the information subordinates are likely to have about their managers.

In fact, Humphrey (1985) found that managers are generally perceived more positively due to the fact that they are located higher up in the organizational hierarchy and undertake more complex tasks related to the rest of the organization. As was noted earlier, Formalization and Job Level (e.g. Jackson & Schuler 1985) shape how expectations are derived from the organizational context. Such an assumption poses three important implications regarding work roles and perceptions of others' behaviors.

Firstly, the notion that managers conduct more important work than the rest of the organization automatically attaches a special component to the managerial role, which causes others to perceive managers to possess higher ability and being more intelligent than the rest (Humphrey 1985). In fact, Humphrey & Berthiaume (1993) found that this effect was moderated by the distance between managers and their subordinates as well as the relative task difficulty and complexity subordinates were faced with in comparison to their managers.

Secondly, Humphrey (1985) also posits that the role of manager regulates the information the rest of the organization has about them. More specifically, due to hierarchy and resulting administrative distance, subordinates have infrequent and limited encounters with their managers. This causes perceptual biases, since such a structure by itself regulates the amount of information subordinates are able to gather about their managers. Furthermore, in case the role of subordinates requires greater autonomy, this is likely to further diminish the face-to-face interaction between the subordinates and managers.

Lastly, as people have a general tendency to base their perceptions on actual direct observations of others, it implies that subordinates will base their perceptions on the information gathered during these infrequent events of interaction with their managers. Thus, only those behaviors that were, in fact, observed will be processed by subordinates in forming perceptions, whereas those that the subordinate never beheld will be considered as irrelevant. In the literature, the term "non-occurrences" is used to denote such bias. Humphrey notes that the time spent in the organization is likely to further moderate this process so that those subordinates who have spent longer time working with a particular manager are likely to possess 'more complete' information as opposed to those that recently entered the organization.

2.3.7. Summary: The Perceived Role Episode (PRE)

In this section I have presented and discussed some of the scattered literature around Role Theory. I began the section by reviewing early research in the area and defined some key concepts, such as role expectations. Then I concluded that my perspective in regard to the current study adopts a similar view with Organizational Role Theory.

I clearly stated that most literature in the field is concerned with consequences in relation to the Role Episode, initially developed by Katz & Kahn (1978). Additional topics, such as literature into the sources of role expectations (Role Content) and Role Perceptions have only emerged more recently. To accommodate the Research Objectives for the current study, the previously reviewed literature needs to be presented in a more concise format.

Therefore, I present The Perceived Role Episode (PRE) as a summarizing element of this section that combines Role Content and Role Perceptions into the initial model of the Role Episode by Katz & Kahn (1978).

Instead of maintaining a strict divide between Role Senders and the Focal Person, I approach the PRE from the perspective of individual Role Holders and their subsequent Role Perceptions. The starting point is both Katz & Kahn's (1978) and Graen & Scandura's (1987) assumption of individuals taking on roles that reflect their own self-interests, needs and abilities, which will further translate into intrinsic motivation of fulfilling requirements of that particular role. Also, in line with Dierdorff & Morgeson (2007), a variety of personal-level factors, such as personality, task engagement, work experience and ability, are assumed to mediate the process. In other words, first and foremost, individual Role Holders are considered as intrinsically-motivated self-senders of their own role.

In addition to such internal sources of expectations, it is known that Role Holders are faced with a set of expectations regarding their work role that derive from the external environment (System Requirements). In order to take part in the role process, Role Holders need to be able to communicate their own expectations in the organization, which requires them to first make sense of the expectations they are faced with themselves. As suggested by Neale & Griffin (2006), this is done through a process whereby Role Holders evaluate the System Requirements through their own self-held expectations regarding a role (Role Schemas) together with the Self-Concept that reflects beliefs, assumptions and expectations of oneself.

The System Requirements, as argued earlier, are composed of two separate, yet related, domains: Organization and Task Environment. Organizational Context most relates to explicitly made descriptions of one's work requirements. The specificity is likely to depend on the level of Formalization in the organization as well as the Job Level of the individual.

The task environment connects quite closely to the Organizational Context. More specifically, while the tasks themselves derive from the organization's expectations, the specific aspects of the tasks are likely to be dependent on the work role. Therefore, Role Holders are assumed to evaluate the task from the point of view of its motivational potential. More specifically, this can be done through experienced meaningfulness, experienced responsibility and knowledge of results (Hackman, Lawler & Oldham 2005). Individuals with greater Growth Need Strength are assumed to respond more positively to challenging tasks, which supports the initial notion of individuals engaging in roles with self-congruent motivations.

The Social Environment, I argue, composes its own domain. Unlike, the LBD model, I will not treat the Social Environment as a source of expectations, rather I assume that Social Environment contains information, on which perceptions can be based. This assumption builds on Humphrey (1985) and Humphrey & Berthiaume (1993), who noted that the organization itself regulates the availability of information for perceptions. Corporate hierarchy results in varying degree of perceptual distance between two actors, which is further mediated by level of autonomy of one's work role and the relative task complexity. These factors are assumed to regulate the frequency and intensity of interaction for available information. As individuals accumulate more experience, the available information increases. However, due to 'non-occurrences' such information can never be completely accurate.

Finally, the resulting Role Behavior, whether in-role or extra-role in nature, constitutes a feedback loop to the Role Holders. The feedback is thus presented by other members of the organization, for which reason I treat it as a part of the Social Environment. More specifically, the feedback concerns those behaviors (performance) that Role Holders are stakeholders to. The behaviors feed back into the Role Holders' existing Role Schemas. As Role Holders are considered as active processors of the feedback, it will further adjust the existing schemas and following role processes.

Hence, the resulting PRE assumes similar cyclical dynamics as the original model of the Role Episode in relation to dyadic organizing. Role Holders are assumed to take part in the processes of Role Taking and Role Making that are likely to be mediated by the feedback loop. Also, the PRE treats individual Role Schemas as integral elements in the role perception process that function as a starting point to any perceptual process and are shaped by accumulated information (experience). Figure 4 below illustrates a simplified version of the PRE.

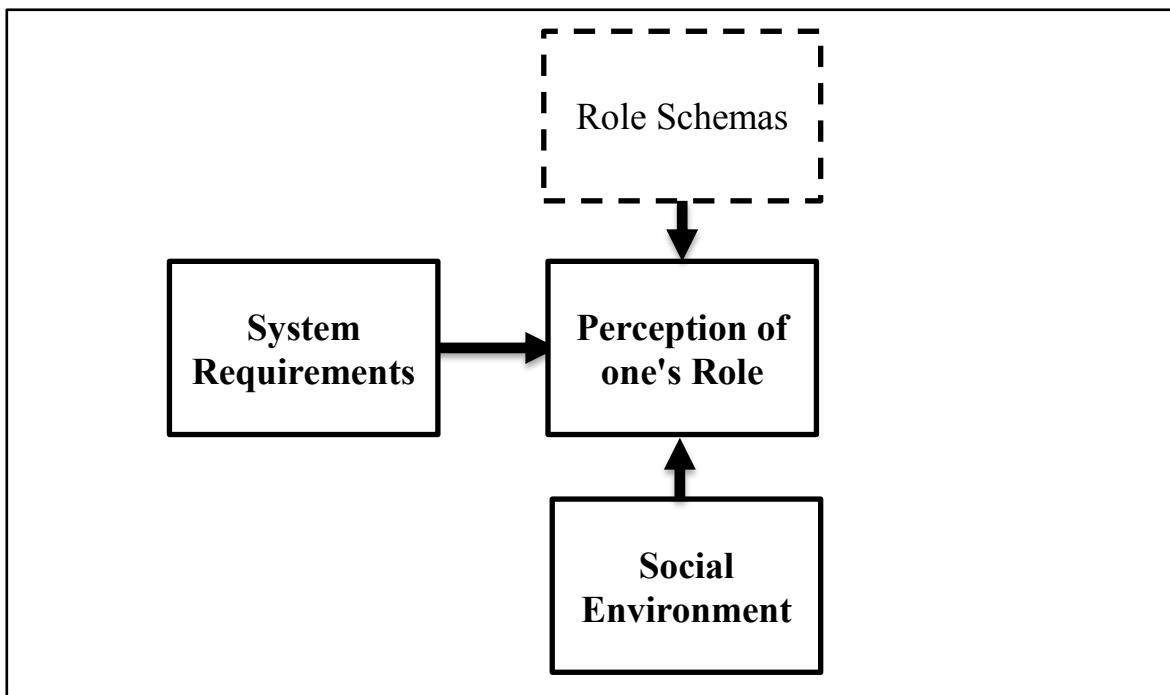


Figure 4: The Perceived Role Episode

2.4. Hypothesis Development and Theoretical Framework

So far, I have treated each of the previous sections of this Literature Review as independent entities. Firstly, I touched upon some of the main theories of leadership, followed by an overview of the literature in followership, first as a part of leadership and later as its own domain of research. In conjunction, I also reviewed a specific sub-division of the followership literature. Namely that of perceptions of leadership, which has evolved from being treated as an error in measurement to being viewed as a social construction by followers - likely to depend on the context as well as the characteristics of the leader and the followers themselves.

Then, I provided a brief account of recent developments in Role Theory. I started by introducing the model of Role Episode developed by Katz & Kahn (1978) and dynamics of the model by Graen & Scandura (1987). Then, I reviewed aspects of Role Content in terms of sources of role expectations in an organization. After that, I introduced recent theory in the area of Role Perceptions (e.g. Neale & Griffin 2006). Finally, I incorporated the three theoretical bases into a model of the Perceived Role Episode (PRE) that views Role Perceptions from the perspective of Role Holders.

The first objective of this section is to synthesize the literature in the area of perceptions of leadership with that of PRE. The resulting synthesis will be discussed in the light of the Research Problem and the investment banking context, in which this study was conducted. A theoretical framework will be developed to guide the analysis, along with a set of hypotheses to be tested.

2.4.1. Synthesis of the Literature and Theoretical Framework

In Chapter 1 I set forward the Research Problem, Objectives and the specific Research Questions to guide this study. I explicitly stated that one of the objectives of this Thesis is to connect the literature on perceptions of leadership with Role Theory, which will support in further studying the impact of roles on followers' perceptions on leader behaviors.

Section 2.2. and section 2.3. were both concluded with summary along with a figure that presented the sections' primary theoretical underpinnings in a concise format. Both streams of literature rely on the existence of schemas as mechanisms for social constructions of past phenomena and information (perceptions). In fact, I present that ILTs and Role Schemas, ultimately, represent the results of the same cognitive processes so that ILTs are more related to observed leader traits and behaviors, whereas Role Schemas pertain to expectations one generally holds regarding their roles. This being said, I present that, together, ILTs and Role Schemas contribute to Followers' role expectations for leadership. Such expectations pertain to the specific *in-role* behaviors that Role Holders would expect from their leaders. Due to differences in Role Content, the leadership expectations are assumed to be different as well and contingent upon one's work role. In essence, the Followers' role expectations for leadership are likely to function as a similar 'catch-all' variable as the Need for Leadership in relation to perceptions of leadership.

In Section 2.2., it was also noted that perceptions of leadership are formed by separate processes: recognition-based and inferential processes. Recognition-based processes relate to directly observable events, and are derived from individual ILTs. Thus, I assume that Role Schemas should also be treated as recognition-based. At the same time, with regards to perceptions of leadership, inferential processes were related to attributions. The Social Environment, as defined by the PRE, functions as a source of information for perceptions. Due to information regulation caused by the organization, I expect the Social Environment to contribute to perceptual biases similar to causal attributions. Though somewhat different in nature, I will consider both dimensions jointly.

Context of the Study

As has been noted in Chapter 1, the current study has been conducted in the context of Investment Banking. More precisely, the quantitative data collected for the purpose of analysis is gathered across 12 different investment banking organizations in the Nordic countries. Together with the Research Design and the Research Problem, the context of the

study is likely to shape the way in which the Theoretical Framework will be applied to data in answering RQ1b) in terms of identifying and explaining factors that contribute to role-specific differences in perceptions of leader behaviors. Next, I wish to elaborate on these specific aspects together with explicitly stating a number of assumptions that have been made in relation to the Theoretical Framework.

The Theoretical Framework reflects a perspective of a single role. More specifically, in this study I will focus on the roles of investment banking analysts and associates (later Analysts and Associates) and the resulting perceptions leader behaviors that are jointly held by the holders of these work roles. Consequently, the perceptions are assumed to be based on social constructions of the behaviors of investment banking Vice Presidents and Managing Directors (Later Leaders).

As suggested by the framework, rather than being on a single individual, the level of analysis adopted in this study is that of the role - composed of multiple Role Holders with similar perceived expectations regarding their work. Such assumption can be made due to the unique yet shared characteristics of individual investment bankers (e.g. high ability, high need for achievement), which can be attributed to the rather thorough recruitment processes in the industry. In addition, a formally defined corporate hierarchy and role requirements (i.e. high level of Formalization) support the suitability of the context in relation to the Theoretical Framework. Section 3.1. will shed more light into the dynamics of the investment banking industry.

Due to adopting a role-level of analysis that spans across different organizations, the PRE needs to be adjusted before it will be applied to the final Theoretical Framework. First of all, rather than considering Organizational Factors as contributing to Role Perceptions, I would like to turn to Dierdorff & Morgeson (2007) and present that the context for role expectations will be more of *occupational* nature. The very similarly defined corporate hierarchy in the industry support this assumption. Secondly, although Role Schemas along with Implicit Leadership Theories are assumed to represent individual-level cognitive

processes, I will rule out the dynamics of these processes for reasons of simplicity of the analysis. Yet, I want to emphasize that the existence of such processes is acknowledged implicitly. Figure 5 summarizes the resulting Theoretical Framework.

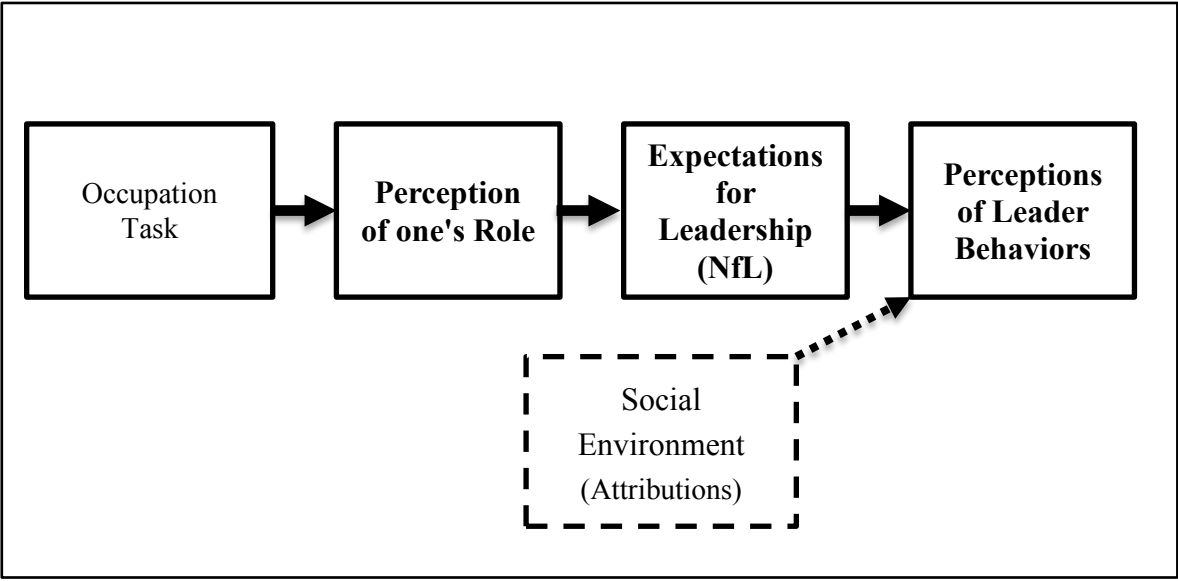


Figure 5: Theoretical Framework

Assumption regarding the Theoretical Framework

It has to be noted that the Theoretical Framework is likely to present an overly simplified version of complex social phenomenon. This is both due to the level of analysis adopted, which excludes individual-level factors, but also because of ignoring the underlying dynamics between the different factors in the model. In reality, it is acknowledged that Occupational Context and Task Environment, together with the Social Environment, are likely to interact with one another in the process of perception.

In fact, the model resulting from the Theoretical Framework can be considered as a snapshot into a single point in time. This also pertains to the initial assumption of Graen & Scandura (1987) in relation to Dyadic Organizing, as the static nature of the model does not allow for considering such dynamics. In the following chapter, however, we can clearly

deduct that investment bankers are likely to go through simultaneous cycles of Role Taking and Role Making, although the model fails to consider such processes.

2.4.2. Hypothesis Development

The Theoretical Framework assumes that Role Holders of a certain organizational role (e.g. Analysts and Associates) receive their expectations from the Occupational Context and the subsequent Task Environment. Then, they individually process these expectations in light of their Role Schemas (excluded) that builds on their previously held beliefs and assumptions regarding in-role behavior. In the context of this study, Analysts and Associates translate their Role Perceptions into expectations regarding in-role leader behaviors, which is likely to reflect their role-based need for leadership.

So far, I have not paid much attention to potential differences that Analysts and Associates may have toward their overall role expectations as well as the subsequent expectations concerning behaviors they require from Leaders. Based on the upcoming Section 3.1. that will discuss the Analyst and Associate role on a more general level, I do assume that their overall perceptions of their roles will represent the differences in expectations, which will also translate into differing expectations regarding leader behaviors. Namely, the Analyst work is characterized by a higher emphasis on acquiring new skills and knowledge, which is likely to cause Analysts to require more intervention from Leaders. Conversely, the Associate work tends to be more independent of nature, which would cause them to require less intervention from the side of Leaders.

Consequently, I suggest that the differing perceptions of leader behaviors are likely to be caused by differences in the Need for Leadership (De Vries et al. 2002). This is mainly due to the fact that in a previous study conducted by Schyns et al. (2008) it was found that NfL explained greatest variance in terms of perceptions of LMX quality. However, unlike previous literature (e.g. Schyns et al. 2008), and as dictated by the Research Problem, the focus of this study is solely on perceived leader *behaviors*. Having classified NfL as a 'quasi-need', the instrumental aspects related to leadership contributing to one's individual

goal attainment can be assumed to be more stronger in the investment banking industry due to higher on average collective need for achievement.

According to the Behavioral Approach to Leadership, Leader Initiating Structure and Consideration (e.g. Stogdill 1974; Lambert et al. 2012) have been found to be the two constructs that captures the greatest number of leader behaviors within them. More specifically, Lambert et al. (2012) present that while Leader Initiating Structure captures the task-relevant behaviors of leaders, the Consideration construct should reflect the factors relevant to the social environment. Since most of the prior work concerning perceptions of leadership behaviors has been conducted in relation to Transformational Leadership (e.g. Felfe & Schyns 2008), I posit that focusing on Initiating Structure and Consideration is warranted. In a similar vein, Jackson & Schuler (1985) noted in their meta-analysis that both Initiating Structure and Consideration did moderate Role Conflict and Ambiguity, giving further support for the relevance of studying the two constructs.

For that specific purpose, and in relation to the second Research Question (RQ2), the following two hypotheses were derived:

Hypothesis 1 (H1): There is a significant difference between Analysts and Associates rating Leader Initiating Structure so that Analysts are likely to rate it higher whereas Associates are more inclined to rate it lower.

Hypothesis 2 (H2): There is a significant difference between Analysts and Associates rating Leader Consideration so that Analysts are likely to rate it higher whereas Associates are more inclined to rate it lower.

3. METHODOLOGY

Due to the importance of the context in relation to Research Problem and Objectives, I will begin this chapter with a rather thorough introduction to the context of investment banking. It seeks to set the stage for the remainder of the study, especially in relation to research findings and analysis. After discussing investment banking, I will turn to introducing the Research Strategy and, more specifically, arguing for a mixed-method strategy. This is followed by a more elaborate description of the Research Design that outlines the specific methods applied in Study 1 and Study 2 in terms of data collection and analysis. A section focusing on the evaluation of the study will conclude the chapter.

3.1. The Investment Banking Context

This section is intended to provide the necessary background information regarding the investment banking industry and, more specifically, the specific project format that is used as a unit of analysis in this study. The section has been built by utilizing an interview with a Senior Industry Informant (SII) along with supporting external sources. The section begins by briefly outlining the recent development in the global investment banking landscape, then describing the general business model and culture within investment banking followed by more specific overview of the specific project type this study focuses on. The last section will also shed light onto the common career ladder found in the industry, which will construct a backbone for the upcoming analysis.

3.1.1. The Business Model and Culture of Investment Banking

The investment banking industry has experienced a major transformation within the past few decades (Eun & Resnick 2009). Due to relaxed financial regulation, globalization and subsequent consolidation, the industry has given rise to the financial holding companies that operate across the realms of retail, commercial and investment banking as well as insurance services. The traditional functions of investment banking are nowadays commonly carried out by an Investment Banking Division (IBD) of a financial holding

company (Liaw 2011). The financial industry undoubtedly represents one of the most dynamic and globally interlinked of all industries to date (Eun & Resnick 2009).

Traditionally, investment banks have derived their revenue streams from fees associated with transactions, such as underwriting of mergers and acquisitions (M&As) and divestitures, issuing debt or equity capital, and providing advisory services related to the two (Liaw 2011). A full-service investment bank or IBD commonly offers these services across a variety of different industries, whereas the so called boutique investment banks may only specialize in a more narrow set of industries and/or financial instruments. Due to the global nature of the industry, these transactions may involve parties from different locations worldwide, suggesting that a global presence is almost a prerequisite to establish oneself in the industry.

The investment banking function is commonly organized on a regional basis so that main operations are focused in one or more financial hub depending on the region. In the European context, this would imply a presence either in London and/or Frankfurt. To accommodate the needs of local responsiveness, separate coverage teams are established in major cities around the region. In essence, the coverage teams build client relations and facilitate the day-to-day project work, while they are being supported by teams specialized in different industries and financial instruments in the regional hub. Facilitation of such work requires reliance on *Global Teams* that are, at least partly, geographically distributed groups of people that do not meet on a frequent basis and thus need to rely on different forms of communication in facilitation of their assigned tasks (Maznevski & Chudoba 2000). In fact, as described by the SII, the daily work is mostly project-based which also implies a high reliance on team-based organizing, which is gaining momentum across a variety of industries as a mechanism to increase efficiency across the global organization (Mohrman, Cohen & Mohrman 1995).

By operating in fiercely competed and complex global industry, investment banks, by definition, are a typical example of high performance organizations (HPOs). HPOs are

characterized by above average financial performance, high productivity and high individual initiative combined with well-defined performance measurement and reward systems (De Waal 2007). Investment banking, on the one hand, is famous for its extreme, even brutal, competitiveness. On the other hand, the industry is also known for its generous annual bonuses, which naturally makes it a very appealing industry in the eyes of potential job applicants. However, both due to the needs and general appeal of the industry, investment banks maintain rigorous recruitment procedures to ensure that only the fittest of the fittest are granted an opportunity of employment (Liaw 2011).

The SII characterizes the industry as "the playing field of alpha males" with "a pretty strict food chain". Perhaps due to the American influence in the industry, investment banking to date relies on hierarchical structures with well-defined roles ranging from top of the organization to the very bottom. The organization of people along this structure resembles that of a pyramid: the base being the widest while moving upward will exhibit a diminishing number of people. In practice, apart from rigorous recruiting processes, this aspect alone is likely to contribute to the overall competitiveness in the industry. Banks are known to conduct annual reviews of their workforce, not being afraid of letting go of the least performing individuals. In practice then, investment bankers need to make sure they maintain a right balance between showing sufficient performance as well as learning and development in order to maintain themselves in the organization.

On the one hand, high performance is a prerequisite for the industry and, on the other hand, it is what the industry demands. "You should never let anyone believe that they are allowed to work on a single project at a time", the SII notes. "You need to maintain your multitasking abilities" to learn how to prioritize and become "brutally efficient", so efficient that you learn to ask others for help when your workload is simply so high that you will not manage by yourself. Although being able to independently manage one's workflow is a requirement, it is a common practice to turn to peers for help when being faced with simply

too much work. Thus, it implies that personal contacts and the resulting mutual trust is given a high value among investment bankers.

Advancements in technology along with the banks' need for improved internal efficiency have caused that there simply are no extra human resources to devote to a given project. It follows that the bankers need to bear the risk of something going wrong and to show flexibility, which, in more practical terms, translates into heavy extra work that from time to time will force bankers to spend nights and weekends at the office. In return, they are being rewarded, often very generously.

3.1.2. Sales Pitching in Investment Banking

The basic functions of investment banking were touched upon earlier in this section, however, it was not very clearly defined how all of this translates into work on a more day-to-day basis. First of all, the work in investment banking is roughly divided between execution and sales pitching. While execution refers to carrying out transactions from which the bank will collect fees, the pitching process is solely focused on generating future transactions with the expectation of collectable fees (Liaw 2011).

The focus in this thesis is on the pitching stage, simply because this specific project type tends to be quite standard in its format, composition and duration, thus allowing for comparison. Furthermore, pitches are mainly derived from two sources: a) they can be initiated by the bank for a potential project that they deem fit for the client's need or b) they can be asked of the bank by a client in the form of a Request for Proposal (RfP) that outlines a more specific problem or challenge that the client wishes receive a solution for. It is a common practice of individual clients to approach multiple banks with the same RfP and ask them all to present their findings in "a beauty parade". At the end, only one of the banks is given the mandate to execute the actual project.

A typical pitch takes no more than 1-2 weeks and involves between 4-6 people of which 1-3 are located in a coverage team and the rest in an industrial and/or product team depending

on the nature of the project. A pitch is usually, and ideally, started by identifying an overarching structure for the project including scheduled checkups before the final deadline. After the initial definition of the project, the team will work on delivering a draft presentation, called "a pitch book", that is then checked either via e-mail or during a conference call depending on the nature of the task at hand followed by comments for improving the pitch book. Then, the team will work for a period of time to accommodate the feedback provided and, shortly before the deadline, present a final piece of work that may be accepted as such or given some minor corrections.

It should be highlighted that the team assigned for each pitch is composed differently. In the context of Cohen & Bailey's (1997) typology of teams, such teams share commonalities between project teams, which are "time-limited" and "produce one-time inputs" (p. 242), and parallel teams that bring together people from various parts of the organization in an attempt to provide a solution for a complex task. In fact, not to forget the definition of Global Teams provided earlier by Maznevski & Chudoba (2000), these teams rely heavily on different forms of communication due to their geographic dispersion.

3.1.3. The Investment Banking Career Ladder

By now, it should be rather clear that, in order to be successful within investment banking, one has to possess a set of distinctive skills and personal attributes along with a continuous desire to learn and develop (Liaw 2011). So the question becomes: What are likely to be the common characteristics behind such individuals that have a desire for an investment banking career? Philipps & Gully (1997) studied individual factors that lead to higher performance based on self-set goals. Theory of goal setting assumes that more difficult goals lead to higher performance. It was found that those individuals with high self-efficacy (i.e. one's perception of ability) would set higher goals for themselves, which would also reflect their higher need for achievement. High self-efficacy, then, was seen to be caused by high ability, a learning goal orientation and an external locus of control. Each of these attributes is likely to characterize a typical investment banker.

In fact, as was already noted, investment bankers would be both required and willing to exhibit constant high performance. Then it would follow that the industry would attract and recruit individuals with above average self-efficacy, thus implying that in general these individuals would possess a high need for achievement. Moreover, as it is known that only the most suitable and higher potential candidates will make it through the recruitment process, it is safe to assume that these individuals would score high on ability, have an external locus of control and most likely possess a learning goal orientation.

From this, it follows that the career ladder that constitutes the backbone of the investment banking organizations functions as a filter so that only those that score very high on all of these attributes would eventually end up at the top. So far, and deliberately, I have not defined the exact format of the career ladder found in investment banking. It establishes well-defined roles along with a strict corporate hierarchy and a chain of command. I will describe the hierarchy from the perspective of sales pitches to provide further illustration to the context of the analysis. Also, to illustrate how the chain of command translates into the final work of the juniors, I will start by discussing the senior level positions first.

Senior Level Positions

On top of the investment banking hierarchy sits a Managing Director (MD) who commonly has spent between 15 and 20 years working his or her way up the corporate ladder. In short, and in relation to the basic functions of investment banking highlighted earlier in this section, the most important responsibility of the MD is to create more business for the bank. Due to their extensive experience in the industry, MDs hold valuable contacts and have fairly good insight of what is happening across different industries. It is the duty of the MD to seize upon these opportunities that arise while facilitating their extensive contact networks. If a potential client is interested enough, the MD will be granted approval to present their ideas in form of a sales pitch, which may translate into a mandate for transaction if successful. In a similar vein, the MDs are the point of contact for the clients

to present their specific needs in form of a RfP that also grants other competing banks the opportunity to show their work in relation to one another (i.e. a Beauty Parade).

At the more practical level of a single sales pitch, whether self-initiated or requested by the client, the MDs are the ones who set the overall framework for any given project. Ultimately it is the MDs, or group of MDs depending on the global nature of the pitch, that will present the 'pitch book' (i.e. a specific form of a presentation) to the client. Thus, the MDs define clear roles, objectives and expectations regarding deliverables for their teams. After that, the responsibility will turn to the Vice President (VP) who will oversee the actual implementation of a particular project and further define the objectives in more detail and allocate the workload amongst the team. At the same time, VPs are faced with considerable pressure to develop their own skills in managing client relations and adopting a more strategic view into the business of investment banking so that, one day, they may be the ones in the place of MDs.

Junior Level Positions

Depending on the sales pitch, VPs are likely to have between 3-5 junior level bankers working underneath them. These junior people are divided between Associates and Analysts, the latter being the entry level position into the industry. Associates can be thought of as some kind of middle ground between VPs and Analysts. On the one hand, they need to be actively involved in project management, show initiative and independence as well as assume responsibility of the smooth delivery of the final pitch book. This will eventually prepare them for the work of a VP. On the other hand, they need to further strengthen their skills and knowledge that they were able to gather during the Analyst stage. In other words, the work of an Associate can be considered as that of an all-rounder and, in fact, it is not uncommon for some Associates to end up spending the rest of their careers in this position. However, taken the general dynamics of the industry, one would be expected to move forward to a VP position within the next few years.

Analysts, as the title indicates, are the ones who "get their hands dirty" on a daily basis delivering analytics and support to the rest of the team. The main responsibility of an Analyst is to be exposed to a variety of different industries and projects to be able to make the most out of their time in terms of learning. As expected, showing initiative and assuming responsibility are considered as virtues of a good Analyst, which will also determine their fit for the future work of an Associate. The life span of analysts is usually somewhere between 2-3 years (Liaw 2011) and toward the end of this period, they should have learned most of the skills necessary to assume more responsibility in working as an Associate later on.

The Reality

It has to be noted that what has been described earlier as a typical pitch is, in fact, description of a sales pitch in an ideal flow of work and format. The SII notes that, ultimately, it will depend on the MDs and, in some cases, the VPs on how the actual sales pitch will end up. Despite the career ladder being described as a rigorous filtering system, there are plenty of MDs in the industry that do not have the right type of personality, are not organized enough to lead a structured pitch or, alternative, simply do not have the timely resources to do so. While an analyst may be working between 2 and 4 pitches and other projects simultaneously, the MDs being on the top of the chain of command are likely to be faced with projects in numbers of double or triple to that.

In such situations, the VPs are required to assume much of the responsibility of the work MDs. This will most certainly allow them to develop their own skill set to proceed to the MD level. However, depending on their skills, it may not translate into such a structured process further down "the food chain". Even the SII notes that it is not uncommon that the initial idea of an MD was not so well-thought at the end, which means that plenty of last minute changes are required at the more junior level to accommodate all of the sudden changes. Thus, the analysts and associates easily get discouraged and feel that their work is not being appreciated, as some of it may be made redundant during this process.

Nevertheless, there are many senior people in the industry who realize that it is, in fact, their duty to help the more junior people to develop to ensure the future survival of the organization. The SII notes that it is the duty of the MDs to coach and motivate the juniors. Not only will this help the juniors themselves, but also the MDs that will have the trust of the juniors in future projects. In conclusion, the senior people in investment banking extend a great impact to the rest of the organization. Building on this idea and the Research Problem together, the current study may be well warranted considering the investment banking industry.

3.2. Research Strategy

Bryman and Bell (2004) describe a research strategy as a general orientation of research in a study. In the context of the present study, as implied by the Research Problem presented in Chapter 1, the adopted research strategy combines elements of quantitative and qualitative research. In other words, the study employs a mixed-method strategy. Taken the exploratory nature of this study, such an approach is deemed appropriate, as it allows for simultaneously testing and generating theoretical propositions. More importantly, due to lack of previous research in the area of role-based perceptions of leader behaviors, such an approach allows us to also to combine two different perspectives to a phenomenon as well as an additional method of triangulation for the data collected and analyzed.

Due to the emergent nature of mixed method research, no common epistemological or ontological considerations have been agreed upon. The epistemological position of qualitative research is viewed as an interpretivist - "understanding of the social world through an examination of the interpretation of that world by its participants", while quantitative research relies on the application of the natural scientific model (Bryman & Bell 2004, p. 402). Similarly, a constructionist ontological position in relation to qualitative research implies a highly socially constructed nature of reality, whereas quantitative approaches treat reality as objective and independent. Also, qualitative research strategies often imply an inductive approach to theory, meaning that theory is built (i.e. interpreted) based on collected data. When following a quantitative strategy, the approach to theory is mostly deductive, which implies that data is collected based on existing theory (i.e. for purposes of theory testing) and statistical methods are applied in such process.

As Bryman & Bell (2004) present, many scholars argue against mixed-method designs. Due to different epistemological and ontological positions, the two should be held as separate domains. However, and quite surprisingly, proponents of mixed-method research refer to similar reasoning: the two approaches provide researchers with two different perspective of studying the same phenomena. Findings that complement one another are

likely to add to the reliability of any such study. More specifically, combining the inductive and deductive approaches to theory, by definition, involves iteration between theory building and testing (e.g. Eriksson & Kovalainen 2008). These two approaches yield a so called abductive approach to theory, which also characterizes the approach to theory adopted in this study.

Since I adopt a mixed-method strategy in relation to this study, it also follows that there are some implications to the actual Research Design. In fact, both quantitative and qualitative approaches require a separate design in terms of data collection and analysis. Therefore, I divide the study into two sub-studies: Study 1 adopts a quantitative research design and Study 2 follows a qualitative design. In order to fulfill the Research Objectives of this study, I will bring Study 1 and Study 2 together in the final analysis

3.3. Research Design

Bryman and Bell (2004) describe a research strategy as a general orientation of research in a study, which outlines the chosen methods in terms of data collection and analysis. Arising from the mixed-method strategy, the current study has been divided between two sub-studies. Study 1 is of quantitative nature and test hypotheses developed in section 2.4., and, thus, answers RQ1a). Study 2 is a qualitative study that utilizes the Theoretical Framework developed in the same section answering RQ1b).. Figure 6 summarizes the design of these two studies. Before turning into these specific details, I would like to explicitly state the level and unit of analysis. After that both studies will be discussed separately. Some notes about validity and reliability will conclude the section.

3.3.1. Level and Unit of Analysis

Before turning into descriptions of the specific Research Designs adopted for the two sub-studies, I will briefly turn into further clarifying the level and unit of analysis adopted in this study. As has already been noted multiple times during the course of this Thesis, the study will examine perceptions of leader behavior at the *role* level of analysis that will include a collection of multiple individuals that share similar expectations regarding their work roles. Furthermore, the unit of analysis will constitute of a single project undertaken by an individual in a given role. Each individual has provided multiple projects into the study, which allows for replication of data as well as further examining individual dynamics of forming perceptions.

The more specific project type identified in investment banking is that of a sales pitch project described in greater detail earlier in this chapter. The teams allocated to these projects are often composed in a very similar manner. More importantly, these projects follow a certain type of structure, which makes them highly comparable with one another. The use of such projects as the unit of analysis is thus justified.

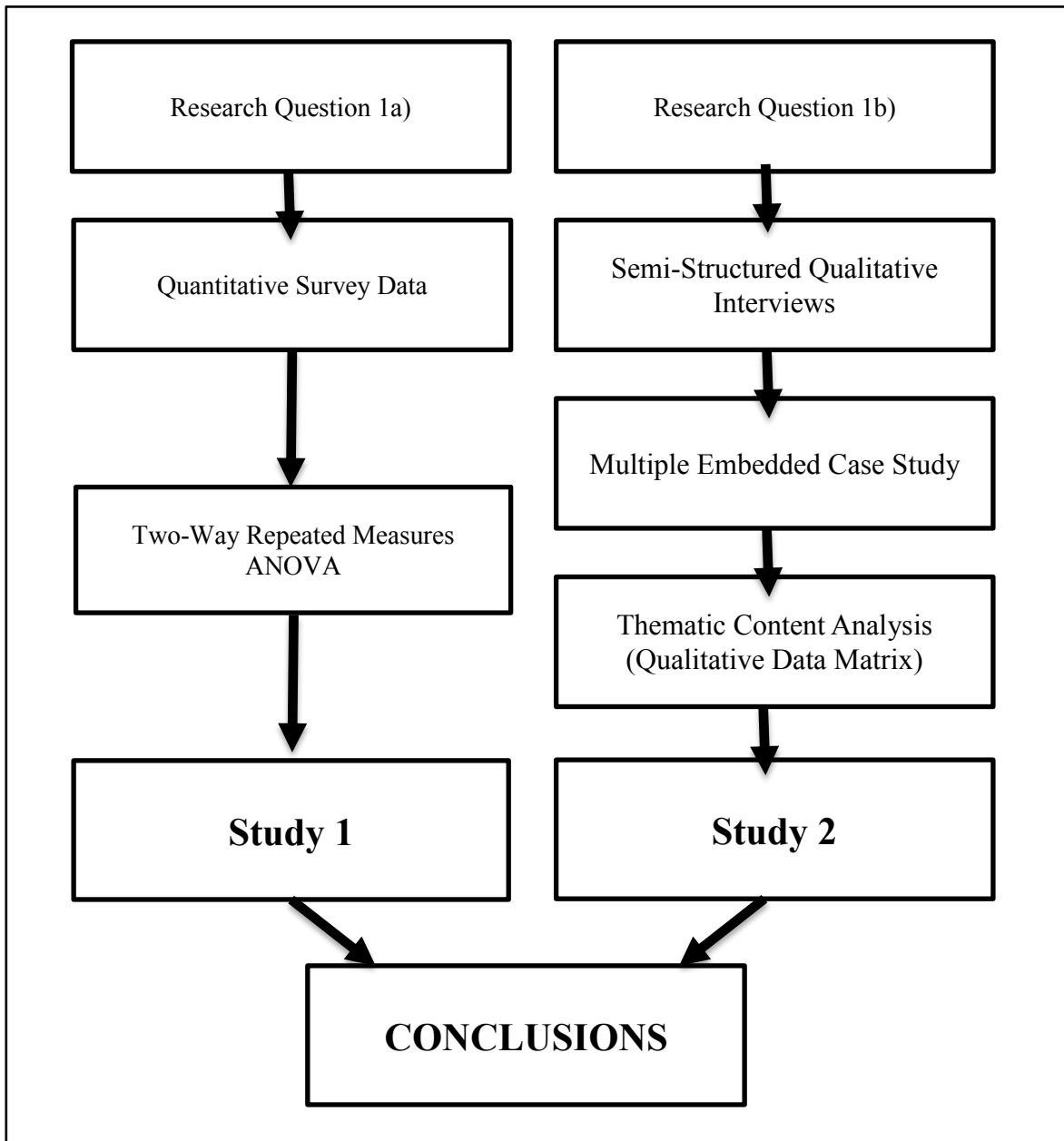


Figure 6: Research Design of this Master's Thesis

3.3.2. Study 1: The Quantitative Study

As noted, the Study 1 was conducted as a part of an international research project at Aalto University School of Business. A survey study in the form of structured interviewing was deemed as the most optimal design for the study. Such a design takes resource constraints and requirements for the amount of data into consideration, while it allows for more direct contact with participants. Due the intensive nature of investment banking work, the team did not expect a high response rate to mere online self-completion questionnaire surveys. Most importantly, however, questionnaires completed in a face-to-face interview contribute to consistent data and reduces interviewer variability to minimum (Bryman & Bell 2004).

In order to acquire a wide basis for data collection, the research project team identified the Nordic Region as the scope for potential participants. The region can also be treated as culturally more homogenous than compared to, for example, Central and Western Europe. A total of 19 local investment banking offices were identified in the region, of which 12 agreed to participate in the study with offices in Finland, Sweden, Denmark and Norway. A Senior Industry Informant (SII) assisted the team to facilitate contacts with the identified banks.

An ideal participant was identified as either an investment banking Analyst or Associate that had been working with sales pitch projects in the past 12 months. A total of 66 participants were interviewed between September 2014 and April 2016, of which 38 were Analysts and 28 Associates. A response rate of 97 per cent was ensured by adopting an individual and active approach to each potential participant. A dataset concerning 280 projects was collected, of which 159 were Analyst projects and 121 Associate projects. A more detailed account of the participants will be given in Section 4.1.

Data Collection

The data was collected during three different points of contact, of which one was a face-to-face encounter. The first point of was preceded with a brief introductory telephone call to establish informed consent among the participants (Kvale & Brinkmann 2009). The

participants were given the background of the research, confidentiality matters were discussed and they were informed of each of the steps involved in the process, while their consent for participation was confirmed. Then, a time for a face-to-face meeting was booked and they informed of the first online-based survey sent to them prior to the meeting. The survey contained questions related to background information.

A face-to-face interview took place within the next few days from the initial survey. Firstly, the participants were specifically asked about sales pitch projects that they had worked with during the past year. To ensure confidentiality, they were asked to denote a code name to each project and give a brief description of each. Then, a survey questionnaire was given to the participant that included certain open-ended questions related to the project and a set of statements. The participants were asked the extent to which they agree or disagree with each statement on a 7-point Likert scale. A multitude of constructs were included in the survey, amongst them a total of 4 that measured perceptions of leadership. Then, the interviewer filled a questionnaire on behalf of the interviewee to ensure proper data collection.

Within the next month of the face-to-face interview, a follow-up telephone interview was conducted to ask additional question related to each of the projects discussed during the face-to-face meeting. Similar statements were presented as during the face-to-face meeting.

Data Analysis

The interview data was entered into Microsoft Excel alongside the data collection phase, after which it was further imported into IBM SPSS for further analysis. The purpose of the quantitative data analysis was to answer to RQ1a). To accommodate the needs of the Research Objectives, the results were further analyzed through a two-way repeated measures ANOVA to detect potential differences between the perception of leader behaviors between investment banking Analysts and Associates. Due to unit of analysis, the ANOVA was conducted from individual project-level data so that it was controlled by

1) the individuals work role (e.g. Analyst or Associate) and 2) by the individuals themselves. Findings of Study 1 will be presented in more detail in section 4.1.

Field (2006) describes such ANOVA in the following way: "In particular, in experimental research we often want to manipulate what happens to people so that we can make causal inferences" (p. 269). In its simplest form, an ANOVA would only imply comparing two means (dependent variable) with another to find if a statistically significant difference exist. However, many times, in addition to a dependent variable, there are one or more independent variables that also affect the dependent variable and, hence, may cause differences between two observable groups. Analysis of Variance (ANOVA) can be utilized in such situations (Field 2006).

ANOVAs can take different forms depending on the type of groups and experiments one is interested in (Field 2006). A repeated measures design involves two separate groups that are both tested on a different condition, while an independent design involves testing the same participants under two conditions. Similarly, as the independent variables are used to separate people into different groups, it is possible that participants are placed always into the same group or different groups depending on the condition to be tested. A one-way design examines strictly two separate groups, while a mixed design may mix the two. Moreover, when two or more independent variables are involved, the design is referred to as factorial ANOVA.

Since the purpose of this study is to examine differences between investment banking Analysts and Associates, it suggests that the ANOVA should follow a repeated measures design designated for two different groups. And furthermore, as will be illustrated later, in order to control for as many variables as possible, a total of 3 independent variables will be used, which suggests a factorial two-way design. Hence, Study 1 will adopt a two-way repeated measures ANOVA.

3.3.3. Study 2: The Qualitative Study

Study 2 was conducted as a qualitative pilot study for Study 1. Study 2 adopts a case study design (e.g. Yin 2003). Taking into account the exploratory nature of this study and the scope of this study as a Master's Thesis, a case study design was deemed as the most appropriate research design concerning the qualitative study. Also, as the purpose of the study is to explore and describe individual behavior and resulting perceptions, the case study design can be easily complemented with qualitative interviewing as a method of data collection, as “we interview people to find out from them those things that we cannot directly observe” (Patton 1990, p. 278).

Each interviewee will be treated as a single case in the study with each project embedded in the individual. More specifically, the case research design follows that of a multiple embedded case study (Yin 2003). The particular design allows for collection of extremely rich data and replication of such data across cases. As a whole, such design increases the generalizability of the results.

The case company is an established global player within investment banking with a local office in Stockholm, Sweden. Due to confidentiality reasons, more detailed information of the case company will not be given despite that no commercial interest is involved with regards to conducting the study. A SII was identified from the company side to handle all matters and communication associated with the project. With the aid of the SII, a total of 4 interviewees were identified, of which 2 were Analysts and 2 Associates. Voluntary participation of the individuals was assured.

Data Collection

Data was collected in a total of four face-to-face meetings in the bank's premises in Stockholm during February 2014. As noted, interviewing was regarded as the most appropriate method to collect data in relation to case study designs. The language of interviewing was English. In order to comply with the exploratory nature of the study, all interviews were conducted in a semi-structured format, which allowed for a variety of

themes to emerge during the interview, while providing the direction necessitated by the Research Objectives (Patton 1991). An interview guide was prepared for the interviewer to follow a specific structure of the interview and to ask some relevant background question. The overall purpose of the interview guide was to increase the consistency of the interviews. The complete interview guide can be found in Appendix 1.

Good rapport was ensured from the start of the interview by establishing informed consent (Kvale & Brinkmann 2009). The interviewer first presented himself briefly and discussed matters related to taping the interview, confidentiality and the overall purpose of the interview without revealing too much about the actual topic of the study. Then, interviewees were asked to name and shortly describe 3-5 sales pitch projects, in which they participated during the previous year. Then, they will be asked to rank these projects in the order of effort they have allocated towards a particular project. This type of forced ranking allowed for detecting factors relating to individual prioritization of projects. The actual interview questions were designed as open-ended, which is a common approach in semi-structured interviewing, as it allows for the interviewees to describe their own perspectives (Patton 1990).

A total of 12 projects were discussed with the four interviewees, which were complemented with plenty of general comments. The two Analysts had been working more frequently in pitches than the Associates. In total, 7 Analyst projects and 5 Associates projects were discussed. An average of 1 hour was spent discussing with each of the interviewee. All interviews were recorded at the consent of the interviewees and later transcribed in order to establish a proper chain of evidence as well as construct a case study database (Kvale & Brinkmann 2009; Yin 2003).

Data Analysis

As the purpose of this study is to build theory on the behavior of individuals, not to analyze a specific discourse, the analytic approach employed in this study will be concentrated on the content of the gathered data. More specifically, two qualitative analytical methods were

employed: a thematic content analysis (Attride-Sterling 2001) and a content analysis through a qualitative data matrix (e.g. Miles & Huberman 1994).

In a thematic content analysis, the data is categorized according to global themes, organizing themes and basic themes (Attride-Stirling 2001, p. 388) in order to identify emerging common themes. More specifically, this method of content analysis was used to answer RQ1b). Both perceived factors and behaviors from transcribed interviews were organized according to global themes that were identified from the Theoretical Framework. Then further organizing and basic themes were identified within each global theme. Section 4.2. denotes further criteria that were used to construct each level of themes.

The qualitative data matrix was composed based on interview transcriptions and organized according to each interviewee and project discussed. Since interviewees were asked to rank each project according to how much effort they felt they had put into the projects, this method was used to analyze what factors may have influenced this process. The individual matrices reflected basic information regarding each project as well as summarized criteria according to which the interviewee had based their prioritization on. Then, after such a within case analysis, each individual matrices were compared to one another to determine common criteria of prioritization held by the interviewees. This method of content analysis did also contribute to an extent in answering RQ1b), and, more specifically, in relation to the potential attributions identified in the Theoretical Framework.

3.3.4. Integrating Study 1 and Study 2

After presenting the respective findings and analyses of studies 1 and 2, I will conclude the analysis by bringing these two studies together. As the purpose of Study 1 is to quantitatively test whether role-based differences exist in relation to perceptions of leadership, I will discuss the results of such test in light of the qualitative analysis from Study 2. This will likely shed light onto and further support the findings of Study 1. Together, findings from these two studies form the conclusion of this Master's Thesis.

3.4. Evaluation of the Study

Reliability and Validity are commonly used concepts to evaluate the consistency of methods employed in a given study. Bryman & Bell (2004) identify construct validity and reliability in terms of stability and internal reliability as concerns for quantitative research. On the other hand, Yin (2003) identifies four tests that are commonly used in evaluating research in social sciences: construct validity, internal validity, external validity and reliability (p. 34). This section will discuss each of these tests from the point of view of this study. Also, a more general section highlighting specific limitations to this study will be presented at the end of this section.

3.4.1. Validity

Validity establishes whether a defined construct in fact measures the phenomenon that it is intended to measure. In relation to Study 1, common constructs of the Leader Behavior Questionnaire (Lambert et al. 2012) were employed that have been established in the literature for sufficient levels of internal and construct validity, especially in relation to individual perceptions (Rush, Thomas & Lord 1977). Also, using a data collection method that utilizes three points of contact is likely to yield to greater levels of internal validity.

In relation to Study 2, all four dimensions of construct validity (e.g. use of relevant measures, use of multiple sources, maintaining a chain of evidence and consulting an external observer) are fulfilled (Yin 2003). The sales pitch project as a standard format in investment banking satisfies the use of relevant measures. Both primary and secondary data sources have been used in the course of the study that satisfies the need for multiple sources. In addition, Study 1 can also be considered as an additional source. A chain of evidence is maintained through a case study database that has been built based on interview transcriptions. In addition, two external observers, one Senior Industry Informant and another member of the research project team have been consulted in relation to the data.

Due to the exploratory nature of Study 2, considerations of internal validity can be largely ignored as the study does not involve any hypotheses testing as such (Yin 2003). External

validity on the other hand, involves “establishing the domain to which a study’s findings can be generalized” (Yin 2003, p. 34). The mixed-method research strategy per se is considered as a great contributor to the external validity of the study as whole. However, it should be noted that findings are focused within one specific industry. Replication logic of the multiple case study design used in the content analysis should increase the external validity of Study 2.

3.4.2. Reliability

In quantitative research, reliability refers to the consistency of a measure as a concept (Bryman & Bell 2004, p. 163). Due to rigorous empirical testing of the Initiating Structure and Consideration constructs, Study 1 is assumed to satisfy all requirements related to stability. Both constructs were measured through 3-items, which should further satisfy requirements in relation to internal reliability.

In qualitative research, reliability is concerned with the possibility of a third person repeating the study, including data collection and its relevant procedures, and arriving into exactly the same conclusions as the researcher of the original study (Yin 2003). Reliability of this study is ensured in two instances: firstly, by constructing a separate methodology section that describes all procedures employed during the conduct of the study and, secondly, constructing a case study database that includes all taped and transcribed data for review.

3.4.3. Limitations

This Thesis, alike any piece of academic work, does not come without limitations. More specifically, the limitations are likely to derive both from theoretical choices and methodological considerations that were made in relation to data collection and subsequent analysis.

Although a wide array of theoretical foundations were considered in composing the theoretical framework for the study, for purposes of simplicity, many contextual factors had

to be eliminated to preserve a manageable scope of the study. As presented in relation to section 2.4.1., several assumptions regarding the model were made, which limit the consideration for dynamics that are likely to shape the model. Similarly, studying the model within the boundaries of certain industry characteristic may considerably limit the generalizability of the model and the results obtained. Finally, taking into consideration the exploratory nature of the study and lack of prior theoretical basis, the theoretical choices made may themselves present a limitation to the study. Despite presenting compelling arguments for the model, the possibility of ignored theoretical foundations that could better explain the examined phenomenon cannot be entirely ruled out.

In terms of data collection, the quantitative data, mainly due to a 3-step data collection method, can be considered rather representative. However, it should be born in mind that all participants were employed in a single industry in a single cultural context (the Nordic). This may pose limitations to the generalizability of the data across other cultural domains. At the same time, it should be noted that the quantitative data was collected by two individuals, myself being one of them. Despite using a structured, numerical questionnaires, potential errors related to interviewer variability has to be taken into consideration.

In terms of Study 2, it is clear that the data collected is somewhat insufficient and may not contribute to a realistic representation of the phenomena under study, since only four individuals were interviewed in one country organization. Similar to Study 1, using such a narrow population may also limit the generalizability of the results to other cultural contexts. Adjacent to the previous statement, it should also be noted that neither the interviewer nor the interviewees conversed in their native language, which may affect how information has been presented and interpreted.

When it comes to analyzing the data, even though cross-checking qualitative data with quantitative data contributes to overall reliability in terms of triangulation, it is still likely that in the absence of more complex multi-level methodologies, the value-added of the

analytical processes is not optimal. Furthermore, since the quantitative data was not initially designed to be used in the purposes of research into role-based perceptions, the data cannot be considered as an optimal fit to the rather simple methods of quantitative analysis that were employed. Finally, taking into consideration the somewhat insufficient quantity and quality of the collected qualitative data, the link between Study 1 and Study 2 may have to be strengthened to allow for further analysis.

4. FINDINGS

I will start this section by presenting the findings regarding Study 1 and then move on to Study 2. Before presenting the actual findings, I also provide some detailed background information regarding both studies. The results of both studies will be discussed in greater detail in Chapter 5 for Discussion and Analysis.

4.1. Study 1

As noted earlier, Study 1 utilized a quantitative research strategy with primary data collected in the form of quantitative survey studies. A total of 7 banks that had an investment banking division in the Nordics participated in the study. 66 participants were surveyed between September 2014 and April 2016. Of the participants 38 (58%) were Analysts, and 28 (42%) were Associates. Moreover, only 6 participants (4 Analysts and 2 Associates) were female. Two banks employed 65% of the participants.

The participants had an average of 2.79 years, or 33.4 months ($SD=21.7$), of experience within investment banking. More precisely, Analysts had an average of 1.71 years, or 20.4 months ($SD=11.6$), while Associates had an average of 4.26 years, or 51.07 months ($SD=19.7$). Finland (24) and Sweden (23) were the most common nationalities represented by the participants, making up 71% of all participants, while Norway and Denmark made up the rest. In a similar vein, participants with a background in Finance represented 54% of all participants, while Accounting and Engineering represented another 30%.

Altogether, data on 280 projects were collected, of which 159 were Analyst projects and 121 Associate projects. On average, 4.24 projects ($SD=.912$) were discussed with each participant. Analysts presented an average of 4.18 projects ($SD=.896$), whereas Associates presented 4.32 projects ($SD=.945$) on average. Table 1 presents the descriptive data in greater detail.

	Analysts <i>(N=38)</i>	Associates <i>(N=28)</i>	Total <i>(N=66)</i>
Gender			
<i>Male</i>	34	26	60
<i>Female</i>	4	2	6
Projects			
<i>Count</i>	159	121	280
<i>Mean</i>	4,18	4,32	4,24
Experience			
<i><1 Year</i>	9	0	9
<i>1-2 Years</i>	16	3	19
<i>2-3 Years</i>	6	1	7
<i>3-4 Years</i>	7	10	17
<i>>4 Years</i>	0	14	14
<i>Mean</i>	1,71	4,26	2,79
Nationality			
<i>Sweden</i>	14	10	23
<i>Finland</i>	14	9	24
<i>Norway</i>	6	5	11
<i>Denmark</i>	4	4	8
Organization			
<i>Bank 1</i>	21	10	31
<i>Bank 2</i>	5	7	12
<i>Bank 3</i>	5	4	9
<i>Bank 4</i>	3	2	5
<i>Bank 5</i>	3	1	4
<i>Bank 6</i>	1	3	4
<i>Bank 7</i>	0	1	1
Specialization			
<i>Finance</i>	23	13	36
<i>Accounting</i>	4	7	11
<i>Engineering</i>	6	4	10
<i>Economics</i>	3	2	5
<i>Management</i>	1	2	3
<i>Other</i>	1	0	1

Table 1: Descriptive Data of Participants of Study 1

4.1.1. Two-Way Repeated-Measures ANOVA

Participants' perceptions of leader behaviors were measured through two separate constructs in accordance with H1 and H2. Both Leader Initiating Structure and Leader Consideration were measured using a 3-item construct identified by Lambert et al. (2012), which are presented in more detail in Appendix 2. The final construct was composed of taking a mean of the three items, respectively.

As was presented earlier, Study 1 adopts a two-way repeated measures ANOVA. Both final constructs were analyzed separately. The final construct was used as a dependent variable. A separate title dummy was denoted to each project indicating whether the project was conducted by an Analyst or Associate. Similarly, each participant were given a unique Person ID. The title dummy was used as the first order independent variable, while the Person ID was used as a second order independent variable to control for individual differences between projects. Since the data contained some missing values, a type IV sums of squares was applied (Field 2006). The findings of the ANOVA are presented in Table 2.

The resulting ANOVA reports means for both Analysts and Associates as well as for all participants (Total) per each construct. For Perceived Leader Initiating Structure, Analysts' mean score is 4.78 (SD=1.17) and 4.27 (SD=1.20) for Associates, while the mean for both groups is 4.56 (SD=1.21). Similarly, Analysts rate Perceived Leader Consideration at 5.26 (SD=1.04), Associates at 4.63 (SD=1.15), whereas mean for both is 4.99 (SD=1.13). Although there seemingly are differences, neither reaches the acceptable level of significance at $p < .05$. More precisely, difference in Perceived Initiating Structure between Analysts and Associates is border-line significant at $p = .083$. However, difference in Perceived Consideration is not significant at $p = .70$.

Due to such a border-line difference, and considering the scope of this study, I will accept H1 and reject the null hypothesis. Nevertheless, the ANOVA clearly signals that the results of the study regarding Perceived Consideration are more likely to be random than actually

caused by differences in work roles. Thus, I will reject H2 and accept the related null hypothesis.

	<u>N</u>	<u>Mean</u>	<u>SD</u>
Initiating Structure			
<i>Analyst</i>	159	4,78	1,17
<i>Associate</i>	121	4,27	1,2
<i>Total</i>	280	4,56	1,21
Consideration			
<i>Analyst</i>	159	5,26	1,04
<i>Associate</i>	121	4,63	1,15
<i>Total</i>	280	4,99	1,13

Table 2: Results of two-way repeated measures ANOVA

4.2. Study 2

In Study 2, qualitative interviews were conducted at an office of a global investment bank in Stockholm, Sweden in February 2014. A total of four investment bankers were interviewed, of which two were Analysts and two were Associates. All of the interviewees were Swedish nationals. Two of them had a degree in Engineering, while the other two had a background in Finance and Accounting, respectively. On average, the interviewees had 2.77 years of experience with the company so that Analysts had 1.5 years and the Associates 4.0 years.

Altogether, 12 projects were discussed with the four interviewees. More specifically, 7 projects were described by the Analysts, while 5 were described by the Associates. The projects were almost equally distributed within each of the groups, although Analyst projects received a slightly higher representation. In addition, general comments were made regarding the Analysts vs. Associate roles, the work of investment banking, leadership and related project work by all interviewees. Associates were more inclined to provide general comments as compared to Analysts, which may have been caused by a lower number of sales pitch projects that were discussed with them.

The interviews reflected Analysts' and Associates' subjective evaluations (i.e. perceptions) of the projects and their overall work. To support the subsequent analysis, the emerging themes were categorized into global organizing themes according to thematic content analysis (e.g. Attride-Sterling 2001), which derive from the Theoretical Framework presented in Chapter 2. I will first discuss factors related to perceptions of one's role, separately between Analysts and Associates. Then I move to discussing Need for Leadership between the two roles. Finally, I briefly take up the issue related to the Social Environment and possible causal attributions. Table 3 summarizes key findings related to Study 2.

	Analyst <i>(7 Projects)</i>	Associate <i>(5 Projects)</i>
Role Perceptions		
<i>Occupational Context</i>	<ul style="list-style-type: none"> • Analytical Tasks • Focus on knowledge and skill acquisition • High need for achievement 	<ul style="list-style-type: none"> • Project Management • Need for greater autonomy in their work • High need for achievement
<i>Task Environment</i>		
Career Development	<ul style="list-style-type: none"> • Desire for greater responsibility • Willingness to develop task-specific knowledge and skills 	<ul style="list-style-type: none"> • Desire for greater responsibility • Willingness to develop project management and leadership skills • Unwilling to conduct analyst work
Significance of Project	<ul style="list-style-type: none"> • Short-term focus (e.g. outcome of project at hand) 	<ul style="list-style-type: none"> • Longer-term focus (e.g. client relation, financial potential)
Need for Leadership		
Leader Attendance	<ul style="list-style-type: none"> • Leaders expected to oversee projects and define responsibilities • Support required from the leader only when needed 	<ul style="list-style-type: none"> • Poor leadership seen negatively • Have learnt to accept there are unorganized leaders
Leader Consistency	<ul style="list-style-type: none"> • Frustration caused by change of plans and late feedback 	<ul style="list-style-type: none"> • Frustration caused by change of plans and late feedback
Career Development	<ul style="list-style-type: none"> • Positive response to increased autonomy and support 	<ul style="list-style-type: none"> • Absence of leadership viewed positively
Social Environment		
Immediate Team	<ul style="list-style-type: none"> • Team members seen as source of support and feedback 	<ul style="list-style-type: none"> • Support from analysts treated as default characteristic • Perceived responsibility to establish mutual trust in team
Regulated Information by the Organization	<ul style="list-style-type: none"> • Greater distance to leaders • Infrequent contact with leaders • Virtual projects given less priority 	<ul style="list-style-type: none"> • Somewhat closer to leaders • More frequent contact with leaders • Longer experience working with leaders • Virtual projects given less priority
Causal Attributions	<ul style="list-style-type: none"> • No clear support found 	<ul style="list-style-type: none"> • No clear support found

Table 3: Key findings of Study 2

4.2.1. Role Perceptions

In accordance with the Theoretical Framework, Role Perceptions are assumed to derive from the expectations of the Occupational Context and the Task Environment. I will discuss findings related to both next. In terms of Occupational Context, my focus is on discussing on a general level how Analysts and Associates view their roles, while making occasional comparisons to the descriptions of the SII in section 3.1. When it comes to the Task Environment, I will present the findings in a more structured way, while simultaneously highlighting differences between Analysts and Associates.

Occupational Context

The first, overall conclusion from the findings is that both Analysts and Associates seem to fit the role description given by the SII in section 3.1. Analysts' main tasks are concerned with conducting analyses and building the pitch book. This requires them to focus on getting exposure to different industries and different types of projects, which is likely to help them acquire the necessary skills and competency needed to proceed on their careers. Analysts seem to be quite conscious of what is expected of them if they wish to become Associates.

Similarly, Associates clearly focus more on day-to-day project management along with tasks that can be considered more 'associate-level' duties. They seem to have covered the basics and exhibit higher levels of autonomy while focusing on developing their project management and leadership skills. Similar to Analysts, the Associates are well aware of the VP-level duties they need to participate in to be able to climb the corporate ladder further. More interestingly, they are also aware of what they should not be doing: namely the work that is generally considered as analyst work.

That being said, a clear additional finding was the fact that projects are often allocated by Leaders, which may result in either Analysts or Associates being placed in projects that may not be consistent with their own expectations and perceptions of their role, thus causing dissatisfaction. Although each interviewee did report this type of projects, they

were mainly exceptions. Not surprisingly, the findings also show that the assumption regarding the generally high achievement orientation in the industry was indeed correct. As I will show next, both Analysts and Associate seem to respond very positively to challenging tasks.

Task Environment

The descriptions of task environment related to the actual content of the projects both Analysts and Associates mentioned in the interviews. Also, the descriptions reflected the components of the Job Characteristics model presented in relation to section 2.3. More precisely, the discussion centered around two specific themes, both of which are likely to impact how Analysts and Associates perceive their roles. Most comments were related to Career Development, while about one third of the comments concerned the Significance of Project. Each interviewee provided at least one comment per each project. The greater number of Analyst projects also translated into more comments on their side.

Career Development, defined in broad terms, includes all aspects of the project that would contribute to the Analysts' and Associates' career development, more specifically to those behaviors and tasks that would be related with the work of the stage following their current role (e.g. Analysts would be more prone to view Associate work from this point of view). Significance of Project, on the other hand, was viewed more from the organization's perspective and dealt with more specific characteristics of the project itself.

Career Development

The comments around career development could be further divided between two organizing themes. Firstly, the opportunity to assume more responsibility was seen as contributing to career development. Descriptions of responsibility related to both independent and joint responsibility in relation to project content as well as managing the project itself, including other team members. It should be noted that description around increased responsibility were all presented in a very positive light.

Secondly, gaining more expertise was considered important. Expertise can be considered both as new knowledge (e.g. industry or product-specific knowledge) and actual skills, such as leadership skills. In relation to expertise, the interviewees provided both positive and negative comments. Positive ones were given of situations that reflected the interviewees' own professional interests, while negative ones were given in relation to aspects that did not work in favor of these interests. Also, situations that made the interviewees look somewhat unexperienced had some negative impact on the way they would view the project.

Overall, there were no major differences between the Analysts and Associates when it comes to their desire to assume more responsibility. In terms of gaining expertise, the Analysts clearly placed more emphasis on task-specific knowledge, whereas for the Associates it was more important to focus on Project Management and actual leadership skills. Nevertheless, for both Analysts and Associates, such findings were quite predictable taken that they are related to the respective work roles that were next along the career ladder.

A somewhat important difference that did emerge was the generally more negative tone that Associates used in describing certain aspects of their work, which can be related to career development overall. For instance, the Associates explicitly stated that doing the work of Analysts would no longer be their responsibility. Yet both Associates reported instances they had to do so from time to time. Similarly, the Associates clearly responded more negatively to situations where they did not possess sufficient knowledge in carrying out their work independently, thus having to depend on their Leaders.

Significance of Project

As noted, the projects were often evaluated from the perspective of their significance to the organization. This was mostly reflected by the jointly held expectations of the outcome of the project, the financial potential and, in some cases, the importance of the existing client relationship. Again, due to the intensity of the work, both Analysts and Associates can be

expected to evaluate how much effort one should extend over a project. Is it going to be successful? Will it bring in enough money? Does the client have long-term potential?

Although all criteria were considered by both Analysts and Associates, it was very clear that Analysts were more prone to focus on the expected outcome, since it would have a direct effect on the significance of their own work. The Associates, on the other hand, focused almost solely on the long-term potential of a project, whether in terms of financial gain or the client relationship. Once again, these findings can be considered as highly role-contingent.

4.2.2. Expectations for Leadership (NfL)

It is assumed that Analysts' and Associates' NfL should be reflected in their descriptions of leader behaviors. In fact, three common organizing themes were identified. However, it has to be highlighted that the themes were more identifiable in the Analyst descriptions as opposed to those of the Associates that tended to give more general comments.

Leader Attendance relates to behaviors when leaders are perceived as actively participating in Project Management. Leader Consistency, on the other hand, reflects the perceived consistency that leaders show in conducting their own work, mainly in terms of providing timely feedback and sustaining a predefined course of action. Finally, Career Development relates to the different opportunities perceived to be provided by leaders that have an effect on Analyst and Associates' progression on the Investment Banking career track.

Each organizing theme was mentioned by all interviewees in relation to at least two instances (either a project or a general comment). Leader Attendance was a theme that emerged based on general comments by both Analysts and Associates. Leader Consistency and Career Development were more related to specific projects.

Leader Attendance

"It's like "alright, this is what we're gonna do, let's start doing it". And then I pretty much know exactly what I'm gonna do and then I can start working independently and I get motivated myself and I feel like.. as a.. I feel like there is not an issue in the world." (Analyst)

The Analysts clearly feel that while they are supposed to be self-sufficient in producing their work, the role of a leader should be to oversee the project from a distance and intervene only when needed. The Leaders are expected to organize work and allocate responsibilities in the beginning of the project, while providing timely feedback and support on a need basis.

Approximately half of the comments by the Analysts relating to leader attendance were presented in a positive or neutral light and reflected behaviors described above. In these cases, it was deemed sufficient that leaders established these procedures and that they were more or less involved in guiding the project work. The rest, on the other hand, implied some more negative descriptions of leader behaviors mainly relating to lack of behaviors mentioned above. Also, the Analysts tended to be more elaborative with regards to the negative aspects of perceived behaviors. For example, both Analysts raised an example concerning when they felt they were being "micromanaged". In these instances, Leaders were putting too much pressure on them or did not trust the work they had been doing so far, which, in their view, reflected a clear mistrust from the side of Leaders.

When it comes to Associates, all comments, although general in nature, they presented regarding Leader Attendance had to do with the lack of structure in Project Management and the lack of organizational skills of Leaders. Similar to Analyst descriptions, Leaders were generally not seen as very organized, which could potentially cause harm for project work. The only difference with Analysts, though implicit, was that Associates seemed to have learned to accept this fact as being characteristic to the industry itself.

Leader Consistency

"... when they look at it, I mean, the last day or maybe don't even look at it at all.. I mean the pitch book. Then.. you actually start asking the question: Do they really care? And then you lose the motivation, but.. most often you just have to realize that.. they do absolutely care, they definitely do, it's just how they work. And.. basically you just have to live with it." (Analyst)

A common scenario described by both the Analysts and Associates was a call involving multiple leaders that had been scheduled to discuss the progress of the project with the aim of providing some feedback on the work currently done. At this point, plenty of hours have been invested in the work and in some cases, due to the availability of leaders, the call might have been scheduled just a couple of days in advance of the final delivery or at another inconvenient time (e.g. Friday afternoon). During the call, it becomes evident that the work produced does not meet the expectations of the leaders, meaning that plenty of extra work is required within the next days to overcome the expectation gap.

In practice, what this means for the Analysts and Associates is that they are all of a sudden faced with a significant additional workload that they were unable to plan for. In cases when a call had been scheduled for a Friday afternoon, it may have meant that this additional work needs to be carried out during the weekend. The Analysts, for example, described that, in order to plan ahead for such a situation, they have tried to submit work earlier for leaders' revision. However, this does not seem to aid in the process and usually caused additional frustration as the time between work submitted and the actual call is seen as lost time. Not to mention that the time used to prepare the work so far is considered as wasted.

It was very clear from both Analysts and Associates that changing plans and providing feedback at the very last minute create plenty of frustration, which eventually causes them to think whether the Leaders even care about their work. As also reflected by the quote, while they do acknowledge that it is something built in the industry itself, they feel that even their minimum requirements are not always met. However, again, although the

Associates clearly voiced similar concerns in relation to the Leaders, their comments could also be considered as slightly more sympathetic - being unorganized is something that is built into the industry.

Career Development

"...since I've been working with leader x and leader y, they, they really listen to what I have to say. They don't just like ignore what I'm saying and go with their own thought. They, they really listen to what I have to say, which is.. yeah, again more encouraging than.. than just being micromanaged." (Analyst)

Without any exception, all leader behaviors that contributed to career development were described in a very positive light by both Analysts and Associates. More specifically, for Analysts, such behaviors included those that would result them in gaining more knowledge, skills and expertise on the work of Associates. Two main types of behaviors were clearly identifiable from the data set to support this notion: Autonomy and Support by the Leader.

The most quoted aspect relating to career development was clearly the autonomy granted, or the lack of "micromanagement" targeted, toward the Analysts in carrying out their duties. When done in a proper way, for the Analysts, it was clearly a sign of trust and appreciation from the side of leaders, which was described as highly motivating. The scope of autonomy was mainly task-related, such as being able to carry out tasks independently or together with an intern, for which the latter was also seen as a way to develop the analysts' own leadership skills.

Another aspect of career development quoted by the Analysts was received support from the leaders. Again, it was evident that for the analysts it was a sign of trust and appreciation, but perhaps more importantly, they saw themselves as being treated as equals by the leaders. Descriptions of such behaviors included the opportunity to participate in decision making together with the leader as well as learning together with, or being coached by the leader. Leader's that were viewed as demanding were described more fondly, which suggests that it was seen as a positive feature.

"...the VP kinda said "I'm taking my hands off this so you run with it". (Associate)

In the Associates' positive descriptions of projects and leadership, the leaders were, indeed, absent. The Associates clearly felt that this had a positive impact on their career development, as it allowed them to gain relevant expertise in relation to the work of a VP. Also, since they were allowed to independently work on projects, it was also seen as a chance to show their Leaders that they are worthy of the responsibility, which may have lead the Associates to consider that Leaders showed greater appreciation towards their work. In one instance, it was even noted that a Leader deliberately let the Associate to manage the project. In the beginning, it was described as a source of frustration, but later on, the Associate admitted that the Leader was likely to do it for the Associate's own good.

Lastly, the more negatively toned descriptions of Leaders were given in relation to particular projects by the Associates. More specifically, all comments dealt with Associates being allocated to projects where they would be highly dependent on their Leaders, along with potentially being required to conduct analyst work. Naturally, Associates would describe such situations with a very negative tone with clearly observable dissatisfaction.

4.2.3. Social Environment (Attributions)

In the interviewees' description, along with the Theoretical Framework, the Social Environment could be divided between two parts: the immediate team and the rest of the organization. In terms of the team, both support from the team and overall team cohesion emerged as main themes. In terms of the organization, the findings can be considered as more embedded in the descriptions and relate to similar factors that Humphrey (1985) and Humphrey & Berthiaume (1993) identified as regulators for information in the organization. It should be noted, however, that, the majority of comments relating to the Social Environment were only given when asked about the teams specifically and did not emerge naturally from the interviews.

The Immediate Team

When it comes to factors related to the immediate team, the Analyst descriptions were quite balanced between support and cohesion. Without an exception, the support that Analysts perceive to be gained from the team comes in the form of feedback, such as checking each other's work or asking for help when needed. In fact, some of the Analysts comments reflect the main assumptions of the Leader Substitutes Theory (Kerr 2005). Cohesion, on the other hand, was mostly concerned with overall efficiency of the team, characterized by mutual trust.

The Associates were generally less concerned with team-related aspects. Overall, there was not such a significant separation between aspects of support and cohesion in the Associate descriptions. Mainly, the support received from the rest of the team was seen as a default characteristic of the Associate work. For instance, the Associates described clear frustration in case there were no other Analysts in the team, which required them to conduct tasks outside of the scope of their assumed role. Quite interestingly, the Associates had a completely different stance toward cohesion and resulting trust in the team. In fact, the Associates felt that they had an obligation to establish trust in the team.

Regulated Information by the Organization

As suggested by Humphrey (1985) and Humphrey & Berthiaume (1993), there were several, yet embedded, references to the organizational hierarchy and the resulting distance between the Analysts and Associates and their Leaders. For example, both Analysts and Associates raised the issue that they have limited contact with MDs and mostly work with VPs on a day-to-day basis. Due to limited interaction, they also acknowledge that the MDs may not even know that they work on a certain project. In other words, both acknowledge that the MDs influence them through the VPs, which may alter whatever information is exchanged. Assuming that the Associates should have more frequent communication and closer interaction with both the VPs and the MDs, it should also imply that they possess more information to base their perceptions on. Similarly, due to longer working experience

in the industry, Associates should have a more accurate picture of the others in the organization.

Although most descriptions given by Analysts and Associates related to the immediate team or Leaders located within their common reach of people, some projects, in which people in another office were involved, were discussed. To be more precise, there were two instances where Analysts and Associates reported they felt a project was not as important when the project team, especially the Leaders, were located in an office they did not have much prior experience working with, while they had to rely on communication technology in carrying out the project.

Potential Causal Attributions

As noted, a Qualitative Data Matrix (Miles & Huberman 1994) was constructed of the interviews to observe additional phenomena. More specifically, during the course of the interviews, both Analysts and Associates were asked to rank each project they gave as example in the order of how much effort they felt they had put to the projects. Such a prioritization was seen as a way to detect which project-specific factors the Analysts and Associates would deem the most important, which would further aid in detecting potential sources for causal attributions to leader behaviors. Due to a higher number of projects discussed with Analysts, the results are more likely to reflect projects at this work role level.

In reference to *all* interviewees, factors arising from the task environment were the single most important criteria that contributed to a project being prioritized as number one. Furthermore, a clear difference could be detected between Significance of Project and Career Development so that the latter criteria were prioritized over the former. Consequently, projects that were considered as less significant, mainly due to low expectation of the outcome or general importance to the organization, were given less emphasis in prioritization.

Leadership was regarded as the second most important factor, while teams were only referred to occasionally. Naturally, those leader behaviors that would contribute to one's Career Development were viewed as more favorably than those that were related to Leader Attendance or Leader Consistency. More importantly, projects in which both task-specific factors and leader behaviors were seen as contributing to one's Career Development were given first priority.

Nevertheless, no clear positive relationship between favorable task-specific characteristics or leader behaviors was found. The presence of motivating task environment did not necessarily imply positively perceived leadership. Nor did positively perceived leadership necessarily imply motivating task characteristics. Only one project was detected where both task characteristics and leader behaviors were perceived as contributing to Career Development. In addition, in one instance, it was mentioned that Leaders were able to change the expectation regarding the expected outcome of a project from negative to positive. However, due to being single events, not enough support is given if such event would re-occur in similar circumstances.

In terms of a negative relationship between task environment and perceived leader behaviors received somewhat more support. Each interviewee listed one project that would imply both negatively perceived task characteristics and negatively perceived leadership. Naturally, these projects, without exception, were given the last rank in prioritization. Nevertheless, no direct causality between the two were described during interviews, which means that the support is likely not to be sufficient to draw further conclusions.

5. DISCUSSION AND ANALYSIS

The findings related to Study 1 and Study 2 were presented in the previous section. The purpose of this chapter is to jointly discuss findings from both studies and to draw conclusions regarding RQ1b). I will firstly provide a brief summary of the findings around Study 1 and Study 2. In relation to the latter, I briefly discuss Occupational Context and Task Environment as well as Need for Leadership. I will then analyze these set of findings in relation to RQ1b) and the Theoretical Framework that was developed to respond to this specific research question. Then, I will lastly bring up the issue of Social Environment and potential attributions that may indirectly influence the findings.

5.1. Summary of Findings of Study 1 and Study 2

The results of Study 1 showed that in relation to Leader Initiating Structure, a difference between Analysts and Associates was found, whereas no such difference was found concerning Leader Consideration. Although a borderline significance of the difference between Analysts' and Associates' perceived Leader Initiating Structure was detected, the null hypothesis was reject and the H1 was accepted.

When it comes to Study 2, the findings reported under the Occupational context clearly support the initial assumptions regarding Analysts' and Associates' role perceptions, along with their generally higher need for achievement. To illustrate the findings further, the Associates clearly felt that they are required to show higher levels of independence in project work, while Analysts were more open towards help from Leaders. Similarly, Associates were clearly more aware of the boundaries regarding their roles, since they had a tendency to avoid analyst-level work. For the Analysts, on the other hand, the Social Environment seemed to be somewhat more important, which can be a product of lower levels of general autonomy.

In relation to the Task Environment, clearer differences between roles could be identified. Although aspects of Career Development were generally viewed positively by both Analysts and Associates, the former group was more prone to focus on gaining knowledge,

while the latter group was concerned with Project Management and leadership skills. Both of these reflect the duties of the following career roles, which further supports the assumption of high achievement orientation. In terms of Significance, significant differences were not detected, although Associates had a tendency to be more concerned about client relationships. Overall, the findings support the notion that these specific factors can be related to either experienced meaningfulness or experienced responsibility, as dictated by the Job Characteristics model.

Consequently, perceptions regarding the Task Environment are clearly reflected in the NFL exhibited by Analysts and Associates. This is mostly illustrated in relation to Leader Attendance. Although aiming for independency, Analysts do require a certain extent of leader intervention with regards to project work on an ad hoc need basis. At the same time, they do perceive overly involved Leaders negatively and interpret situations of "micromanagement" as absence of mutual trust between themselves and Leaders. The Associate descriptions regarding Leader Attendance were all of general nature and reflected mostly a neutral tone. It strongly suggests that, indeed for Associates, Leaders' involvement in project work is not necessary, even potentially an obstacle for conducting their own work. Furthermore, Associate descriptions regarding projects with high levels of leader dependence were negative without an exception.

When it comes to Leader Consistency (i.e. timing of feedback and sudden changes of plans), there are no notable differences between the descriptions given by Analysts and Associates. Moreover, all Analyst descriptions tend to bear a more negative tone, while Associates tended to describe these behaviors more neutrally. This may suggest that, over time, Associates have learn to accept that late timing of feedback and sudden change of plans are characteristic to the industry, which they will have to learn to work with. It is also notable that there were no project-specific descriptions that would have born a positive tone in relation to Leader Consistency.

Lastly, descriptions regarding Leaders' behaviors and Career Development were all of positive nature. For the Analysts, it was clear that being granted more autonomy by Leaders as well as given opportunities with mutual learning were signs of trust. This was seen as an implicit form of feedback by Leaders, while it was also viewed as a positive sign with regards to obtaining the role of an Associate in the future. In terms of the Associates, a similar overall picture was visible. While higher levels of autonomy were treated as basic requirements in relation to their role, granting full autonomy with actual responsibility of the outcome of the project were viewed extremely positively. Similar to Analysts, these opportunities were viewed as implicit feedback and signs of trust that could clearly aid them in absorbing relevant skills toward the work of VPs.

5.2. Role Differences in Perceptions of Leader Behaviors

Until this point, I have treated Studies 1 and 2 in a separate fashion. As noted, the findings of Study 1 were clear. In terms of perceived Leader Initiating Structure, a difference of borderline significance between investment banking Analysts and Associates were detected so that Associates, on average, reported less Initiating Structure in comparison to Analysts. Thus, H1 was accepted. In relation to Leader Consideration, however, no such difference was found contrary to H2 and the null hypothesis was accepted. Next, I would like to draw upon the findings of Study 2, to uncover potential factors that support findings related to H1 and H2.

First of all, I argue further that perceived behaviors in relation to Leader Attendance and Leader Consistency fall under perceived Leader Initiating Structure. It is clear that behaviors under these organizing themes fall under task accomplishment and goal attainment. More specifically, while Leader Attendance is associated with behaviors of planning, Leader Consistency is more leaned towards implementation and evaluation performance. The findings of Study 2 clearly illustrate that Analysts tend to require these behavior to a greater extent than Associates. It is a difference that mainly derives from expectations related to their roles. In other words, the Need for Leadership of Analysts is

generally higher than that of Associates, which is likely to cause the differences between perceived levels of Initiating Structure between the two groups.

Secondly, I argue that perceived leader behaviors related to Career Development are reflected in scores for Leader Consideration. The most compelling argument for classifying perceived Career Development as Leader Consideration derives from the fact that both Analyst and Associate descriptions of such situations implied mutual trust and perceived appreciation of the work done by Leaders. At the same time, behaviors related to making one feel more comfortable and at ease were not reported.

Therefore, I finally argue that perceived leader behaviors in relation to Initiating Structure fall into expected in-role behaviors of Leaders, while behaviors of Consideration are considered as extra-role in nature. For this reason, the Need for Leadership only affects Followers' perception of Leader Initiating Structure, thus causing the detected differences. Consequently, due to the extra-role nature, there are and nor should there be any differences between Analysts' and Associates' perceived Leader Consideration. This is because extra-role behaviors are not considered as directly expected behaviors. The findings of Study 2 clearly support this: Analysts and Associates do not expect to receive such behaviors from their leaders in general, although they react very positively in the presence of such behaviors by Leaders.

Now, one may argue that Leader Consistency does in fact relate to perceived Consideration, since some Analyst and Associate descriptions quoted lack of perceived appreciation due to receiving untimely feedback from Leaders as well as having to adapt to constantly changing plans due to poor planning by Leaders. I also do recognize that, under certain circumstances, these perceived behaviors could be related to Leader Consideration. However, building on the previous point concerning the expectations of in-role and extra-role behaviors, I argue that both Analysts and Associates consider such behaviors to be of in-role nature. Also the qualitative findings clearly support this matter - poorly organized managers are common in investment banking.

5.3. Social Environment (Attributions)

The impact of factors related to the Immediate Team on perceptions of leader behaviors is likely to be questionable. Analysts could clearly view other team members as substitutes for Leaders, this was not found to have a direct effect in how the Leaders were perceived. Similarly, Associates treated analyst-level team members as granted and described projects more negatively, in which they had to carry out analyst-level tasks. However, overall, the findings suggest that attributions may exist in relation to Social Environment.

In terms of available information for perceptions, the regulatory effect of organizational hierarchy could be detected to some extent. In fact, I assume that such an effect would be stronger for Analysts than for Associates due to the smaller distance and presumably more frequent interactions between Associates and Leaders. Similarly, as previous research has found a relationship between experience and RoL (e.g. Chong & Wolf 2010), I argue that Analysts would be more prone to possessing romanticized views of leaders. In terms of relative task difficulty, this would imply that Associates be able to form more realistic perceptions of Leaders' work tasks, which would further limit their romanticized views of Leaders. However, I argue that due to such clearly separated roles between Associates and Leaders, it is unlikely that relative task difficulty would contribute to perceptual biases.

Perhaps surprisingly, the physical distance between teams was raised by two interviewees. Again, the findings do not indicate what the actual effect could be. However, the theory supports such a view, since reliance on communication technology is likely to regulate available information of the other team. Moreover, earlier in Chapter 2, it was mentioned that behaviors that have not been observed are treated as 'non-occurrences' by perceivers. In this particular case, it implies that, whether or not favorable behaviors by Leaders were actually present during the project, these will be not considered when Analysts and Associates form their respective perceptions. In the context of perceptions of leader behaviors, it follows that Followers are likely to perceive Leaders more negatively because of lack of available information due to virtual nature of project work.

Finally, when it comes to causal attributions to leader behaviors, I posit that the qualitative study did not give enough support to drawing any further conclusions regarding their possible effect on perceived Leader Initiating Structure or Consideration. However, despite being based mainly on Analysts' descriptions, I wish to highlight that the findings do support existence of environmental factors and other mechanisms that provide a solid basis for such moderating effects to exist. I do argue that, overall, there are not likely to exist significant differences between the factors on which Analysts and Associates base their potential attributions of causality on, due to similar levels of need for achievement.

While there did not seem to be any relationship between the significance of the project to perceived leader behaviors (Leader Attendance and Consistency), although based on a single example, the possibility of attributions in relation to Career Development cannot be entirely ruled out. This is mostly due to the fact that, based on descriptions of Career Development related to both task-specific factors and perceived leader behaviors; it seems that sufficient task conditions need to be present for Analysts and Associate to perceive such behaviors.

Furthermore, the data supports, to some extent, the notion that Analysts and Associates may possess a tendency to attribute negative task-characteristics to leadership. Extra support can be drawn from the descriptions of leader behaviors, since both Analysts and Associates did present more negative descriptions of leader behaviors, when they felt that they were forced to work on a project and undertake tasks that would no longer be expected of them. Leaders are generally responsible for making such decisions, although the reasons for taking such decisions are likely to stem from the environment (e.g. someone happens to have extra capacity to work on a project). Due to reason related to hierarchy, Associates would be expected to possess a higher tendency for this type of negative attributions due to higher probabilities of being 'downgraded'.

Based on previous discussion, it seems probable that causal attributions to leadership are being made by both Analysts and Associates. However, the findings of Study 2 do not

provide enough support to confirm the existence of any. As was stated by Schyns & Hansbrough (2008), positive information in relation to attributions seems to be less "valuable" than negative. This suggests that negative attributions should have a relatively stronger effect on perceptions of leader behaviors when present.

5.4. Summary

The findings and subsequent analysis clearly point out that Followers use task-related factors to establish initial conditions for motivation followed by expectations toward leader behaviors. These first two "sub-processes" give rise to Followers' evaluation of their Need for Leadership vs. Autonomy.

As was also supported by the findings, the overall Need for Leadership is likely to be directly reflected in perceptions of leader behaviors. However, Need for Leadership is assumed to only mirror into behaviors that relate to Leader Initiating Structure (e.g. Leader Attendance and Consistency). These behaviors are considered as Leaders' In-Role Behaviors. Leader Consideration, on the other hand, is considered as an Extra-Role Behavior that includes behaviors related to Followers' Career Development.

Additionally, organizations themselves have been found to impact how perceptions of leadership are formed due to regulating available information of making such perceptions. More specifically, frequency of contact and distance along the hierarchy were identified as such factors. Moreover, the findings gave support for the existence of "non-occurrences" that may arise from projects that rely on communication technology rather than face-to-face encounters.

Finally, causal Attributions may establish a linkage between task factors and perceptions of leader behaviors. Furthermore, it was suggested that in case tasks are not considered as significant, it may cause a negative causal attribution to Leader Initiating Structure. Consequently, if a task is identified with a potential to contributing to one's Career Development, it may cause a positive attribution to Leader Consideration.

6. CONCLUSIONS

The present study has successfully answered all research questions identified in the first chapter of this thesis. Firstly, it gives strong support for followers' work roles affecting subsequent perceptions of leader behaviors due to finding an almost statistically significant difference between investment banking Analysts' and Associates' perceptions of Leader Initiating Structure. In a similar vein, findings indicate that there are no differences between Analysts' and Associates' perceptions of Leader Consideration. The differences are explained by Initiating Structure being classified as In-Role Behaviors and Leader Consideration as Extra-Role Behaviors. Thus, the first sub-question was sufficiently answered.

In relation to the second sub-question, potential factors that may affect role-specific perceptions of leader behaviors were discussed. Although falling slightly outside of the scope of the study, the qualitative analysis found plenty of supporting evidence for the relevance of Need for Leadership. Defined as a 'catch-all' variable, NfL is assumed to incorporate individuals' interpretations of settings in which leadership occurs, while also taking contextual variables into consideration. More importantly, the study gives support for the fact that needs and expectations, in certain circumstances, may be equal.

In fact, Lord & Dinh (2014) called for greater understanding of followers' expectations in relation to perceptions of leadership. The current study has undoubtedly added support for this particular matter. Furthermore, it can also be said that Lord & Dinh's demand for a divide between effectiveness and perception in leadership research seems warranted. Lastly, the current study has added to the few studies that have not been conducted in a laboratory setting (Dinh et al. 2013).

In a similar vein with Schyns et al. (2008), finding further support for Need for Leadership as a 'catch-all' variable explaining followers' perceptions of leadership, is likely to add to the study's contribution to existing leadership literature. More specifically, the study is likely to touch upon similar principles as situational approaches. However, instead of

adopting an effectiveness focus, the conclusions clearly support a notion that perceptions may play a role in situational theories of leadership. Furthermore, the support for NfL is likely to contribute to the importance of Self-Leadership in the future (Yun et al. 2006).

As Harms & Spain (2014) called for a common perceptual tendency of followers that would explain perceptions to a greater extent, I argue that the findings related to this study are most likely to serve this purpose. In addition, the findings have been obtained through a study that employs "a design (sic) where multiple followers rate multiple leaders" (p. 188). From the perspective of Role Theory, and due to the absence of research with similar designs, the findings of the study are encouraging in terms of future importance of the theory *per se* and in relation to theories of leadership and followership.

In conclusion, the findings and resulting discussion presented above also imply that the Research Objectives identified for this study have likewise been achieved. A synthesis of literature in perceptions of leadership and Role Theory was produced to target and address the identified gap in research. Furthermore, the findings of this study are likely to have practical applicability in relation to the work of a manager as well as present academia with fresh ideas concerning future research. As a concluding remark, I will briefly touch upon both matters.

6.1. Managerial Implications

There is no doubt that the results of this study are going to present some fresh perspectives regarding the work of a manager. Junker & van Dick (2014) report several consequences of the fit between leader traits and behaviors to followers' ILTs. Some of these include higher effectiveness ratings by followers, perceptions of competence, leader liking, popularity and respect by followers as well as increased commitment, satisfaction and well-being on the side of the follower. This suggests that the outcomes of favorable perceptions of leadership are positive for both leaders and followers, which are also reflected in higher perceived LMX quality.

As the study has found that Need for Leadership is likely to function as a 'catch-all' variable in explaining differences of perception between holders of two roles, it also suggests that managers and leaders alike should pay more attention to providing leadership behaviors to an optimal extent. Sims et al. (2009), in their study of situational approaches to leadership, concluded that more experienced subordinates should be treated with empowering behaviors, while beginners should be provided with a more directive style of leadership. There is no doubt that the findings of the current study support this similar notion.

Despite such findings and recommendations may seem to be somewhat commonsense, some managers have already been found to consciously regulate their behaviors towards subordinates through practices of *Impression Management* (e.g. Tsui, Ashford, St. Clair & Xin 1995). The tools related to Impression Management would greatly benefit from increased understanding of the impact of subordinates' work roles in relation to more favorable perceptions of leadership.

So how does the notion of roles and the related NfL, at the end, benefit a manager? As the current study has shown, clearly defined roles are likely to provide managers with a common framework through which one can easily evaluate the NfL of multiple subordinates. Thus, the benefit brought about by the notion of roles can be thought as increasing efficiency. In industries, such as Investment Banking, where resources are constantly over-utilized, adopting an individually-targeted leadership style may not be feasible. In addition, the increased understanding of roles and related perception may help managers to channel their timely resources more efficiently. In the context of Investment Banking, for instance, this could mean that instead of using time to guide Associates, a given manager could, instead, focus on providing Analysts with more targeted leader behaviors.

The notion of perceptual biases in relation to work roles and organizations is important from the perspective of a manager. As organizations are increasingly adopting global structures with high utilization of virtual forms of work (Maznevski & Chudoba 2000),

managers need to be advised that such practices may also bring about new types of challenges into the daily work. The discussion on 'non-occurrences' has clearly shown that virtual environments have a higher probability of restricting subordinates from necessary information, which cause perceptual biases.

Finally, and building on the notion of Lord & Dinh (2014): "Perceptions don't equal to effectiveness" (p. 161). Although strong support for the benefits of favorable follower perceptions of leadership do exist, managers should remain critical. As the study has shown, subordinates, especially in investment banking, have a tendency to engage with self-congruent goals in relation to their work. I assume that leader behaviors that support such goals are likely to be evaluated more favorably than others. However, can we be sure that the goals of the organization are aligned with the goals of a single subordinate?

6.2. Suggestions for Further Research

As noted, the findings together with the unique research problem related to the current study are likely to give way to entirely new avenues of research both in the field of Role Theory and Followership in terms of perceptions of leadership. I would like to take this chance and illustrate some of the more urgent research opportunities that may arise from the findings of current study.

First of all, the identified theoretical framework should be exposed to further theoretical testing. More specifically, quantitative designs should be applied to test the current propositions identified in the framework, while further qualitative designs should be employed to identify additional factors that may affect the process of forming perceptions of leader behaviors, especially in terms of Leader Consideration. In addition, the moderating effects of causal attributions and the organization as an informational regulator should be further examined both qualitatively and quantitatively. Although the study concluded that relatively low support for these factors was identified, yet the existence of such moderating effects can be held nearly certain.

More specifically, when it comes to causal attributions, it needs to be highlighted that the current study only concerned those related to the immediate task environment, while previous research (e.g. Blight et al. 2011) have established the existence of such mechanisms in relation to environmental factors, such as organizational performance. In terms of the organization and the resulting information regulation, I argue that this study has uncovered the potential impact that Global Virtual Teams (GVTs) (e.g. Maznevski & Chudoba 2000) may have toward the availability of relevant information.

It should also be highlighted that the current study is entirely based on findings collected from the investment banking industry. In relation to the acknowledgement of the need for further empirical support, other industries should be incorporated into the studies. Doing so should further validate the generalizability of the results of the current study. In a similar vein, research in other domains should also adopt similar exploratory designs, since the likelihood that the identified theoretical framework might be the most applicable in the investment banking industry, mainly due to special characteristics caused by the High Performance Organizations. Thus, it can be concluded that the results of this study are likely to reflect a somewhat more extreme case in relation to more conventional industries.

As was already noted in relation to conclusions, the results of the study implicitly suggest that, in addition to followers' work roles and other role-based determinants, individual and task-related factors may also contribute to how perceptions of leader behaviors are formed. Thus, for more holistic theory development, future research efforts should also focus on developing multi-level designs that can properly account for these more complex factors and evaluate their effect on perceptions.

Finally, the results of the study also imply that incorporating the Leaders into a similar study would likely add to existing research. Furthermore, a combination of subjective descriptions by Followers and Leaders combined with more objective measurements would also aid in evaluating the importance of social constructions' contribution. Current research

in the domain of Leadership and Followers, especially, would benefit from such designs due to field's recent approach to gaining a more holistic view of related phenomena.

APPENDICES

Appendix 1: The Interview Guide used in Study 2

Interview Guide

Briefing Stage

- Explain following things:
 - Purpose of the interview
 - Using a tape recorder
 - Confidentiality
 - Voluntary participation

Background Questions

- Date, time and place:
- Name (for interviewer only):
- Title/function:
- Years in the company/work experience:
- Level of education:
- International experience:

The Interview

1. Can you first tell me briefly about what you like about your work? Why?
2. Then, can you name 3-4 recent sales pitch projects that you have participated in?? Leave out any disclosed information.
 - a. 'Project 1'
 - i. What was the purpose?
 - ii. Who were involved?
 - b. 'Project 2'
 - i. What was the purpose?
 - ii. Who were involved?
 - c. 'Project 3' etc...
3. Now, I want you to rank the projects in terms of how much effort you have put into them. Give highest rank to the project that you feel you have put most effort into.
4. Compare 'Project 1' to 'Project 2'. Why did you put more effort into 'Project 1'?
 - a. Compare your colleagues in these two projects. How did they impact your effort?
5. Compare 'Project 2' to 'Project 3'. Why did you put more effort into 'Project 2'?
 - a. Compare your colleagues in these two projects. How did they impact your effort?
6. Compare 'Project 3' to 'Project 4' ...

Additional Questions

- Even though you mentioned that you preferred 'Project 1' to 'Project 2', what were the things that you liked more in 'Project 2' compared to 'Project 1'?

Appendix 2: Constructs used in Study 1 by Lambert et al. (2012)

Leader Initiating Structure

The leader (or the most senior banker actively managing the project)...

- ...acted in a friendly and approachable way.
- ...showed concern for my wellbeing.
- ...was supportive when talking to me.

Leader Consideration

The leader (or the most senior banker actively managing the project)...

- ...let me know what was expected of me.
- ...encouraged me to use uniform procedures.
- ...maintained clear performance standards with me.

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