2010

Edge Leadership: Using Senior Leadership Perceptions to Explore Organizational Turnarounds

Lynn William Olsen
Antioch University - PhD Program in Leadership and Change

Recommended Citation

EDGE LEADERSHIP:
USING SENIOR LEADERSHIP PERCEPTIONS
TO EXPLORE ORGANIZATIONAL TURNAROUNDS

LYNN WILLIAM OLSEN

A DISSERTATION

Submitted to the Ph.D. in Leadership & Change Program
of Antioch University
in partial fulfillment
of the requirements for the degree of
Doctor of Philosophy

August, 2010

This is to certify that the dissertation entitled:

EDGE LEADERSHIP: USING SENIOR LEADERSHIP PERCEPTIONS TO EXPLORE
ORGANIZATIONAL TURNAROUNDS

prepared by

Lynn William Olsen

is approved in partial fulfillment of the requirements for the degree of Doctor of Philosophy in
Leadership & Change.

Approved by:

_____
Mitchell Kusy, Ph.D., Committee Chair   8/5/2010

_____
Jon Wergin, Ph.D., Committee Member   8/5/2010

_____
Cynthia McCauley, Ph.D., Committee Member   8/5/2010

_____
Kerry Bunker, Ph.D., External Reader   8/5/2010

Dedication

I dedicate this dissertation to:

My wife, Karlene Nora Olsen, for a lifetime of love and support.

Our children, Justin, Heather, and Nora and their families for understanding my time away.

Abstract

The researcher developed the concept of an edge leader—that is, one who can mindfully turn around a troubled business to sustain it for the future. In an increasingly turbulent and competitive climate, more edge leaders must be developed to sustain their organizations for the benefit of shareholders, employees, communities, and society. The researcher's review of the classic and contemporary leadership and change literatures suggested that four elements are necessary to develop leaders capable of leading even basic beneficial change. They include: having broad, successful experience; being emotionally and socially aware; having the ability to think differently about priorities and paradoxes when progressing through organizational levels; and having the competencies to fill a role. However, the researcher asserted that those elements, while necessary, are not sufficient to develop edge leaders. Specifically, two additional elements are required to fill the gap between basic change leader development and turnaround leader development: instilling a zest for continuous learning and developing the ability to mindfully apply a balance of transactional and transformational leadership practices. The researcher's review of the classic, contemporary, and empirical leadership literature, along with several preparatory studies, suggested that the edge leadership concept merited further study. The dissertation research further substantiated the concept in three ways within a turnaround case study. The researcher used additional analysis of the literature along with Q methodology, a constructivist approach combining qualitative interview data gathering, researcher interpretation to define the range of participants' perspectives, and quantitative factor analysis to develop conclusions. Based on interview data from a company leader and eight cross-functional senior staff members, the researcher first found that the leader's development profile compared well to the six conceptual elements of edge leadership. Second, the researcher's literature-based top-25

turnaround leader action items list matched 23 of those actually taken by the leader within the

case. Third, the researcher examined the quantum relationships among the participants and their

perceptions of the leader's actions, concluding that four factors represented the actions seen by

the participants as the most important to the turnaround. The electronic version of this

dissertation is at OhioLink ETD Center, www.ohiolink.edu/etd.

TABLE OF CONTENTS

List of Tables

List of Figures

Chapter I: Introduction

Leadership and change are important matters. They are important to societal institutions of all types, but my focus is on their importance to the institution of business as a contributor to society, and, in particular, to failing businesses in need of renewal. I believe that a particular type of leadership—a concept I have developed and termed *edge leadership*—is necessary to meet the needs of today's complex and challenging business environment. Edge leadership involves the ability of a leader to work with others to mindfully turn around a troubled business or instill significant organizational innovation to sustain and grow a firm.

I have been developing the edge leadership concept over the past five years. The purpose of this study was to further investigate and potentially substantiate the concept in the case of the leader and senior staff of a company that has gone through a turnaround. To explain my intent, I first briefly discuss the importance of leadership and change in general and then narrow the discussion to the critical topic of business leadership and change. Next, I introduce edge leadership and describe the six developmental elements that contribute to it, including two that I believe distinguish it from other basic leadership types. Following that, I outline the importance of developing more of what I have termed edge leaders in the interest of society and discuss the challenges of doing that within today's complex business systems.

These discussions set the stage for my review of the lessons I have learned from the literature. I learned a great deal about basic leadership and change, but I also found a gap in the literature involving the particular requirements of turnaround leadership that I believe the edge leadership concept helps to fill. I discuss my earlier investigation of the concept in a trial study involving a turnaround leader and his senior staff, and describe how I further investigated the concept in greater depth in this study.

Leadership and Change Matter

Leadership matters. Our recognition of its importance is natural and universal; it "has been built into the human psyche because of the long period we need to be nurtured by parents for our survival" (Bass & Bass, 2008, p. 3). We learn early to perceive our leaders as those who safeguard and provide for us in meaningful ways. As we grow and become socialized, others such as teachers, bosses, and politicians replace our parents as leaders in our lives (Bass & Bass, 2008). Leaders and followers thus establish complementary relationships—mutually agreeable exchanges of dominance and dependence based on common goals (Burns, 1978).

Such relationships have been acknowledged since the earliest Egyptian writings going back 5,000 years (Bass & Bass, 2008). Leadership thinkers in societies worldwide have studied and written about leaders and their importance over the millennia, with the scope of their study expanding from family units to clans and tribes to villages and city-states to nations and empires, and now, to our global society. They have examined leadership's influence and importance in many domains, including: mythology, politics, warfare, religion, sports, history, literature, the arts, social science, and business. The last 100 years have seen substantial development and change in the formal field of leadership studies, but the underlying premise of leaders being responsible for safeguarding their followers and providing something meaningful for them has not changed. Bass and Bass (2008) wrote "leadership is often regarded as the single most critical factor in the success or failure of institutions" (p. 11).

Change matters, as well. Human institutions are living systems that must balance a degree of structure and order with the ability to adapt to changing circumstances to survive and thrive. Over time, change in institutions would happen naturally without intervention, but absent beneficial leadership, which prescribes that leaders have moral intent and work to improve

outcomes in service of their followers (Burns, 1978), such change could often result in entropy and decline. Burns (1978) asserted that the very definition of leadership requires this beneficent approach. Thus, leadership and change are linked phenomena and both are important to the vitality of human institutions.

Leaders must learn, develop, and exercise the means of influential control to achieve the positive changes they desire. It follows, then, that the means by which leaders learn, develop, and exercise their leadership are worthy of study. As a student, practitioner, and teacher of leadership and change, I am interested in a broad range of leadership studies, but my focus for this study was on business turnaround leadership and leader development.

Business Leadership Matters

Business leadership matters because of the important structural role of commerce, along with other institutions such as government, religion, and academia, in supporting the pursuit of happiness (Burns, 2003). While my program of study may seem to be narrowly focused, I suggest it is not; the issue is important to society at large. Drucker (2001) wrote "To know what a business is, we have to start with its purpose. Its purpose must lie outside of the business itself. In fact, it must lie in society since business enterprise is an organ of society" (p. 20). Those who lead successful firms not only create customers, they provide employment—a critical source of opportunity, economic value, personal security, and a sense of worth for people.

The overriding responsibility of a business leader is to sustain and grow a firm for the benefit of its shareholders, employees, communities, and societies at large. Unfortunately, there are many instances when leadership has gone lacking, with the resulting business failures causing substantial pain for stakeholders. Stories of such failures abound in the newspapers, business periodicals, and the popular press. The stated reasons vary, including: competitive

pressures, technology shifts, changing marketplace needs, even personal malfeasance. In each of these situations, leadership failed its overriding purpose. Yet, others lead renewals—turnarounds from a state of entropy and decline. I am particularly interested in what these leaders do.

Gaining and sustaining success continues to become more difficult; the business environment continues to become more complex and harder to manage. Businesses today face substantial challenges inherent to a social environment that has been rapidly and unremittingly changing in very fundamental ways. Over four decades ago, Argyris (1967) noted how the converging dynamics of the technology revolution, increasing competition with a resulting profit squeeze, higher costs of marketing, and the unpredictability of consumer demand were creating difficult conditions. Over the ensuing four decades, increasing globalization based on low-cost air travel, exponential advances in computer and communications technologies, rapidly growing world trade, and emergent digital financial systems have created even greater challenges for today's business leaders. As Giddens (2000) wrote "The current world economy has no parallels in earlier times" (p. 9). Businesses today stand at the edge of a turbulent and rising torrent of pervasive economic, demographic, social, and geo-political forces that exemplify Vaill's (1996) now famous metaphor of "permanent white water" (p. xiv).

To accommodate these changes, companies have adopted less formal and more complex structural designs. In the 1960s, Argyris (1999) began to discuss new forms of organizing, suggesting moving away from traditional pyramid hierarchical structures to flat, cross-functional organizational systems and, over time, these forms have become pervasive. Speechley (2005) noted "many organizations have now moved, or are moving a stage further to a structure that is matrix and/or project based" (p. 47). While such structures have many benefits, they require a "new type of education central to the work of the system" (Argyris, 1999, p. 122).

The information age requires the need for leadership at all levels (Bass & Bass, 2008).

Companies today need adept leaders that understand and can successfully lead dynamic matrix

organizations and take their firms forward. Companies today need leaders who can safely

navigate permanent white water (Vaill, 1996). Companies today need leaders who can lead

change according to the needs of the future. They need leaders with an edge.

Introducing Edge Leadership

What is the nature of business turnaround leadership that makes it different from the

more generally well-understood forms? What is different in the developmental profile of an

edge leader who can mindfully turn around a troubled business or instill significant

organizational innovation to sustain and grow a firm? I have used the term *edge* to describe such

a leader because people seem to quickly grasp its meaning; they hear the term expressed in many

domains such as business, sports, and politics. They generally understand that companies work

to gain a competitive edge in the marketplace by adding distinctive advantages that provide value

to their customers and enhance the bottom line. People also understand that the term applies to

both organizations and individuals, and that leaders can learn to develop their personal edges, as

well. Companies today need more edge leaders, yet not enough is being done to develop them.

My search for understanding is pragmatically oriented. While I am interested in the

broad and deep literature describing the characteristics of excellent managerial leaders (Vaill,

1998), I am much more interested in their behaviors and actions—what edge leaders actually do

to achieve their intended beneficial outcomes as they lead their organizations through

challenging situations (Austin, 1998; Bass & Riggio, 2006; Denning, 2007; Eisenbach, Watson,

& Pillai, 1999; Gabarro, 1987; Harker & Sharma, 2000; Kanter, 2003; Krueger, 1997; McCarthy,

O'Connell, & Hall, 2005; O'Kane, 2005; Tucker & Russell, 2004; Van Nimwegen & Kleiner,

2000). I am also interested in how and what they have learned to become prepared to take on the substantial challenges they face (Argyris, 1999; Charan, Drotter, & Noel, 2001; Day & Schoemaker, 2008; Gebelein, Lee, Nelson-Neuhaus, & Sloan, 1999; Goleman, Boyatzis, & McKee, 2002; London & Mone, 1999; London & Smither, 1999; McCall, Lombardo, & Morrison, 1988; McCauley, Center for Creative Leadership, & Van Velsor, 2004; Mezirow, 1994; Vaill, 1998).

These questions about what distinguishes an edge leader from others, about how they act, and about how they develop are important to today's business challenges of surviving and thriving in an increasingly complex world. Leaders act and develop not in isolation, but rather by guiding the collective leadership actions of themselves and others. They work, learn, and develop along with others in pursuit of their intended goals. Leaders take actions to initiate change events and, in turn, are affected by the outcomes of those events. They shape the perceptions of others and, in turn, are shaped by others' perceptions of them. Edge leadership, then, involves both individual leaders and the collective leadership of themselves and others. To understand my edge leadership concept—what I have come to believe about it, my suggestions for its use in business leader development, and my continuing search for answers about it—it is useful to begin by noting the distinction between developing leaders and developing leadership.

Leader Development versus Leadership Development

While essentially conjoined, the concepts of the leader and leadership are distinct from one another. Leaders are individuals who exercise their roles within a group of others, but leadership is a group construct—that is, the collective relationship of leaders and followers.

Leaders influence leadership groups and, in turn, are influenced by them. Drath (2001) suggested that leadership becomes shared because other leaders subscribe to and act upon a

given leader's vision. Both individual leaders and leadership groups can develop their capabilities. As to the former, McCauley et al. (2004) wrote "we define leader development as the expansion of a person's capacity to be effective in leadership roles and processes" (p. 2). They distinguished it from the latter: "we define leadership development as the expansion of the organization's capacity to enact the basic leadership tasks needed for collective work" (p. 18). Bass and Riggio (2006) echoed McCauley et al. when they noted "leader development focuses on the enhancement of the individual leader, whereas leadership development looks at how the leaders and followers—the group or organization as a whole—can develop shared leadership capacity" (p. 142). This distinction provides a frame for my overall program of inquiry; I am primarily interested in leader development.

Bennis (2003) wrote of the unique role and responsibility of the individual leader in society. In stressing the leader within each person, along with the intentional acceptance of personal responsibility by leaders when stepping forward into that role, Bennis wrote "becoming a leader isn't easy . . . and anyone who claims otherwise is fooling himself. But learning to lead is a lot easier than most of us think it is, because each of us contains the capacity for leadership (p. 3). Vaill (1998) also noted the unique responsibility of the leader to describe a compelling vision: "I will argue that a vision of what the organization and its products and services mean to its customers, its employees, and its other key constituents needs to be interwoven in leadership" (p. 65). Progress is the product of the ways leaders influence leadership in promoting organizational change; individual leaders are the ones who take the critical step forward to engage others in that beneficial work. Leaders have twin challenges in today's competitive environment; they must manage strong current performance and, at the same time, inspire, develop, and lead the changes necessary to sustain and grow a firm for the future. Developing

more edge leaders that can meet those challenges is important work.

Need for Developing More Edge Leaders

The edge leadership concept is an area of concentration within my overall area of interest, which is leader development as a function of organization development in open and complex business systems (Leonard & Goff, 2003). Organization development is "a process that applies behavioral science and practices to help organizations build the capacity to change and to achieve greater effectiveness, including increased financial performance and improved quality of work life" (Cummings & Worley, 2005, p. 1). The terms *open* and *complex* refer to the type of less formal matrix organization structures that Argyris (1999) began talking about in the 1960s and that are prevalent today. I believe that the issue of leader development as one element of business strategy is important because, as Collins and Porras (1994) noted "visionary companies develop, promote, and carefully select managerial talent grown from inside the company to a greater degree than comparison companies" (p. 173).

It is common for companies to prepare their future leaders to continue running their businesses as though things will remain relatively stable. However, when a downturn comes and the need to lead a turnaround occurs, businesses often default to hiring an outsider to the firm or sometimes even from outside the industry, assuming in doing so that managerial leadership skills are entirely fungible. This approach sometimes works; indeed, some strongly recommend it to ensure that fresh thinking is brought to bear against business problems (Barker, 1992), but it may often have drastic downside effects when a new leader cannot quickly learn the business they have inherited and develop a compelling new vision for the firm.

I suggest that companies would do better to spend more time building their bench strength, meaning, preparing their emerging leaders to guide turnaround and organization

innovation efforts. I am not alone in my thinking; Gabarro (1987) noted this in stressing the advantage that insiders have in turnaround leadership (p. 68). Fulmer and Goldsmith (2001) were even more direct: "best practice organizations grow leaders as opposed to buying them" (p. 15). One of the purposes of my work is to inform leader development program designers of ways to give their businesses a substantial competitive edge by preparing their emerging leaders to take on a turnaround from the inside. Business leader development occurs within complex environments in which many influences, opportunities, and choices influence individual success or failure. Edge leaders emerge, or not, within these environments depending upon a series of free choices made by them and their firms. Several examples illustrate the point:

- A business is free to offer growth opportunities to people or not.

- People can seek and accept cross-functional leadership opportunities or not.

- Leaders are free to learn from their experiences and challenges or not.

- Leaders are free to apply their lessons in the workplace or not.

Despite such open and complex development environments, I believe firms could develop more edge leaders by adding turnaround education and experience elements to their programs.

Basic Change Leadership versus Turnaround Leadership—Understanding the Gap

I developed the concept of edge leadership as I reviewed the classic, contemporary, and empirical leadership and change literatures and did various action learning projects while comparing what I learned to my long personal experience in leading large-scale change initiatives and teaching strategic leadership in graduate business school. My review suggested a conceptual gap between the leader development requirements and behaviors involving basic change leadership and those required for turnaround leadership. It is this gap that my edge leadership concept attempts to help fill, and I have extensively reviewed the literature to develop

a proposal about how to do that.

  Lessons: Classic and contemporary leadership and change literature. I began with a review of 25 foundational books by noted leadership studies authors. I discussed the works of Barnard (1968), Burns (1978), Rost (1991), Yukl (2006), and others who stressed the central role of beneficial intent in authentic change leadership. I also outlined the works of Bennis (2003), DePree (1989), Gardner and Laskin (1995), Greenleaf and Spears (2002), Kotter (1996), Kouzes and Posner (2002), Northouse (2004), Vaill (1996), and others who described the behaviors and actions leaders should take to instill basic beneficial change. My review led me to develop a leader's top-10 action agenda, shown in Figure 1.1, based on common action words that appeared in these works.

---

1. Catalyzing change – described as unique to the leader, and as a responsibility.

2. Defining reality – setting the context for change.

3. Creating demand – developing a compelling vision of a better future.

4. Engaging others – building a coalition of key supporters of change.

5. Enabling others – developing structure, capabilities, & empowerment approaches.

6. Communicating effectively – using powerful narrative to describe future success.

7. Adapting as needed – reflecting on results and being reflexive in keeping on track.

8. Applying power – being intentional about how and when to address obstacles.

9. Conveying both urgency and patience – stressing the need for action and yet demonstrating understanding that substantial transformation takes time.

10. Showing perseverance – remaining steadfast in seeing things through.

Acting Within a Container of Trust
Demonstrating Morality, Optimism, Competence,
Credibility, and Service to the Organization.

Figure 1.1. A leader's top-10 action agenda.

  The leadership and change authors put forward useful theories with illustrative case studies and anecdotal examples that built a mosaic of an ideal leader. During my review, I identified four essential elements necessary for leaders to have in order to competently lead

organizational change. The elements include: having broad and successful experience; being emotionally and socially aware; having the ability to think differently about priorities and paradoxes as they progress through different organizational levels; and having the critical competencies necessary to fill a particular role. I also discussed four prominent leader development approaches that focus on these elements. The Center for Creative Leadership promotes the targeted experiential model (McCall et al., 1988). The EI Consortium promotes the emotional intelligence model (Goleman et al., 2002). General Electric has famously employed the leadership passages model (Charan et al., 2001), and Personnel Decisions International (Gebelein et al., 1999) has successfully used the competency-based model in its practice.

In reviewing these four elements and their associated leader development approaches, I concluded that they would be adequate for leaders who could successfully lead basic change initiatives. However, based on my extensive experience as a business leader who has witnessed many failures of leadership in those times where incremental change no longer worked and a turnaround or significant organizational innovation was in order, I also concluded that having leaders with just those four elements would not be sufficient. There was nothing in them that would provide the edge necessary to go beyond leading basic incremental change; something more was needed. Two authors whose works were included in this initial review seemed to point the way. Vaill (1996) wrote of the essential need for leaders to engage in active and ongoing learning about the impact of their behaviors and actions when leading systemic change, and Bass and Riggio (2006) built upon concepts introduced by Burns (1978) when writing of transformational leadership as a beneficial adjunct to its counterpart, transactional leadership.

In concluding that review, I proposed that gaining the edge necessary for turnaround leadership would require leader development in two additional elements: a zest for continuous

learning (Argyris, 1999; London & Mone, 1999; Mezirow, 1994, 2000; Vaill, 1996, 1998), and

the ability to instill transformational change using a balance of transactional and transformational

leadership practices (Avolio & Bass, 1999; Bass, 1985; Bass & Riggio, 2006; Burns, 1978).

Having made those additions, shown in Figure 1.2, I turned to the global research literature on

business turnarounds and organizational innovation to search for deeper understanding regarding

the viability of my edge leadership concept.

<div style="border:1px solid">

Varied Experience
Emotional Intelligence
Passages Through Levels
Competencies for the Role
───────────────────────
= Change Leader Development

+

Zest for Continuous Learning
Ability to Understand & Instill Transformational Change
───────────────────────────────────────
= Edge Leadership

</div>
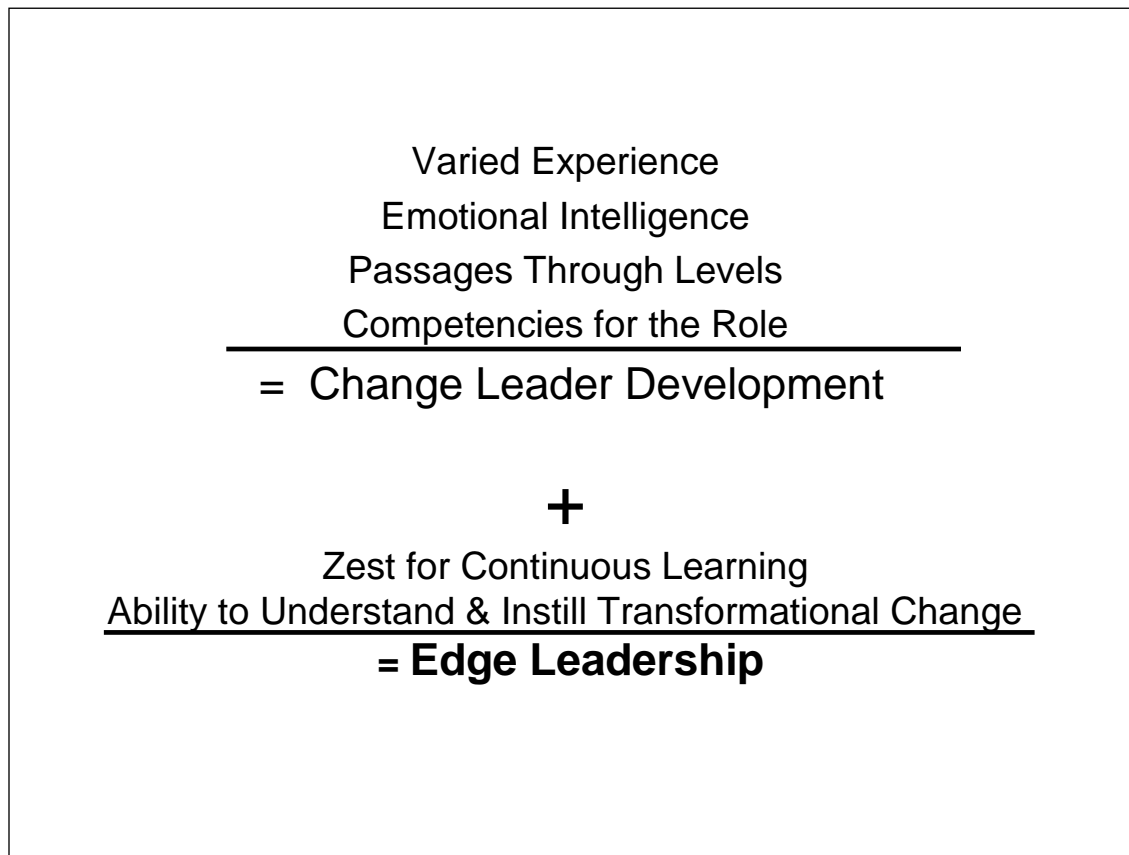
Figure 1.2. The six elements of edge leadership development.

Lessons: Turnaround and organizational innovation research literature. It seemed a

simple question: What is the role of business leadership in engendering a successful turnaround

or fostering significant organizational innovation that will sustain a firm in the competitive

marketplace? But in studying the global research literature, I found the answers to be both

elusive and few. I conducted a comprehensive search of the global English language literature

from the previous 15 years across several complementary areas of inquiry: business, psychology,

organization design, and social science. To my surprise, of the 180 papers I found, only 15 were

directly relevant to my search, while 44 others provided indirect information of some limited

utility. Of the 15 noted, only three articles directly addressed business turnaround leadership,

while 11 articles addressed organizational innovation leadership and only one article addressed

both. Despite the dearth of directly relevant papers, my 59-item review, comprising 54 articles

and five dissertations using 11 different primary research methods, which were drawn from 35

peer-reviewed journals across 18 countries, provided a number of valuable confirmatory lessons

about edge leadership.

Three overarching themes emerged that buttressed my earlier findings: first, the

beneficial nature of transformational leadership as an augmentation to transactional leadership;

second, the importance of the leader's unique personal role in promoting innovation; and third,

the importance of self-awareness and self-knowledge by leaders in pursuing transformational

change and organizational innovation. I found seven important conceptual threads clustered

around these three overarching themes that added even more insight to my edge leadership

proposition. Figure 1.3 illustrates these themes and conceptual threads.

The first thread was that leadership does make a difference in business outcomes; active

leadership can trump the influence of the environment when applied to business challenges

(Beyer & Browning, 1999; Carmeli & Tishler, 2006; Elenkov, Judge, & Wright, 2005; Harker &

Sharma, 2000; Menguc, Auh, & Shih, 2007; Prabhu & Robson, 2000). The second was that

leadership behaviors and skills can be defined as transformational or transactional (Burns, 1978)

and reliably measured (Avolio & Bass, 1999; Bass, 1985; Bass & Avolio, 1994; Bass & Riggio,

2006; Hartog, Van Muijen, & Koopman, 1997; Podsakoff, MacKenzie, & Bommer, 1996).

The third was that transformational leadership provides measurable beneficial benefit to transactional leadership (Berson & Avolio, 2004; Boerner, Eisenbeiss, & Griesser, 2007; Conger, Kanungo, & Menon, 2000; Howell & Avolio, 1993; Lowe, Kroeck, & Sivasubramaniam, 1996; O'Regan, & Ghobadian, 2004; Rowold & Heinitz, 2007; Xenikou & Simosi, 2006). The fourth thread was that leadership support for overall business innovation is critical to its successful development (Amabile, Schatzel, Moneta, & Kramer, 2004; Christiansen, 1997; Krause, 2004; Smith, 2007; Sutcliffe, 1999).

The fifth was that two meta-competencies—personal identity (self-knowledge) and adaptability—are key drivers of sustainable leadership in the face of challenge (Jensen & Luthans, 2006; McCarthy et al., 2005). The sixth was that transformational leadership behaviors and skills can be taught (Bono & Judge, 2004; Bossink, 2004; Burke & Collins, 2005; Garcia-Morales, Llorens-Montes, & Verdú-Jover, 2006; Turner, Barling, Epitropaki, Butcher, & Milner, 2002), which provides both information and inspiration for those who would create edge leader development programs.

The seventh thread involved the underlying systemic structure of leadership. It discussed how the interactions of leadership actions, the environment, the situation, the business structure, and business processes combine to determine outcomes (Leonard & Goff, 2003; Senge, 1990).
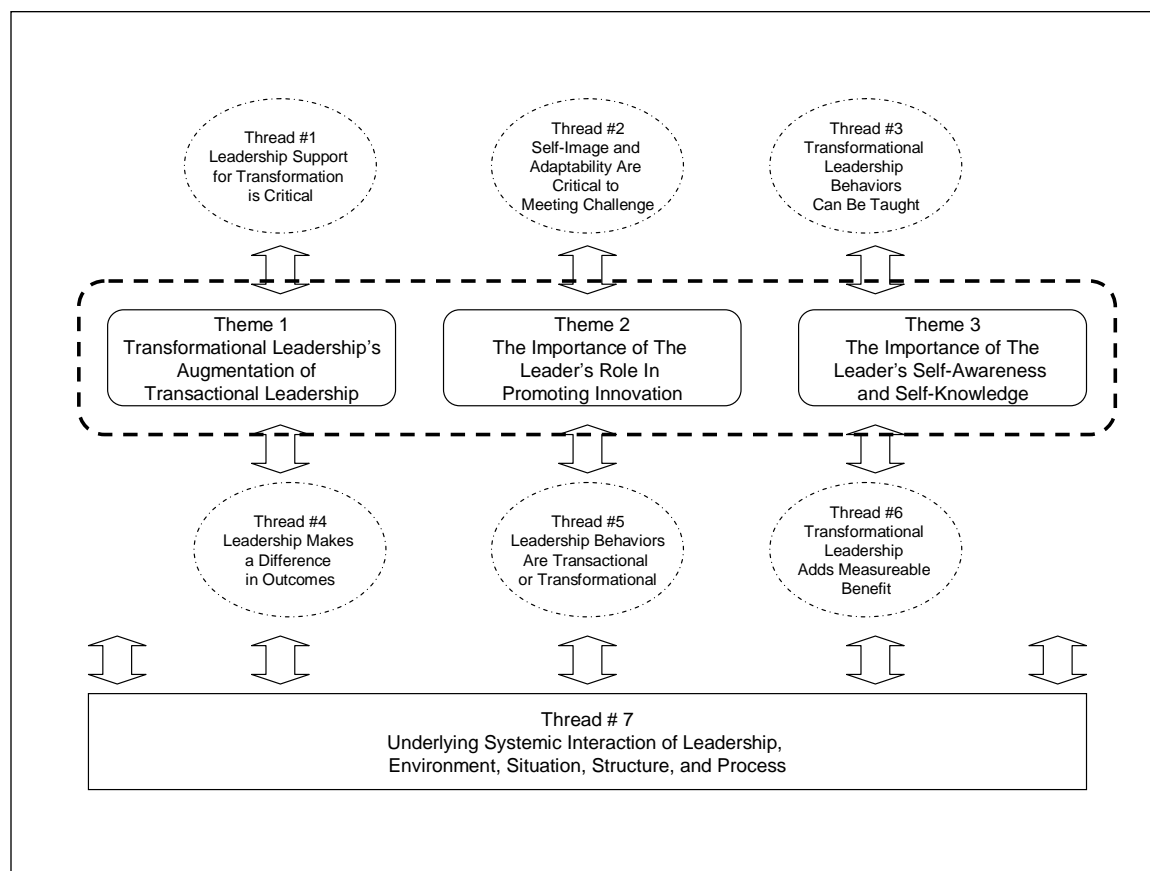
Figure 1.3. Thematic lessons about edge leadership.

My review of the research added to my understanding and the development of my edge

leadership concept. I came out of it believing that my earlier construct was basically sound. I

was more confident than ever that developing individual leaders would have value for the

organizations they work in. I became convinced that more can be done to deliberately develop

more leaders of beneficial change. Edge leaders need to understand change, to be able to teach

others to navigate it, and to have a calm sense of confidence in dealing with it. Edge leaders

need to understand how ongoing learning informs the organizational innovation process, and

must encourage and support it. Edge leaders must have the ability to recognize the early signs of

a business challenge and its underlying reasons. They must understand effective remedial

business strategies and how to craft them. And edge leaders must have the ability to create a

compelling vision for the future and be able to communicate in ways that inspire the alignment and engagement of their associates. I believed that leader development programs should include these concepts in a long-term learning regimen. To further investigate those elements, I performed a subsequent review of the transformative learning, turnaround and transformational change, and leader development literatures.

Lessons: Transformative learning, turnaround, and development literatures. In my review of the literature on personal transformative learning, I found a solid basis for what I had earlier proposed—that by developing a zest for continuous learning for themselves and for their organizations as business systems, turnaround leaders can provide their organizations with a true competitive edge. Prokesch (1997) indicated that leadership is all about catalyzing learning as well as better performance. Drucker (1998) noted that innovation begins analyzing the sources of new opportunities that continuously present themselves. Day and Schoemaker (2008) posited leaders need to develop a culture of discovery in their organizations by educating others in critical innovative thinking skills, scenario planning, and dynamic monitoring of the competitive environment. Nixon (2003) pointed out that business leaders face an enormously difficult task in responding to the demands of today while ensuring the prosperity of their organizations at the same time. He asserted that leaders' personal transformative development and active leadership are keys to organizational transformation.

My review suggested three content areas for inclusion in edge leader development regimens that would instill a zest for continuous learning. The first would be personal transformational learning (London & Mone, 1999; London & Smither, 1999; Mezirow, 1994, 2000) that would alter a leader's perspective, buttresses one's experience, and enable greater personal reflexivity. The second would be the promotion of organizational learning and systems

thinking that would teach leaders to direct their efforts toward the long-range effectiveness and destiny of the firm (Argyris, 1999; Hatch & Cunliffe, 2006; Senge, 1990, 1994; Vaill, 1996; Wheatley, 1992). The third would be to instill a sense of responsibility regarding the leader's unique role in defining purpose and meaning when leading transformational change (Bass & Riggio, 2006; Bennis, 2003; Burns, 1978; Gabarro, 1987; Heifetz, 1994; Kotter, 1996; Nixon, 2003; Vaill, 1998).

The importance of systems thinking. As Argyris (1999) noted, an understanding of systems is essential to the work of change leaders because any action they may take to optimize one element of the business is likely to impact other elements, in some cases beneficially, in other cases detrimentally. Within any system it is not one thing that matters, rather what matters is how everything works together. Hatch and Cunliffe (2006) wrote "A system is a thing with mutually interrelated parts called subsystems. Each subsystem affects the others, and each depends on the whole" (pp. 37-38). A firm's purpose, the needs of its customers, the inputs from its suppliers, its business processes, its supporting infrastructure, its people, and its culture are all interconnected and they affect each other in often subtle ways. Knowing this and using the knowledge to anticipate and avoid unintended consequences is important to a change leader's work.

Wheatley (1992) added a new and more humanistic element to her discussion of systems, saying that contemporary leaders must also understand that business systems operate in today's ever-changing world much as living organisms do and therefore, they cannot be managed with a Newtonian mechanical mindset. Using the Greek term *autopoiesis*, she described a new science that recognizes the self-forming nature of systems—the "natural processes that support the quest for structure, process, renewal, integrity" (p. 18). Through a discussion of quantum mechanics,

Wheatley stressed that, beyond the surface of the modern definitions of systemic behavior, the initially fixed definitions of matter, energy, time, and distance become much more open and complex. Her view was that, eventually, one comes to realize that relationships are all that are holding the universe in order. Wheatley's thoughts have been important to my own view of leadership as an essentially relational phenomenon and to my choice of a quantum constructivist methodology for this study.

Having executives understand systems thinking is critical to gaining organizational alignment around the scope and long-term impact of a proposed change initiative. The concept helps leaders foster the connections and relationships among the functions and people within a firm while, at the same time, understanding that one cannot simply mechanically manage a business system to meet the challenges of the future. With a vision of the future in mind, a leader has to learn to let go and become comfortable with a degree of normally chaotic relationships among the people and functions within the system to let it change and form up in creative ways—ways that the leader cannot simply mandate or fully control. It takes leadership courage to foster a degree of chaos and to accept its creative outcomes when leading change.

The leader's responsibility for vision and meaning. Bass (1985) originated the conceptual model of transformational and transactional leadership and its now ubiquitous psychometric measurement instrument, the Multifactor Leadership Questionnaire, or MLQ (Avolio & Bass, 1999). Bass's full range model includes four transactional approaches that identify the "exchanges between leader and follower to meet their own self interests" (Bass, 1999, p. 9): contingent reward, active management-by-exception, passive leadership, and laissez-faire; along with four transformational leadership approaches used by the leader to "mov[e] the follower beyond immediate self-interests" (p. 10): idealized influence, inspirational leadership,

intellectual stimulation, and individualized consideration. Leaders combine transformational and transactional means in different ways at different times to influence followers and reinforce desired behaviors.

Transactional leadership occurs when "one person takes the initiative in making contact for the purpose of an exchange of valued things" (Burns, 1978, p. 19). Transformational leadership "occurs when one or more persons engage with others in such a way that leaders and followers raise one another to higher levels of motivation and morality" (p. 20). Burns saw transformational and transactional leadership as opposites with the transformational style having a higher moral standing, while Bass (1999) saw the two styles as being on a continuum with transformational leadership augmenting and adding value to the more basic transactional style. I stress the responsibility of a turnaround leader to impart vision and meaning to the process of change in order to go beyond basic change to truly transformational change.

Building upon my review of the basic leadership and change literature, my subsequent review of the turnaround and transformational change literature informed my development of a 25-item edge leader turnaround action item list, shown in Figure 1.4. The list, which I organized within a six-part, higher-level, loosely chronological taxonomy, portrays a leader's intentional application of one's broad experience, strong self-awareness, eager and ongoing learning, and a deliberate balance of transformational and transactional behaviors to a turnaround program. The actions do not stand alone; rather, they support one another. I found that transformational leadership and organizational innovation leadership are really not separate concepts with respect to turnaround leadership. Instead, they combine to form a single concept of transformational and organizational innovation leadership—that is, what leaders do over time in working with their followers and others to assess, stabilize, transform, enhance, and sustain their organizations.

Demonstrating Transformational Intent	1.	Understanding the continuum of transactional and transformational leadership
	2.	Promoting transformational leadership while balancing the transactional form
	3.	Seeking only beneficial outcomes, that is, maintaining moral intent
Setting New Context	4.	Assessing and defining reality in clearly understood terms
	5.	Questioning the assumptions that frame and limit the current reality
	6.	Applying industry wisdom and experiential intuition to the problems at hand
	7.	Creating demand for change using dialogue, logic, and emotion
Engaging The Organization	8.	Serving others authentically in ways that promote their own respect and growth
	9.	Empowering, engaging and encouraging others in creating a better future
	10.	Developing a collaborative, creative, and compelling vision of possibilities
	11.	Catalyzing change through various intentional alignment approaches
Establishing Comprehensive Vision	12.	Defining change as a process with foreseeable patterns and rhythms
	13.	Establishing a systemic view of the organization and its stakeholders
	14.	Expressing confidence in ultimate success when done with the process
	15.	Communicating the purpose and initiatives through powerful narrative
Living The Change	16.	Modeling the behaviors expected of others—remaining highly self-aware
	17.	Using power and incentives as needed to calibrate and reinforce the change effort
	18.	Taking hold and stabilizing the business as a condition of beginning a turnaround
	19.	Creating quick wins that establish credibility and fund additional future change
	20.	Building on success by consolidating early wins and pressing forward
Adapting And Coaching	21.	Balancing urgency and patience in guiding and reinforcing the change
	22.	Promoting learning on everyone's part as events unfold
	23.	Remaining reflective, flexible, and adaptable as learning occurs
	24.	Demonstrating perseverance and resilience when the going gets tough
	25.	Enhancing the organization over time to fit the changes being made

Figure 1.4. Top-25 edge leader turnaround action items list.

Searching for Edge Leadership—An Empirical Trial Study

Combined with my experience in conducting two action learning research projects—a case study of an individual leader and an action learning project involving two emerging leaders—my extensive literature research positioned me to undertake the empirical work of attempting to find edge leadership in place (Wergin, 2007) at a company that had gone through a turnaround. Wergin (2007) described "leadership in place" (p. 1) as a form involving leaders who are at once collegial, transformative, servant-minded, and adaptive. I conducted a trial study in which the principal participant was the chief executive officer (CEO) of a retail food company owned by my previous employer and the secondary participants were eight members of his senior staff. The CEO had led the company from a state of entropy through a substantial turnaround to a new state of stability, reinvigoration, and growth.

The study was designed primarily to practice the methodology I had chosen for my dissertation study and validate its fit for my dissertation, but was also intended to further investigate my edge leadership concept in four other ways. I wished to learn how the CEO's characteristics matched the six elements of my conceptual edge leadership model. Importantly, I wanted to learn how closely his actions in leading the turnaround matched those of my top-25 edge leader turnaround action items list. I wanted to understand the mix of transactional and transformational leadership behaviors he employed. And, I wanted to go beyond learning what he alone did by learning how his senior staff perceived his actions relative to the turnaround.

This last issue led to my choice of Q methodology (also referred to as Q method or Q), first introduced in 1935 by the British psychologist/physicist William Stephenson (Brown, 1997; McKeown & Thomas, 1988; Van Exel & de Graff, 2005). I needed a research method that would help me understand both what the CEO did and how he and his followers perceived his

leadership in their own self-referent terms. Q method is a constructivist approach which combines naturalistic data gathering techniques and quantitative factor analysis (McKeown & Thomas, 1988; Stapleton, 1997) in a pragmatic approach that provides researchers with ways to develop acceptable theoretical generalizations from individual case studies. I deliberately delimited the trial study by omitting several steps involved in a full Q method study because the project was meant to be simply a doctoral program learning project. Still, its partial results supported my previous research and validated my choice of Q for this dissertation study.

The trial study supported my previous work in several ways. First, I found edge leadership in place; the CEO demonstrated all six edge leader characteristics. He had a history of successful experience, was emotionally and socially aware of his impact on others, had learned to think differently as he rose through various levels, had developed his competencies to fit the role, had a zest for continuous learning, and intentionally applied a balance of transactional and transformational leadership behaviors as he instilled beneficial change. Second, the 81 discrete steps that he took mapped to the actions recommended by my top-25 edge leader turnaround action items list—some mapped one-to-one, others mapped many-to-one. Early on, as he first took hold of the company (Gabarro, 1987), his actions leaned toward the transactional. Later, as he worked with his team to develop and instill the turnaround agenda, they leaned toward the transformational. Finally, a basic analysis of the top-of-mind mentions of his actions by his staff revealed that 70% of the actions they most often mentioned were transformational in nature. To me, this reinforced the importance of transformational leadership.

The trial study also further affirmed my ideas about edge leadership development. Based on the developmental history of the CEO, I found confirmation that edge leaders can be developed over time through a regimen of conceptual learning, intensive personal assessment,

role modeling by mentors, group learning, on-the-job application, personal transformative

learning, and action learning activities (Allen, 2006; Conger, 1992; Conger & Riggio, 2007;

Fulmer & Goldsmith, 2001).

Rationale for Further Investigation

At the close of my trial project, I recognized that a number of gaps still existed to be

filled through my dissertation study. As Booth, Colomb, and Williams (2003) wrote "when you

arrange and rearrange the results of your research in new ways, you discover new connections,

contrasts, complications, and implications" (p. 13).

First, I realized that only by conducting a full Q methodology study of another leader's

actions in a different business turnaround setting would I gain the depth of information and

insight needed to go beyond my directional findings to more definitive ones that would be more

generalizable. Further, it would be important to conduct my dissertation study with a firm in a

different industry from that of my previous employer to have an unbiased research environment.

Second, because the trial learning project deliberately did not include several Q method

steps, I was not able to definitively determine the participants' value judgments about the

importance of the actions the CEO took. Neither could I understand the quantum relationships

among the participants' perceptions of the actions taken by the leader. Further, I could not

determine which of perceptions might have coalesced into a subset that they believed were more

important than others. My dissertation study would need to be focused on further substantiating

the edge leadership concept within another setting by first modeling the trial study and then

filling in the gaps still outstanding by completing all of the steps involved in Q methodology.

Dissertation Study

To fulfill my objectives, I conducted a case study of the leadership profile and

actions of David (Dave) Murphy, the president and chief operating officer (COO) of the Red Wing Shoe Company, in leading a turnaround of the iconic 105-year-old work boot and shoe manufacturing firm based in Red Wing, Minnesota. Murphy joined the family-controlled firm in 2001 after serving three years on its board. He had previously been president of several major business units at General Mills. At the time Murphy became Red Wing's president, the firm was experiencing financial performance and market share declines. Over the past nine years, Murphy led the design, development, and deployment of the company's turnaround and organizational innovation programs.

I investigated Murphy's background and development profile to understand how closely it matched the six elements of my edge leadership concept. I investigated the range of actions he took in leading the turnaround and his reasons for taking them. I took guidance from the literature in classifying his actions as either transactional or transformational in nature. I also compared his actions to those in my top-25 edge leader turnaround action items list to substantiate the list's accuracy or need for modification. I investigated his own perceptions of the actions he took, along with those of eight senior staff members, to understand the quantum relationships among all of the participants and their perceptions. Importantly, the study enabled me to understand which actions the participants saw as the most important to the turnaround.

Problem. I developed my edge leadership concept through an extensive and integrative literature review across a number of disciplines and partially substantiated it through conducting three empirical learning projects. All the while, I did my work from a very pragmatic standpoint. While I extensively reviewed the literature on the characteristics of excellent transformational leaders, I focused more on what such leaders do to achieve their intended outcomes because my experience has been that, while characteristics shape leadership intent, actions determine results.

The primary issue I addressed in this study involved identifying the most important things that edge leaders do to achieve a turnaround, from the self-referent standpoints of both the leader and the followers. Secondarily, I attempted to substantiate that the six elements of edge leadership existed in place with a real leader in a real turnaround company, and specifically that the elements of having a zest for continuous learning and the ability to apply a balance of transactional and transformational leadership actions were additive and contributory to the leader's experience, emotional intelligence, ability to think differently about challenges and paradoxes at different levels of an organization, and competencies for his role.

Purpose. The purpose of the dissertation was to apply my previous work to an additional case beyond those I had studied earlier and to discover if my earlier assumptions and findings were borne out again. I believe the findings from this study may help improve leader development practices for businesses by providing conceptual information about the six characteristics of edge leaders and the most important actions they must take to lead a turnaround. The findings will be instructive for leader development program designers who could then develop targeted career plans and instruction regimens that, over time, develop edge leaders from within.

Questions. These questions were investigated in my dissertation inquiry:

- Do edge leaders exist in place (i.e., would I find the six conceptual elements of edge leadership in the profile of the participant leader)?

- Would my theory-based top-25 edge leader turnaround action items list reflect what was actually done to lead the Red Wing Shoe Company turnaround?

- What were the most important actions taken by the leader, based on the perceptions of him and his followers?

Positioning My Inquiry

There were two important positioning elements to remain mindful of as a researcher as I prepared to do this study. The first was my own personal positioning. It is important to reflect upon a researcher's own lifeworld (Bentz & Shapiro, 1998) in context with the work because one's personality, experience, education, social and professional contexts, and underlying biases will all affect the research in some way. The second was the positioning of the study within the body of epistemological considerations described by Bentz and Shapiro (1998) and others.

Researcher positioning—practitioner, teacher, scholar, citizen. As a professional practitioner, I am the founder and chief executive officer (CEO) of my own consulting firm focused on strategy, leadership, and organization development, now having recently retired as the vice president of retail operations for a Fortune 50 food retailing and distribution company. I am a veteran of the food industry, having served as a manager and leader in six substantially different and progressively more impactful roles. My experience spanned both retail and wholesale distribution, thus enabling me to have a systemic perspective when leading my work teams. For 18 years, I led a series of strategic, enterprise-wide change initiatives involving process and technology improvements. I believe that cross-functional, multi-level experience and holistic thinking are critical to executive leadership.

As a graduate business school teacher seeking a Ph.D. degree, I aspire to the role of the scholarly practitioner. Bentz and Shapiro (1998) wrote "a scholarly practitioner is someone who mediates between . . . professional practice and the universe of scholarly, scientific, and academic knowledge generation and critical reflection" (p. 66). My study informs my work, which informs my teaching, which, in turn, informs my study in a continuous virtuous cycle.

As a student scholar, I am interested in how leaders pragmatically apply their knowledge

toward the implementation of beneficial change. I realize that they must do so under the dual constraints of direct competitive challenges and the indirect environmental system that influences their responses to those challenges. Leaders have many choices to make in attempting to motivate and guide followers, so it is important for them to understand which actions are the most important ones that may have the best chance of success. Understanding what has worked for others can be helpful to leaders when considering their choices, but they must go beyond simply knowing what others did. They must also understand the context in which those actions occurred. Therefore, leaders must engage in scholarship by examining case studies to best determine the level of applicability of any given case to their own circumstances; they must not just seek easy anecdotal answers from the popular press. As a practitioner and researcher (Jarvis, 1999), I realize that I have an obligation to develop a case study worthy of review by others.

As a citizen of various local, national, and global societies, I believe that company leaders have a fundamental responsibility to sustain and grow their firms, and not just for commercial reasons. The overriding responsibility of a business leader is to sustain a firm for the benefit of its shareholders, employees, communities, and society at large. I believe that more must be done to develop edge leaders. If leader development programs were to really get out on the edge and prepare leaders on how to recognize, understand, and respond to future business cycle challenges and innovation opportunities, they would be better positioned to proactively influence the collective leadership potential of their firms.

I have attempted to describe how my lifeworld affects my perspectives on leadership and biases about the roles of leader development programs. In addition to the many admonitions of Bentz and Shapiro (1998), I remain cognizant of what Van Manen (1990) wrote: "If we simply try to forget or ignore what we already 'know,' we may find that the presuppositions persistently

creep back into our reflections. It is better to make explicit our understandings, beliefs, biases, assumptions, presuppositions, and theories" (p. 47). I am aware that my biases will always somewhat impact my research, but I worked to control the level of impact through a thoughtful process of project design.

Academic positioning—considerations and choices. Bentz and Shapiro (1998) reminded researchers to make mindful choices about their inquiries and described a series of intersecting considerations among various ways of knowing. For this social science study, the paradigm was constructivist rather than positivist, yet I took a pragmatic stance (Greene & Caracelli, 1997) by using Q methodology, which employs both constructivist and positivist techniques. The main topic area involved in the study was psychology—that is, human behavior and meaning making—within a setting which positions business as an organ of society (Drucker, 2001).

The culture of inquiry involved in the study was phenomenology due to my interest in the leader's experience and his consciousness about it. I was also interested in understanding the principal leader's actions and how they were perceived by other leaders in the organization. Drawing from this culture of inquiry, I established the theoretical grounding for the study based on my previous years of work on edge leadership.

Methodology

Q methodology, which evolved from and incorporates statistical factor analysis, has been sometimes confused with its more famous traditional quantitative counterpart, R methodology, but they are very different in concept and focus. R methodology is interested in how certain variables within a case measure up against a set of known external truths. Q methodology is instead interested in the self-referent perceptions of individuals about the topic at hand, within

the full context of the case. The letter Q in Q methodology refers to quantum theory, wherein the factors are not themselves distinct, but rather "exist simultaneously in a relationship of complementarity" (Brown, 1997, quantum theoretical aspects section, para. 2). The method is particularly recommended to those interested in qualitative aspects of human behavior (Brown, 1991). Q methodology practitioners have shown that subjectivity is "amenable to empirical analysis . . . [and that] single case studies sustain meaningful generalizations about behavioral dynamics" (McKeown & Thomas, 1988, p. 36). The method uses both qualitative and quantitative processes that provide the researcher with multiple perspectives, therefore potentially leading to greater insight and increased reliability.

The basic process for a Q methodology study is:

- Determine the sample of participants (P set) and other data sources.

- Gather perceptual field data from interviews, documents, and/or other artifacts.

- Develop a list of verbatim statements (Q sample) from the data that includes the full range of perceptions (concourse) on the study topic.

- Load the Q sample data into a database to enable further preparation.

- Edit and conflate the verbatim Q sample statements into Q statements which comprise a fully representative concourse within a condensed Q set useful for sorting by the study's participants.

- Transfer each edited Q set statement to a separate Q sort card.

- Conduct a Q sort process with the participants. Instruct them to place each Q statement card on a rating scale according to their perception of that statement's relative level of conformance to the overall study question.

- Collect each participant's rating data and load into a database.

- Develop a statistical correlation matrix among the results of all Q sorts.

- Conduct factor analysis with rotation to examine the relationships among the participants and their ratings of the Q statements.

- Analyze the factor data and develop preliminary conclusions about their meaning.

- Discuss the preliminary results with the participants to gain additional feedback.

- Document the results of the study and develop conclusions based on judgment.

- Determine what remains unclear, undiscovered, or open for further study.

Definitions

Continuous career-related and organizational learning. Edge leaders need to develop a zest for two types of continuous learning as they grow: that of the individual leader and that of the organization. Both are practice oriented. On the one hand, London and Smither's (1999) definition of career-related continuous learning is directly related to the persons' work:

> Career-related continuous learning is defined as an individual-level process characterized by a self-initiated, discretionary, planned, and proactive pattern of formal or informal activities that are sustained over time for the purpose of applying or transporting knowledge for career development. (p. 81)

On the other hand, Argyris (1999) defined "organizational learning [as] a competence that all organizations should develop in service of correcting errors or recognizing that they can't, or in service of innovation or recognizing the limits of their innovation" (p. xiii).

Edge leader. An edge leader is one who can mindfully turn around a troubled business or instill significant organizational innovation to sustain and grow a firm. Edge leaders have broad successful experience, are emotionally and socially aware, have learned to think differently about challenges and paradoxes as they have made their career passages, have the competencies to fit their role, have a zest for continuous learning, and can mindfully instill beneficial change through a balance of transformational and transactional leadership practices.

Edge leadership. Edge leadership is a product of the collective actions of the edge leader and his or her followers in turning around a troubled business or instilling significant organizational innovation to sustain and grow a firm. The edge leader is the catalyst—engaging others who make their own contributions to the collective leadership agenda.

Leader development and leadership development. McCauley et al. (2004) wrote "we define leader development as the expansion of a person's capacity to be effective in leadership roles and processes" (p. 2). They defined "leadership development [differently] as the expansion of the organization's capacity to enact the basic leadership tasks needed for collective work" (p. 18). Allen (2006) gave a purposeful definition of "leadership development [as] a continuous, systemic process designed to expand the capacities and awareness of individuals, groups, and organizations in an effort to meet shared goals and objectives" (p. 21). This means that leader development and leadership development are both functions of organization development.

Organizational innovation. Nixon (2003) wrote of the leader's unique responsibilities when leading organizational transformation through innovation:

> So leaders now need to do two things exceptionally well: on the one hand, they have to offer an appealing message about purpose, values, vision, direction, and culture. On the other, they need to enable the organization—to respond, adapt, create, re-create, and replace itself as a living system. (p. 164)

Denning (2005b) termed this need as "transformational innovation" (p. 11) and said it "entails a capability to deploy an array of leadership narrative tools to persuade people to change, work together, transfer knowledge, and envision a compelling new future" (p. 11).

Q methodology. Q methodology (Brown, 1991; McKeown & Thomas, 1988) is an essentially constructivist approach interested in the meaning of things. It combines qualitative data gathering and quantitative factor analysis (Brown, 1991) along with researcher judgment to develop understanding about participants' subjective views about topics within a case.

Systems thinking. Barnard (1968) wrote "the definition of a formal organization [is] a system of consciously coordinated activities or forces of two or more persons" (p. 73). Hatch and Cunfliffe (2006) provided a more technical description, "a system is a thing with mutually interrelated parts called subsystems. Each subsystem affects the others, and each depends on the whole" (pp. 37-38). Senge (1990) noted the need to create coherently integrated and holistic strategies while being mindful of the interrelationships of cause and effect.

Transactional leadership. Transactional leadership occurs when "one person takes the initiative in making contact for the purpose of an exchange of valued things" (Burns, 1978, p. 19). A transactional style is that of a manager of planning and policy (Tucker & Russell, 2004).

Transformational leadership. Bass and Riggio (2006) wrote "transformational leadership involves inspiring followers to commit to a shared vision, . . . challenging them to be innovative problem solvers, and developing followers' leadership capacity via coaching, mentoring, and provision of both challenge and support" (p. 4). Tucker and Russell (2004) described the transformational style as that of a leader of innovation.

Turnaround. Business strategies are meant to provide firms with a competitive advantage based upon the effective use of core competencies, the possession of unique intellectual assets, or the effective deployment of capital and people. Decline occurs when one or more of these issues become compromised, leading to financial underperformance and "declining market share against commercial competitors" (Kanter, 2003, p. 59). Firms have entered a state of "decline because organizational characteristics were out of fit with the operating environment and the companies had lost their direction and competitive edge" (Harker & Sharma, 2000, p. 44).

Alternatively, "turnaround, then, consists of either restoring a previously sustainable

competitive advantage that has been lost or obtaining a new competitive advantage" (Krueger, 1997, p. 14). A turnaround leader must take the actions necessary to initiate and manage a firm's recovery from the organizational pathologies inherent to decline (Kanter, 2003) and to have it survive the complex change processes (O'Kane, 2005) necessary to turning things around.

Limitations—Influences on the Study

The study was influenced and limited by:

- The characteristics of a case study design, albeit with the countervailing strengths of Q methodology's ability to provide generalizable information from a single case.

- The biases of the researcher in design and interpretation of the data and findings.

- Issues of design and execution in gathering data and preparation them for analysis.

- The accuracy of public documents and those provided by the company.

- The accuracy of the information provided by the participants about the actions taken and their perceptions of them.

- The amount of care taken by the participants in the Q sort process.

- The ability of SPSS statistical software to accurately perform factor analysis.

Delimitations—Boundaries of the Study

Regarding the study:

- This was a single case study, describing the perceptions of the chief operating officer and other key leaders within a single commercial organization.

The organization selected for the study:

- Was a commercial enterprise with a significant community presence.

- Had a history of entropy and decline in business results, followed by a period of substantial renewal through stabilization, turnaround, and growth.

- Provided access to the principal leader and a cross-functional sample of eight senior staff members responsible for the business activities of the firm.

- Had the continuous presence of the same leader during the turnaround period. This was necessary for a longitudinal view of the leader's actions.

- Provided adequate time for me to spend with the leader and senior staff for data gathering interviews and other follow-up steps as prescribed by the methodology.

- Provided access to documents and artifacts that added contextual information for the case.

Assumptions

As a researcher, I assumed the following:

- That the designated participants would agree to participate.

- That the participants would be honest in providing data on the leader's actions taken during the turnaround and their perceptions of those actions.

- That the statistical software chosen would render appropriate factor analysis outputs based on data inputs I developed.

- That the information developed through extensive literature review would provide meaningful context for interpreting the results of the study.

Summaries of Additional Chapters

I have noted the background, theoretical grounding, and purpose of my dissertation study. Additional chapters cover the following topic areas.

Chapter 2—literature review. Based upon my business experience, my integrative literature research, and my empirical action learning projects, I have proposed that turnaround leadership—edge leadership—involves leaders developing six critical profile elements. In

chapter 2, I further discuss and integrate the literature on these elements from the complementary areas of leadership and change, leader development, business turnaround and organizational innovation leadership research, transformational leadership, transformative individual and organizational learning theory, and transformational turnaround leadership.

Chapter 3—methodology. In chapter 3, I discuss the research questions involved in this study. I also describe my positioning within the research, first by discussing how my lifeworld and four primary roles could have biased the study, and then how I used the study design and techniques to control for those biases. I describe the process and results of a pilot learning study I conducted prior to this dissertation study. I provide a description of the steps I took for this study, including the tools I used to collect the data, organize them, prepare them for analysis, conduct the analysis, and interpret and report the results.

Chapter 4—findings of the study. The results of the study are reported in chapter 4. I begin by describing the case itself, including the story of the firm's history, downturn, turnaround, and current performance. I then describe the leader's developmental profile and compare it to the six conceptual elements of edge leadership. Next, I compare the actions he took in leading the turnaround to my top-25 edge leader turnaround action items list and discuss their transactional or transformational nature. I describe the perceptions of the leader and his senior staff about those actions and discuss the relationships among their perceptions within the context of the case. Finally, I describe my use of various ranking reports and statistical factor analyses to understand which actions seemed to the participants to be the most important to the turnaround.

Chapter 5—conclusions drawn from the study. In chapter 5, I discuss the findings of this study as they relate to its purpose, that being to either further substantiate or modify the

concept of edge leadership as I developed it during my five-year program of study. I discuss the study's implications for leadership and change in terms of: the body of knowledge, leadership practice, leadership studies, and leader development. I also discuss several implications of the study for Dave Murphy and the Red Wing Shoe Company. I close with several thoughts about the study's implications for me as a practitioner and researcher. While remaining aware of the limitations of any single case study, I believe that the study addressed a very important topic— business turnaround leadership—and it revealed important answers about what it takes to develop turnaround leaders, the range of actions such leaders need to take in transforming their firms, and the types of actions which are perceived to matter the most for success. Finally, I believe that Q methodology was shown to be a highly well-suited and powerful tool for leadership studies involving relational subjectivity.

Criteria to Be Judged

This dissertation study should be evaluated based on the quality of my:

- Description of my positioning as a practitioner/teacher/student within the research, including acknowledgement of my biases.

- Integrative review of six domains of literature regarding edge leadership.

- Review of the literature on qualitative social science research and Q methodology.

- Adherence to the precepts of Q methodology in conducting the study.

- Development and discussion of my findings from the research, including major themes, specific conclusions, and remaining gaps in my understanding.

- Discussion of the meaning of the results, culminating with a notation of questions to be further investigated.

- Discussion of the implications of the study for leadership and change.

Summary

It is clear that leadership and change matter to organizations of all types, and business leadership matters to our communities and society at large. Edge leadership is an important concept that can potentially lead to developing more leaders capable of leading troubled businesses back to health from a state of decline. I hope that this study contributes to edge leader development as a function of organization development—for the benefit of emerging leaders, their businesses, their communities, and our global society.

Chapter II: Literature Review

According to Hackman and Wageman (2007), scholars agree that leadership is extraordinarily important both as a social phenomenon and as a subject for scholarly research and theory (p. 43). "Corporate leaders have almost as much power to shape our lives, for good or ill, as do national leaders" (Bennis, 2007, p. 2), therefore multi-disciplinary research on business leadership is important. The purpose of this study was to substantiate my multi-disciplinary research and development work done over the past four years regarding a new concept I have termed edge leadership. I believe this work to be important because it may contribute to developing more leaders capable of leading troubled businesses back to health.

Edge leadership is a particular type of leadership involving the ability to mindfully turn around a troubled business or instill significant organizational innovation to sustain and grow a firm. I have proposed that edge leaders have six elements in their leadership profile: broad and successful experience, emotional and social intelligence, the ability to think differently about priorities and paradoxes at various organization levels, the competencies to fit their role, a zest for continuous learning, and the ability to understand and mindfully apply a balance of transformational and transactional leadership practices toward their organization's goals.

I drew upon three types of information as I developed this multi-dimensional concept. I conducted a series of reviews, as shown in Figure 2.1, across six domains of the literature: leadership and change, leader development, business turnaround and organizational innovation leadership research, transformational leadership, transformative individual and organizational learning theory, and transformational turnaround leadership. I reflected on my extensive experience in leading large-scale change programs and teaching in graduate business school. I also conducted three case studies of practicing change leaders as part of my doctoral program.

	Literature	Lessons Learned:	Gap:
Iteration #1	**Classic and Contemporary Leadership & Change** **Leader Development** – four basic approaches Experiential Model (CCL) Emotional Intelligence Model (Goleman) Passages Model (Charan) Competencies Model (PDI)	Characteristics, Values, Intent, Behaviors, Vision, Plans, Relationships, Trust, Actions. Four elements are necessary to basic leader development, but insufficient for Edge Leaders. Suggested two more: *instilling a zest for continuous learning* and *the ability to understand and apply Transformational Leadership practices.*	Not specific to business turnaround requirements. Insufficient for turnaround leader development.
Iteration #2	**Business Turnaround and Organizational Innovation Research** Global Peer-Reviewed Studies **Transformational Leadership**	Few directly targeted studies; one exemplar. Three themes and seven conceptual threads lend support for suggestions on fifth and sixth elements. Full-range model of transformational leadership.	Few empirical studies of business turnaround situations.
Iteration #3	**Transformative Learning Theory** Individual Continuous Career Related Organizational **Transformational Turnaround Leadership**	Theories support suggestion of *zest for continuous learning* as the fifth element of Edge Leadership. Cases support suggestion on *the ability to apply Transformational Leadership* as the sixth element.	Few studies targeted directly toward business turnaround situations.
Iteration #4	**Leader Development** – emerging models Corporate universities For-profit development centers New academic models Custom programs	Edge Leader development is not ontological; the concept can be taught through a long-term regimen of assessment, targeted job placement, education, action learning projects, and feedback.	Opportunity to include business turnaround requirements.

Figure 2.1. Successive edge leadership literature review iterations.

  The purpose of this study was to build upon my literature research and empirical studies by examining the case of a turnaround leader who led his firm back to health and then sustained it over time. My work was pragmatically oriented. While I was interested in the characteristic makeup of edge leaders, I was much more interested in their behaviors and actions—that is, what they actually do to achieve their intended outcomes as they lead their organizations through challenging situations. I was also interested in what they learned and how they learned it as they became prepared to take on the challenges they face.

  The study focused on three issues. I sought to substantiate the edge leadership concept by determining whether or not the six elements I had proposed were present in the development profile of the subject company leader. To substantiate or modify earlier work done to identify

the specific actions edge leaders take in leading a turnaround, I compared the actions actually taken by the leader to a top-25 list I had developed based on the literature. I also sought to identify the relationships among the perceptions of the leader and his followers and to identify which types of actions were seen by them as most important to their success.

In chapter 1, I introduced the study by discussing the importance of leadership and change to organizations of all types, outlining the edge leadership concept, describing its six developmental elements, and discussing the importance of developing more edge leaders within today's open and complex business systems. I sketched a number of important lessons from the literature, including gaps I found regarding the requirements for turnaround leadership that I believe the edge leadership concept helps to fill. I discussed an earlier partial learning study of a turnaround leader's case and described how I further investigated the concept in this study.

There is far too much literature on leadership and the characteristics of leaders extant to include a complete survey here. I focus my chapter 2 discussion on the literature relevant to the goals of this study. This multi-disciplinary literature is made up of books, research articles, journals, and information I gained directly from leader development organizations such as the Center for Creative Leadership (CCL) and Personnel Decisions International (PDI). I describe my iterative literature reviews and discuss how they support the edge leadership concept and my rationale for this particular study.

I begin by discussing the genesis of my concept based on a review I conducted of the classic and contemporary leadership and change and basic leader development literatures. I found many useful theories of leadership along with four foundational leader development models focused on basic change. Yet, when I compared the literature to my personal experience, I found the theories and models to be lacking key elements needed for turnaround leadership.

Two authors suggested additional elements that could, if they were integrated with the other four, potentially fill the leader development gap. Vaill (1996) pointed out the need for leaders in turbulent situations to eagerly engage in continuous learning and quickly apply their lessons to their organizations. This seemed to be especially important in turnaround situations and to be something around which instruction could be developed. Bass and Riggio (2006) wrote of transformational leadership as a substantially beneficial adjunct to basic transactional leadership. It seemed that emerging leaders could learn and practice transformational leadership through instruction and targeted experiential assignments. These two ideas, then, seemed to point in a useful direction—one that I could explore further in a subsequent review of the peer-reviewed research literature.

I next discuss my review of the global, peer-reviewed turnaround and organizational innovation leadership research literature. Going into the project, I expected to find a mature body of knowledge that would fill the gaps I had found. Instead, I found the empirical research on business turnaround leadership to be quite undeveloped. Despite this lack of directly focused research, I found substantial indirect support for my edge leadership concept in the related transformational leadership literature. Three overarching themes and seven conceptual threads emerged regarding the beneficial prospects for edge leader development. My findings suggested that I was on a promising track regarding the idea of adding continuous learning and transformational leadership as the fifth and sixth conceptual elements, respectively, of edge leadership. I kept probing by extending my search.

I continue my discussion of the literature with a recap of my subsequent review focused on the fifth and sixth elements. This review included the literatures on transformative individual and organizational learning theory and transformational turnaround leadership. I found substantial

conceptual support and practical guidance around both elements in this review.

Finally, I discuss my findings from a deeper search I conducted of the contemporary leader development literature—a search supported by site visits to the Center for Creative Leadership (CCL) and Personnel Decisions International (PDI). That review supported my belief that edge leaders can be developed through a long-term regimen involving assessment, education, action learning, mentoring, and targeted job placement.

In sum, my iterative searches of the literature across six domains pointed out gaps regarding the specific elements and associated development requirements of turnaround leaders. Yet, the literature provided conceptual support for edge leadership as a way to help fill the knowledge gap. As far as I am aware, my approach of integrating these six types of literature is unique. I close chapter 2 by discussing my rationale for conducting this dissertation study—one focused on substantiating edge leadership in practice.

Lessons: Leadership and Change Literature

My initial review of the classic and contemporary leadership and change literature provided many foundational lessons regarding the characteristic elements and actions of basic change leaders. Of course, these were necessary to include in any description of edge leadership. But the literature had gaps; the elements and actions described were necessary, but insufficient, to address the additional requirements of turnaround leadership.

My review included three positivistic works that discussed the observable, behavior-related, and effectiveness-focused elements of leadership. Yukl (2006) focused on the observable aspects of leadership. Northouse (2004) discussed leadership as practicum—that is, what works. Barnard (1968) wrote about leadership effectiveness as manifested through cross-functional leadership and the leader's exercise of the duty of care.

This review also included 11 works that discussed the requirements for leading in organizations in today's complex, connected, and ever more diverse world. They included: leadership in matrix organizations (Speechley, 2005); leadership in multicultural environments (Connerly & Pederson, 2005); community leadership (Couto & Ekin, 2002); issues of women's power and marginalization (Erkut, 2001); issues of gender and racial marginalization (Essed, 2000); ethical, mutually beneficial leadership between leaders and followers (Rost, 1991); double-loop learning within integrative human systems (Senge, 1990, 1994); leading by letting go and allowing natural structures to emerge (Wheatley, 1992); continuous leadership learning in an ever more turbulent world (Vaill, 1996, 1998); and the full range model of transformational leadership (Bass & Riggio, 2006).

The review also discussed insights from 11 works that addressed foundational change leadership concepts. These were by post-positivistic writers who further developed the requirements of authentic change leadership. Their themes included: transformational leadership via intentionality of action with moral intent (Burns, 1978), the leader within each of us (Bennis, 2003), leader credibility and values (Kouzes & Posner, 1993), leadership formation over time (Gardner & Laskin, 1995), leadership in driving change (Kotter, 1990, 1996), leadership as a balance of purpose and art (DePree, 1989), leadership resilience in the face of challenge (Conner, 1993), courageous adaptive leadership (Heifetz, 1994), servant leadership (Greenleaf & Spears, 2002), and leadership development as a vehicle for change (Hyde & Paterson, 2002).

Basic tenets of change leadership. Edge leadership is a special type of change leadership that is applied in situations that often involve great complexity, substantial organizational innovation, and pressure to succeed quickly. Yet, it includes a foundation involving the basic tenets of all change leadership. Because of their foundational importance, I

describe these 11 authors' works in some detail.

When James MacGregor Burns published *Leadership* (1978), it was seen by many as the foundational work of modern leadership studies. I focus here on several concepts from this book that are especially important to edge leaders: the distinction between power and leadership, the essential relationship between leaders and followers, transactional versus transforming leadership, the centrality of motivation and intentionality, the criticality of moral intent in leadership, and the importance of compelling ideas.

Burns (1978) began by noting two essentials of power, those being motive and resource, with each depending on each other. He wrote "lacking motive, resource diminishes; lacking resource, motive lies idle" (p. 12). Burns described the distinction between power and leadership, noting that power is exercised when power wielders, motivated to achieve their own goals, marshal resources that enable them to influence others (p. 18). On the other hand: "leadership . . . is exercised when persons with certain motives and purposes mobilize . . . resources so as to arouse, engage, and satisfy the motives of followers" (p. 18). The critical distinction is one of purpose; power is exercised selfishly while leadership is exercised within a reciprocal relationship with followers.

Burns (1978) described another important conceptual distinction, saying that the relationship between power and leadership may take two different forms, "transactional leadership" (p. 19) and "transforming leadership" (p. 20). Transactional leadership occurs when "one person takes the initiative in making contact for the purpose of an exchange of valued things" (p. 19). In contrast, transforming leadership "occurs when one or more persons *engage* with others in such a way that leaders and followers raise one another to higher levels of motivation and morality" (p. 20). The former is purely a matter of exchange in service of an

objective, while the latter is a matter of emotional engagement among leaders and followers around one or more ideals. Burns described the latter as "transcending leadership" (p. 20), a type that itself creates "a relationship with followers who will feel 'elevated' by it and often become more active themselves, thereby creating new cadres of leaders" (p. 20). The notion of transcending leadership is important for edge leaders to understand because they must engage and empower other leaders in the work of defining and instilling visionary new strategies.

To get things done, Burns (1978) noted that the leader must be deliberate and intentional in catalyzing change through the use of various techniques and referred to this approach as "purposeful leadership" (p. 44). He also stressed the critical nature of authentically moral motivation. Those who are moral self-actualizers are responsible to help "followers move toward fuller self-realization and self-actualization" (p. 116). Doing so can elicit a powerful response from followers, as Burns noted: "heroic, transcending, transforming leadership excites the previously bored and apathetic . . . and shapes their motivation" (p. 137).

Shaping motivation requires change leaders to have compelling ideas that engage followers' emotions. Burns (1978) wrote "the concept of intellectual leadership brings in the role of conscious purpose drawn from values. . . . Intellectual leadership is transforming leadership" (p. 142). Change leaders must engage others in debating new ideas and, therefore, be prepared for, even welcome, the inevitable conflict that will result. Burns noted the value of this approach:

> A more effective way to handle choice in the face of conflicting advice and division in popular attitudes is to use conflict deliberately to protect decision making options and power, and, even more, to use conflict to structure [the] political environment to maximize "constructive" dissonance, thus allowing for more informed decision-making. (p. 410)

Burns (1978) offered as his test of leadership the instillation of "real change—that is, a transformation to a marked degree in the attitudes, norms, institutions, and behaviors that

structure our daily lives" (p. 414). This is a test that I think edge leaders must pass. It is not enough for turnaround leaders to create short-term improvements. The real test is whether or not they can transform their organizations for the long term.

Like Burns (1978), Bennis (2003) wrote of the unique role and responsibility of the individual leader in society in his book entitled *On Becoming a Leader*. He noted that leaders must do three things. They must accept that maintaining the status quo will not work; they must "create the social architecture capable of generating intellectual capital" (p. xii); and they must provide their followers with direction, trust, and hope. Again like Burns, Bennis stressed morally grounded beneficial intent as an element of authentic leadership.

Unlike Burns (1978), Bennis (2003) stressed the leader within each person, noting that one must accept personal responsibility when stepping into that role. He wrote "becoming a leader isn't easy . . . and anyone who claims otherwise is fooling himself. But learning to lead is a lot easier than most of us think it is, because each of us contains the capacity for leadership" (p. 3). According to Bennis, the basics of leadership include: having a "*guiding vision*" (p. 39) that will sustain one through tough times; having a "*passion*" (p. 40) for one's life and vocation; having "*integrity*" (p. 40) comprised of the three essential parts of "self-knowledge, candor, and maturity" (p. 40); engendering "*trust*" (p. 41) from others; having deep "*curiosity*" (p. 41) about everything; and being "*daring*" (p. 41) in one's approach.

In addition to these leadership characteristics, Bennis (2003) wrote about what he saw as desirable leader behaviors. He wrote that leaders must know themselves and take responsibility for their improvement through practice, reflection, and ongoing learning. They should come to really know the world by seeking broadening activities that promote personal growth. Leaders should develop keen operating instincts so they can decide in absence of all the facts. They

should deploy themselves by engaging in strategic thinking and striking hard with resolution once they have decided on a course of action. Leaders should move through chaos by innovating on the fly and learning from both surprises and adversity. Finally, they should learn to get other people on their side by employing persuasion based upon trust.

Kouzes and Posner (2002) focused on leadership behaviors, values, purpose, and credibility in their book *The Leadership Challenge* and described five important behaviors of good change leaders:

- Model the way—"be models of the behavior they expect of others" (p. 14).

- Inspire a shared vision—"imagine a highly attractive future" (p. 15).

- Challenge the process—be "willing to step out into the unknown" (p. 17).

- Enable others to act—"foster collaboration and build trust" (p. 18).

- Encourage the heart—perform "genuine acts of caring" (p. 19).

To Kouzes and Posner (2002), credibility is the foundation for leadership because it establishes trust. Given their need to have others trust them enough to follow along on a new and unproven strategic path, being credible would be critical for an edge leader. One way of establishing credibility is simply getting things accomplished. Kouzes and Posner underscored the importance of getting results in today's business world, saying, "leaders make something happen by lunch; they are proactive—and are able to make something happen under conditions of extreme uncertainty and urgency" (p. 178). Turnaround leaders must intentionally create early wins to establish credibility and build organizational support for their change agenda.

Gardner and Laskin (1995) also wrote of the central role of leaders in influencing the thoughts, behaviors, and feelings of others, but doing so in different ways than Burns (1978), Bennis (2003), and Kouzes and Posner (2002) described. Gardner and Laskin's way was

through "*indirect* leadership" (p. 28)—that is, through the cumulative impacts of a leader's work over time. They related the stories of 11 leaders who developed into 20th century leadership giants over time. In describing their selections, the authors stressed their "belief that individuals matter, and that a few individuals matter a great deal" (p. 295).

Gardner and Laskin (1995) developed six change leadership themes. First, "the leader must have a central story or message. . . . [that addresses] the sense of individual and group identity" (p. 290). Second, the leader must be able to establish a relationship with an "audience [that] is complex and interactive" (p. 291), even if that means revising the story "in accordance with often rapidly changing conditions" (p. 292). Third, a leader must establish "some kind of institutional or organizational basis" (p. 292) in order to maintain leadership status over time. Fourth, a leader must "in some sense embody his story" (p. 293) and do so with a degree of authenticity that withstands strong scrutiny. Fifth, leaders must purposely choose between direct and indirect leadership in exercising their influence, with the distinction being: "direct leadership is more tumultuous and risky, but . . . can be more efficient and effective" (p. 294), while indirect leadership allows "more time for reflection and revision" (p. 294) and often has a longer lasting impact. Sixth, the issue of maintaining direct domain expertise is both important and problematic for leaders. Leaders must establish domain expertise to be credible, but they can lose it over time unless they take care to stay current with changing practices. These six issues are important for edge leaders to consider in intentionally developing their leadership personas and in applying them over time in pursuit of their change objectives.

Kotter (1996) also focused on the long term in his book, *Leading Change*, noting that effecting meaningful and lasting organizational change is a much larger challenge than putting short-term repair programs in place. Speaking derisively of the lack of long-term results of many

change programs, he wrote "in too many situations the improvements have been disappointing and the carnage has been appalling, with wasted resources and burned-out, scared, or frustrated employees" (p. 4). He noted eight common reasons why firms fail to accomplish their change objectives:

- "Too much complacency" (p. 4).

- Lack of a "guiding coalition" (p. 6).

- "Underestimating the power of vision" (p. 7).

- Lack of ample "credible communication" (p. 9).

- "Permitting obstacles to block the new vision" (p. 10).

- Lack of "short-term wins" (p. 11).

- "Declaring victory too soon" (p. 12).

- Failing to "anchor changes firmly in the corporate culture" (p. 14).

Kotter (1996) wrote of eight steps that leaders must take to insure success, those being essentially the opposites of the reasons he laid out for failure. His lessons were reminders to confront and quickly resolve any issues that run counter to a change program or, in the end, no matter how much time has elapsed, things will "always be subject to regression" (p. 148).

DePree (1989) provided a practitioner's insight into the issues of empowerment and the human soul of change leadership. He stressed that leaders must understand that change is not just a theoretical exercise; it affects real people in real ways. DePree wrote "the art of leadership . . . is 'liberating people to do what is required of them in the most effective and humane way possible'" (p. xx). In doing this, DePree said, "the first responsibility of the leader is to define reality. The last is to say thank you. In between the two, the leader must become servant and debtor. That sums up the progress of the artful leader" (p. 11).

The art of leading also requires leaders to be inclusive, to become "abandoned to the strengths of others, of admitting that we cannot *know* or *do* everything" (DePree, 1989, p. 9). This is especially important to turnaround leaders who must enlist and engage other leaders in developing and fulfilling a new vision and strategy. De Pree (1989) called leadership as a stewardship responsibility, one of understanding the "relationships: of assets and legacy, of momentum and effectiveness, of civility and values" (pp. 12-13). He noted the responsibility of leaders to promote the interests of their people, preserve and grow their institutions, establish and clearly communicate their values, and train and promote future leaders.

Another practitioner took a different approach from other authors in writing about leading change. Conner (1993) was a practicing organizational change consultant who wrote from the practical standpoint about how to lead change, not just what to change. He stressed that leaders must really understand the path through the change process and how to navigate that path by guiding people through the ups and downs and twists and turns as they occur.

One of Conner's (1993) main contributions was about the importance of leadership resilience in dealing with the pace of change. He defined resilience as having "*the ability to absorb high levels of change while displaying minimal dysfunctional behavior*" (p. 219). Leaders must deal with change simultaneously at the personal, organizational, national, and global levels. They must also choose between seeing change as either "a doom and gloom vision, or . . . as an opportunity for a fundamental shift" (pp. 4-5) in where organizations are going and how they will accomplish their goals. He noted "effective leaders are capable of reframing the thinking of those whom they guide, enabling them to see that significant changes are not only imperative but achievable" (p. 9). The optimism that results creates resilience.

Resilience also comes from the ability to see beyond the immediate and anticipate longer-

term success. Conner (1993) said leaders must be "consciously competent" (p. 223) in understanding the rhythms of change in applying the mechanisms of change management themselves and in teaching others how to do so. He asserted that there is a natural order to change, one that is highly predictable in its ups and downs. A change effort starts with a sense of optimism, moves to a state of high enthusiasm, will endure a period of pessimism, and may even reach a state of despair in which people wonder why they began the change in the first place. At that point people have a choice; they can either stop or keep working through the issues to gain a state of realistic optimism. If they stay on course they are likely to gain better results than they first imagined. This cycle points out the value of patience and persistence as leadership qualities, and understanding it can help both leaders and followers remain resilient through the stages of a major change initiative.

Heifetz (1994) contributed thoughtful reflections on the concept of adaptive work, which focuses on the hardest task of leadership—that of setting change in motion and then allowing others to shape the eventual outcome toward their own ends. This "adaptive work involves not only the assessment of reality but the clarification of values" (p. 31). In mobilizing adaptive work, the leader sets out a guiding challenge that confronts important issues, but then shifts the day-to-day work of change over to the stakeholders. At that point, the work of the leader changes to that of enabling progress to occur without exercising a firm guiding hand.

The leader then maintains a safe "holding environment" (Heifetz, 1994, p. 104) for change to occur and occasionally applies power to motivate the stakeholders to move change forward. The leader does not step back from the work, but rather steps above it to let it happen. By catalyzing action, "directing attention" (Heifetz, 1994, p. 113), insisting on "reality testing" (p. 115), "managing information and framing issues" (p. 116), "orchestrating conflicting

perspectives" (p. 117), and "choosing the decision making process" (p. 121), leaders assist the stakeholders by "leading across boundaries" (p.119) that would otherwise stop the change from happening.

Heifetz (1994) wrote of five "principles of leadership" (p. 138), including:

- "Identifying the adaptive challenge" (p. 138).

- "Regulating distress on the part of stakeholders" (p. 139).

- "Directing disciplined attention to the issues" (p. 141).

- "Giving the work back to the people" (p. 142).

- "Protecting the voices of leadership in the community" (p. 144).

It is important for turnaround leaders to let those who have been enlisted and engaged co-author the change program so they will own it as much as the leader does. Such co-authorship will provide greater potential for success and sustainability.

The aspects of people-centered leadership that Heifetz (1994) espoused were articulated in a different way by Greenleaf and Spears (2002). They profoundly influenced management thinking by describing the concept of servant leadership in business terms. Instead of primacy, Greenleaf and Spears described the role of the executive leader as one of service to the organization, its people, and its stakeholders. They wrote of the importance of leadership conscience, values, and moral authority, and noted the value of empowering others while working to develop a shared vision. Greenleaf and Spears, like Burns (1978), Bennis (2003), and Kotter (1996), preserved the key role of the leader in engaging followers in beneficial change. They wrote "a leader initiates, provides the ideas and the structure, and takes the risk of failure along with the chance of success. A leader says, 'I will go; follow me!' while knowing that the path is uncertain, even dangerous" (Greenleaf & Spears, 2002, p. 29).

Greenleaf and Spears (2002) noted that while change leaders cannot be fully certain of the path to take, they must nevertheless lead, using intuition and foresight in doing so. They wrote "The leader needs to have *a sense for the unknowable* and be able to *foresee the unforeseeable*" (p. 35). These authors described leaders as trustees who guide institutions by setting goals, developing plans, organizing the work of change, and seeing to it that implementation occurs. A leader must strike a balance between creating a vision and taking the steps necessary to bring it about. This balance is especially important for turnaround leaders; a visionary new strategy is of no value unless it can be executed.

Hyde and Paterson (2002) wrote of leader development as a purposeful means of driving change. This topic is important to my overall premise that edge leader development programs would strengthen companies by building their internal bench strength with leaders prepared to turn around failing business units. The authors studied the merger of Astra (based in Sweden) and Zeneca (based in the United Kingdom) to form AstraZeneca, a top-five global pharmaceutical firm. The firm's executives knew that many mergers fail because of a cultural misfit between the legacy firms, no matter the business complementarities that may exist.

In addition to the usual efforts to discuss the new company's vision and people's goals for the new firm, "leadership development was identified as a particularly important area . . . to focus on, reflecting the unique role that leadership plays in shaping and developing an organization's culture" (Hyde & Patterson, 2002, p. 267). The company started with its top-200 global leaders, including its most senior executives. The program's design and goals were carefully tied to business strategy and included a series of workshops and action learning projects focused on real business problems.

Hyde and Paterson (2002) wrote "by mixing former Astra and Zeneca people from

different areas and working together on current business challenges, ... [the program] played a

very useful role in helping the leadership group step up to the larger, more complex roles"

(p. 269). These leaders from different parts of the world developed a greater sense of the

common problems they faced and learned the value of applying differing perspectives to their

solutions. The authors noted that "leadership development initiatives . . . played an important

role in individual and organizational change, . . . fundamentally because of the links between

leadership, learning, and change" (p. 271). This comment underscored what I had proposed

about the fifth and sixth elements of edge leadership—that teaching emerging leaders how to

learn and lead transformational change is an important issue for today's complex organizations.

In reviewing the works of these change leadership authors, I found many different

descriptions of concepts, roles, behaviors, and actions. But, in comparing my reviews to one

another, I found 10 common action themes reflecting what good basic change leaders do. My

resulting synthesized top-10 leader's action agenda summarizes a leader's responsibilities for:

- Catalyzing change—described as unique to the leader and even a responsibility.

- Defining reality—setting the context for change.

- Creating demand—developing a compelling vision of a better future.

- Engaging others—building coalitions of key supporters of change.

- Enabling others—instilling structure, capabilities, and empowerment approaches.

- Communicating effectively—using powerful narratives to describe future success.

- Adapting as needed—reflecting on results and being reflexive in keeping on track.

- Applying power—being intentional about how and when to address obstacles.

- Conveying both urgency and patience—stressing the need for action and, yet,

    demonstrating understanding that substantial transformation takes time.

- Demonstrating perseverance—remaining steadfast in seeing things through.

All of these action themes depend on the leader's ability to develop a container of trust in which change can occur. That involves engendering followership through authentic behavior that demonstrates morality, optimism, competence, credibility, and service to the organization.

I also reflected on things that seemed to be missing in the works of these thought leaders relative to turnaround leadership. The authors did not address the specific issues involving leading change under the trying circumstances of a business turnaround. And, while there was ample information about the preferred characteristics of change leaders, there was less information about exactly how they should go about taking the thematic actions I have mentioned. The authors also did not provide definitive information about which actions really matter the most—that is, out of all the themes mentioned, which would be the most important to success? Finally, the authors did not describe how to effectively teach these concepts to emerging leaders.

Thematic review of four change leader development approaches. After reviewing the leadership and change literature, in an effort to understand how change leaders came to possess their capabilities and attitudes about leading, I developed a thematic review of four different, but complementary leader development approaches. I describe them here, but note in doing so that I found them to be sufficient for developing basic change leaders, but not for developing turnaround edge leaders.

They were the Center for Creative Leadership's (CCL) (McCall et al., 1988) experiential development model; the emotional intelligence (EI) approach of Goleman et al. (2002); the leadership passages approach of Charan et al. (2001); and the competency-based approach of Personnel Decisions International (PDI) (Gebelein et al., 1999). While none of the firms use one

model in isolation, they each emphasized their own perspectives. Upon reflection, it seems that these approaches build upon one another; experience is foundational, emotional intelligence draws from experience, passages follow as one builds a career, and additional competencies result.

Experiential development model. Experience is the first and foundational element of edge leadership. McCall et al. (1988) of the CCL, in their book *The Lessons of Experience*, noted:

> Kotter concluded that it takes 10 to 20 years to "grow" a general manager. It is the thesis of this book that development during that time depends not just on raw talent but also on the experiences one has and what one does with them. Specifically, not all experiences are created equal. Some experiences simply pack more wallop than others. Further, the lessons that these experiences might teach are not random. Certain things are more likely to be learned from one kind of experience than from another. (p. 5)

McCall et al. (1988) developed a list of five key leadership success factors with 30 underlying executive development lessons organized under them. They were:

- "Setting and implementing agendas" (p. 7) (six lessons centered on technical skills and knowledge).

- "Handling relationships" (p. 7) (12 lessons centered on working productively with others).

- "Basic values" (p. 7) (three lessons centered on ethics and engagement).

- "Executive temperament" (p. 7) (six lessons centered on confidence and the use of power).

- "Personal awareness" (p. 7) (five lessons centered on self-knowledge and self-management).

McCall et al. suggested that designing better programs for developing leaders involves purposefully identifying the lessons that are needed by each individual along with the jobs where

those lessons are likely to be learned, and then providing structured opportunities for high

potential candidates to be offered those jobs. Their fundamental idea was to focus not on "job

rotation for its own sake" (p. 12), but instead on developmental experience with a purpose.

In their *Handbook of Leadership Development*, McCauley et al. (2004) of the CCL also

noted the need for purposeful leader development plans. They offered a two-part model, first

describing three key components of an individual learning experience, and then describing the

organizational context for how such experiences develop leaders. The first key component is

assessment. A formal assessment involves a variety of tools such as "performance appraisals,

customer evaluations, 360-degree feedback, organizational surveys, . . . and evaluations" (p. 6)

done by others to identify one's development needs. The authors also noted, though, that one

could alternatively perform self-assessments through formal tools such as "psychological

inventories or journaling" (p. 6), or even informal means such as simply "asking a colleague for

feedback" (p. 6).

The second key component of leader development is challenge—that is, engaging in

those experiences that "force people out of their comfort zone" (McCauley et al., 2004, p. 7).

When people are put into a state of uncertainty, they become more open to learning from their

experience. What kind of challenges are the most developmental? McCauley et al. (2004) noted

several, including "novelty, . . . require[ing] new skills and new ways of understanding oneself in

relation to others, . . . difficult goals, whether set by oneself or by others, . . . situations

characterized by conflict, . . . [and] dealing with losses, failures, and disappointments" (pp. 8-9).

Change situations have all of these characteristics, so leader development regimens must be

willing to place emerging leaders into them for their benefit.

The third key component in the first half of the CCL model is support, "the message that

people will find safety and a new equilibrium on the other side of change" (McCauley et al., 2004, p. 10). Support can come from a variety of sources, including other people such as "bosses, coworkers, family, friends, professional colleagues, coaches, and mentors" (p. 10) or from "organizational cultures and systems" (p. 11) that support personal growth. The authors noted "support is a key factor in maintaining leaders' motivation to grow and learn" (p. 11).

The second half of the CCL model involves ways to place those experiences within an organizational culture and system that enhances and links them over time, improving the totality of the leader's development. Included are such elements as providing periodic ongoing assessments, noting the need for "new skills or approaches" (McCauley et al., 2004, p. 17), providing formal learning programs, making varying job assignments, offering formal feedback sessions, assigning mentors, and "develop[ing] new learning tactics" (p. 17) in response to changing conditions. The CCL sees leader development as a subset of organizational leadership development, as summarized by McCauley et al. (2004):

> Finally, if there is one key idea to our view of leadership development—an overarching theme that runs through our work—it is that leadership development is an ongoing process. It is grounded in personal development, which is never complete. It is grounded in experience; leaders learn as they expand their experiences over time. It is facilitated by interventions that are woven into those experiences in meaningful ways. And it includes, but goes well beyond, individual leader development. (p. 22)

I support the CCL approach, but did not find that it addressed the needs of turnaround leaders.

Emotional intelligence model. The second element of edge leadership is emotional intelligence. Leading a turnaround requires leaders to be very aware of how their actions are being perceived by others and to adapt their approach to fit the needs of a given situation. When Goleman (1995) published his book *Emotional Intelligence*, it received an enthusiastic response in the business community. The emotional intelligence (EI) approach to leader development was developed further by Goleman et al. (2002) in their book *Primal Leadership*, and Boyatzis and

McKee (2005) followed up later with their own book entitled *Resonant Leadership*. Unlike the CCL approach—which involves other people and organizational systems in providing assessment, challenge, and support to emerging leaders—the EI approach is essentially self-driven regarding assessment and self-correcting regarding challenge. Support comes largely from within.

The EI approach is largely reflective; it focuses on having leaders come to understand that the "emotional task of the leader is *primal*. It is both the original and the most important act of leadership" (Goleman et al., 2002, p. 5). Like Burns (1978), Bennis (2003), and others, Goleman et al. (2002) stressed the unique role of the leader. The authors maintained that:

> Throughout history and in cultures everywhere, the leader in any human group has been the one to whom others look for assurance and clarity when facing uncertainty or threat, or when there's a job to be done. The leader acts as the organization's emotional guide. (p. 5)

Goleman et al. (2002) described four "dimensions of emotional intelligence" (p. 37), "self-awareness, self-management, social awareness, and relationship management" (p. 38). These dimensions are important to change leaders who must understand the impact of their actions on others, whether intentional or not. Leaders must be self-aware because they are always being watched by others. They must manage themselves because their actions speak louder than words. They must be aware of how they fit into the social fabric of their firm, and they must develop effective relationships as they engage others in their leadership agendas.

To help leaders understand how they may impact others, Goleman et al. (2002) described six personal leadership styles ranging from a visionary to a commanding, task-oriented approach. They were:

- "The visionary style, which strongly drives the emotional climate upward and transforms the spirit of the organization at many levels" (p. 57).

- "The coaching style, . . . [which] focuses on personal development rather than on accomplishing tasks [and] generally predicts . . . better results" (p. 60).

- "The affiliative . . . style, [which] value[s] people and their feelings—putting less emphasis on accomplishing tasks and goals, and more on employees' emotional needs" (p. 64).

- "The democratic approach, . . . [which] works best when . . . the leader is uncertain is uncertain about what direction to take and needs ideas from able employees" (p. 67).

- "The pacesetting approach, . . . [which] can leave employees feeling pushed too hard by the leader's relentless demands" (p. 72).

- "The commanding approach [in which] leaders demand . . . compliance with orders, but don't bother explaining the reasons behind them" (p. 76).

The idea is that by understanding their primal role and learning about these various styles, leaders will self-adjust toward a more people-centered approach overall and be able to adjust their style when necessary to fit a particular situation, becoming more effective as a result. It is important for change leaders to know that even though the softer styles seem more attractive overall, they may have to temporarily adopt a commanding style to fit a given circumstance.

The EI model addresses the same basic categories of leadership development as the CCL model does: setting agendas, managing relationships, establishing values, developing executive temperament, and having a sense of personal awareness. However, the EI model seems to infer that a leader could make a positive adjustment to one's persona simply by comparing one's own style to that of other idealized leaders and using a process of self-improvement toward a desired state of being. I found the EI model to be a useful component of a leader development regimen, but insufficient on its own.

Leadership passages model. Charan et al. (2001) wrote their book, *The Leadership Pipeline*, based on ideas they developed when they worked together at Citibank and General Electric (GE). Noel coined the title term, a container for a model that stresses the importance of learning how to think differently about situations and problems as one rises through various levels of an organization. The model builds upon the CCL experiential approach (McCall et al., 1988) and includes references to the leadership behaviors included in the EI model (Goleman et al., 2002).

The authors focused on the passages that a leader must move through to be successful at higher levels and noted the value of establishing of a rigorous organizational process of assessment, job assignment, and achievement tracking to develop a cadre of leaders that can attain strong current performance while advancing the organization over time. One phrase seemed particularly appropriate to my interest in edge leader development, "Companies that can grow their own leadership at all levels and recognize the unique requirements at each level will have a decided edge" (Charan et al., 2001, p. xv).

The central idea is that different development elements are required for each of six passages, those "major events in the life of a leader" (Charan et al., 2001, p. 15). They are:

- (Managing others)—Going from managing oneself to managing others involves developing skills in: "planning work, filling jobs, assigning work, motivating, coaching, and measuring the work of others" (p. 17).

- (Managing managers)—This passage requires leaders to master skills in selecting other managers, "assigning managerial and leadership work to them, measuring their progress, . . . and coaching them" (p. 19).

- (Functional manager)—This passage involves learning new skills in communication,

long-term thinking, cross-functional awareness, and strategy development.

- (Business manager)—This requires moving from cross-functional to integrative leadership, from a functional view "to a profit perspective" (p. 22), learning to balance competing priorities, and taking time "for reflection and analysis" (p. 22).

- (Group manager)—Taking on a group of businesses requires a leader to move beyond pride in one business to "pride in other people's businesses" (p. 23), to develop "other business managers" (p. 24), and to assess a "business portfolio strategy" (p. 24).

- (Enterprise manager)—This passage "is much more focused on values than skills" (p. 25). It involves having the breadth to understand the whole organization and its place in industry and societal systems. It involves setting a vision, assembling a team, and then becoming comfortable in "let[ting] go of the pieces" (p. 26) to that team.

Charan et al. (2001) noted, as did McCall et al. (1988) and Kotter (1999), that adequate time must be spent at each level, noting with derision that often:

> The stars . . . usually change jobs or companies so frequently that they have difficulty finishing what they started. They don't stay in one place long enough to learn from mistakes, master the right skills, to gain the experience needed for sustained performance. (p. 5)

In my view, the leadership pipeline model draws from, adds to, and improves upon the Center for Creative Leadership (McCall et al., 1988) experiential model and Goleman et al.'s (2002) emotional intelligence models. The authors suggested that firms can assess talent, assign jobs, and promote education in ways that develop leaders for the future while providing business benefit in the present, thus creating a competitive edge. I support the model, yet note that Charan et al. (2001) also did not directly address the issues of turnaround leadership.

Competency-based model. Personnel Decisions International (PDI) is a "global consulting firm based in organizational psychology" (Gebelein et al., 1999, p. 473) that now has 30 offices on five continents. The firm's executive vice president told me that each of its three founders brought different talents and perspectives that persist in its business model today (Elaine Sloan, personal communication, June 25, 2008). Marvin Dunnette was an industrial psychologist and theoretician from the University of Minnesota. Lowell Hellervik was a consultant who knew about building a profitable practice, and Wayne Kirschner was a practitioner from the 3M Company. Their goal was to blend science and business strategy in developing practical human resource programs and tools to help companies meet their goals through talent management.

PDI works with its clients to first get the overall business strategy right. A company's leadership is obliged to establish that foundation as a priority. While PDI does not itself offer strategy development services, it guides its clients to be sure they have done that work. Next comes designing the organization—the functional groups, their supporting business processes, and the underlying infrastructure. After that, comes the work of developing the people to fit the organization. The firm has also adopted the pipeline metaphor to describe its approach to people development, as shown in Figure 2.2 (see permission document in Appendix A).

Although the terminology is similar to that of Charan et al. (2001), there is a difference. The PDI model includes some pipes that are smaller than others, illustrating that a leader development pipeline has constraints (Elaine Sloan, personal communication, June 25, 2008). The model shows these to be "motivation" and "real world opportunities," issues that may moderate leader development outcomes. Its stages involve "five conditions necessary for development to occur" (Vitek, 2002, p. 4):

- The insight stage involves an assessment process that provides knowledge about what a leader's capabilities and needs are, from three perspectives: their own, that of others, and that of the organization (p. 4).

- The motivation stage involves the leader's willingness to "invest the time and energy to change" (p. 4).

- The capabilities stage "asks whether people know how to acquire the skills and knowledge they need" (p. 4).

- The real-world opportunities stage involves getting people the "opportunity to apply what they've learned at work" (p. 4) and, importantly, to reflect on their learning.

- The accountability stage "identifies whether people have internalized . . . [their skills so as to use them] . . . to improve performance and results (p. 4).
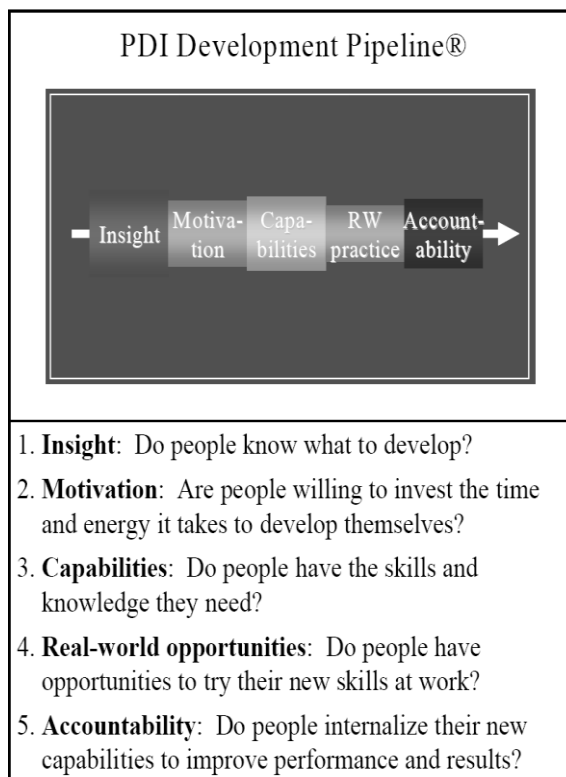
Figure 2.2. The PDI Development Pipeline Model® is reprinted with permission. Copyright © 2000 Personnel Decisions International Corporation. All rights reserved.

PDI provides an array of development resources and services in the areas of leadership "assessment, . . . management development, . . . organization effectiveness, . . . and career development" (Gebelein et al., 1999, p. 473). It helps client firms build the conditions that will support leaders' competency development (Elaine Sloan, personal communication, June 25, 2008) and helps emerging leaders understand their development needs. Even so, PDI does not specifically address the development requirements of turnaround leaders.

Initial change leader development findings discussion summary. The four change leader development models I reviewed support four critical elements of basic change leadership, as shown in Figure 2.3. The models are similar in some ways. All involve change leader development. All involve lessons learned and practiced over time. All describe individualized assessment and development activities that shape a leader's ways of thinking, behaving, reflecting, and ultimately, of being. All involve reflective learning through a process of recognizing the need for personal growth, practicing certain skills and behaviors, and observing whether or not one is being successful in achieving personal growth. All mention leader development in the interest of organization development. And none of the four describe the specific requirements for developing turnaround leaders.

The four models also vary in some important ways. The experiential model involves the growth of leaders through assessment, challenge, and support by others. The emotional intelligence model involves recognition of the leader's primal role, self-learning about the six leadership styles, and a self-assessed, self-developed approach to improvement. The leadership passages model focuses on learning ways of thinking differently about situations at various levels of an organization through a system of ongoing assessments, focused job assignments, and consistent measures of achievement. Finally, the competency-based model focuses on

developing skills via assessments by the leaders, by others, and by the organization, and then

being motivated to improve by applying lessons at work and being held accountable for results.

<div style="border:1px solid black; padding:1em; text-align:center">

Varied Experience
Emotional Intelligence
Passages Through Levels
Competencies for the Role
_____

= Change Leadership Development

</div>
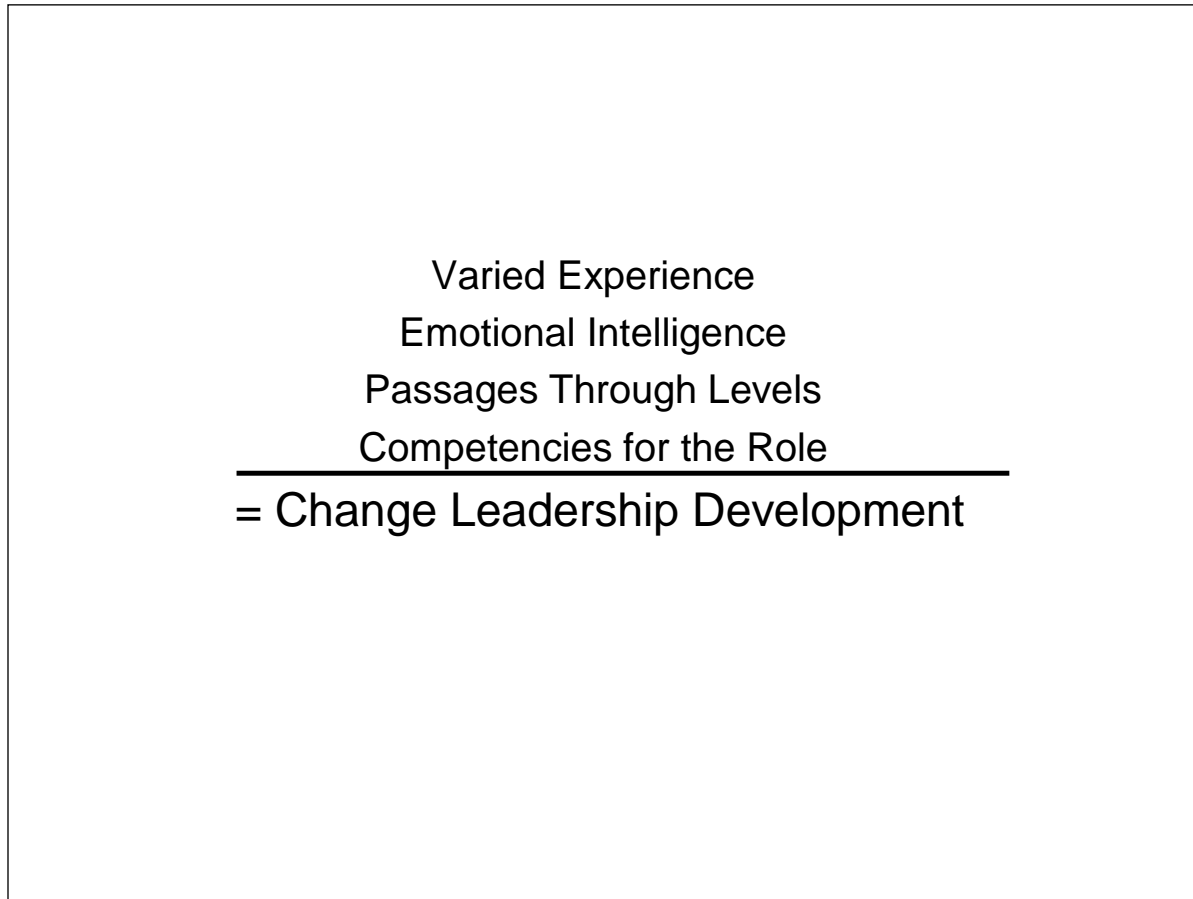
Figure 2.3. The four elements of change leadership development.

It seemed that leader development programs that could effectively combine the four

elements of basic change leadership, shown in Figure 2.3, would be adequate for developing

leaders who could successfully lead incremental change initiatives. They would also provide a

strong foundation for new approaches focused on the specific requirements of turnaround

leadership. However, based on my extensive experience as a business leader who had witnessed

many failures of leadership in those times where incremental change no longer worked and a

turnaround was in order, those four elements alone would not be sufficient. My experience in

leading large-scale change programs involving organizational innovation over nearly two

decades of time strongly suggested that more was needed for developing edge leaders.

Two ideas from the leadership and change literature seemed to point the way. Vaill (1996, 1998) pointed to the need for leaders to have a zest for continuous reflexive learning for themselves and their organizations. Burns (1978) introduced the concepts of transformational and transactional leadership and Bass and Riggio (2006) described the full range of leadership model along with the practical benefits of transformational leadership practices.

Varied Experience
Emotional Intelligence
Passages Through Levels
Competencies for the Role
_____
= Change Leader Development

+

Zest for Continuous Learning
Ability to Understand & Instill Transformational Change
_____
= Edge Leadership
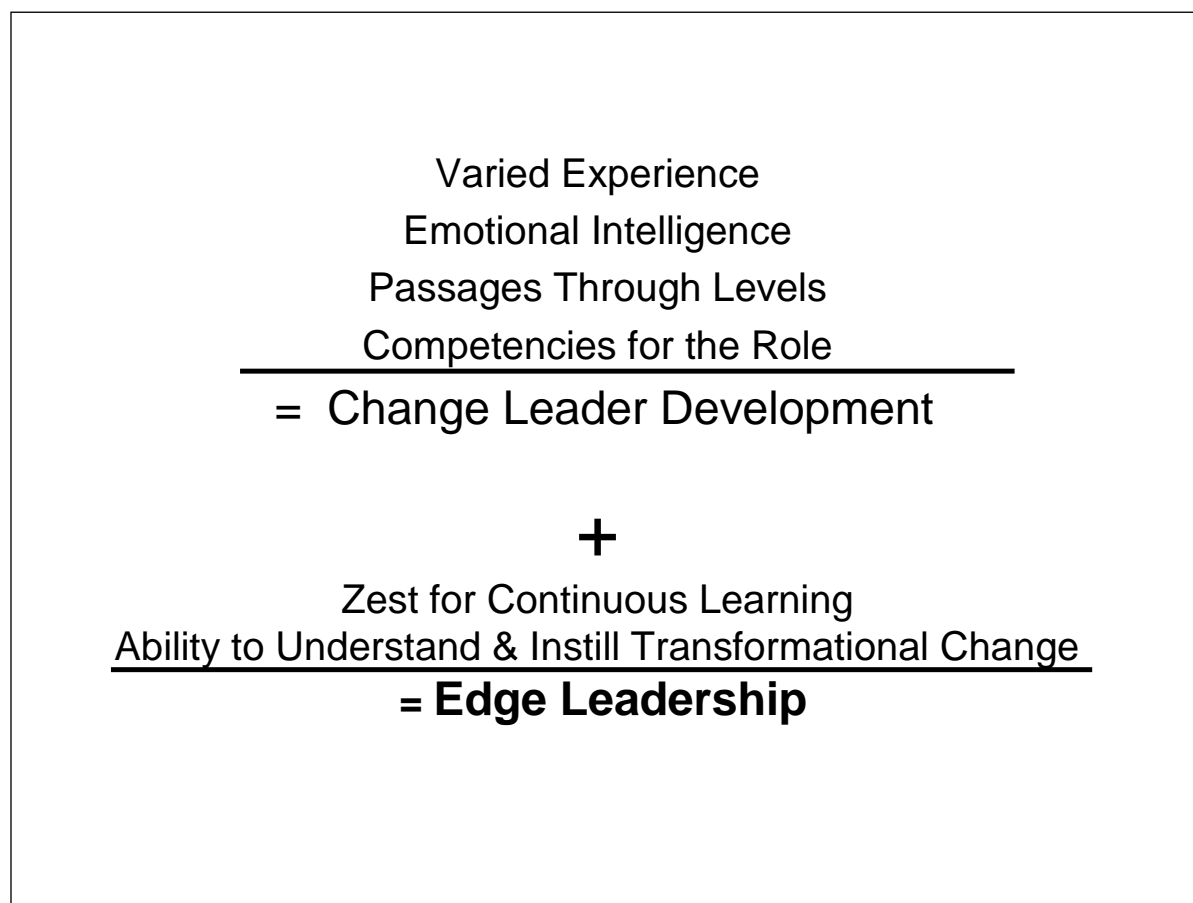
Figure 2.4. The six elements of edge leadership development.

In concluding that review, I proposed that gaining the edge necessary for turnaround leadership would require development regimens that could instill two those additional elements in emerging leaders: a zest for continuous learning, and the ability to understand and instill a transformational change through a balance of beneficial transactional and transformational

leadership practices. I added those two development elements to the four that had supported

basic change leadership to arrive at my edge leadership concept, as shown in Figure 2.4. To

search for deeper understanding on the viability of my edge leadership concept, I then conducted

a search of the global research literature on turnaround and organizational innovation leadership.

Lessons: Global Turnaround Leadership Research Literature

As illustrated by Figure 2.5, I conducted a search of the global turnaround and

organizational innovation leadership research literature published between 1992 and 2007 using

databases from complementary areas of inquiry: business, psychology, organization design, and

social science.
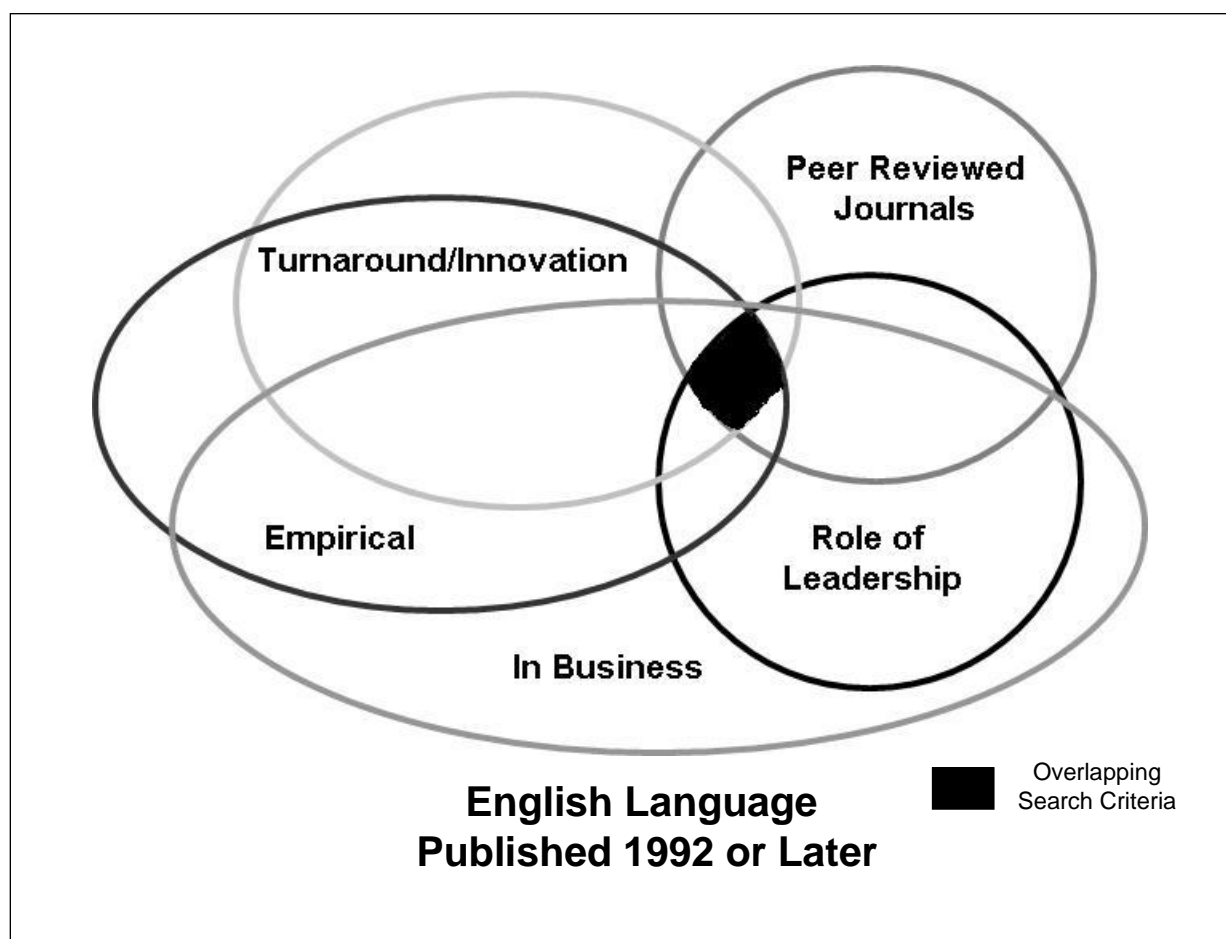
Figure 2.5. Overlapping search criteria, with central area of focus shaded.

I chose psychology and organization design because the majority of the supervisory practices that enhance creativity are similar to the basic literature on effective leadership (Bass & Avolio, 1994). I chose the business and social science domains because I am particularly concerned about how business failures impact employees, their families, and their communities. I chose to delimit the search to studies from within the previous 15 years because I wanted the information to be reasonably contemporary. I also had to delimit my search to articles published in English because I am personally limited to fluency in that language.

I was searching for specifics, and my question seemed a simple one: what is the role of business leadership in engendering a successful turnaround or fostering significant organizational innovation that will sustain a firm in the competitive marketplace? It seemed simple, but my search of the literature revealed the answers to be both elusive and few. Of the 180 articles I retrieved, I ended up discarding all but 59 due to lack of substantial relevancy to my question. Of the 59 articles that I retained, I found only 15 that were directly relevant to my inquiry. I retained the remaining 44 articles because they provided some useful indirect information. Three overarching themes emerged from my review of this literature: the beneficial nature of transformational leadership as an augmentation to transactional leadership, the importance of a leader's personal role in promoting and supporting innovation, and the importance of self-awareness and self-knowledge by leaders in both of these pursuits. In looking deeper, seven conceptual threads clustered around these three themes.

First, leadership does make a difference in business outcomes; active leadership may trump the influence of the environment when applied to business challenges (Beyer & Browning, 1999; Carmeli & Tishler, 2006; Elenkov et al., 2005; Harker & Sharma, 2000; Menguc et al., 2007; Prabhu & Robson, 2000). This idea is important to establishing a sense of efficacy in

leaders who are facing daunting challenges in competitive situations.

Second, leadership behaviors and skills can be defined as transformational or transactional (Burns, 1978) and reliably measured (Avolio & Bass, 1999; Bass, 1985; Bass & Avolio, 1994; Bass & Riggio, 2006; Hartog et al., 1997; Podsakoff et al., 1996). This concept is important to developing effective pedagogy and to creating initial skills assessments and later comparative assessments.

Third, transformational leadership provides measurable beneficial benefit to transactional leadership (Berson & Avolio, 2004; Boerner et al., 2007; Conger et al., 2000; Howell & Avolio, 1993; Lowe et al., 1996; O'Regan, & Ghobadian, 2004; Rowold & Heinitz, 2007; Xenikou & Simosi, 2006). Discussing the upside of transformational leadership is important to helping leaders trained largely in transactional means understand why they need to learn new ways of leading.

Fourth, leadership support for overall business innovation is critical to its successful development (Amabile et al., 2004; Christiansen, 1997; Krause, 2004; Smith, 2007; Sutcliffe, 1999). This theme calls out the important responsibility of leaders to provide both visible personal support and the means for doing things in new ways.

Fifth, two meta-competencies—personal identity (self-knowledge) and adaptability—are key drivers of sustainable leadership in the face of challenge (Jensen & Luthans, 2006; McCarthy et al., 2005). This concept provides critical awareness of the basic components of personal resilience in the face of leadership challenges.

Sixth, transformational leadership behaviors and skills can be taught (Bono & Judge, 2004; Bossink, 2004; Burke & Collins, 2005; Garcia-Morales et al., 2006; Turner et al., 2002). It is critical for leader development designers to understand that transformational leaders are not

just born; they can be developed.

Seventh, and finally, leadership, the environment, the situation, the business structure, and business process designs work systemically together in determining outcomes (Leonard & Goff, 2003; Senge, 1990). The foundational concepts of systems thinking and transformational leadership are woven through the lessons of the research literature. Because of their importance to the thinking of turnaround edge leaders, I discuss them now in more detail.

Lessons on systems thinking for edge leaders. Systems thinking involves knowing that, within any organization made up of a number of parts, it is not any one part that matters; rather, what matters is how all parts of the organization work together. Systems thinking is an essential concept for edge leaders to understand for several reasons. First, it helps leaders navigate the connections and relationships among their firm's functions and people in gaining cross-functional alignment for proposed change initiatives. Second, it helps leaders understand that a remedial action taken in one part of an organization could have a negative impact on others, so they can plan in advance to avoid such problems. Third, it helps leaders strategically consider the many integrated initiatives necessary to create long-term beneficial change, including those related to structure, finance, staffing, operations, infrastructure, culture, and ongoing support.

Systems are defined in several different ways in the literature. Hatch and Cunliffe (2006) had a largely mechanical view, writing, "A system is a thing with mutually interrelated parts called subsystems. Each subsystem affects the others, and each depends on the whole" (pp. 37-38). Petrella (as cited in Bradford & Burke, 2005) wrote of systemic relationships in more businesslike terms:

> A system is a whole that is defined by its functions in a larger system (or systems). Stated more concretely, a business corporation is defined by its relationship to critical

markets and to the environment in which it is embedded. (p. 68)

A business also has relationships with other system components beyond markets and the environment. Hatch and Cunliffe (2006) described these as the "four subsystems (technology, social structure, culture, and physical structure)" (p. 39). They noted a system's inherent indivisibility when they wrote "human behavior and technology are interrelated and . . . any changes in technology will affect social relationships, attitudes and feelings about work which in turn affect the output of the technology" (p. 40). The definition of technology includes many forms of supporting infrastructure: computers, buildings, equipment, means of transportation, even office furniture. All of these subsystems form a single, open, and complex business system, something edge leaders must understand when developing comprehensive strategic solutions.

Wheatley (1992) brought a different and more organic approach to systems thinking when she wrote that contemporary leaders must understand that business systems operate in today's ever-changing world much as living organisms do, and they therefore cannot be managed with a Newtonian mechanical mindset. Using the Greek term *autopoiesis*, she described a new science that recognizes the self-forming nature of systems—the "natural processes that support the quest for structure, process, renewal, integrity" (p. 18). Through a discussion of quantum mechanics, Wheatley stressed that the more we delve beyond the surface of the modern definitions of systemic behavior, the fixed notions of matter, energy, time, and distance become much less fixed and much more open and complex. She argued that, in the end, we come to realize that relationships are all that are holding the universe in order. Wheatley's ideas on the quantum nature of the relationships among parts of an organization influenced my choice of a methodology for this study, as I will discuss in chapter 3.

Wheatley's (1992) ideas can help turnaround leaders focus on and foster the connections and relationships among functions and people, rather than trying to mechanically manage a

business system to meet the challenges of the future. With a vision of the future in mind, leaders have to learn to let go and become comfortable with a degree of normally chaotic relationships among people and functions in a business system to let it change and form up in new ways. It takes leadership courage to foster a degree of chaos and then accept the outcomes of creative people working within a free-form process.

Senge (1990) also noted the need for integrated and holistic organizational strategies, but he added the idea that, in developing strategies, leaders must engage in continuous double-loop learning—that is, not only learning from experience but also challenging the underlying assumptions of a situation. This type of learning allows leaders and followers to go beyond the obvious to find the root causes of problems and thereby create more lasting solutions.

Like many other leadership authors (Bennis, 2003; Burns, 1978; Goleman et al., 2002; Greenleaf & Spears, 2002), Senge (1990) promoted the leader's unique role in leading the process of problem solving with their followers. He described a systematic process of using process models and archetypes to identify and think deeply about problems and potential solutions. With his insights and tools, Senge provided valuable information for leaders to use with their teams in solving complex business problems. By using these lessons and tools, edge leaders could guide substantial improvement initiatives within their business systems.

Lessons on transformational leadership for edge leaders. Burns (1978) first introduced the concept of transformational leadership, and many others have contributed to its development in the years since then (Avolio & Bass, 1999; Bass, 1985, 1999; Bass & Avolio, 1994; Bass & Riggio, 2006; Berson & Avolio, 2004; Boerner et al., 2007; Bono & Judge, 2004; Conger et al., 2000; Eisenbach et al., 1999; Hartog et al., 1997; Howell & Avolio, 1993; Lowe et al., 1996; O'Regan, & Ghobadian, 2004; Podsakoff et al., 1996; Rowold & Heinitz, 2007;

Tucker & Russell, 2004; Xenikou & Simosi, 2006). There is more literature on transformational leadership than could ever be related in one study, so I will limit my discussion to one important aspect relevant to my study—that is, the full range of leadership model (Bass, 1999). This model involves the sixth developmental element of edge leadership, that of developing leaders who can instill truly transformational change (Bass & Riggio, 2006) rather than simply incremental change.

The full range of leadership model includes four transactional leadership approaches that identify the "exchanges between leader and follower to meet their own self interests" (Bass, 1999, p. 9). These approaches are contingent reward, active management-by-exception, passive leadership, and laissez-faire, along with four transformational leadership approaches used by the leader to "mov[e] the follower beyond immediate self-interests" (Bass, 1999, p. 10): idealized influence, inspirational leadership, intellectual stimulation, and individualized consideration.

Whereas Burns (1978) saw transactional and transformational leadership as opposites with the latter having a higher moral standing, Bass (1985) saw the two styles as being on a continuum with transformational leadership augmenting the more basic transactional style. In an effort to understand how leadership behavior affects results, Avolio and Bass (1999) designed and refined the Multi-factor Leadership Questionnaire (MLQ), a now ubiquitous psychometric instrument used to determine and analyze the personally unique styles of individual leaders. Bass, like Burns (1978), saw transformational leadership as preferred over transactional leadership, but for a very different reason—one of effectiveness instead of moral standing. He wrote "changes in the marketplace and workforce . . . [since Burns introduced the concept] have resulted in the need for leaders to become more transformational and less transactional if they were to remain effective" (Bass, 1999, p. 9).

Bass and Riggio (2006) discussed a number of foundational ideas related to edge leadership. They echoed Burns (1978) in saying that transformational leaders must, by definition, be working "for the forces of good" (Bass & Riggio, 2006, p. viii), otherwise they are merely "pseudotransformational" (p. viii). They wrote:

> It is quite clear that the concept of the authentic transformational leader is inextricably bound to the notion of the "good" leader—the ethical leader who is driven by sound values and good judgment and is focused not on personal gains but on what benefits the follower, the organization, and society. (p. 233)

Bass and Riggio (2006) stressed that leaders must have a properly balanced approach between transformational and transactional leadership behaviors. They were careful to point out that a vision of the future is not enough; an organization must remain viable today while striving to reach the vision of tomorrow. I agree with them that both types of leadership are necessary with the relative use of one type over another varying according to the situation. Edge leaders need to fully understand the differences and intentionally apply the right type to the right need at the right time, always working to advance their transformational agenda.

On one hand, edge leaders need to develop a compelling vision, describe the transformation process, engage others in joining the effort, and clearly communicate the vision over and over. That is transformational behavior. On the other hand, they need to insure that the transactional issues of organization design, staffing, administration, incentives, and measures support the transformational agenda. Transformational leadership provides vision, energy, and emotional rewards. Transactional leadership provides the reinforcing means of taking care of day-to-day business while supporting an overarching turnaround agenda. As part of their leadership development regimen, edge leaders must be taught these concepts and must learn how to apply them in practice through targeted job assignments and action learning projects.

Summary of the global turnaround research literature. My review of the peer-reviewed research literature greatly added to my understanding and my development of the edge leadership concept. I became more confident that my development construct consisting of six elements was basically sound. The literature supported the notion that edge leadership could be taught and that the elements of continuous learning and transformational leadership were necessary additions to other, more basic change leadership development approaches. I became confident that more could be done to deliberately develop more leaders of beneficial change. Edge leaders need to understand change, to be able to teach others to navigate it, and to have a calm sense of confidence in dealing with it.

I remained convinced that developing individual leaders would create value for the companies in which they work. Edge leaders must have the ability to recognize the early signs of a business challenge and its underlying reasons. They must understand effective remedial business strategies and how to craft them. And edge leaders must have the ability to create a compelling transformational vision for the future and be able to communicate in ways that inspire the alignment and engagement of their associates. I believe that leader development program designers and career planners could and should instill these concepts in their long-term learning regimens. I became more confident that a deliberate approach to edge leader development could be designed and implemented in the course of ongoing business practices.

Lessons: Fifth Element of Edge Leadership—Continuous Learning

I discuss the topic of continuous learning at length because of its importance to my edge leadership model, as shown in Figure 2.4. Edge leaders must come to understand how continuous learning informs the organizational innovation process so they deliberately encourage and support it. To investigate and further integrate my proposed fifth element of edge

leadership, I went back to the literature.

Vaill (1996) provided a key leadership lesson by setting the expectation that things are not going to get any easier in the future. In coining the metaphor "permanent white water" (p. 8), he asserted that leaders must engage themselves and their followers within an inherently turbulent world. Leaders must be active and attentive learners, applying the lessons of their experience to the next run of rapids. This requires reflexivity—the ability to reflect and then quickly adapt to changing conditions. Reflexivity is important for leaders and organizations.

Vaill (1996) noted that there are no easy answers because we live and work in a world of interrelated systems; everything is connected to everything else. Leaders must promote "learning as a way of being" (p. 112) within complex human systems. Not only must they be constantly learning themselves, they must insure that others in their organizations are learning, too. Argyris (1999) wrote "organizational learning is a competence that all organizations should develop" (p. xiii), and that "organizations learn through individuals acting as agent for them" (p. 157). Learning is both an individual and collective responsibility, and it has purpose beyond personal improvement. It is tied to the role of leaders in promoting "vigilance in a world of increasing complexity and rapid change" (Day & Schoemaker, 2008, p. 44).

Leaders must employ these lessons in their organization transformation efforts. Like others (Bennis, 2003; Burns, 1978; Gardner & Laskin, 1995; Greenleaf & Spears, 2002; Kotter, 1996; Kouzes & Posner, 2002), Vaill (1998) noted the unique responsibility of the leader, above all others, to describe a compelling vision, saying, "I will argue that a vision of what the organization and its products and services mean to its customers, its employees, and its other key constituents needs to be interwoven in leadership" (p. 65). Learning, then, has the additional purpose of helping to inform the leader's definition of the purpose of the enterprise.

To me, this means that there are three main dimensions involved in instilling a zest for continuous learning in edge leader development regimens, as shown in Figure 2.6.
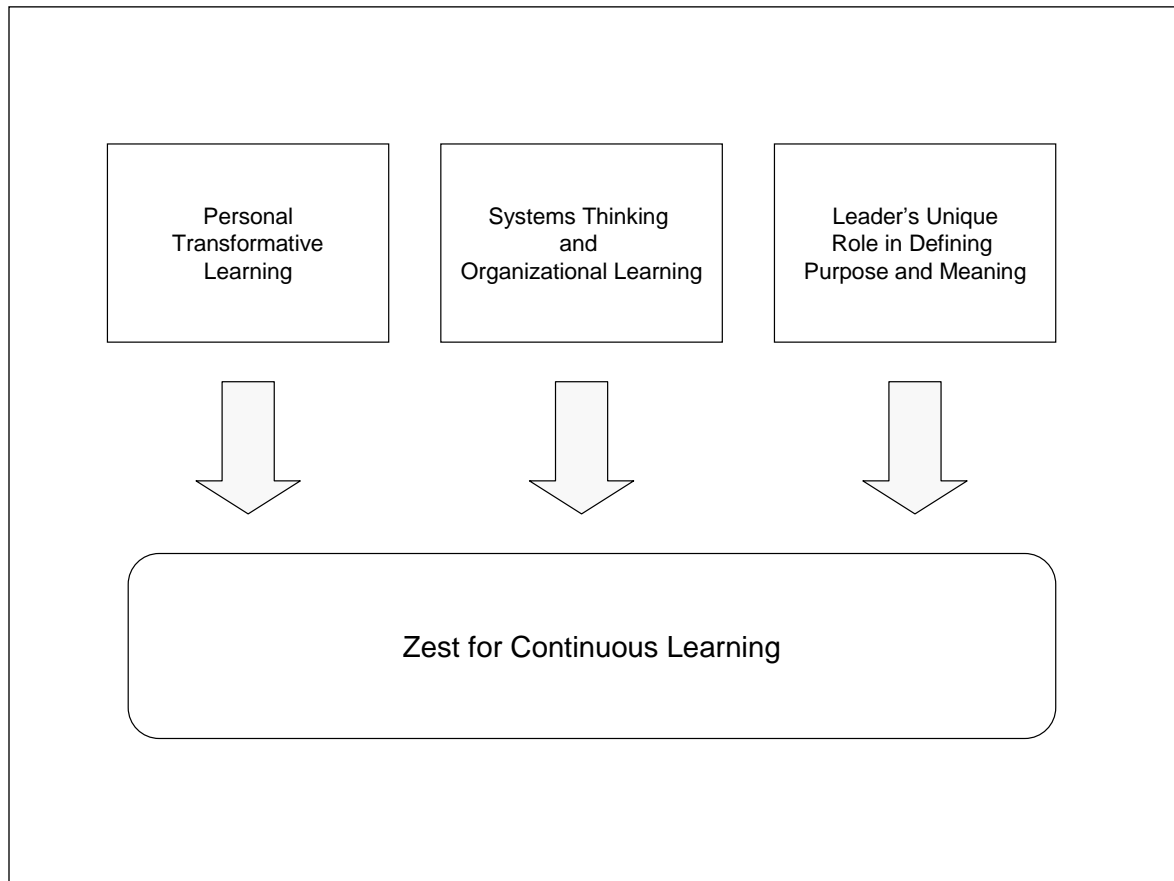
Figure 2.6. Three dimensions of instilling a zest for continuous learning.

The first is personal transformative learning (London & Mone, 1999; London & Smither, 1999; Mezirow, 1994, 2000) which changes a leader's perspective, buttresses one's experience, and enables greater reflexivity. The second is to promote systems thinking and organizational learning, which allow leaders and followers to manage "the long-range effectiveness and . . . ultimate destiny of the system" (Argyris, 1999, p. 69). The third is to enable the leader's unique role in defining purpose and meaning when leading an organizational transformation. As Nixon (2003) wrote:

So leaders now need to do two things exceptionally well: on the one hand, they have to

offer an appealing message about purpose, values, vision, direction, and culture. On the other, they need to enable the organization—to respond, adapt, create, re-create, and replace itself as a living system. (p. 164)

I conducted a review of the literatures on personal transformative learning and organizational learning to better understand these three dimensions.

Transformative learning theory. Mezirow developed transformative learning theory beginning in 1978 when he was examining the impact of how adult women who returned to community college changed their perspectives, created new meaning about the circumstances of their lives, and transformed those circumstances as a result (Mezirow, 2000, pp. xi-xii). They were transformed through learning. Mezirow was one of the first to study adult learning, and his work is considered foundational in the field.

Mezirow's (1994) theory is constructivist in nature. It is centered on the learner's original interpretation and later reinterpretation of their experience in making meaning and hence learning (p. 222). Mezirow intended for his work to be a general theory of adult learning. He wrote "Transformation theory is intended to be a comprehensive, idealized, and universal model consisting of the generic structures, elements, and processes of adult learning" (p. 222). To Mezirow, learning is a process that is "focused, shaped and delimited by our frames of reference" (p. 223) that consist of two dimensions—the way we see things and the way we judge them after we see them. These dimensions and corresponding frames of reference are transformed based on deep reflective learning that goes well beyond just taking in information from an instructor or learning from experience or other learners. The theory draws its cultural context from Western European and North American democratic societies, which themselves draw from the Enlightenment period's focus on self-awareness, rationality, self-emancipation, free personal choice, and social justice (Mezirow, 2000).

Transformative learning can only be said to have occurred when one's entire perspective

has changed during problem solving, when one challenges assumptions and changes one's mind about what something means (Mezirow, 1994). This is a condition called a paradigm shift, (Mezirow, 2000, p. xiii), a term which Boyd and Fales (1983) described as reflective learning: "the process of internally examining and exploring an issue of concern, . . . which creates and clarifies meaning in terms of self, and which results in a changed conceptual perspective (p. 100). It is the defining difference between instrumental learning (Argyris, 1999)—problem solving within an accepted set of assumptions, and transformative learning—that is, stepping back to examine a problem's underlying assumptions, determining their validity, and resetting those assumptions as needed to allow totally new issues to become discoverable and totally new solutions to become possible.

Transformative learning requires heavy use of the question of why instead of just the question of what. Mezirow (1994) outlined his 11-step transformative learning process:

- A disorienting dilemma.
- Self-examination.
- Critical assessment of assumptions.
- Recognition that discontent and the transformation process are shared with others.
- Exploration of options for new roles, relationships, and actions.
- Planning a new course.
- Acquiring knowledge or skills.
- Provisionally trying out new roles.
- Renegotiating relationships and negotiating new ones.
- Building competence and self-confidence.
- Reintegration into one's life based on new perspective. (p. 224)

Mezirow (1994) made the point that reflection is critical to the process of either refining one's way of looking at the world (perspective) or making sense of what one sees (meaning), using this process. Boyd and Fales (1983) used a similar, but simpler six-step rubric to describe the reflective learning process (p. 108). They wrote "reflective learning is the process of creating a resting place, a personal center between priorities" (p. 106). I would call this resting place an

edge between prior and new perspectives. Importantly, they wrote "techniques of reflective thinking can be intentionally taught" (p. 113). This is encouraging when considering the potential for transformative learning in edge leader development regimens.

In describing how learning is used, Mezirow (2000) described two domains of learning: instrumental learning used to try to control the environment, and communicative learning used to try to understand the meaning of others. For both, instead of attempting to determine truth, the focus is on determining validity through the utilities of authority figures, force, or rational discourse (Mezirow, 1994). Both types of learning are involved in educating adults, but they require different approaches. Instrumental learning requires "clear needs, tasks, outcomes, behavioral objectives, competency-based education, and measureable gains, [while communicative learning requires] critical reflections of assumptions, discourse, and reflective action based on transformation" (Mezirow, 1994, p. 226). Both are needed by edge leaders.

Mezirow (1994) suggested, "transformative learning is central to what adult education is all about" (p. 226). It "involves transforming meaning structures" (p. 228) through a process that starts with one's prior interpretation and uses learning to create a new interpretation to guide action from that point forward (Mezirow, 2000). But, it can take two different paths: "one cumulative, . . . the other epochal" (Mezirow, 1994, p. 229)—that is, one's perspective can be transformed over time or one can develop new perspective based on a significant disorienting event in one's life that precipitates a challenge of assumptions. It is also "inherently an individual and ipsative process" (Boyd & Fales, 1983, p. 102). Each person learns what applies to them and compares their new state of understanding to their own past.

Kroth and Boverie (2000) wrote that the question "'why' is the essence of Mezirow's

disorienting dilemma . . . because it requires individuals to unfreeze their tacit assumptions . . . and to look at the meaning of their own existence" (p. 136). The issue of one's life mission "provides a key resource for adult educators . . . who want to strengthen the linkages between the individual, the learning, and the task of the learner" (p. 137). I found the authors' comments to ring true, not only as an outcome of their research, but from the perspective of my own experience as an educator and business leader. The questions of who we are and how we live out our life mission is, for many leaders, something that is borne out in their career path. In particular, it seems that edge leaders must go through transformative learning at some point to become willing to take on the risks and challenges of turnaround leadership. London and Smither (1999) and London and Mone (1999) addressed this idea by extending transformative learning theory with the concept of *career-related continuous learning* (CRCL).

London and Smither's (1999) definition of CRCL is directly related to a persons' desire to apply the learning at work and on behalf of themselves and their organization. They wrote:

> Career-related continuous learning is defined as an individual-level process characterized by a self-initiated, discretionary, planned, and proactive pattern of formal or informal activities that are sustained over time for the purpose of applying or transporting knowledge for career development. (p. 81)

Thus, learning remains a personalized activity, but for the purpose of enabling a person to manifest their life mission, at least in part, through their role in an organization. This is especially important for those who have chosen a leadership role for their career path. London and Mone (1999) described how CRCL practitioners acquire "skills and abilities throughout one's career in reaction to, and in anticipation of changing performance requirements" (p. 119), and thereby build a "protean career" (p. 119), one managed by the person and not the organization (just as the Greek god Proteus re-created himself at will to suit his needs). London and Smither (1999) also stressed that CRCL "is not an organizational phenomenon" (p. 83),

although organizations may be able to leverage such learning in creating a learning organization.

London and Smither (1999) went beyond discussing the basic acquisition of knowledge to adding its application as part of the CRCL process. They wrote "CRCL is not merely the constant accumulation of new information, nor is it learning for its own sake" (p. 83). Rather, it is "actually engaging in activities that allow us to learn, and applying our knowledge and new and improved skills" (p. 83). Learners judge the gap between their career goals and their current capabilities and take personal responsibility for filling that gap (p. 89).

The CRCL model is pragmatic; it is "based on the Social-Cognitive Approach of goals, expectancies, control, and social learning" (London & Smither, 1999, p. 90) which prescribes that learning and its application take place in the day-to-day world of work, that is, "a real setting that includes environmental and organization factors, personal characteristics, and organizational culture and practices" (p. 90). In problem solving and learning, people then take into account not only the situation at hand, but consider their personal career motivation as they take action (p. 92). This is important because London and Smither (1999) noted that CRCL is made up of about 25% formal learning and 75% experiential learning, each of which can have many forms and many timeframes that may either be directly targeted toward a specific outcome or be more general in nature. They wrote "CRCL learners often have substantial control over the purposes, content, form, and pace of learning, and they are the primary judges of when sufficient learning has occurred" (p. 98).

CRCL also goes well beyond gaining and applying new skills to include developing new cognitive ability and behavior changes (London & Mone, 1999, p. 129). The learner thus develops enhanced capacity in a number of ways over time: acquiring new knowledge, developing new skills, applying them at work and learning from the experience, developing new

ways of thinking about things, and developing new, more effective, behavior patterns, all for the purpose of adaptation and improving one's career.

London and his co-authors' (London & Mone, 1999; London & Smither, 1999) writings seem to consider the first four leader development elements I reviewed: broad experience, emotional self-awareness, personal passages involving developing new ways of thinking, and developing competencies that will be necessary to future roles. In my view, edge leader development should, therefore, include a deliberate effort to educate leaders in the principles and benefits of CRCL early in their careers so as to instill a real zest for CRCL in the learner-to-become leader.

Organizations should not leave it to serendipity for future leaders to figure this out on their own, but instead should deliberately include CRCL their career orientation and support it through what Mezirow (2000) would call the organization's learning climate. London and Mone (1999) also suggested this, writing that "it means [conveying] an overall concern, belief, and expectation that general knowledge acquisition and application is important" (p. 120). Such a powerful message would become self-reinforcing: the greater the support, the greater the motivation, the greater the learning and application, the greater the return, the greater the support (p. 125). Doing so would not only benefit the individual learner/leader, but would benefit the organization. It is to the organizational benefits of continuous learning that I turn to next.

Organizational learning theory. What is organizational learning and is it a real phenomenon at all? Argyris (1999) discussed the debate over this issue, noting that practitioners suggest the benefits of "the learning organization" (p. 1) while skeptical scholars pan the notion of "organizational learning" (p. 1) and suggest that learning is purely an individual act that sometimes coincides with organizational goals, but often does not. Argyris acknowledged the

debate, but also bridged it by noting that the two arguments intersect at key points regarding the desirability of learning, potential risks to an organization stemming from ill-informed actions, and the issue of whether such threats can be mitigated. He concluded that "organizational learning is a competence that all organizations should develop in service of correcting errors or recognizing that they can't, or in service of innovation or recognizing the limits of their innovation" (p. xiii).

His conclusion speaks to the heart of edge leadership; errors lead to organizational entropy and decline and create the need for leader-led turnarounds and/or the instillation of organizational innovation that will sustain and grow a firm for the future. One critical error that often occurs is lack of competitive vigilance. Day and Schoemaker (2008) related that a survey of 140 corporate strategists revealed that their firms had been surprised by as many as three high-impact competitive events during the previous five years (p. 43). Edge leaders must exercise broad personal curiosity and constant awareness (pp. 43-44) about ongoing industry and competitive developments, and insist that others do so, as well.

Argyris (1999) certainly understood that learning is personal and individualistic, but he also recognized its interpersonal nature within an organizational learning system. He stressed inquiry in the context of the interplay between people and their organizational roles, and said that organizational learning occurs under two conditions: either when the organization achieves what is intended in the first instance, or when a mismatch occurs and the situation gets fixed and the organization then achieves its intended aims. The second situation requires adaptability, flexibility, and often experimentation, and is highly likely in turnaround situations. Leadership learning and development should serve both individual leaders and their organizations. Doing so requires teaching critical thinking skills that go beyond simply reacting with tacit knowledge to

extant issues and conditions to instead challenging the very assumptions upon which judgments

are made—what Argyris referred to as "double-loop learning" (p. 69).

He elaborated by describing the difference between a Model I strategy, which involves

obfuscation and mystery when people may be embarrassed by error in the organization, and a

Model II strategy, which involves open and public inquiry and learning from mistakes. The first

uses "unproductive, defensive reasoning" (Argyris, 1999, p. xiv) and the second involves

"productive, causal reasoning" (p. xiv). Argyris wrote "the Model II values that govern double-

loop organizational learning are essential" (p. 48). He pointed out that technology can aid

double-loop learning, and that managers need to understand and promote its use in ways that are

as simple, yet as effective as possible.

Regarding how people apply their learning, Argyris (1999) contrasted Model I "espoused

theories," or what people say they will do, with Model II "theories-in-use" (p. 56), or what

people will really do. The key is to get more leaders to the Model II level in the interest of

"help[ing] individuals learn new theories-in-use and to create new learning systems" (p. 90).

Rather than being embarrassed and hiding organizational errors, Argyris wrote that learners must

be open to "discussing the undiscussables rather than not be and making undiscussability

undiscussable" (p. 90). This requires leaders to be aware of the defensive routines of themselves

and others and to overcome them in the interest of organizational learning. Leaders must also

learn to understand and become comfortable managing paradoxes, because they are nearly

always present when leading within today's modern matrix-type organization structures.

Argyris (1999) first began discussing these "modern organizations" (p. 106) in the 1960s,

noting that when compared to traditional pyramidal organizations they would require more

creative planning, the development of valid and useful knowledge, greater collaboration based on

a common long-term vision, and focus on effectiveness to counter the challenges of organizational complexity. He described the matrix organization as desirable, but noted the need for care and authenticity in designing them.

Five decades after Argyris began talking about them, matrix organizations have, now become a most common form, and edge leaders must learn how to best operate within them. A good way to teach this is through education focused on individuals in teams, wherein methods and solutions are learned by the use of actual problems, are tested by actual results, and are controlled by those participating in the problem (Argyris, 1999, p. 122). Argyris worked with Schön to develop this action learning approach and noted that "this new type of education is central to the work of the system" (Argyris, 1999, p. 123). Team action learning supports double-loop learning because cross-functional perspectives can be brought to bear on assumptions and potential solutions. Argyris worked on the action learning concept for years, developing new approaches to team learning while implementing real strategy in organizations. He wrote "it now appears that it is possible to combine management education and organizational development through the vehicle of getting a job done; a job that is recurring because strategy is an ongoing process" (p. 165). The action learning approach is still in use today (Nixon, 2003). The benefits of this approach are that emerging leaders can learn while doing beneficial work on real business problems and that substantial individual and organizational learning can take place for their development.

Summary lessons on the fifth element of edge leadership. Vaill (1996) and others have said that leaders must engage their followers within an inherently turbulent world. Therefore, they must be active and attentive learners, applying the lessons of their collective experience in reflexive ways that quickly adapt to changing conditions. To me, this requires

three dimensions involving the instillation of a zest for continuous learning in edge leader development regimens. First, it requires personal transformative learning (London & Mone, 1999; London & Smither, 1999; Mezirow, 1994, 2000) which changes a leader's perspective, buttresses one's experience, enables greater reflexivity, and supports one's life mission. Second, it requires instruction in organizational learning and ways of thinking that allow leaders and followers to manage the long-range effectiveness and of the business system (Argyris, 1999; Senge, 1990). Third, it requires underscoring the leader's unique role in defining purpose and meaning when leading an organizational transformation (Bennis, 2003; Burns, 1978) and instruction in working with others in defining a vision (Nixon, 2003).

For learning leaders, doing transformation work in a matrix environment is hard and takes time. The process of learning is iterative and uncertain depending on whether or not errors requiring corrections occur. Argyris (1999) reviewed 32 major change reorganizations three years after they began, and not one was complete. Correcting errors requires leading beyond often deeply embedded defensive routines (p. 139). Argyris noted that organization development practitioners have difficulty doing this because "the world continues to operate largely according to Model I even when some people try to act according to Model II" (p. 245). It may be hard to do, but, in my view, that creates the opportunity for edge leaders to make a difference.

Nixon (2003) was correct when he wrote that business leaders face the enormously difficult task of responding to the demands of today while ensuring the survival and prosperity of their organizations at the same time (p. 163). He went on to say, "they realize that their leadership and their development are the key to bringing about transformation and they have to empower themselves and others to take leadership" (p. 167). Day and Schoemaker (2008) noted that leaders need to develop a culture of discovery in their organizations by educating others in

critical innovative thinking skills, scenario planning, dynamic monitoring of the competitive

environment, and weak signal detection (p. 48). Geller (2008) noted that great leaders bring out

the best in people by showing them the intrinsic consequences of their meaningful work.

So, what should business leaders do? They should insist that their organizations support

internal leader development. I agree that it may be hard to do and that it requires long-term

investment with somewhat uncertain results, but I believe that the ideal is worth pursuing and the

benefits of creating a cadre of leaders who can take the reins from the inside could be substantial.

As Argyris (1999) wrote:

> I believe the task of any theory of managing is to produce generalizations that are
> actionable by managers in everyday life, and that as managers use such generalizations,
> they create opportunities for robust tests of their validity. The business of science and the
> business of management are not separable. (p. 297)

I believe that by instilling a zest for continuous learning in their emerging leaders along

with the ability to mindfully apply the lessons of transformational leadership, organizations

could create more edge leaders and thereby develop an unusual and truly competitive edge.

Lessons: Sixth Element of Edge Leadership—Transformational Turnaround Leadership

This discussion of the literature on transformational turnaround leadership is important to

my edge leadership model, as shown in Figure 2.4. I have already discussed five of the six

elements of edge leadership, but I also propose that edge leader development regimens must

instill the sixth element, that of learning how to mindfully apply a balance of transformational

and transactional leadership actions in service to a business turnaround situation. It is not

enough to just learn the concepts; what is required is for leaders to be able to take specific

actions to achieve successful outcomes. Just as CCL fosters developmental experience with a

purpose, I would call this learning with a purpose. Fulmer and Goldsmith (2001) discovered that

the best companies even engage their senior leaders in teaching with a purpose, with lessons

targeted toward a balanced leadership action agenda. Yukl (2006) touched on the critical nature

of transformational change leadership in the context of organizational renewal when he wrote:

> Leading change is one of the most important and difficult responsibilities. For some
> theorists, it is the essence of leadership and everything else is secondary. Effective
> leadership is needed to revitalize an organization and facilitate adaptation to a changing
> environment. (p. 284)

My earlier review of the leadership and change and turnaround and organizational

innovation research literatures provided foundational lessons on leadership traits, and the actions

involved in leading basic change, along with additional thematic support for edge leadership, but

they lacked specifics regarding the concrete actions taken by leaders in turnaround situations. To

further advance my understanding, I reviewed the literature focused on the ultimate focus for this

study—that of understanding what actions edge leaders must take to lead a business turnaround

and, moreover, which of those actions are the most important to success.

The review included three books (Denning, 2005a, 2007; Gabarro, 1987), nine articles

(Austin, 1998; Collins, 2005; Denning, 2005b; Gadiesh, Pace, & Rogers, 2003; Harker &

Sharma, 2000; Kanter, 2003; McCarthy et al., 2005; Tucker & Russell, 2004; Van Nimwegen &

Kleiner, 2000), and one dissertation (Krueger, 1997). The literature provided conceptual and

practical information that supports my edge leadership concept, yet, it left open a number of

questions that I further investigated in my field study. The sources I found varied in quality. A

few provided rather basic information, while others put forward useful new theoretical positions

and several recounted substantial case study findings. I discuss them each and will then close

this portion of the chapter by recounting in some detail a single case study that seems to best

exemplify what I have termed as edge leadership—McCarthy et al.'s (2005) article on the

leadership of Ingar Skaug.

I begin briefly with an article that exemplifies the often simplistic way that business

journals portray the issues involved. Gadiesh et al. (2003) wrote that corporate turnarounds require a response that addresses three dimensions of an organization's problems, finances, strategy, and pride (p. 41). They suggested that these three dimensions create a focus on results, "not elaborate change practices" (p. 41).

First, the authors asserted that strengthening "the balance sheet and cash position is the first order of business in corporate turnarounds" (Gadiesh et al., 2003, p. 41), but they gave no advice on how to do that. Second, they used the case of an Australian telecommunications firm to suggest a "strong management team" (p. 42) must be installed to create a "substantial strategic repositioning" (p. 42). Gadiesh et al. (2003) wrote about how the firm fired its CEO and all but one of its senior team when trouble occurred but, besides simply relating the firings, they gave no advice on how to re-staff or create a new strategy. Third, Gadiesh et al. asserted "the most successful turnarounds pay close attention to employee morale as they move toward renewal" (p. 42). They touched on the cases of Kmart and Polaroid to describe how "employees usually suffer lowered self-esteem" (p. 42), but, other than stating "you start by making it a place where people want to come to work again" (p. 42), they offered no advice on how to do that. This article was an example of what seems to be common in the business journal literature—sketchy outlines of prescriptive methods using brief anecdotes from cases that illustrate a superficial point of view.

A much different example brought forward in-depth research and came to a very different conclusion. Krueger (1997) wrote his doctoral dissertation on the topic of business turnarounds and sustainable competitive advantage. His findings countered those of Gadiesh et al. (2003). He wrote "the prescription offered by many turnaround researchers that there must be a CEO change for a firm to recover appears questionable" (Krueger, 1997, p. xii).

It seems that those who would state categorically that a top leadership change must occur to manage a turnaround presuppose that the management of troubled firms must either be deliberately derelict or totally unable to adapt to competitive marketplace changes. But, it is often much more subtle. It is often the case that underlying changes in the overall economic, regulatory, or political climate are involved. Krueger (1997) noted "most, if not all, turnaround researchers have acknowledged that the environment plays a major role in declines" (p. 6).

By design, strategies are meant to remain stable (although not static), so "firms do not make significant changes to their strategies unless the decline is sufficiently severe to generate a consensus that such actions are necessary" (Krueger, 1997, p. xii). Yet, just because environmental changes can be subtle does not excuse leaders from their responsibility to remain vigilant (Day & Schoemaker, 2008). In addition to managing daily affairs, leaders should create environmental scanning and competitive intelligence systems to alert them to early signs of impending changes that could affect the future of the firm in positive or negative ways.

 Krueger (1997) noted "strategic changes are required to generate recovery even when the cause was not the result of strategic changes" (p. xi). Business strategies are meant to provide firms with a competitive advantage based upon effective use of core competencies, the possession of unique intellectual assets, or effective capital and people deployment. A decline occurs when one or more of these advantages become compromised. Alternatively, a "turnaround, then, consists of either restoring a previously sustainable competitive advantage that has been lost or obtaining a new competitive advantage" (p. 14).

The goal of Krueger's (1997) research was to inform existing top management of steps they can and should take to generate recovery without stepping aside. He noted that having industry knowledge and, better yet, company knowledge, is helpful to turnaround leaders,

provided they would remain creative in their approach. He described the difficulty outsider

CEOs without industry knowledge would experience in leading a turnaround and asserted that

turnarounds can be done without a change in CEOs.

I found Krueger's (1997) work to be supportive of my suggestion that firms should create

leader development regimens that build internal bench strength—that is, that provide their

emerging leaders with the knowledge and skills they would need to turn around a troubled

business rather than being forced to hire from outside the firm. However, to create a turnaround,

an insider CEO must be able to move beyond the past to develop a compelling new vision for the

firm, engaging and aligning its business unit leaders toward that end. If however, a firm does not

have such a leader and current management has fully lost its foundation of credibility, then it

would be better off accepting the risk of bringing in an outsider to make a fresh start. Either

way, getting a firm's business unit leaders aligned is critical because successful change cannot be

driven solely from the top level. Krueger noted "turnarounds are ultimately accomplished at the

business unit level" (p. 94). The case of Harley-Davidson Motor Company's recovery, one led

by insiders with a new vision, illustrates this approach.

Van Nimwegen and Kleiner (2000) began their case study by briefly relating the history

of The Harley-Davidson Motor Company, beginning with its founding in 1903. By 1969, the

company had become "the sole American manufacturer of motorcycles" (p. 121) and the world

leader in its field. In that year, the firm was sold to AMF, which promptly rapidly increased

production and cut quality standards to recoup its investment. Over the next 12 years, Harley-

Davidson became a classic example of how to destroy a firm, and for those riders that

remembered its glory years, Harley had become a joke. In 1981, AMF decided to sell, but there

were no buyers, so company executives and "one of the members of the original Davidson

family" (p. 121) bought the firm.

Drawing upon a compelling vision (that of reclaiming Harley's heritage), management installed three practices under the heading of the "Production Triad" (Van Nimwegen & Kleiner, 2000, p. 121) to turn the firm around. These involved employee engagement, systems thinking, and quality management techniques. Instead of focusing only on cost controls, they focused on process and quality improvements. Their "goal was to lower costs while . . . improving quality and employee morale" (p. 122). With that vision, senior management practiced adaptive leadership (Heifetz, 1994) by telling "plant managers the direction in which it wanted them to go. It gave them the principles and concepts, then management said: 'we are going to let you alone to implement these in the best way'" (Van Nimwegen & Kleiner, 2000, p. 122). They adapted by "dropp[ing] the concepts of white-collar thinking and blue-collars doing" (p. 123) to get "everyone thinking and doing" (p. 123).

Today, Harley-Davidson continues to foster employee education and engagement. All employees receive training in problem solving at company expense. Various self-forming employee involvement groups meet on company time to solve problems affecting their task areas (Van Nimwegen & Kleiner, 2000, p. 123). Company management has actively supported open communication by flattening management layers, seeking employee input and new ideas, and taking action on ideas that are brought forward. These steps have created an action-learning framework for continuous improvement, and they have not stopped just with the employees. Team building efforts are also in place for middle-level manufacturing management between the various manufacturing plants.

Van Nimwegen and Kleiner (2000) offered several advisories on employee engagement that spoke to authentic leadership: setting clear and realistic expectations, allowing mistakes to

happen without punishment, dealing honestly and creatively with employee security issues, avoiding over-managing day-to-day events, and "reach[ing] out for a relationship with the union" (p. 126). I found this case to be a good illustration of how a company used multiple transformational leadership approaches, combined with a focused quality management initiative, to turn a firm around. Kanter (2003) also gave several different illustrations from her own research.

Kanter (2003) provided several valuable insights in her description of how new leaders at Gillette, the British Broadcasting Company (BBC), and Invensys effected turnarounds at those firms. The author described how dysfunctional behaviors had set in, over time, at these firms with very negative effects. Kanter focused on what she termed the "psychology of turnarounds" (p. 58)—that is, reversing the negative behaviors and feelings of those who have been working in firms that have been on a decline. She focused on four areas: "promoting dialogue" (p. 62), "engendering respect" (p. 64), "sparking collaboration" (p. 65), and "inspiring initiative" (p. 66).

In the case of Gillette, the company had been organized around product groups and its executives "rarely sat in the same meetings, [so] initiatives in their various areas were not coordinated" (Kanter, 2003, p. 59), resulting in duplication, waste, and declining "respect among peers" (p. 59). At the BBC, declining market share against competitors had led to skepticism and people feeling under attack (p. 59). At Invensys, a firm that had grown through acquisitions, internal communications were compromised by being organized into "divisions that were largely isolated from one another" (p. 60) and dealing with confusion from constant restructurings.

Despite the differing circumstances, Kanter (2003) found a pattern in all of this. She wrote "organizational pathologies—secrecy, blame, isolation, avoidance, passivity, and feelings of hopelessness—arise during a difficult time . . . and reinforce one another in such a way that

the company enters a kind of death spiral" (p. 60). To overcome these pathologies, Kanter wrote

that CEOs must take deliberate actions to restore the confidence of a firm's associates, first in

themselves and then among one another, as "a necessary antecedent to restoring investor

confidence" (p. 59). She then described a four-point approach for doing that.

First, turnaround leaders must promote dialogue by "open[ing] the channels of

communication—starting at the top" (Kanter, 2003, p. 62). That involves employing a number

of communication approaches to move "from individual reports to group dialogue" (p. 63).

Second, "turnaround leaders must move people toward respect" (p. 64) as a means of

establishing a basis for greater collaboration among peers. Doing that involves expressing

confidence in the staff, engaging them in designing their own recovery, and directly expressing

the fact that everyone's role is important to the future vision. Third, turnaround leaders must

spark collaboration by gaining "collective commitments to new courses of action" (p. 65) from

all of the various functional support silos and operating divisions. By using cross-functional

operating committees, temporary project teams, and flexible decision teams instead of the typical

intra-functional approaches, new ideas can be discussed and brought to bear on problems more

readily. Finally, turnaround leaders must inspire both individual and group initiative that

empowers associates to move forward and enact their ideas without necessarily looking to the

top for direction.

Harker and Sharma (2000) echoed Krueger (1997) in their study of Australian

engineering firms, suggesting that the firms "were in decline because organizational

characteristics were out of fit with the operating environment and the companies had lost their

direction and competitive edge" (Harker & Sharma, 2000, p. 44). Their study demonstrated the

link between leadership and the turnaround process. The authors wrote "the heavy . . . costs of

failure could be reduced if managers were able to develop and implement better-understood

company turnaround strategies" (p. 36). They also noted that "firms must manage external

stakeholders, internal climate, and decision processes in order to stem corporate decline" (p. 37),

requirements that suggest "a leadership style that involves both transformational and

transactional elements" (p. 37). In particular, they mentioned "transformational leaders emerge

to take an organization through a major strategic change" (p. 38). These statements support my

proposal that companies should teach emerging edge leaders how to develop turnaround

strategies and how to mindfully apply a balance of leadership methods in instilling beneficial

change.

Harker and Sharma (2000) developed four longitudinal case studies of heavy equipment

manufacturing firms to understand the dynamics of their turnarounds. They concluded that

"leadership appears to be a vital element . . . [and while] a suitable chief executive is a necessary

condition . . . it is not a [fully] sufficient one" (p. 40). The authors pointed out that success

required actions on multiple fronts by many people but like many other authors they also stressed

the unique role of the leader in giving clear direction and encouraging other leaders in the

organization "to develop learning, growth, and continuous improvement" (p. 40). In comparing

the management methods of both successful and unsuccessful firms, the authors found that "the

[three] critical differences were the way that they developed and applied industry 'wisdom,' the

way that they developed 'destiny,' and the way that they 'enhanced' the organization" (p. 40).

The use of industry wisdom (Harker & Sharma, 2000) involved developing deep research

on the industry and its leading players—a strategic review encompassing external benchmarking,

customer analysis, and internal capabilities. This knowledge was then applied with intuition,

experimentation, and action (p. 41) to "renew the cognitive maps of people in the firms" (p. 41)

and bring out new ideas for competing strategically and tactically.

The authors described destiny development, the second activity, as "lay[ing] out their plans for short-term improvement and provid[ing] longer-term strategic visions" (Harker & Sharma, 2000, p. 42). They said such plans have "a symbolic as well as practical significance" (p. 42) by demonstrating "preparedness, knowledge, and skill, . . . the degree and direction of the change and the management of the process" (p. 42). Destiny plans serve as a clear call to action for associates, providing a basis for the third step, that of organizational enhancement.

Harker and Sharma (2000) noted that turnarounds are different from other change efforts in that they involve "a severe shock to the system whereby the economic independence of the firm is threatened" (p. 43). This situation notifies people that new ways of doing things absolutely must occur. In the firms they studied, organizational enhancement occurred in four phases: modifying organizational structures and systems, having both managers and workers become increasingly accountable, engaging both groups together in implementation, and forming more collaborative relationships among managers and workers.

In reflecting on Harker and Sharma's (2000) findings, I realized that they echoed the Harley-Davidson case study. They studied a different industry from a different country, but they came to similar conclusions as did Van Nimwegen and Kleiner (2000). Both studies spoke of organizational innovation, something edge leaders must initiate, foster, support, and ultimately, instill as they mindfully lead transformational turnaround efforts that become sustainable.

O'Kane (2005) found the same gap as I had in the turnaround literature, specifically, "a dearth of theoretical and empirical research on newly appointed leaders within a turnaround context" (p. 112). He also found the literature to be divided between those who suggested that a change in top management was required for turnarounds and those that argued the opposite. To

help fill that gap, O'Kane conducted a study of the actions of a single newly appointed leader of a failing Irish dairy co-operative.

O'Kane (2005) referred extensively to the body of change leadership literature, putting forward his own prescriptive list of leadership actions drawn from a mix of many of the same authors I had reviewed. His list was even somewhat similar to the basic top-10 list I had developed, including: creating a vision; developing a group of key people to buy in to the vision; setting direction; defining context; producing coherence; giving meaning; managing boundaries; inspiring voluntary behavior; and bringing about passion, conviction, and confidence in others (p. 119). He added the steps of using symbolic management, modeling the proper behaviors, communicating meaning, using power and, if necessary, asking some people to leave (p. 120).

In relating the case of Dairygold Cooperative Society Limited, O'Kane (2005) first described how the firm had fallen into decline over a 10-year period. It had been formed by merger of two firms and never realized its anticipated synergy results because it never pared its offering and related costs. When profits finally became losses in 2002 and the five-year outlook was projected to be progressively more negative, the cooperative's membership initiated a CEO change and brought in an outsider, purportedly to avoid "baggage and . . . hidden agendas" (p. 128). O'Kane wrote that this action "sits well with existing literature" (p. 129), referring to several theorists "who argue that the scarcest resource for corporate revitalization is leadership" (p. 128). I found this disconcerting because the very reason companies find themselves in trouble in the first place is due to this scarcity. When there are no internal leaders to turn to, companies must go to the outside. This underscores the need for edge leader development as a business strategy.

The new CEO began the turnaround by initiating the short-term actions necessary to

stabilize the firm's financial performance (O'Kane, 2005). That made up 80% of his focus while developing plans for longer-term growth made up just 20% (p. 129). The CEO's initial communication efforts focused on the need for change. He launched "efficiency-led moves concerned . . . with the restructuring process" (p. 130)—that is, redesigning, rationalizing, and reconfiguring the business. In his early messages, the CEO emphasized his imperatives of fixing, outsourcing, shutting, or selling troubled parts of the business (p. 130).

His style was energetic and somewhat charismatic, a style that engendered associate buy-in and contributions. He demonstrated a number of leadership skills: digesting and analyzing information quickly, deciding easily based upon what he learned, stressing task accomplishment and productivity, and being willing to confront others if necessary. In applying power, the CEO displayed an "autocratic and directive style of leadership" (O'Kane, 2005, p. 130), something O'Kane thought to be necessary in a turnaround situation.

In the end, I found O'Kane's (2005) narrative to be somewhat incongruent. Dairygold returned to profitability in 2004, after just one year's time, but the long-term outlook was not emphasized in the study. While O'Kane briefly mentioned a series of stabilization, divestiture, and growth-related events from 2003 to 2005, his narrative focused heavily on just the early events involving stabilizing and rationalizing the business. The CEO took a largely opportunistic approach to growth, not a strategic one. He wrote "Dairygold's plans are primarily concerned with immediate short-term developments . . . and specific long-term objectives, whose paths to accomplishment are still very much at large" (p. 133). So, while I learned some valuable things about making a short-term technical turnaround, I would have preferred to learn more about the CEO's plans for organizational innovation and growth to sustain things for the long term. Upon reflection, I realized that this gap may have provided a useful reference point in my own study.

I took exception to O'Kane's (2005) concluding suggestion that "the proposed necessity of transformational movements in response to declining performance can be refuted based on this case study research" (p. 134). He asserted that simply responding to situational factors, applying the 80/20 rule to stabilizing the business and getting involved in the details were enough to do the job and that such actions "sit particularly well with extant literature" (p. 135). While I understand that is what happened in the near term in the case that O'Kane investigated, I disagree with that as a general conclusion about turnaround leadership. The study was admittedly short-term in nature. Stabilization, while necessary, and a momentary upturn, while a welcome eventuality, should not be mistaken for a successful long-term turnaround.

Gabarro (1987) provided very useful information on the characteristics and actions of turnaround transformational change leaders in his book entitled *The Dynamics of Taking Charge*. I found his conclusions to be generally supportive of the edge leadership concept, particularly his description of a sequential process for leading transformational situations. Gabarro did extensive research over a 10-year period, using four longitudinal field cases and 10 case studies to develop his findings. He described "how managers learn about their new assignments, act on that learning, and do the organizational and interpersonal work necessary to take charge of their organizations" (p. 2). Gabarro's process model has five stages: taking hold, immersion, reshaping, consolidation, and refinement.

He noted that it takes time; the process of "establish[ing] mastery" (Gabarro, 1987, p. 6) took, on average, 30 months (p. 17). Importantly, he found that three of four outsiders failed in their efforts and stressed the value of relevant experience. He wrote "particularly in the early stages, a manager's prior experience profoundly influences the manager's actions and what he tends to focus on, as well as the kinds of problems he is likely to face" (p. 7). Like Goleman et

al. (2002), Gabarro spoke to the value of a leader's awareness of one's impact on others. He found that "the most prevalent causes of failure were lack of prior experience relevant to the new assignment and poor working relationships with key people" (Gabarro, 1987, p. 8). To me, this underscores my suggestion that firms would be better off developing their own edge leaders so they have time to build relevant successful experience while developing their interpersonal skills.

Running across his five-stage process of taking charge, Gabarro (1987) noted a consistent three-wave pattern of change—that is, three peak change periods with intervals of little change in between. The initial taking hold stage, an orientation process that takes about three to six months, involves the first wave of change associated with making an assessment of the situation and organization, building a management team, and then bringing about some initial changes (p. 8). Following that is the immersion stage, a four to 11 month process (p. 25) that involves few changes, but is used to develop deep understanding from comprehensive analysis (p. 28). The second and largest wave of change involving reshaping the structure and processes of the organization (pp. 29-30) comes in the third stage of taking charge. The fourth stage of consolidation—that is, evaluating progress and taking corrective action (p. 31)—involves a great deal of learning but no substantial change. The fifth stage of refinement involves a much smaller third wave of change and concludes the taking charge process (p. 32). Gabarro found that this three-wave pattern held whether the change involved a turnaround or not, or involved insider or outsider successions.

With respect to turnarounds, Gabarro (1987) found a significant downside to outsider successions. Their lack of relevant knowledge put outsiders at a disadvantage in taking hold and taking charge. He went so far as to state that the notion of an "all purpose general manager is a fallacy" (p. 68). Instead, he suggested, "all other things being equal, prior experience, especially

during the Taking Hold stage, was the single most powerful factor associated with what the new

manager focused on: the changes he made and the competence of his early actions" (p. 39).

With respect to the overall taking charge process, he also found that turnaround "insiders make

more and greater changes" (p. 48) and that they make their initial changes mindful of making

more later (p. 53). These conclusions buttressed my own thinking about the value of edge leader

development programs that focus on strengthening the management bench of a firm with

experienced insiders.

Gabarro (1987) found 13 key actions taken by turnaround leaders as they take hold and

take charge of an organization. The list includes: learn, assess, and diagnose; develop shared

expectations; build relationships; change the organization to improve performance; involve

others in decisions; assess key leaders; develop a cohesive management group; influence others;

develop group identity; perform strategic reviews; act within ambiguity; develop trust; and learn

from feedback. Three of these actions: assessing key leaders, developing a cohesive

management group, and changing the organization are ways of intentionally applying power to

enact turnaround change. It is important for leaders to combine transactional power with

transformational collaboration when leading under trying circumstances.

I found Gabarro's (1987) work instructive to my work on edge leadership in three ways.

First, his discussion of the process reinforced my experience about turnarounds requiring an

orderly long-term approach. Second, his discussion of the pattern of turnaround change added to

Conner's (1993) work on resiliency. Edge leaders can use the calmer periods between bursts of

activity to consolidate wins, reflect on their actions, and get ready for the next change cycle.

Third, Gabarro provided a useful list of concrete actions taken by turnaround leaders.

Tucker and Russell (2004) characterized transformational change leadership styles

differently than other authors have done. For Tucker and Russell, the transformational style involves leading innovation and the transactional style involves managing planning and policy. The transformational leader creates new pathways and motivates people to work toward new possibilities, whereas the transactional leader depends on existing structures and uses power and authority that already exists in the organization. The transformational leader questions assumptions and promotes non-traditional thinking while focusing on follower development. Like Burns (1978), Tucker and Russell (2004) wrote that this type of leadership promotes associates into leaders themselves. What this means is that transformational behavior provides the engine for higher levels of organizational performance; it is thoughtful leadership with a pragmatic purpose.

Like Gabarro (1987), Tucker and Russell (2004) focused on the transformation process itself, dividing it into three successive stages of "change, progress, and development" (p. 105). In describing the actions transformational leaders take within the process, they noted: defining reality and meaning, promoting understanding of change as a process, promoting an orientation toward problem solving, promoting continuous learning for everyone, and aligning internal structures to reinforce new values and goals. These actions influence a change of culture that, over time, comes to support the new vision and goals by living within each associate and even becoming visible to people outside the organization. The issue of culture change was also featured in Austin's (1998) review of civic cultural change in Cleveland, Ohio.

Austin (1998) told the story of Cleveland's recovery as a community, partially through the involvement of business leaders (all CEOs) in an organization called Cleveland Tomorrow. This article illustrated the role of business as an "organ of society" (Drucker, 2001, p. 20). During the 1970s and 1980s, Cleveland had developed crises on many fronts, as evidenced by

several key indicators: declining population, urban blight, declining economic activity, higher levels of all forms of crime, and severe decline in the schools. Solutions were desperately needed but, as Austin noted, "crises don't guarantee solutions" (1998, p. 89); they would not appear on their own. Instead, a major intervention was required. "What converts crisis to constructive change . . . [are] acts of courage and vision by a small number of leaders" (p. 89). Cleveland was fortunate to have had just such a group of leaders willing to engage in the problems.

Austin (1998) described Cleveland Tomorrow's recruitment of community CEOs and their direct engagement in a process of measured civic renewal. The rules were clear—it was a CEOs-only group. Member firms paid to participate and they rotated their new CEOs into the organization as the initial members left or retired. No substitutes or delegates were allowed. The leaders applied their considerable leadership action skills to the efforts, but always in the role of "a catalyst, a facilitator, and a definer of issues, but not as a deliverer of service" (p. 94).

In reviewing the article, I was most interested in Austin's descriptions of what these leaders actually did. Austin's (1998) list was extensive and informative. It included conduct discovery and assessment, think of the community as a system, analyze problems, strategize, perform personal selling, recruit others, "set policy" (p. 92), set the agenda by "figure[ing] out what to do and not to do" (p. 93), use a "solutions-seeking approach" (p. 93), determine focus (p. 94), "build consensus" (p. 98), create respect (p. 98), use an inclusive decision process (p. 100), build relationships (p. 101), ensure implementation, do succession planning (p. 101), insure future preparedness (p. 102), and instill accountability (p. 104). These actions helped "Cleveland . . . creat[e] a community learning capability" (p. 94) that went beyond its initial stabilization and turnaround into the realm of continuing growth and sustainability. This

was a compelling case of business oriented, civic edge leadership.

My search for information on what transformational leaders do included two works by Denning (2005a, 2005b) that focused on the power of narrative in leading transformational change. Denning (2005b) described the challenge of organizational innovation as a "management paradox" (p. 11) which requires leaders to persuade people to move to a state of "unknown and potentially chaotic" (p. 11) disruptive growth from a state that may have been relatively stable even though in decline. This reminded me of Harker and Sharma's (2000) description of destiny development that appeals to followers and gets them to commit to a new ideal future state.

Denning (2005b), termed the approach "transformational innovation" (p. 11) and said it "entails a capability to deploy an array of leadership narrative tools to persuade people to change, work together, transfer knowledge, and envision a compelling new future" (p. 11). In addition to narrative skills, Denning implied that leaders must have a sense of what will be needed to be said at any given time, meaning that they must be deliberate in their leadership. And, he went beyond calling narrative skill an option. Instead, he called it a necessity, writing, "without the capacity to use narrative tools of leadership, a leader has no chance of being successful at transformational innovation" (p. 12).

Denning (2005b) used the case of Lou Gerstner at IBM to illustrate his point. Gerstner first heard about the potential value of the internet from a young lower-level engineer long before it became the ubiquitous tool it is today. In 1994, Gerstner began to talk publicly about its latent value and how IBM could use it to radically transform its business away from hardware and software toward totally new services, and his actions caused others within the firm to find ways to fulfill the vision. As the company developed new online tools, revenues began to shift

and "by 1999, the internet was worth some $20 billion in annual business for IBM" (p. 13).

In telling the story of the young engineer going directly to Gerstner, Denning (2005b) suggested that innovation leaders are "essentially fighting a guerilla war with the powers-that-be in [an] organization" (p. 14). This requires them to use stories in ways that capture the right idea, gain buy-in from others, use business models as plots, and develop future scenarios. Once an idea takes hold, leaders must continue to use stories to build community, tame the grapevine, connect with customers, and continue to learn and adapt through knowledge-sharing. Denning's example suggests that narrative can be an especially powerful tool that turnaround edge leaders can use to guard against a return to the past.

In *The Leaders Guide to Storytelling*, Denning (2005a) included his own recap of "what transformational leaders actually do" (pp. 303-304). Transformational leaders: ignite action and implement new ideas, communicate who they are, build their brand, transmit their values, get things done collaboratively, transmit knowledge and understanding, neutralize gossip and rumor, and create and shared vision. Denning's descriptions of transformational leadership actions focused almost entirely on communication; I found them to be informative, but one-dimensional.

In his later book, *The Secret Language of Leadership*, Denning (2007) took the liberty of expanding the emotional intelligence concept (Goleman et al., 2002) to one he termed narrative intelligence—that is, "understanding the world in narrative terms and grasping the pervasive role of narratives in all aspects of human existence" (Denning, 2007, p. 114). This conceptual stretch underscores what I see as Denning's rather one-dimensional view of leadership. But, I did appreciate another significant point he made in this book. He wrote that, rather than change requiring unusually great leaders, "leadership and change are driven by ordinary people who act and speak in a different way" (p. 49). This perspective is also at the heart of Collins' (2001,

2005) discussion of *level 5 leadership*, my next transformational turnaround leadership topic.

Collins (2001) conducted an in-depth study about what type of leadership takes a company from being good to becoming great and reported on it in a book entitled *Good to Great: Why Some Companies Make The Leap—And Others Don't*. In the book and in a later article entitled "Level 5 Leadership: The Triumph of Humility and Fierce Resolve" (Collins, 2005), Collins profiled what he termed level 5 leaders (his highest form) from a variety of companies. While confirming that "good-to-great transformations don't happen without level 5 leaders at the helm" (Collins, 2005, p. 138), the study refuted what "people generally assume, that transforming companies from good to great requires larger-than-life leaders" (p. 138).

Instead, level 5 leaders were found to be "a study in duality: modest and willful, shy and fearless" (Collins, 2005, p. 140). I found it compelling that Collins noted that most of the level 5 leaders he found were insiders at the time they took the helm. At the same time, he noted a limitation of his study—the research never examined how people developed into level 5 leaders. He simply noted that there were very few of them, speculating that few companies select humble, but willful leaders because of the presumption that charismatic leaders are preferred.

Aside from the characteristics of level 5 leaders, I was most interested in Collins' (2005) description of what they did in exercising their leadership. First, he said they "started with people first, strategy second" (p. 141), contrary to what many may have thought. Second, they balanced their confrontation with "the most brutal facts of their current reality [with a] simultaneously maintained absolute faith that they would prevail in the end" (p. 141). Third, they were relentless in "push[ing] a giant heavy flywheel [of change] in one direction" (p. 141) until it took off of its own momentum. Fourth, they practiced *the hedgehog concept* of staying with the one thing their firm could be best in the world at, that which also powered its economic

engine and ignited the passions of its people (p. 141). Sixth, they practiced being fast followers,

but not leaders in technology. Finally, they instilled a culture of discipline within their firms that

reduced the need for strong hierarchy. I found particular value in Collins' work because it

focused on transformational leadership qualities and actions over time. The final article in this

review provides another exemplar of transformational turnaround leadership—the case of Ingar

Skaug, CEO of the Norwegian shipping company Wilhelmsen Lines (McCarthy et al., 2005).

I relate the case of Ingar Skaug in some detail because I found it to be a particularly

fitting choice to represent edge leadership in action. The study, fittingly entitled *Leading Beyond*

Tragedy: The Balance of Personal Identity and Adaptability (McCarthy et al., 2005), told a

compelling story of turnaround and organizational innovation leadership over time.

Ingar Skaug became the leader of Wilhelmsen Lines (WL) under the most tragic of

circumstances in 1989 when 49 members of the senior management team were killed in a plane

crash while flying from "Oslo to Hamburg for a ship-naming ceremony" (McCarthy et al., 2005,

p. 459). Skaug was recruited from the airline industry, where he had spent the previous 18 years

in both European and American posts, first, at Lufthansa and then, Scandinavian Air Systems

(SAS). His experience was buttressed by having worked for Jan Carlzon, the celebrated leader

of SAS who was famous for "his focus on both employees and customer service" (p. 460). Upon

arrival at WL, he spent significant time studying the organization and its capabilities, talking

with many people both inside the firm and in the broader industry. After consideration, he

determined that he had four key challenges: "grief, culture, management style, and strategy" (p.

460). Tackling those challenges provided him with many choices to make.

In describing the case, the authors framed these choices as three central questions. The

first was "speed—fast or slow?" (McCarthy et al., 2005, p. 460) What was the balance between

establishing himself and studying the situation more closely? How quickly should he move

through the unsettled situation and establish a new direction? The second question was "values

and vision—dictate or dialogue?" (p. 460) What was the choice between using dialogue to

establish a new leadership vision or, instead, using a more directive process to move people

through a crisis? The third question was "power sharing—drive change or empower?" (p. 461)

What was the right way to use power to drive organizational change, a harder or softer approach?

The authors first framed these as opposing choices, but then noted how Skaug did not see things

that way. Instead, he used what they described as a "paradoxical embrace" (p. 461)—that is, he

did both at the same time. His skill in choosing an approach centered on the word "and" instead

of the word "or," thus demonstrating how skillful leaders can turn an apparent dilemma into an

opportunity for very meaningful change.

McCarthy et al. (2005) described how Skaug waited a full year to make any major

organizational changes. He spent that time visiting operations around the world, talking to

stakeholders about what was needed and, all the while, busily prepared to make those changes.

He moved forward on values and vision in two ways. First, he talked often about his belief on

the benefits of having firmly committed, prepared, and empowered employees. His belief was

contrary to WL's previous command and control culture, so he took time to listen to feedback on

this from the more senior associates, as well as the new ones who had joined the firm after the

tragedy. Ultimately, he went forward with his empowerment approach and held firmly to the

new direction. Second, Skaug worked with his team to develop the new culture by being "very

hard on the 'soft' issues, such as the importance of clear organizational values" (p. 463). This

meant that people either needed to actively participate in the development of the new culture or

be prepared to leave the firm. After rigorous debate and discussion, the new values would need

to be supported and sustained by everyone.

The CEO actively participated in these discussions "with all his mind and all his charisma . . . telling the story of what he wanted" (McCarthy et al., 2005, p. 463). Eventually, the core values of "honesty, . . . loyalty, . . . cooperation, . . . [and] responsibility" (p. 463) were developed and agreed to. He supported the associates by establishing extensive coaching support and taking opinion surveys to give them the opportunity to express their concerns and level of understanding. The associates reported feeling a "palpable sense of openness and greater empowerment" (p. 463) as a result of Skaug's actions.

McCarthy et al. (2005) developed a discussion on metacompetencies as a way of understanding Skaug's approach. They described a metacompetency as a "powerful personal competency" (p. 465) that enables a person to acquire and develop other skills and competencies. They stated that "two essential metacompetencies: personal identity and adaptability" (p. 465) were being used by Skaug as he dealt with paradox. Personal identity involves a strong image of the self in relation to the world, and adaptability means the ability to "continually scan and read external signals" (p. 465) in order to respond to the environment in ways that are congruent with self-image. Ingar Skaug had a strong sense of self and was highly adaptable to the needs of his firm over 12 years' time.

McCarthy et al. (2005) described ongoing adaptive changes Skaug made in the areas of leadership development processes, the membership of his top management team, operating improvements, various competitive strategies and tactics, and in successfully maximizing the benefits of two major mergers in 1995 and 1999. The firm's performance improved to the point where it propelled the company well ahead of the industry. Ingar Skaug demonstrated a zest for learning and the mindful application of transformational change by stabilizing, turning around,

and then leading his firm to a sustainable and compelling future. His case, therefore, provides a fitting finale to this section of this literature review.

Summary lessons on the sixth element of edge leadership. I substantially advanced my understanding of turnaround and organizational innovation leadership in this review. Although they were not described as such, I found confirmation that edge leaders do exist—that is, experienced, emotionally aware, thoughtful, competent, learned, and intentional leaders of substantial change. I found reinforcement for the need for a balance of transactional and transformational leadership approaches. Importantly, I found several useful processes and many action steps used by turnaround leaders in leading their firms back to health. Upon reading this literature on transformational turnaround leadership, I developed a new top-25 edge leader turnaround action items list, shown again in Figure 2.7, to supplant a top-10 list I had developed earlier to summarize the leadership and change literature's advice on leading basic organizational change. This new list did not involve a specific sequence or a particular priority of action, but it did include a six-part taxonomy that suggested a high level process of applying experience, self-awareness, reflexive learning, and a balance of transformational and transactional behaviors. I used gerunds to start the 25 phrases in the list to underscore their forward-leaning orientation.

Some of the actions on the top-25 list are transformational in nature; they relate to issues of visionary leadership and engaging the emotions of followers. Others are transactional; they relate to exchanges among leaders and followers that support and reinforce the leadership agenda. Despite its length, the list is a practical one. The 25 actions would not be taken all at once. Instead, leaders would take them generally in order according to the associated taxonomy, which represents a typical long-term change process. Also, the primary leader would not work alone, but instead other leaders would help carry the load. Like my earlier top-10 leader's action

Demonstrating Transformational Intent

1. Understanding the continuum of transactional and transformational leadership

2. Promoting transformational leadership while balancing the transactional form

3. Seeking only beneficial outcomes, that is, maintaining moral intent

Setting New Context

4. Assessing and defining reality in clearly understood terms

5. Questioning the assumptions that frame and limit the current reality

6. Applying industry wisdom and experiential intuition to the problems at hand

7. Creating demand for change using dialogue, logic, and emotion

Engaging The Organization

8. Serving others authentically in ways that promote their own respect and growth

9. Empowering, engaging and encouraging others in creating a better future

10. Developing a collaborative, creative, and compelling vision of possibilities

11. Catalyzing change through various intentional alignment approaches

Establishing Comprehensive Vision

12. Defining change as a process with foreseeable patterns and rhythms

13. Establishing a systemic view of the organization and its stakeholders

14. Expressing confidence in ultimate success when done with the process

15. Communicating the purpose and initiatives through powerful narrative

Living The Change

16. Modeling the behaviors expected of others—remaining highly self-aware

17. Using power and incentives as needed to calibrate and reinforce the change effort

18. Taking hold and stabilizing the business as a condition of beginning a turnaround

19. Creating quick wins that establish credibility and fund additional future change

20. Building on success by consolidating early wins and pressing forward

Adapting And Coaching

21. Balancing urgency and patience in guiding and reinforcing the change

22. Promoting learning on everyone's part as events unfold

23. Remaining reflective, flexible, and adaptable as learning occurs

24. Demonstrating perseverance and resilience when the going gets tough

25. Enhancing the organization over time to fit the changes being made

Figure 2.7. List of top-25 edge leader turnaround action items.

agenda list, all 25 actions would depend on the leader establishing a container of trust in which change could safely occur. Edge leaders need to earn trust by demonstrating morality, optimism, competence, credibility, and service to the organization.

This top-25 edge leader turnaround action item list was an important element of my study. The list and the associated taxonomy are supported by my own extensive experience in leading large-scale change. I used them to investigate the actions of the primary participant in my trial study and found them to map well to his experience in practice. I would use them again in this study to compare to the actions taken by Dave Murphy at the Red Wing Shoe Company. In doing so, I remained open to modifying the list, if need be, based on his experience.

Lessons: Additional Contemporary Leader Development Literature

One of the purposes for this study was to help inform leader development regimen designers about the merits and means of developing more edge leaders. It seems intuitive that it would be both desirable and effective for companies to develop more edge leaders as a part of an overall organization development strategy. My underlying concern has been that the four development approaches I initially reviewed, while sufficient for the needs of basic change leaders, are insufficient for the specific needs of turnaround leaders. It seems, though, that the gaps could be addressed in the normal course of business over time through an integrative design approach that blends the needs of a business with those of its emerging leaders.

The early leader development literature I had reviewed, along with the literature on continuous learning, suggested that edge leaders could be developed though a long-term combination of concept training, personal assessment, executive mentoring, group learning, on-the-job trial and error, personal transformative learning, and participation in turnaround related action learning projects. To further investigate the issue in the interest of my overall purpose, I

conducted an additional review of the contemporary leader development literature, including the works of Allen (2006), Cappelli (2008), Conger (1992), Conger and Riggio (2007), Drath (2001), and Fulmer and Goldsmith (2001).

The study included a question about whether or not the leader's developmental profile included the six elements of edge leadership, but its main areas of focus were the actions that the leader took and the participants' perceptions of those actions. Because this study was not focused on leader development itself as a primary issue, I have chosen to somewhat limit my discussion of the lessons of this literature.

Leader development requires a combination of theory and application. Leaders must practice in the real world—dealing with their stakeholders in a turbulent and competitive environment. They must also learn theoretical concepts that enable them to abstract, frame, and better learn from their experiences. Rich theory improves practice, and real world practice informs and enriches theory. Allen (2006) wrote a case study dissertation that compared leader development theory to a company's actual practice. His purpose was to help reveal the disparity between theory and practice so as to better "help organizations create and continue leadership development interventions that are transformational" (p. 16). He noted "A leadership development initiative not built on a theoretical foundation is at a disadvantage and, in extreme cases, may teach concepts and topics having little to do with leadership" (p. 15).

This is an important issue for business. Allen (2006) noted that corporations are spending millions trying to build their leadership capacity, but not everyone agrees that the money is well spent (p. 12). In suggesting how firms could do better, Allen integrated ideas from a number of authors into a purposeful definition statement, "Leadership development is a continuous, systemic process designed to expand the capacities and awareness of individuals,

groups, and organizations in an effort to meet shared goals and objectives" (p. 21). The process

he listed included six steps:

- Business diagnosis.
- Setting objectives.
- Program design.
- Implementation.
- On-the-job support.
- Program evaluation. (p. 28)

I found Allen's (2006) leader development program design process to be similar to that

needed for any other business improvement program—useful for helping practitioners position

this work for approval by executives. However, as he presented his process, Allen

acknowledged scant empirical support for it because the existing literature tends to reflect just

what has worked for White, middle-class men and is generally lacking in coherent models.

Allen (2006) proposed the use of various tools, methods, reinforcing mechanisms, and

interventions as part of a "culture of development" (p. 44). Like McCall et al. (1988), Allen

described the importance of targeted assignments as ways of gaining essential broad-based

experience. Like McCauley et al. (2004), he wrote of the critical nature of feedback tools and

coaching in helping leaders understand how they are impacting others and how they can improve

on their performance by practicing new ways of behaving in their roles. Like Argyris (1999) and

Nixon (2003), he wrote of the value of action learning projects in building specific skills while

solving real problems. Allen's findings from the literature echo those of my own research. He

concluded that "leadership can be taught and that organizations are the institutions best

positioned to do so" (p. 95).

Cappelli (2008) presented a novel and, for me, very unsatisfying solution to the puzzle of

people development—a solution he called talent on demand. He applied basic supply-chain and

risk management approaches to the issue of talent management, which he called "the basic

people management challenge in any organization" (p. 1). Cappelli justified his approach by saying that "the goal is . . . [simply] the important task of helping the organization achieve its overall objectives" (p. 5), and that "roughly two-thirds of U.S. employers do no planning for their talent needs" (p. 7).

Cappelli (2008) reduced the personal development issue to one of purely filling gaps in the talent supply chain to mitigate near-term risk. He asserted that the traditional "Organization Man" (p. 8) model has become defunct because markets, products, and competitors are more fluid today than ever before. He narrowed the scope of internal talent development to a focus on certain core competencies (p. 23) necessary to maintain a company. He said it would be better to use temporary help and outsourcing solutions to fill other basic organizational needs. As evidence, Cappelli referred to two models: one from Sinagpore in which the government places experienced people in their jobs (pp. 201-202), and another from India in which large technology firms use 14-week residential training programs and supplemental continuing education to prepare large numbers of people for initial job placement.

I came to realize that Cappelli (2008) was not really discussing employee development programs; rather, he was discussing near-term talent management. He was writing about gaining a fast return on investment (ROI) on functional training, not about organization development through associates' personal development. Cappelli missed the basic human aspects of transformative learning and self-directed career development based on one's intrinsic motivation. He also missed the downside effects of outsiders more often than not lacking a solid basis of understanding required to quickly perform at a high level, much less to instill organizational innovations that will help a firm compete for the long term.

My own experience with one of the firms he profiled supports this view. While serving

on the executive committee for a large-scale technology project for which this firm was engaged as a key partner, I saw frequent examples of how its consultants struggled to understand the industry, the company's business model, and its associated process requirements. So, while his principles may apply to training people for certain entry-level functional positions, they largely ignore the needs of organizations for transformational change leaders. Cappelli (2008) failed to recognize the opportunity for improved business results that can be realized through mindful transformational leadership. That thought leads to my discussion of Conger's (1992) work.

Conger (1992) did a research project in which he personally took part in five leadership development programs that used four different approaches. The approaches included:

- Personal growth—Pecos River Learning Center and ARC's Vision Quest.

- Knowledge—the Leadership Challenge Program (Kouzes & Posner, 2002).

- Feedback intensive—the Leadership Development Program (CCL).

- Skill building—the Leadership Course (Forum Corporation).

In his discussion of the state of leadership studies, Conger (1992) noted two developing trends that affected "the way we perceive leadership" (p. 8). The first was a "radical shift in what we know about the *process* of leadership" (p. 8). The second involved separating the concept of leadership from management and the inclusion of vision, inspirational communication, and the management of radical change (p. 10) as leadership competencies. Conger provided his own definition of leadership based on these trends, one that echoed Burns (1978) and others in pointing out the unique role and responsibility of the leader. "Leaders are individuals who establish direction for a working group of individuals, who gain commitment from these group members to this direction, and who them motivate these members to achieve the directions' outcomes" (Conger, 1992, p. 18).

In his discussion of how leaders develop, Conger (1992) summarized their developmental needs including: skills, conceptual ability, conceptual understanding of the leadership role, experiences that tap interests and build self-esteem, heightened awareness of things that get in the way of leading, and feedback from others. Conger said a pedagogical shift was occurring toward "action learning as a way to make learning transferable from the classroom to the job" (p. 12).

Conger (1992) then went on to discuss his findings on the distinctions between the four types of programs he examined. Personal growth programs stress inner discovery, courage, and teamwork. Conceptual understanding programs use models and case studies to explain what managers actually do. Feedback intensive programs assume that most people already have latent leadership skills which can be brought forward through effective feedback processes that point out one's strength and weaknesses (p. 50) and help establish clear personal improvement goals. Conger described skill building programs as the most common form of management training, yet the most ineffective for leadership training because leadership skills are more complex and harder to teach than management skills (p. 51). Conger noted, however, that these programs were beginning to change and that Bass worked with Avolio to develop "a program for transformational skills based on their research" (p. 51). I found that statement encouraging in that it pointed to opportunities for the sixth element of my edge leadership model.

In summarizing his findings, Conger (1992) wrote "there was no one best program for leadership training" (p. 155). Instead, the ideal program would include all four approaches— conceptual overview, feedback, skill and awareness building, and personal growth experiences along the way (p. 53). He said "each integrates and builds on the other" (p. 180). While an integrative long-term development program would be more complex and costly than training

alone, I agree with Conger that "it [would be] worth the time and expenditure" (p. 181).

Conger and Riggio (2007), writing 15 years later in *The Practice of Leadership*, also spoke of the challenges involved in leader development, saying, "So what do we know about the practice of leadership? One thing is certain: from decades of research we know more about getting it wrong than about getting it right" (p. 332). Yet, while recognizing the challenges involved, Conger and Riggio (2007) reiterated their belief that those challenges can be met. They wrote "An underlying assumption of this book is that leadership can be developed" (p. 1).

Their assertion means that there are combinations of approaches, experiences, learning content, and pedagogies that can help equip those who aspire to lead with a set of skills, attitudes, and behaviors that enable them to do so. Leadership is not a total mystery and its development should not occur just by happenstance. Conger and Riggio (2007) and 22 other prominent leadership authors offered seasoned advice around four thematic areas: leadership development, leadership tasks and capabilities, leadership of organizations, and the leadership requirements of the unique demands of today's world (p. 2). I limit my commentary here to several new items relevant to edge leader development.

McCall and Hollenbeck (as cited in Conger & Riggio, 2007) asserted that possessing a list of competencies is not as important for a leader as is demonstrating leadership competence gained through experience (p. 3). This perspective has broad implications for leadership development in that it presumes a long-term experiential view. It also means that more customized ways of using competent performance on the job as a framework for leadership development efforts are needed (p. 335). These ways would involve more on-the-job efforts with high potential people, more direct engagement by leaders' superiors, and greater use of executive coaches to help leaders learn, all of which would make personal development more

relevant to emerging leaders.

Marks (as cited in Conger & Riggio, 2007) provided guidance for teaching people to lead a four-phased process for organizational transitions, those being empathy, engagement, energy, and enforcement. He defined transitions as "major disruptions in an organization's core competencies, offerings, markets, and business models" (p. 202), noting that they are much more debilitating than incremental change. Marks echoed Vaill (1996) in writing, "life is now discontinuous, abrupt, and distinctly nonlinear" (as cited in Conger & Riggio, 2007, p. 203). And because "recurrent discontinuous change is not a natural condition of life" (p. 203), leading such change does not come naturally to people. When describing a firm that was successful at leadership development, he said it was because "they threw out much of the company's generic management education program and replaced it with courses that focused on business problems and the new vision" (p. 219). I agree—Marks reflects what I believe about the fifth and sixth elements of edge leadership.

I believe that companies should go beyond basic management training programs by adding those elements that would provide greater direct value for leaders and their firms. Companies should identify their emerging leaders early on and thoroughly assess their needs. They should then actively guide the emerging leaders' job experiences so they can develop cross-functional experience while practicing their management skills. Along the way, companies should provide awareness training and personal coaching to build their leaders' emotional and social intelligence. Firms should build their leaders' analysis and systems thinking abilities through action learning projects focused on real company problems, gaining direct bottom-line value in the process. They should use classroom courses and mentoring assignments to teach their leaders to think differently as they get promoted through various levels. And finally, they

should teach their leaders to understand transformational change concepts and give them

opportunities to lead smaller initiatives to practice on. By doing these things while providing

ongoing assessment and performance feedback, I believe that companies would grow their

leaders into edge leaders and, thereby, gain a distinct competitive edge.

Fulmer and Goldsmith's (2001) book, *The Leadership Investment*, provided additional

support for my perspective. The authors discussed executive development in corporate

universities, academic executive programs, and professional business leader development firms.

Fulmer and Goldsmith (2001) found that "business leadership's commitment to

continuous learning as a source of competitive advantage is evidenced in the corporate

university" (p. 226). This means that the parent firms see leader development as a strategic

requirement and they prefer growing their leaders rather than buying them from the outside. The

advantage of a corporate university approach is that leadership development programs are

tailored to each firm's strategic initiatives and specific cultures. A drawback to this approach is

that corporate universities can be expensive to operate.

The authors discussed an alternative approach that can serve the same objective. They

noted that "some leading universities and other innovative academic institutions are finally

leading the way into meaningful service to the business community" (Fulmer & Goldsmith,

2001, p. 228). They gave five examples of academic institutions that have created a range of

executive development programs: the Harvard Business School (HBS), the London Business

School (LBS), the Institute for Management Development, Thunderbird, and the Graziadio

School at Pepperdine University.

 All of academic programs have distinctive areas of focus in keeping with their parent

institutions, and they all have custom components in keeping with a rapidly growing trend with

which universities are still coming to grips. Despite the fact that the academy still has a cultural bias against serving corporations (Fulmer & Goldsmith, 2001, p. 275), "today, over 75 percent of all executive education programs go to some form of customized program" (p. 259). This trend presents universities with a growing opportunity to partner with companies in creating tailored leader development programs with a powerful combination of theory and practice.

If they do not, the professional leadership development firms stand ready to meet the needs of the leader development marketplace. Fulmer and Goldsmith (2001) profiled six of these professional firms: the Society for Organizational Learning (SoL), the Center for Creative Leadership (CCL), the Center for Executive Development (CED), Linkage, PROVANT, and Kielty, Goldsmith, and Company (KGC).

As was the case with the academic programs, each of these firms uses an approach that is somewhat different from the others. SoL focuses only on people and their organizations, not on leadership processes. The CCL, on the other hand, focuses more on developing individual leader effectiveness "in a variety of leadership roles and processes" (Fulmer & Goldsmith, 2001, p. 272) rather than just on developing ideal leadership characteristics. The CED ties its practice "to business need and corporate renewal" (p. 275), aiming at specific outcomes through a combination of strategy, structure, and behavioral methods (p. 275). The CED uses a client organization's senior executives to develop and teach its strategy to the firm's other leaders (p. 278), and recommends action-learning projects "one of the most powerful approaches to executive education" (p. 281). Linkage offers education and training programs and consulting services focused on developing organizational bench strength through identifying and growing high potential leaders (p. 285). PROVANT focuses on training program development and associated technologies that stress action learning focused on real business problems in real time

and online (p. 294). Kielty, Goldsmith, and Company (KGC) offers specially designed leadership development programs, coaching, team-building, and multi-rater feedback services (pp. 294-295). Its special focus is on developing those competencies and behaviors of leaders that are tied to a client's business strategies through a "guaranteed" (p. 299) executive coaching process in which clients do not pay for its services if demonstrated behavior changes do not occur.

In closing their discussion of corporate universities, academic executive development programs, and professional business leader development firms, Fulmer and Goldsmith (2001) provided these summary lessons about executive education:

- Executive training is different from other types.
- Process and content are equally important.
- The focus must be on a shared view of company problems and opportunities.
- Top managers must be engaged as teachers.
- Tangible on-the-job commitments must be required.
- Lessons must be reinforced in day-to-day operations. (pp. 303-304)

These lessons support some of what I believe is necessary to develop edge leaders, provided that instruction regarding the requirements of leading business turnarounds would be included.

Drath (2001) provided additional useful lessons about edge leadership development. He made the rather novel pronouncement that "*all leadership is shared leadership*" (p. 61), an idea I considered at first to be at odds with what many others had described as the unique role of the single leader in catalyzing change. I learned in talking with the author (Wilfred Drath, personal communication, July 22, 2008) that his message was more nuanced than I had realized. Drath suggested that, even under those circumstances in which a single leader is dominant, leadership becomes shared because other leaders subscribe to and act upon the leader's vision.

Drath (2001) described the tasks of leadership as "setting direction, creating and maintaining commitment, and facing adaptive challenge" (p. 18). He proposed three

principles for setting direction, ranging from the singular to the collective:

- Setting direction is the clear and unequivocal expression of the single leader's vision. (p. 23)

- Setting direction is negotiated within a group and aligned with the perspective of the leader; the leader is the one with the most influence. (p. 24)

- Setting direction is done by involving everyone and holding differences and being open to entirely new possibilities. (p. 25)

Contrary to my earlier conclusion that Drath (2001) had missed the importance of the single leader, the first principle underscores his belief that "dominance is natural" (p. 32) and that, while this simple form of leadership has its limits in terms of effectiveness, it is still prominent and useful in organizations. The second, influential approach continues to place the leader first, but is more complex than simple dominance. In this approach, the leader must work with others, not act upon them (p. 70). The third principle involves relational dialogue (p. 139), and so is the most complex of the three. It creates fully shared leadership and generates more opportunities for new solutions through having followers hold their disparate opinions without necessarily seeking to resolve the differences. In all three of these forms, the leader creates meaning for others about a vision for a better future. Drath wrote "the negotiation of meaning is at the heart of interpersonal influence" (p. 78). He noted that senior leaders "must engage in interdependent work" (p. 105) and proposed including suppliers, customers, and others within the collective and collaborative construct of an organization. His comment supports my own suggestion about the importance of systems thinking to turnaround leadership.

Because the first two principles of leader-dominated direction setting do not always work in today's more complex, diverse, and fast moving world, Drath (2001) proposed his third

principle as an emergent form that better fits today's conditions. Drath's third principle involves each person individually contributing to making meaning, helping to set direction, and taking responsibility for exercising their personal leadership in getting their part of the work done, and thereby, contributing to the whole system of the organization. He said we should "teach, train, and develop whole communities, whole groups, whole organizations in how to participate in various leadership processes" (Drath, 2001, p. 150). I believe that including Drath's third principle as a design element for edge leader development regimens would be useful and could be done using an action learning approach of assigning cross-functional group projects targeted against real business problems.

Summary of the additional contemporary leader development literature. It is clear that leader development requires a combination of theoretical grounding and pragmatic application. To deal effectively with their business problems, leaders must understand some theory in order to enable reflection on how what they have learned applies to their experience. At the same time, leaders must deal with the realities they face in real time by being reflexive— that is, modifying their approach as necessary to fit the unique circumstances of their situation. Turnaround situations only accentuate these paradoxical requirements, and edge leader development regimens must be designed to help emerging leaders learn to do both.

Allen (2006) defined leadership development as a continuous, systemic process designed to expand the capacities and awareness of individuals, groups, and organizations in an effort to meet shared goals and objectives. His work supports my belief that leader development programs must involve multiple educational and experiential elements over time. Allen proposed the melded use of various tools and methods, reinforcing mechanisms, and interventions in "culture of development" (p. 44). His belief that "leadership can be taught and

that organizations are the institutions best positioned to do so" (p. 95) echoes my own, and his experience of finding only limited connections between theory and practice underscores the opportunity for doing better.

I found Cappelli's (2008) view of today's talent challenge to be accurate, but his proposed solution seemed targeted toward something other than edge leader development. He applied a basic supply-chain and risk management approach to talent management, thereby reducing personal development to the minimum necessary to simply fill gaps in the talent supply chain. Missing were the components of broad-based successful experience, emotional and social intelligence, different ways of thinking developed through leadership passages, and an understanding of transformational leadership. Cappelli missed the basic human aspects of transformative learning and self-directed career development based on intrinsic motivation and he failed to recognize the upside potential for improved business results through transformational leader development. Cappelli's principles may apply to training people for certain entry-level functional positions or certain staff replacement roles, but they seemed to ignore the needs of emerging edge leaders and the needs of today's organizations for more of them.

Conger (1992) discussed four types of programs he examined via participative research: personal growth, conceptual understanding, feedback intensive, and skill building programs, all of which add value, but none of which are alone sufficient. He said that an ideal program would include all four types, with each building upon the other. Such an integrated long-term program would be complex and costly, but it would be worth the time and money. I largely agree with Conger's summary of the developmental needs of leaders: managerial skills, conceptual ability, conceptual understanding, targeted beneficial experiences, emotional awareness, and feedback. Yet, I still assert that edge leaders must also develop a zest for continuous learning and the

ability to balance transactional and transformational approaches when leading change.

Conger and Riggio (2007) began their book by saying that its underlying assumption was that leadership can be developed. That means that there must be a combination of approaches, experiences, learning content, and pedagogy that can equip those who aspire to lead with the means to do so. Leadership should not be a mystery and leader development should not occur by happenstance. Their 22 contributing authors provided advice around four thematic areas: leadership development, leadership tasks and capabilities, leadership of organizations, and the leadership requirements of the unique demands of today's world. In particular, McCall and Hollenbeck (as cited in Conger & Riggio, 2007) noted that possessing a list of competencies is not as important for a leader as demonstrating leadership competence gained through experience. Their perspective presumes a long-term view of leader development and prescribes customized ways of measuring competent performance on the job to gauge development efforts. I agree that organizations should go beyond current development programs by taking a longer view and adding those elements that would provide greater value for edge leaders and their firms.

I found additional support for this perspective in Fulmer and Goldsmith's (2001) extensive review of prominent corporate, academic, and professional leader development programs. All of the corporate programs they profiled had leadership development programs tailored to their own strategic initiatives and specific cultures. The firms involved preferred to grow their leaders rather than buy them from the outside. Fulmer and Goldsmith also described leading academic institutions that provided meaningful service to the business community through open enrollment, executive level, and custom programs. They discussed professional firms that provide leader development, research, publications, and consulting services. They each had different roots and areas of focus, but they all had a significant presence in the field,

garnering high qualitative rankings and substantial financial success. I concluded that these executive development programs could be strengthened by adding curricula and experiential activities focused on the specific issues and requirements of turnaround leadership.

Finally, I learned something new when re-reading Drath (2001). I now better understand his view that all leadership is shared leadership. Drath suggested three principles of leadership, two of which are dominated by a single leader and one of which is equally shared by the leader and others. In all three principles, leadership becomes shared because other leaders subscribe to and take action on a shared vision for a better future. He noted the importance of collective meaning-making and relational dialogue among all stakeholders of an organization in today's complex and diverse world and said that we should teach, train, and develop communities, groups, and organizations in how to participate in the ways to engage these concepts. By finding collective meaning through relational dialogue, he suggested that individual leaders would take on greater responsibility and, therefore, collective leadership capability would increase. In other words, leaders would no longer create leadership, but rather be created by the leadership process.

In summary, these additional leadership development resources supported a number of my assertions about edge leader development. The six components of edge leadership are not purely ontological; turnaround leaders are not just born, but instead they can be taught. To do this, organizations should identify their emerging leaders early on and assess their needs. Over time, they should guide their emerging leaders' job assignments to develop cross-functional experience while practicing key management skills. Then, by using corporate universities, academic institutions, professional development firms, or even all three of these, companies should provide a range of leadership education that provides their emerging leaders with the theoretical foundation that enables them to better understand and learn from their experiences.

Companies should provide awareness training about emotional intelligence. They should develop emerging leaders' analysis and systems thinking skills through meaningful action learning projects. They should teach leaders to think differently about challenges as they pass through various job promotions. And they should teach them transformational change concepts and action steps through low-risk opportunities to lead small change initiatives to practice on. By doing these things along with ongoing assessment and performance feedback, I believe that companies would develop a competitive edge through the collective growth of their individual edge leaders. Companies would build their bench strength with leaders who could recognize the early signs of entropy and decline and take on the challenges of reversing the situation from the inside rather than relying on outsiders to do that only after the decline has greatly threatened the firm. Adding the elements required of turnaround leadership to what has already been done in various prominent leader development approaches would seem desirable, possible, and effective.

Chapter 2 Summary

For five years, I have been developing a new description of a certain type of leader—that is, the edge leader who can mindfully turn around a troubled business or instill meaningful organizational innovation to sustain a firm. I have proposed that edge leaders should have six developmental elements in their leadership profile: broad and successful experience, emotional and social intelligence, the ability to think differently about priorities and paradoxes at various organization levels, the competencies to fit their leadership role, a zest for continuous learning, and the ability to mindfully apply a balance of transformational and transactional leadership practices toward their organization's goals.

I drew upon three types of information as I developed this multi-dimensional concept. I conducted a series of reviews across six domains of literature: leadership and change, leader

development, business turnaround and organizational innovation leadership research, transformational leadership, transformative individual and organizational learning theory, and transformational turnaround leadership. The literature was made up of books, research articles, journals, and direct information from CCL and PDI. I reflected on my extensive experience in leading large-scale business change programs and teaching in graduate business school. I also conducted three case studies of practicing change leaders as doctoral program learning projects.

In the classic and contemporary leadership and change, and basic leader development literatures, I found many useful theories of leadership and 10 common action themes reflecting what good basic change leaders do, along with four foundational leader development models focused on basic change. When I compared the literature to my long personal experience, I found these theories and models to lack key elements necessary for turnaround leadership. Two authors suggested additional elements that might fill the leader development gap. Vaill (1996) pointed out the need for leaders in turbulent situations to eagerly engage in continuous learning for themselves and their organizations. Bass and Riggio (2006) wrote of transformational leadership as a substantially beneficial adjunct to basic transactional leadership. These two ideas pointed in a useful direction that I explored further in the turnaround research literature.

In my subsequent review of the global, peer-reviewed turnaround and organizational innovation leadership research literature, I expected to find a mature body of knowledge that would fill the conceptual gaps I had found. Instead, I found the research on business turnaround leadership to be quite undeveloped, and so, the gaps remained unfilled. Despite that, I did find substantial support for the edge leadership concept in the related transformational leadership and systems thinking literature. Three overarching themes and seven conceptual threads emerged involving the requirements and beneficial prospects for edge leader development. These

provided support for adding continuous learning and transformational leadership as the fifth and sixth developmental elements of edge leadership.

My next review of the literatures on transformative individual and organizational learning theory and transformational turnaround leadership provided further support for the fifth and sixth elements. From the learning literature, three dimensions of continuous learning for edge leaders emerged: personal transformative learning, organizational learning, and an understanding of the leader's unique role in defining purpose and meaning for an organizational transformation. In the contemporary transformational turnaround literature, I found confirmation that, even though they were not termed as such, edge leaders do exist. I found additional support for my assertion that edge leaders must apply a careful balance of transformational and transactional leadership approaches toward achieving their goals. In particular, the case of Ingar Skaug (McCarthy et al., 2005) provided an exemplar of an edge leader. Importantly, the cases I reviewed provided useful leadership processes and action steps that I synthesized into a new top-25 edge leader turnaround action items list.

The overall purpose of my work is to help improve leader development practices that contribute to developing more leaders capable of leading troubled businesses back to health. In an effort to better understand how the fifth and sixth elements of edge leadership could be included in emerging business leader development approaches, I conducted an additional review of the contemporary leader development literature, supported by site visits to CCL and PDI. The literature did not fill the gap regarding the specific needs of turnaround leadership, but it did support my belief that, by including focused instruction and practices regarding those needs, edge leaders could be developed through a long-term regimen of assessment, education, action learning, mentoring, and targeted job placement.

I close this chapter with my rationale for conducting this particular study—one focused on substantiating edge leadership in practice. My literature searches had pointed out gaps regarding the specific elements and associated development requirements of turnaround leaders. Yet, they provided conceptual support for edge leadership as a way to help fill the gaps. As far as I am aware, my integration of these six literatures for this purpose was unique. I came to know that edge leadership, like all leadership, is essentially relational (Wheatley, 1992) and the issues that edge leaders face and the actions they take are essentially systemic in nature (Hatch & Cunliffe, 2006).

As shown in Figure 2.8, my literature research positioned my dissertation study. The top-25 edge leader turnaround action items list was an important element. In a previous trial study, I found that the leader took all 25 actions, but I did not investigate how those actions were perceived by other leaders or which of them were seen as the most important to success. In the new study, I inquired into the development profile of the target company's president and chief operating officer to understand how closely it matched my edge leadership concept. I investigated the actions he took in leading the turnaround and compared them to my top-25 edge leader turnaround action items list. Most importantly, I investigated the individual perceptions of the leader and his senior staff members about actions he took. By using Q methodology, an approach that was especially useful for gaining a deep understanding of the relationships among the actions taken and his staff's perceptions of them, I was able to learn which of the actions would be seen by the participants as the most important to the turnaround. In chapter 3, I discuss the strategy and methodology I used to investigate these issues.

**Iterative Literature Reviews
Inform Proposed New Study**

	Literature	Lessons Learned:	Gap:
Iteration #1	**Classic and Contemporary Leadership & Change** **Leader Development** – four basic approaches Experiential Model (CCL) Emotional Intelligence Model (Goleman) Passages Model (Charan) Competencies Model (PDI)	Characteristics, Values, Intent, Behaviors, Vision, Plans, Relationships, Trust, Actions. Four elements are necessary to basic leader development, but insufficient for Edge Leaders. Suggested two more: *instilling a zest for continuous learning* and *the ability to understand and apply Transformational Leadership practices.*	Not specific to business turnaround requirements. Insufficient for turnaround leader development.
Iteration #2	**Business Turnaround and Organizational Innovation Research** Global Peer-Reviewed Studies **Transformational Leadership**	Few directly targeted studies; one exemplar. Three themes and seven conceptual threads lend support for suggestions on fifth and sixth elements. Full-range model of transformational leadership.	Few empirical studies of business turnaround situations.
Iteration #3	**Transformative Learning Theory** Individual Continuous Career Related Organizational **Transformational Turnaround Leadership**	Theories support suggestion of *zest for continuous learning* as the fifth element of Edge Leadership. Cases support suggestion on *the ability to apply Transformational Leadership* as the sixth element.	Few studies targeted directly toward business turnaround situations.
Iteration #4	**Leader Development** – emerging models Corporate universities For-profit development centers New academic models Custom programs	Edge Leader development is not ontological; the concept can be taught through a long-term regimen of assessment, targeted job placement, education, action learning projects, and feedback.	Opportunity to include business turnaround requirements.

Leadership

Change Leadership

Basic Leader Development

Need Leadership With An Edge

Fifth & Sixth Elements of Edge Leadership

Transformational Leadership and Systems Thinking

Individual, Career Related, and Organizational Learning

Transformational Turnaround Leadership

Top 25 Turnaround Action Items

Edge Leader Development

Proposed Study

Q Method

Figure 2.8. Literature review lessons informed proposed study. (Note: the left half of this figure is a replication of Figure 2.1 and is included here for illustration purposes—it can be viewed in larger format earlier in this document.)

Chapter III: Methodology

The purpose of this study was to apply and extend my previous literature and research work on the edge leadership concept to an additional case to learn whether or not my earlier assumptions and findings would be substantiated. My first question asked whether or not the six developmental elements of edge leadership existed in the profile of the principal participant, David Murphy, the president and COO of the Red Wing Shoe Company. My second question involved comparing the actions taken by Murphy to lead the turnaround at Red Wing Shoes to my literature-based top-25 edge leader turnaround action items list to learn how closely his experience matched that list or, instead, may have provided new learning. My third question investigated the relationships among the perceptions of the leader and his senior staff about the turnaround actions that Murphy took to understand which actions they saw as most important to the company's success.

I chose to use Q methodology for this study. Q is an essentially constructivist method that combines naturalistic data gathering techniques and quantitative factor analysis (McKeown & Thomas, 1988; Stapleton, 1997) in a pragmatic approach that provides researchers with ways to develop acceptable theoretical generalizations from individual case studies. Q allows a researcher to reveal a great deal about the perceptions people have about their experiences (Brown, 1991, 1997; Cross, 2005; McKeown & Thomas, 1988; Raadgever, Mostert, & van de Geisen, 2008; Van Exel & de Graff, 2005).

Q methodology is not widely known, nor has it been broadly applied to leadership studies, but my review of the literature revealed a number of reasons why it would be well suited for this study. I will discuss these in detail later in this chapter, but there was one particularly compelling reason that I relate now. Q provided an epistemological twist that I first learned

about when attending a presentation given by another researcher (Sharp, 2008). I was intrigued

by how the participants' data were treated by the researcher. While, at first, Q method appeared

to be just another fairly straightforward factor analysis approach, a deeper look made it clear that

the method was different. In Q, the researcher does not correlate data from a study's participants

to some fixed external set of values; instead a study's participants are correlated to their own

subjective opinions based upon their own unique perspectives. In other words, the data Q

methodology measures are essentially self-referent (McKeown & Thomas, 1988) and therefore,

subjective. I found this to be very compelling, even liberating, when considering research

methods for my dissertation study because I see leadership as essentially subjective. It is the

product of perceptions regarding mutual relationships (Wheatley, 1992) and behaviors among

leaders and followers in joint pursuit of self-referent goals (Burns, 1978).

To assist the reader with understanding Q methodology, I begin chapter 3 by first

describing my positioning as a researcher and the details of my rationale for using Q to study

turnaround leadership in a business setting. I then discuss how I used the study design to control

for my known biases. Next, I describe the academic positioning of the study, including

substantial detail about the steps I took in conducting it. Then, after summarizing the instructive

Q methodology literature, I relate my experience in conducting a previous pilot study. I close

with a summary description of the overall field study process chronology.

Researcher Positioning

There are two major positioning elements for a researcher to be mindful of when

preparing to do a study. The first is the researcher's own personal positioning. It is important

for a researcher to reflect on one's own "lifeworld" (Bentz & Shapiro, 1998, p. 4)—that is, the

sum total of the things that shape a person's way of being in the world and therefore, influence

one's way of seeing things. One's personality, experience, education, social context, professional context, and underlying biases all affect the research in some way. The second is the positioning of the study within the body of epistemological considerations prescribed by Bentz and Shapiro (1998) and others. I discuss both of these positioning elements as they affected my study of edge leadership at the Red Wing Shoe Company.

      Researcher roles—practitioner, teacher, scholar, citizen. In chapter 1, I discussed my four essential roles and how each affects my perspectives and approaches to my work. I realize that I bring my whole person to my research, as I am a product of the events of my life and my perceptions of the world around me. As a socially aware person, I believe in activism on behalf of oneself and the community. As someone who grew up in a family that was challenged economically, I believe in the value of learning as applied toward catalyzing positive organizational change as a way to improve one's personal circumstances. As a practitioner who spent years in the management training field, I believe in the value of strategically designed curricula in achieving business goals. As an executive who built a management career from an entry-level position, I believe that people have a responsibility to themselves, their families, their employers, and their communities to add value every day. As a citizen of various local, national, and global societies, I believe that company leaders have a fundamental responsibility to sustain and grow their firms. Unfortunately, during my career, I have seen many instances when leadership was lacking and have personally witnessed the pain that came with the resulting business failures.

      I have four objectives for my leadership studies. As a practitioner, I want to help businesses and other organizations to better develop their emerging leaders to sustain their futures in an ever more competitive world. As a teacher, I want to help students become

effective, morally grounded, and globally minded business leaders. As a scholar, I want to conduct research that helps fill the gap in current leader development practices regarding turnaround leadership. As a citizen, I want to promote the development of leaders who sustain and grow their businesses on behalf of their societies. For these reasons, I believe my work can make a difference. As Handy (1998) wrote "we can, by example and initiative, slowly change the part of the world around us. That process starts with us and our own lives" (p. 58).

I have described how my lifeworld affects my perspectives on leadership and my biases about the roles of leader development programs. I also acknowledge that in doing my research and concept development over the past five years, I have more than likely given greater credence to information that supported my biases and discounted information that did not. I am aware that my biases affected my research in many ways, but I worked to control their effects through thoughtful project design and I remained mindful of them as I conducted the study.

I used various Q methodology design elements to control for the effect of bias; several examples illustrate the point. I had verbatim transcripts made of the recorded interviews rather than just relying on my notes, and had the participants personally review their transcripts for accuracy before considering them to final. I maintained electronic worksheet files to document the iterative process of editing the verbatim statements of the participants regarding the actions taken by the leader into consistently structured statements that they later used for a qualitative forced ranking process. I preserved the artifacts from each participant's original ranking process as the data were keyed into worksheets and then converted for use in a computerized factor analysis program. I also looked for evidence regarding incomplete or inaccurate assumptions I may have made. I took these steps to limit the impact of my biases, but I realize that I could never fully eliminate them. I am sure my biases manifested themselves in subtle ways. Several

basic examples likely include my selection of the target firm and participants, the questions I

asked, my processes of data summarization and analysis, and the conclusions I made.

Academic positioning—considerations, choices, and steps involved. Bentz and

Shapiro (1998) reminded researchers to make mindful choices about conducting inquiries,

describing the intersecting considerations among various ways of knowing:

> Inquiry in the social sciences takes place at the intersection of disciplines, cultures of
> inquiry, theories, methods, and techniques. A discipline is an established field of social
> sciences knowledge that has, over time, developed standing and recognition within the
> academic community and the world at large. (p. 82)
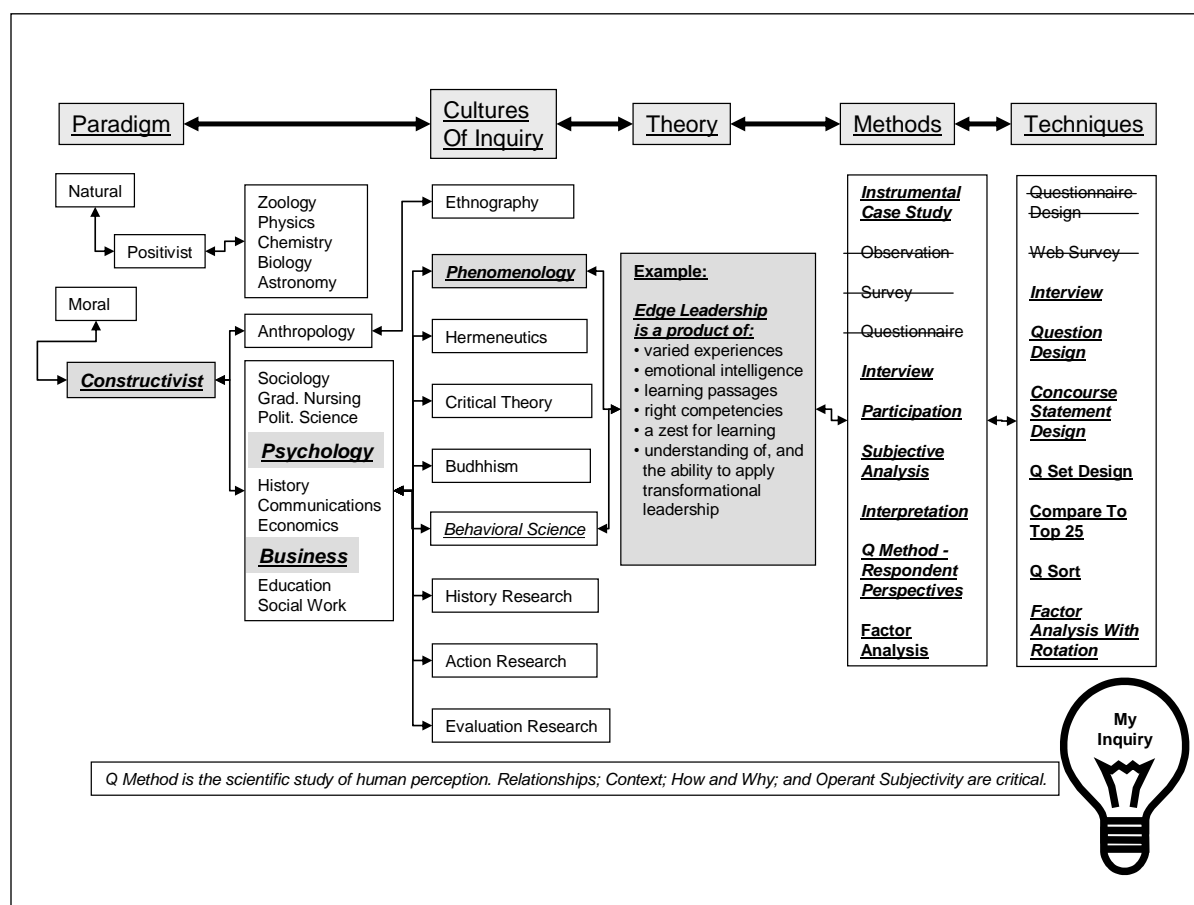
Figure 3.1. Researcher situational elements when positioning a study.

As shown in Figure 3.1, when preparing for an earlier case study research project in this

Ph.D. program, I used Bentz and Shapiro's (1998) statement to construct a model which helped

me navigate the various epistemological choices and assisted me in making my selections for that study. I found the approach to be helpful at that time and used it again in planning for this study.

Paradigm. The "paradigm of knowledge" (Bentz & Shapiro, 1998, p. 85) I used for this social science study was constructivist rather than positivist. Constructivist research is often used to deeply understand participants' stories, perspectives, behaviors, and motives—issues that are not easily reduced to numbers, charts, and graphs. I was interested in the Red Wing Shoe Company president's story. I wanted to learn about his personal development history and his perceptions of that process. I wanted to learn about the actions he took in leading Red Wing's turnaround and his reasons for taking them. I was also interested in his senior staff's perceptions of his turnaround actions. Moreover, I was interested in how the perspectives of all of the participants related to one another. These were constructivist, qualitative issues requiring a means to probe for meaning.

I was also interested in how his actions would compare to my top-25 edge leader turnaround action items list and in the percentage mix of their transformational and transactional types. Most important, I sought to learn which of his actions were seen, from the self-referent viewpoints of those involved, to have been the most important to the company's turnaround. These were quantitative considerations requiring a means of comparison and analysis.

To deal with both types of considerations, I needed to use a method that supported qualitative and quantitative inquiry. Greene and Caracelli (1997) discussed the need to take "*the pragmatic stance*, in which people view paradigms as useful conceptual constructions but base practical methodological decisions on contextual responsiveness and relevance, thereby often including diverse methods" (p. 1). Pragmatism was called for in conducting this study.

Q methodology uses constructivist data gathering with quantitative analysis and therefore seemed a highly pragmatic approach. Importantly, despite Q methodology's use of quantitative factor analysis as one of its elements, the method remained essentially interested in the meaning that participants assigned to the phenomena under study, and therefore, remained essentially constructivist. The main topic areas involved in the study were psychology—that is, human behavior and meaning making—and business as an organ of society (Drucker, 2001).

Cultures of inquiry. Bentz and Shapiro (1998) wrote that the next area of consideration for researchers, "a culture of inquiry, is a chosen modality of working within a field, an applied epistemology or working model of knowledge used in explaining or understanding reality" (p. 83). As I considered the nature of this proposed study, it seemed to me that phenomenology would be involved due to my interest in the participants' experiences and their consciousness about them. The study required a "purposive sample" (Jarvis, 1999, p. 123) of participants. A purposive sample is one that is deliberately selected because the participants have the necessary characteristics to provide comparative information regarding the focus of the study. In this case, in addition to the president, all of the participants must have had cross-functional executive positions and operational decision authority within the turnaround company.

Theory. Flowing from the cultures of inquiry, a researcher next must establish a theoretical grounding for a study. My edge leadership concept (not a full theory) had become an integral part of how I have come to know the world and be in it within my four primary roles.

> And since to know the world is profoundly to be in the world in a certain way, the act of researching—questioning—theorizing is the intentional act of attaching ourselves to the world, to become more fully part of it, or better, to become the world. (Van Manen, 1990, p. 5)

To briefly re-state the concept I used to frame this study: edge leadership is a product of six developmental elements—gaining varied and successful experience, becoming emotionally and

socially intelligent, navigating progressive organizational passages, having the competencies for

the role, developing a zest for continuous learning, and creating beneficial change through a

balance of transactional and transformational leadership behaviors. An edge leader can

mindfully turn around a troubled business or instill significant organizational innovation to

sustain and grow a firm. I needed an appropriate method to help me learn if edge leadership was

practiced at the Red Wing Shoe Company.

Methods. With the previous considerations in hand, a researcher must next select the

specific methods and overall design for the study. In this case, I was not necessarily concerned

about using a quantitative or qualitative approach, per sé, but was more interested in using an

approach that would help me answer my questions about edge leadership in practice. While this

may seem to simplify a researcher's choices, it does not dismiss the responsibility for thoughtful

inquiry. Greene and Caracelli (1997) wrote that when considering a pragmatic framework a

researcher must consider four questions:

- Can salient evaluation questions be adequately answered?
- Can the design be successfully carried out?
- Are design trade-offs (for example between depth of understanding and generalizability) optimized?
- Are the results usable? (p. 35)

I received advice on four prototypes of mixed methods design: a triangulation design

using separate quantitative and qualitative studies to converge on scientific truth; a sequential

quantitative-then-qualitative design used to explain phenomena; a sequential qualitative-then-

quantitative design used to deeply explore phenomena; and finally, an embedded design wherein

one type of method is surrounded by the other as parts of a single study (Mitchell Kusy and Jon

Wergin, personal communication, May 15, 2008). Greene and Caracelli (1997) noted how "a

mixed method design intentionally combines quite different kinds of methods, such as qualitative

and quantitative, variable-oriented and case-oriented" (p. 35) for different purposes.

To me, Q methodology embodies the latter design; it employs quantitative factor analysis to help develop a study's findings, but it uses qualitative interviewing to gather data and the researcher's constructivist interpretation to define both the range of participants' perspectives and to develop the set of statements for participants to sort in order to develop the raw data for statistical factor analysis. Finally, the researcher again uses subjective analysis to guide the factor rotation approach when making conclusions about what has been discovered. In other words, in Q methodology there are not two separate streams of research, there is just one stream made up of two different but conjoined approaches within an essentially constructivist paradigm.

The Q in Q method stands for quantum theory, wherein all the factors being analyzed exist simultaneously in a relationship of complementarity (Brown, 1997, quantum theoretical aspects section, para. 2). The method's use of both qualitative and quantitative analyses provides the researcher with multiple perspectives, therefore, potentially leading to greater insight and increased reliability.

Q methodology practitioners have shown that subjectivity is "amenable to empirical analysis . . . [and that] single case studies sustain meaningful generalizations about behavioral dynamics" (McKeown & Thomas, 1988, p. 36). Q methodology provides researchers with ways to both deeply understand the full range of people's perceptions about issues of interest and develop acceptable theoretical generalizations from individual case studies. These qualities make Q an important tool for leadership studies. Despite the fact that Q methodology has been used mostly in fields other than leadership in the past, it has been gaining greater acceptance across more disciplines in recent years (Van Exel & de Graaf, 2005). My reading of the Q methodology literature and my practice in using it for a learning project trial study gave me

confidence in its applicability for my dissertation inquiry.

All of this work was done within the container of a case study. There is, of course, a distinction between a case and a case study (Yin, 2004). The case I selected was the story of Dave Murphy's turnaround leadership at the Red Wing Shoe Company. I chose this case for both theoretical and practical reasons. First, from our initial exploratory discussion (David Murphy, personal communication, September 3, 2009) it was clear that Murphy had conducted a turnaround and might then fit the conceptual profile of an edge leader. Second, from a logistical standpoint, the headquarters of his company is in Red Wing, Minnesota, a city located within easy driving distance of my home in the Minneapolis, Minnesota area. This provided a convenient and cost effective venue for my study. I was also somewhat familiar with the company and its products, which provided a basis for understanding its story. The study was interested primarily in Murphy's actions and his own and his key staff members' reflective perceptions of his actions and the case study included the full substance of the inquiry consisting of my "research questions, theoretical perspectives, empirical findings, interpretations, and conclusions" (Yin, 2004, p. xiv).

A case study follows the scientific method; it employs explicit questions; follows a defined research design; outlines and reviews theory; gathers, develops, and assembles empirical data; and applies quantitative and/or qualitative analysis depending on its design (Yin, 2003). Q methodology offers a mixed design particularly well suited to investigating human perceptions.

In determining the specific case study methods for this project, I referred back to the descriptions of Yin (2003) and Stake (1995). First, Yin described three types of study,

> An exploratory case study . . . is aimed at defining the questions and hypotheses of a subsequent study . . . or at determining the feasibility of the desired research procedures. A descriptive case study presents a complete description of a phenomenon within its

context. An explanatory case study presents data bearing on cause-effect relationships—explaining how events happened. (p. 5)

Second, Stake (1995) noted three additional and different classifications: the intrinsic, the instrumental, and the collective case study. I considered this to be an instrumental case study because the real value of Dave Murphy's story would be in how it could help substantiate my edge leadership concept and further inform my broader area of interest involving developing more edge leaders. Stake's explanation supports my reason:

> I call it instrumental case study if a particular case is examined mainly to provide insight into an issue or the redraw a generalization. The case is of secondary interest, it plays a supportive role, and it facilitates our understanding of something else. (Stake as cited in Denzin & Lincoln, 1998, p. 137)

In summary, when considering the six types of case studies noted by Yin (2003) and Stake (1995), I concluded that this particular study would be primarily explanatory, secondarily descriptive, and thirdly instrumental. I sought to understand if there would be learning outcomes that could be generalizable beyond this specific case.

Techniques and detailed process used in the study. Given that Q methodology is not widely known or used in leadership studies, to assist the reader in understanding the techniques used for this study, I recount them in detail. First, I gathered raw perceptual data from Murphy and eight members of his senior staff. Because Q is suited for self-referent data, I used the semi-structured interview technique (Gubrium & Holstein, 2002) to gather these raw data (i.e., naturalistic) Q samples (McKeown & Thomas, 1988) supported by electronic recordings, subsequent transcriptions, notes taken during the interviews, and relevant artifacts. I designed the questions to draw out the subject matter I was interested in and, yet, leave room for additional unstructured follow-up questions. I list several examples.

To investigate the COO's development history, I asked him questions such as:

- How did you come to hold your current position?

- What was your career path? Which experiences were vital to you?

- What training have you had? What were the key skills you learned from it?

- What education have you had and how has it supported your development?

- What were the turning points in your leadership life?

- Who was instrumental in your development and how?

To investigate the COO's turnaround actions in context, I asked questions of him and his

staff members (remaining mindful to alter the exact wording to suit the participant) such as:

- At the time the COO began to change things, how would you characterize the firm?

- How would you assess its business performance at the time?

- What were the company's strengths? Weaknesses?

- What did the COO do with you and others to establish his authority?

- What were his key messages about the state of the business?

- What were his key directives at the time?

- How did he engage you and others in developing a new path for the business?

- Did any substantial organization changes take place? If so, what were they?

- How would you describe the new concepts underlying the firm's approach?

Following the initial transcription of their interviews, I asked the participants to review their

transcripts for accuracy and make any additions, subtractions, or edits they saw necessary before

I used the data for subsequent phases of the study.

Once the participants gave approval and the data were complete, I reviewed the

transcripts and highlighted the salient action statements that were at the heart of the study's

purpose. I have kept the actual data confidential but, as a fictitious example, a participant might

make a statement such as, "This year we actually went and had an off-site meeting and we spent

two days kind of doing a level-set for the whole company." I extracted those verbatim

statements, referred to as Q samples (McKeown & Thomas, 1988), and assembled them in a

worksheet with each unique statement in a separate row and each participant in a separate

column, thus enabling me to further organize and examine the information.

Q methodology requires the researcher to note the full range of participants' perceptions.

The term used is the *concourse* (McKeown & Thomas, 1988), which includes the complete range

of "conversation, commentary, and discourse of everyday life" (Brown, 1991, concourse theory

section, para. 1) about a given topic. A concourse can be made up of words, visual media, or

music—any means by which people exchange ideas with one another. Brown described a

concourse as "the wellspring of creativity and identity formation" (concourse theory section,

para. 3) that arises among people during their associations with others, individually or within

organizations. Q methodology is used to uncover the underlying structure of a concourse and

make it understandable. In doing a study, a researcher can develop a concourse for a topic in a

number of ways including interviews, making contemporaneous notes of observed phenomena,

hermeneutic means, or extracting information from essays or articles, for example.

To develop the concourse for this study, I examined the Q samples and edited them,

taking out the normal aberrations of human speech to create *Q statements* (McKeown & Thomas,

1988) which still represented the participants' salient words and intent. To continue the fictitious

example, the verbatim Q sample statement mentioned earlier could be edited into the Q

statement, "Held off-site strategy and alignment meetings with senior leadership." I examined

the initial concourse of Q statements a second time to remove extraneous and irrelevant outlier

comments and to conflate extremely similar Q statements. This resulted in a final *Q set*

(McKeown & Thomas, 1988)—that is, those remaining statements which still represented the

full concourse and provided the theoretical foundation for the study, but which had now been edited into a consistent, declarative form usable for the next stage of Q methodology—the participants' *Q sort* process (McKeown & Thomas, 1988). Through these steps, the original set of 77 Q samples resulted in a final Q set consisting of 60 Q statements.

As I did this work, I also identified the action statements as either transformational or transactional in nature, relying on the literature of Bass (1999) and Bass and Riggio (2006) and my experience in my previous trial study to guide my assignments. Transformational actions were those that involved developing a new vision, inspiring followers regarding the change agenda, stimulating their active involvement, and empowering them to act in their own right. Transactional leadership actions were those that involved making basic exchanges among the leader and his followers to meet their own interests, including such things as work assignments, management plans, and reinforcing incentives.

I then had nine identical card decks with 60 cards each—one card for each Q statement—printed with which to conduct a secondary data gathering process called a Q sort with each participant. For the Q sorts, I also developed a simple poster-board rating tool, as shown in Figure 3.2, using a seven-point scale that represented ratings of relative importance to the success of the company's turnaround. I chose a seven-point scale because it provided a useful balance between specificity and reliability. In the Q sort process, the participants provided additional, more definitive, perceptual data that went beyond that from their interviews by sorting all of the Q set statements using the scale. For example, when a participant placed a Q statement card at the +3 location on the scale, the participant was indicating the action as a most important one, whereas a -3 placement would indicate a most unimportant one.

3 Cards	8 Cards	10 Cards	18 Cards	10 Cards	8 Cards	3 Cards
-3	**-2**	**-1**	**0**	**+1**	**+2**	**+3**
Most Unimportant	Unimportant, But Not The Most Unimportant	Somewhat Unimportant	Neither Important, Nor Unimportant / Don't Know	Somewhat Important	Important, But Not The Most Important	Most Important
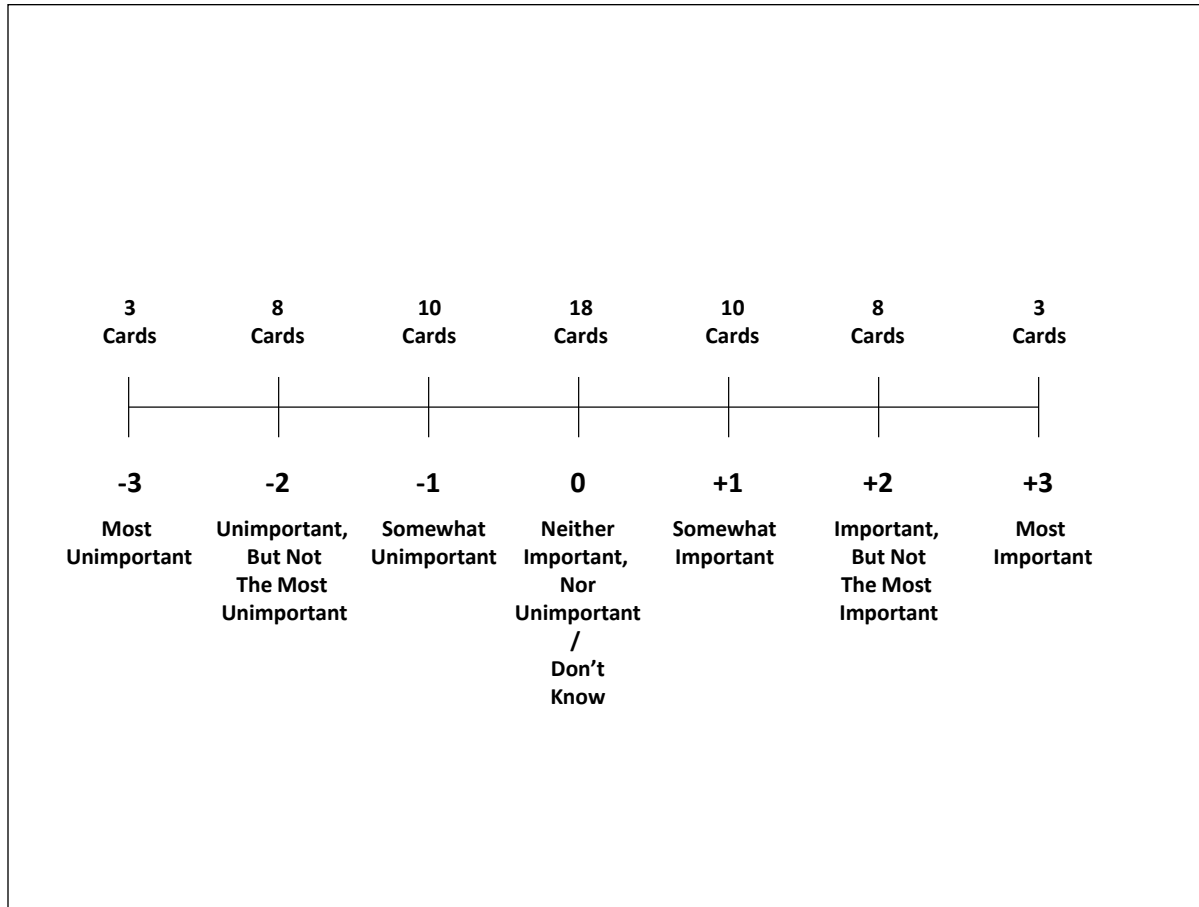
Figure 3.2. Q sort seven-point scale, showing the distribution of the cards.

I relied on the literature (Brown, 1991) in using the terms most important and most unimportant to describe the range of responses, as this was said to be more effective than using the terms most important and least important because every statement was likely to have at least some importance to the participants. The language used was more definitive, making it easier for the participants to distinguish ratings within the intended range. The participants were able to readily determine the differences between ratings, and the rating differences provided useful distinctions among their perceptions. In this type of ordinal scale (Trochim, 2006), the attributes can be rank-ordered, but the distances between numbers do not have specific meaning. For example, the term *most important* (+3) is not necessarily three times more valuable than the term *somewhat important* (+1).

Aside from scale issues, McKeown and Thomas (1988) also provided advice on the Q sort process itself, starting with carefully designing the "conditions of instruction" (p. 30) to provide to the participants. They noted how important it is to use care in the language used so as to have the participants perform a Q sort properly. The authors reinforced the central point that the participants would sort the statements and assign their values according to the "psychological significance" (p. 35) they had for them, without any prior meaning having been established by the researcher. I used a forced ranking approach (Brown, 1991), with the participants sorting the cards according to a fixed distribution, as also shown in Figure 3.2. As shown in Appendix F, the participants were told that their end results would be a distribution having a relatively normalized bell curve (Brown, 1991). The distribution included approximately 63% of the information within one standard deviation, approximately 90% within two standard deviations, and nearly 100% within three standard deviations.

The participants were directed to first sort the cards into three piles: important, not important, and the remainder (neutral or unsure). Then, starting with the important pile, they were to place a card on the scale according to their perception of that action's importance. Next, switching to the unimportant pile, they were to do the same. They were told to alternate back and forth until both piles had been sorted. Then they were to go through the center pile, review the cards and either leave them in the center or sort them to one of the other places on the scale. They were told that even though all items may have had some importance, they were to force-rank them according to their own view of each statement's relative importance to the others.

After each Q sort, I collected the cards, using separator papers between each pile and a rubber band around the lot to preserve the original data. I later keyed the rating data for each statement from all of the Q sorts into a computerized tally sheet as a starting point for various

analyses. Next, taking guidance from the literature (Brown, 1980) I converted the scale numbers to a different ordinal scale consisting of the numbers 1 through 7 (see Appendix F). This conversion process was beneficial in that it provided all positive numbers for the subsequent analyses without changing the underlying relative values of the ratings themselves. The analyses consisted of various ways of calculating and sorting the data, using both Microsoft Excel and SPSS software, to understand the quantum relationships among the participants and their ratings of the Q set statements. Through these various algebraic and statistical analyses, I was able to develop various views of the information to make judgments about which actions taken by the COO were seen by the participants as the most important to the company's turnaround. Finally, I made conclusions about the results of my inquiry and shared them in a meeting with the participants to gain their feedback so I could include it in my report.

Philosophical issues. I was able to develop my results because of a core tenet of Q methodology, that being that it is within the Q sort process that participants attach a personal rating to statements that have their own value quite apart from any predetermined categorical value. This act of subjective connection lies at the heart of the qualitative nature of Q method because the participants' perceptions thereby become functionally categorized and correlated among themselves within the context of the study, not to some external set of facts. This is known as *operant subjectivity* (Brown, 1991), and the perceptions thereby become subject to factor analysis. The results of the Q sorts become "formal models" (Brown, 1991, Q sorting section, para. 7) of the researcher's understanding of the points of view involved, and there can be no question of validity because the data are wholly self-referent.

Brown (1991) pointed out the value of factor analysis in learning how each study participants' Q sort is correlated with the others. He used a simple analogy in saying that those

"which are highly correlated . . . may be considered to have a family resemblance, [with] those belonging to one family being highly correlated with one another, but uncorrelated with members of other families" (factor analysis section, para. 2). Factor analysis develops and presents the degree of variance and similarity among the participants and their perceptions regarding the turnaround action items within the context of the case. If all participants were to totally agree on the ratings for the items in the Q sort process, there would be only one factor. If, on the other hand, none of them agreed, there would be as many factors as participants. The people are what would be being measured—that is, the clusters of people who tended to sort things the same way. Ideally, there would be some variation—perhaps tied to people having different roles—but not so much variation that no one would agree on anything. Brown also introduced another concept reinforcing the impact of subjective judgment in the researcher's use of Q methodology.

He wrote that an initial set of factors is often of little value except to "serve as a vantage point" (Brown, 1991, factor analysis section, para. 5) from which to further probe the relationships by using factor rotation. The idea is that when a researcher views the original factors and gains impressions on what they mean, the researcher then adds "guesses, hunches, and notions that might come to mind" (Brown, 1991, factor analysis section, para. 5) in getting to a deeper understanding by focusing on each factor, in turn, via factor rotation, thereby seeing if new correlative relationships emerge from the data. In describing how this is done, Brown referred to Peirce's theory of abduction, saying that "rotation may be guided by '"the abductory principles of the investigator"'" (Brown, 1991, factor analysis section, para. 10). Fann (1970) described abduction as a type of inferential reasoning which goes beyond the basic explicative or deductive type of reasoning in which an answer must follow from the premises with certainty, to

the amplitative type, in which the answer need not necessarily follow from the premises, but instead arises from the less certain insights of the researcher when making judgments about the truth of the underlying hypotheses from which an answer is inferred. Brown (1991) noted that it is when using this type of reasoning that "the researcher utilizes factor analysis, not as a passive finder of Nature's truths, but as a probe into Nature's possibilities" (factor analysis section, para. 10). Fann (1970) noted that Peirce believed that all scientific breakthroughs come from these leaps of insight.

Brown (1980, 1991) noted that the interpretive process in Q methodology is also distinct from that used in R methodology. Participants' perspectives are grouped according to weighted factor scores rather than according to the more typical factor loadings. Q methodology is used to describe a population of viewpoints of people and not a population of people themselves, as is done in R methodology (Van Exel & de Graaf, 2005). In essence, the groupings coalesce according to degrees of similarity while the entire field of perspectives remains clear to the researcher. This coalition process reinforces the parallel of Q methodology with quantum theory by "render[ing] explicit the location of the observer relative to the field of observation" (Brown, 1991, interpretation section, para. 11). Importantly, because it can reveal a given characteristic independently of its distribution to others, Q methodology does not require large numbers of subjects, as R methodology does (McKeown & Thomas, 1988, p. 2). Statements are studied not in isolation, but rather in their "mutual coherence for the participant" (p. 3). To me, these qualities reinforced the suitability of Q methodology for leadership case studies.

Brown (1991) noted that results will often surprise a researcher, a situation which further reinforces the parallel with quantum theory because one cannot "know in advance . . . how many factors there will be nor what structure they will reveal" (bibliographic conclusion section,

para. 3). I took these philosophical issues into account as I reflected on the method's potential

for more general application and future research. As a student, I found these tutorials (Brown,

1980, 1991; McKeown & Thomas, 1988; Van Exel & de Graaf, 2005) to be very instructive. As

a researcher, I found the principles and resulting notion of highly valid inferential reasoning to be

powerful and liberating.

Ethical issues. The ethical issues involved in the study included my responsibilities as a

researcher to the discipline of social science research, to the participants involved, to the

questions themselves, and to the other stakeholders of the research. Regarding the discipline of

social science research, I had a responsibility to apply Q methodology with rigor, including

disclosure of my personal and epistemological positioning, efforts to control for bias, and

disclosure of any anomalies in my rendition of the process. Regarding the study's participants, I

had the responsibility to protect them from any harm—physiological, psychological, or social—

through various means including disclosure of methods, discussion of risks, protection of

confidentiality, and allowing them to review their transcripts for additions, subtractions, or edits

before including their data in the study. As for my responsibility to the questions, I was

obligated to present the study's findings as discovered and honestly interpreted, whether they

matched my inbound theoretical concepts and assumptions or not. Regarding other stakeholders,

to the extent that this study would add clarity to my previous conceptual work, I had a

responsibility to make my findings available to interested readers.

Summary of the Instructive Q Methodology Literature

Brown (1991) noted that Q has been generally well known in quantitative research circles

due to its mathematical sub-structure, but he alerted readers to its "significance for qualitative

research, as well" (introduction section, para. 2). He called out its growing acceptance for use

beyond research in academic psychology to the "fields of communication and political science,

and more recently in the behavioral and health sciences" (Brown, 1997, abstract section), all

fields in which subjectivity is of central concern. I found no mention, though, of its use in

leadership studies regarding transformational turnaround change in business. That indicated to

me that I had an opportunity to test its applicability in a new setting, something that appealed to

me as a researcher interested in integrating various literatures and methods in reaching some new

understanding about edge leadership. The qualitative aspects of leader and follower actions and

perceptions, in context with the setting and the issues involved, seemed essential to a case study

of leadership in a turnaround setting, so Brown's alert recommended Q as a method of choice for

my study. Van Exel and de Graaf (2005) stressed the method's art as well as science, something

I found appealing as a researcher in that it allows for the creative application of a method to fit

new study situations.

My review of the instructive literature on Q methodology revealed five categories of

strengths that promoted its use for my study of edge leadership at the Red Wing Shoe Company.

The categories were: subjectivity, synthesis, pragmatism, adaptability, and uniqueness.

First, Q methodology is particularly well suited to the scientific study of subjectivity

(Brown, 1991) because the statements the researcher gathers and analyzes are not only entirely

self-referent (McKeown & Thomas, 1988), they are expressed by participants within the context

of their particular case (Brown, 1991). Leadership is essentially relational among leaders and

followers (Burns, 1978) and is entirely subjective in its delivery and receipt. Q focuses on

internal measures of subjective meaning (Brown, 1991) as determined by the participants, and

not external measures as determined against a fixed set of facts (McKeown & Thomas, 1988).

The method is, therefore, essentially constructivist in nature and is highly suitable for a study of

the actions taken by a turnaround leader and the perceptions he and his senior staff members have about them. Moreover, the entire concourse of perceptions is preserved within the Q sample (Brown, 1991) and among the orthogonal factors derived from the Q sort process (McKeown & Thomas, 1988). Importantly, then, the process allows for the preservation and analysis of both individual information and summary information.

Second, because the concourse reflects a study's participants' perceptions within their full context, Q methodology allows the researcher to preserve the synthesis (McKeown & Thomas, 1988) among all the elements of a case (Yin, 2004). In keeping with quantum theory, what are factored within a Q methodology study are perceptions as expressed by the participants—those being ephemeral states of energy, not variables (Brown, 1997). The factors are not distinct, but rather exist together within their complementary relationships (Brown, 1997). They are also naturalistic (McKeown & Thomas, 1988) in that come from the participants' own words.

The third area of strength recommending Q methodology is that it is pragmatic (Greene & Caracelli, 1997). The method offers the benefits of utility and economy by supporting deep research on a single case using relatively few participants. Researchers with reservations about using statistical analytical tools need not fear (Brown, 1991). Q Methodology's factor analysis component has been supported by inexpensive computer software packages for over two decades now (Brown, 1980, 1991; McKeown & Thomas, 1988), and more recently, the Q sort component has become supported by Internet-enabled technology (Raadgever et al., 2008).

Fourth, Q methodology has been shown to be highly flexible and adaptable (Brown, 1991). Starting from its early acceptance within clinical psychology, it has been used in many fields including political science (Brown, 1997), health care (Cross, 2005), and natural resources

management (Raadgever et al., 2008), and seems to be growing in use. From my reading of the literature, Q methodology also seemed very adaptable for use in a business setting. It is helpful that, beyond the favored interviewing technique, multiple ways of gathering data are allowed to develop a concourse of Q statements (Brown, 1991). This allows a researcher to gather artifacts that can either aid in the development of interview questions or provide additional post-interview perspectives to the list of statements within a Q sample.

Fifth and finally, Q methodology remains relatively unique, still seen by some as a fugitive approach (Brown, 1997). For me, however, the logic of how its components fit together to develop a constructivist study supported by quantitative analysis fit the purpose of my study. It combined qualitative and quantitative means (Brown, 1991), leading to potentially greater insight for me as a researcher and greater acceptability for the research. It is a way for single case studies to develop and sustain meaningful generalizations (McKeown & Thomas, 1988). Greene and Caracelli (1997) echoed this when they wrote about the value of a mixed methods approach, saying, "the intention is to be sensitive to human agency and social processes, as well as to structured processes. The approach is holistic, so the cases themselves are not lost, and the approach is analytic, so some generalization is possible" (p. 24). I believe what Brown (1991) suggested—that Q methodology might teach that which is not possible to learn in any other way.

I am mindful of the criticisms of Q methodology. There are some who would argue that a single case with relatively few participants does not allow for generalization (McKeown & Thomas, 1988; Yin, 2004). Further, there are those who would argue that a positivist approach is the only truly scientific one. Still, others might see no difference between R methodology and Q methodology, simply describing Q as a reciprocal of its twin (Brown, 1997). In addition to my own findings, I must rely on the literature that explains the fundamental purposes and nuances of

the methodology to dispel or defend against these arguments. Finally, while I found no evidence

that Q methodology has been extensively used in studies of business turnaround leadership, the

literature detailing its use in other fields successfully recommended to me its suitability for a

study of the perceptions of a turnaround leader and his followers regarding the actions he took to

turn a company around, and I have been satisfied with its use in this study.

Previous Trial Study

I conducted a previous trial project with the CEO and senior staff of a retail food

company in 2009. The intent of the trial was twofold: first, to learn whether or not my literature-

based concept of edge leadership would be found in practice at a real turnaround company and

second, to learn and practice many, but not all, of the procedures of a Q methodology study. The

study was delimited by design in that it did not involve the latter stages of a full Q study—

specifically, the factor analysis and associated interpretation components.

The firm I studied, which I shall call A Company herein, had been in business for over 30

years, growing during that time from a single store in a private company to becoming a very

sizeable division of a larger parent company after being acquired through a series of mergers. Its

founder had led the company for nearly 30 years until he retired. Under his leadership, A

Company had prospered for many years—until it could not escape its successful past. The

company grew dramatically, eventually becoming a nationwide retailer. But, the last several

years of the founder's tenure were not as strong as had been the case earlier. Expansions into

new markets were less successful than earlier and the firm began scaling back on growth plans.

Sales began to flatten as competitors continued to expand into A Company's marketing niche.

Operating costs continued to increase and profit growth became problematic. This all occurred

because A Company was not changing to meet its customers' needs.

Customers wanted value, but they also wanted more choices of products and payment options than what A Company had traditionally offered. The customers voiced their desires to store management, but the founder resisted. He was concerned about adding what he saw as unnecessary complications and costs to the company's business model, potentially compromising its core low price oriented marketing proposition. Ironically, in the interest of preserving its core, A Company grew out of touch with its customers and both sales growth and profitability began to turn downward. This is the situation the future CEO found when he joined the firm as its executive vice president (EVP) several years before the founder's retirement.

The EVP and future CEO transferred to A Company from his previous role as president of another division of the parent firm under the assumption that he would succeed the founder when the founder retired. His career included a college degree and broad, cross-functional management and leadership experience at several business units—good preparation for his new executive role. He spent several years learning A Company's business, making observations about what changes should be made, and making some initial changes as allowed by the founder. When the founder retired, the EVP was promoted to CEO and then began to formally develop and successfully execute his turnaround program. At the time of my study, the company had stabilized, was enjoying strong current performance, and was launching a comprehensive organizational improvement and growth program.

In my trial study, I wanted to learn what specific actions the CEO took in leading the turnaround and why. I wanted to know whether or not his turnaround agenda involved a balance of transformational and transactional actions. I was also interested in his perceptions about how his actions worked and why. His staff's perceptions were likewise critical to the study. I wanted to know which of his actions, unaided by me, his senior staff members would also mention. In

other words, I sought to know how they perceived his actions in terms of importance and effectiveness. By examining both sides of the leader-follower relationship, I wanted to learn which of his leadership actions seemed to matter the most to his followers. I was able to only partially meet my goals due to the trial study's design limitations, but I learned enough to gain more confidence in the edge leadership concept and to gain confidence in Q methodology as a tool of choice for this study.

Trial study preparation and data gathering. I had first considered three qualitative methodologies: grounded theory, critical incident technique, and Q methodology. Given that grounded theory and critical incident technique both assume no bias on the part of the researcher, they would not work. I already had a viewpoint and had developed conceptual information about edge leadership and the top-25 edge leader turnaround action items that I would be seeking to validate, so Q methodology became my best choice for the study.

With that decision made, I then gained the institutional approval necessary to request the participation of A Company's CEO from its parent company's president. Next, I solicited and gained the CEO's agreement after explaining my intent, the proposed methodology, and the time commitment involved for him and his staff. As we discussed the list of other potential participants, or P set (Van Exel & deGraaf, 2005), I kept in mind what McKeown and Thomas (1988) wrote "Subject selection . . . can be governed by *theoretical* (persons are chosen because of their special relevance to the goals of the study) or by *pragmatic* (anyone will suffice) considerations" (p. 36). My considerations were both. They were theoretical—that is, informant centered—because they involved how the turnaround occurrence related to my concept of edge leadership and I needed those executives who had worked directly with the CEO in executing the turnaround agenda. They were pragmatic because I needed those executives who could arrange

their schedules to be in the office when I could make the trip to their city.

The CEO and I were able to insure a broad concourse of perceptions by selecting a P set with varying characteristics. He was the primary participant and eight of his senior staff members with varying departmental roles became additional participants. In addition to their cross-functional roles, several of them had worked under his predecessor for decades and could provide a longitudinal perspective on the company's transformation. Several had changed roles within the firm over the years and would be able to add those additional perspectives. The sample also included several leaders whose terms had been shorter, but who had come from other companies and could, therefore, provide perspectives that compared their experiences with A Company to that which they had with other firms. Importantly though, all had been at A Company before the EVP was appointed as its CEO. They had all witnessed his subsequent actions as a turnaround leader and had participated within their area of responsibility in developing, shaping, and executing the company's business agenda. With the P set arranged, I was able to complete and secure approval for the formal project proposal and associated Institutional Review Board (IRB) application.

To begin the study, I conducted a recorded interview with the CEO that began by exploring his career journey, including his education, his various positions and the lessons he took from them, and the resulting perspectives that he brought to A Company. His career profile included all six developmental elements of an edge leader. I asked about the actions he took in leading the turnaround and his reasons for taking them. Next, I conducted similar recorded interviews with the vice presidents, asking about what actions the CEO had taken, their perceptions of them, and their own participation in the turnaround agenda. In addition to the recordings, I made contemporaneous notes and journal entries, along with collecting various

artifacts. I closed the data collection phase by having the interviews transcribed and having the

participants review the transcripts for any additions, deletions, or edits they cared to make before

considering them final.

Trial study data assembly and development. I then reviewed the transcripts, isolating

the salient *action statements* that were at the heart of the study's purpose. I used highlighted the

verbatim action statements in yellow for easy identification. I then extracted those verbatim Q

statements (McKeown & Thomas, 1988) and assembled them into a Microsoft Excel workbook

to enable further examination and organization of the information. I used a basic, but effective,

column and row structure, with the columns used to organize the data by participant and the rows

used to contain the Q statements themselves. As a starting point, I transcribed each verbatim

action statement in the CEO's transcript into the worksheet with column headings that allowed

for sorting the information in various ways. I also assigned each statement a row number in

simple order of its appearance. The transcript contained a total of 68 distinct action items

recalled by him.

Q methodology requires a researcher to note the full range of participants' perceptions

into a concourse (McKeown & Thomas, 1988). To develop the concourse for this study, I next

went through each of the other transcripts in the order of their interviews in like fashion, except

that whenever a vice president's Q Ssatement showed a high content match to the CEO's initial

statement, I recorded it in a separate column but in the same row as his. The idea was to learn

how many of the actions he mentioned were also mentioned by each vice president. If there was

a leadership action statement of his that was mentioned by a vice president but not mentioned by

him, I added a new row to record it. Then, if yet another vice president mentioned one of those

same actions, I repeated the approach of adding their statement to the same row as the other vice

presidents. Certain actions ended up having only one mention. By using this method I was able to identify all of his actions, whether mentioned by him or not.

By the conclusion of my review of the transcripts, I had a total of 81 Q statements. In the second iteration of the analysis, I then developed another worksheet that added an affinity sort of the data. I simply added a column to the worksheet and assigned the number "1" to indicate that the CEO made the comment and the number "0" to indicate that one of the eight vice presidents had made it. Then I added another column to record the number of mentions that had occurred for each statement by the vice presidents, ranging from 8 to 0. By sorting the statements in descending order, I was able to gain a sense for the relative top-of-mind recollection of each of the action statements by the vice presidents. While this view did not represent an individual's value judgment about a specific action—only a Q sort process (McKeown & Thomas, 1988) would reveal that—it did give me a sense of which actions most often came to mind by the participants and, thus, revealed what they thought was important to mention. As it turned out, 35 of the actions were mentioned by only one of the nine participants and only one had been mentioned by all nine of them.

In the third iteration, I created the concourse (McKeown & Thomas, 1988) by editing the Q sample verbatim comments to remove the aberrations of normal human speech and creating shorter Q Ssatements which still represented the intent of the participants. As I did this step I envisioned how the statements would read to a participant if they were to be transferred to Q sort cards, as would have been the case in a full study.

In the fourth iteration, I used careful judgment to review and reduce the concourse to a more workable Q set. I first removed the name, level, and title associations from the data table to preserve anonymity for my pending future review with the CEO. Then I removed a number of

irrelevant outlier comments and combined the content of a number of other extremely similar

statements within newly worded Q statements. In doing this, I was careful to preserve the full

concourse of the participants' perceptions while keeping in mind the practicalities of what would

have been, in the case of a complete Q methodology study, the next stage—the participants' Q

sort process (McKeown & Thomas, 1988).

In doing this iteration, I found that eliminating the outliers was relatively easy, but it was

much harder to combine similar statements. I used extra caution by carefully reviewing my field

notes and recalling the context of their words within the overall interview sequence as I conflated

the similar sounding comments to be sure that I minimized any bias I might have about what the

participant had said. In the end, I reduced the list of 81 Q statements to a more workable 60

statement Q set suitable for a potential future, but in this case unrealized Q sort process

To enable me to gain some understanding of how the CEO's actions tied back to my

definition of edge leadership, I also added a leadership type column in the worksheet placed in

front of the Q set statement number column to allow me to identify each of the statements

representing the CEO's leadership actions as having been either transactional or transformational

in nature (Avolio & Bass, 1999; Bass & Riggio, 2006). I applied these identifiers using my

judgment based on nearly four years of extensive literature review. I also added an affinity sort

column to the enhanced Q set. In the fifth and final iteration, I sorted the statements in

descending order from the one most mentioned to those least mentioned.

Working through the iterations of developing the data for analysis was useful for my

learning. I went back over the information several times, referring back to my source data in the

transcripts, mind maps, and field notes. As Booth et al. (2003) wrote "you improve your

thinking when you encourage it with notes, outlines, summaries, commentary, and other forms of

thinking on paper" (p. 13). Given the study's design limitations, its outcomes were able to be considered only directionally, and not definitively, supportive of my edge leadership concept.

Had I been doing a complete Q methodology study, I would have been able to learn much more about how important the items were to the participants through a Q sort using a scale of importance ratings. Those ratings would have been collected and analyzed using statistical factor analysis with rotation to help me develop a much deeper understanding of the correlative relationships among the perceptions of the participants about the actions contained in the Q set. For the trial project, those phases of study were out of scope and the data were not available. But I still wanted to learn as much as I could from the information I had developed, so I conducted two basic comparative analyses—one involving the enhanced Q set and another against it and my top-25 edge leader turnaround action items list. Those analyses were revealing in their own right regarding the theoretical work I had previously done.

Trial study analyses, findings, and associated themes. My first analysis demonstrated the value of the enhanced affinity sort approach. I was able to identify which of the CEO's actions had the greatest top-of-mind recall by his vice presidents and whether or not those actions were transactional or transformational in nature. In reviewing the data, I inferred that simple unaided recall meant at least a basic level of importance for the participant. In other words, if something was not important, why then mention it? The one action that was mentioned by all the participants was a transformational item that involved holding collaborative off-site workshops on competitive situation analysis, strategy development, and goal setting with other senior leaders. The second most often mentioned action item was also a transformational action; it involved a reorganization the CEO led to develop focused executive ownership of three key areas. Another key transformational action, listed seventh, was that of creating a compelling

vision statement, reflecting making a difference in people's lives. These actions were all ones in which the CEO engaged his leadership team in the collaborative work of advancing his turnaround agenda.

Six of the top-10 leadership actions mentioned in the Q set (60%) were transformational items. Given that the transactional approach to business is ubiquitously trained and well understood, this result was a bit surprising to me. I was even more surprised when going a bit deeper into the data. Within the top-15 leadership actions mentioned, 10 (67%) were of the transformational type, and within the top-20 items, 14 of them (70%) were transformational. To me, this indicated that by engaging both the heart and the mind (Bass & Riggio, 2006), transformational leadership actions create a heightened level of follower awareness and recall.

I also reviewed the Q set data in comparison to my theory-based list of the top-25 edge leadership turnaround action items and found that my top-25 list held up well under scrutiny. All 25 items on the list, five of which I identified as transactional in nature and 20 of which I identified as transformational in nature were each reflected one or more times by the 60 action statements in the Q set. There was a fair balance among the top-four items receiving four or more Q set mentions each (comprising a total of 25 Q set statements). But, even that short list leaned toward the transformational leadership type. Of the total of 25 Q set statements reflected in those top-four of the top-25 action items, 14 (or 56%) were of transformational items and 11 (or 44%) were of transactional items. To me, this validated the premise that when a leader is first taking hold of a firm (Gabarro, 1987), transformational leadership augments, but does not overshadow the required transactional leadership behaviors (Avolio & Bass, 1999).

However, once that occurs, there appeared to be a much stronger lean on the part of followers' recall toward transformational leadership. A bit deeper cut of the Q set statements in

comparison to the top-25 list revealed that. Of the top-eight items receiving three or more mentions each (comprising 37 Q set statements in total), 23 (or 62%) were transformational and 14 (or 38%) were transactional in nature. And of the top-12 items which received two or more mentions each, (comprising 47 Q set statements in total) transformational items were mentioned 31 times (66%) and transactional items were mentioned 16 times (34%). These results told me that once the steps to stabilize A Company were identified and set in place, the CEO's transformational actions became much more prominently recalled by its leadership team.

I was not surprised that I had found transformational leadership being practiced by the CEO at A Company, but I was surprised at the degree of its prominence in the collective recall of his vice presidents as evidenced by their interview data. And I was gratified to see the parallels among my analyses, one of which compared their data with a prominent theory of leadership (Bass & Riggio, 2006) and the other of which did so with my own literature-based list of the top-25 edge leader turnaround action items.

Trial study conclusions and discussion. Leadership is essentially a relational phenomenon among leaders and followers, and is highly subjective in both delivery and receipt (Rost, 1991). Therefore, I needed a research method that would help me understand both what the leader did and how he and his followers perceived his leadership in their own terms. Through the trial project, I found such an approach in Q methodology (Brown, 1991; McKeown & Thomas, 1988). As an essentially qualitative approach interested in the meaning of things, Q methodology provided an excellent fit for the study of leader and follower perceptions.

My review of the literature revealed, and my trial study confirmed, five broad categories of strength that promote its use for this purpose: subjectivity, synthesis, pragmatism, adaptability, and uniqueness. Q methodology is also highly pragmatic (Greene & Caracelli, 1997); it supports

a constructivist study backed up by quantitative analysis, an approach that supports the purpose of my work. By combining qualitative and quantitative means (Brown, 1991), Q methodology leads to greater insights for the researcher and greater acceptability for the research. This is a way for single case studies to develop meaningful generalizations (McKeown & Thomas, 1988). The trial study supported my previous work in several ways. I found edge leadership in place; the CEO demonstrated all six developmental edge leader characteristics. His actions were shown to be largely transformational when analyzed against the full Q statements list and my top-25 list, thereby, at least partially validating my work over nearly four years of study and research.

Despite feeling comfortable with what I found through the trial study, I recognized that a number of gaps still existed to be filled through further study. First, I realized that only by conducting a full Q methodology study of another leader's actions in a different business turnaround setting would I be able to gain the depth of information and insight that I would need to go beyond these directional findings to more definitive ones that would be seen by others as more generalizable. Second, although I have been a food industry business practitioner, I knew I would benefit as a researcher from going beyond the food industry setting to apply my edge leadership concepts and research efforts to another types of organization. Q methodology has been shown to work very effectively in many settings when perceptions are central to the research question. Third, because this project did not include the Q sort phase of the method, I was not able to ascertain the participants' value judgments about the importance of the actions the CEO took. Without performing what would have been subsequent factor analysis I was also not able to fully understand the relationships among the participants' perceptions. I simply had no information about the degree of correlation of each person's individual Q statement ratings to others in their own personal concourse. Nor did I have any information about how each person's

Q statements correlated with those of other participants. Importantly, I was also unable to determine which perceptions of the participants might coalesce into a subset of those actions taken by the leader that seemed to matter more than others.   Those open issues led to my proposal for this new dissertation study.

Overall Dissertation Study Research Process

This study formally began with the approval of my dissertation concept paper and assembly of my committee. The purpose of this study was to apply and extend my previous literature and research work on the edge leadership concept to an additional case. Within a case study container, I used Q methodology to conduct the study. First, I investigated whether or not the six developmental elements of edge leadership existed in the profile of the principal participant, the turnaround leader. Second, I compared the actions taken by the principal participant to my top-25 edge leader turnaround action items list to determine how well they would compare. Third, I investigated the relationships among the perceptions of the principal participant and his senior staff about the actions that were taken to understand which actions they believed to be the most important to their success.

Sampling. Sample selection for this study was purposive (Jarvis, 1999) and involved two types of considerations: the turnaround case and the associated participants. As for the case itself, I began my search for a venue by soliciting ideas from professional and academic contacts while searching through various print and online news sources. There were specific conditions:

- A free standing company or separately managed division of a parent company.

- History to include sequential success, downturn, turnaround, and growth stages.

- Executive management with the decision authority to make substantial change occur.

The associated participants' conditions included:

- Primary participant to have been responsible for the turnaround and growth stages.

- Secondary participants to have been with the firm for two years or more.

- Secondary participants to have variable, cross-functional executive responsibilities.

- Secondary participants to have participated in developing the turnaround plan.

- Secondary participants to have had the decision authority to execute the turnaround action agenda within their area of responsibility.

In addition, all participants needed to commit to the time necessary for the research:

- Primary participant—a two-hour interview; secondary—a one-hour interview.

- Up to 90 minutes each to review, potentially add to or edit, and approve their interview transcript.

- Up to one hour each to perform the Q sort process.

- If reasonably available, one hour to attend a review meeting upon conclusion.

A contact that I made through the University of St. Thomas proved fruitful. An alumnus who worked for an organizational effectiveness consulting company introduced me to the principal of his firm. We discussed my dissertation ideas and the principal suggested that I work with one of his local clients, the Red Wing Shoe Company. He arranged a meeting with Dave Murphy, President and COO. I met with Murphy on September 3, 2009 to introduce myself and the Antioch Ph.D. in Leadership and Change program, to outline the study, and to seek his institutional approval and willingness to participate. He readily agreed, and so I could proceed (see Murphy's formal approval letter, as required for IRB approval, in Appendix B).

Overall study process steps. Earlier in this chapter, I discussed the details of the specific techniques I used to conduct this study. I also earlier described my partial use of the techniques in a previous trial study. Table 3.1 illustrates a higher-level view of the overall

process steps involved in the study.

Table 3.1.

Red Wing Shoe Company Study Process Steps and Outcomes

Step	Description	Outcome
1	Proposal hearing	Approval to proceed
2	COO consultation	Final participant list (P set)
3	IRB application	Final approval to proceed
4	Field data gathering	Raw interview, document, and artifact data
5	Interview transcription	Electronic document files
6	Review COO transcript for development profile data	Substantiate six conceptual elements of edge leadership—question 1
7	Review COO and other transcripts	Identify verbatim turnaround action Q statements
8	Load Q statements into database	Capture full concourse of action statements
9	Edit and conflate Q statements	Develop rationalized concourse in Q set
10	Identify Q set statements as transformational or transactional	Determine balance of COO leadership approaches
11	Compare Q set to top-25 edge leader turnaround action items list	Substantiate or modify literature-based top-25 turnaround edge leadership action items list—question 2
12	Transfer Q set to Q sort cards	Prepare for Q sort process
13	Conduct Q sort with all participants	Obtain perceptual data regarding action statements
14	Factor analysis with rotation	Determine relationships among participants and their perceptions of COO's actions
15	Develop and interpret statistical factor analysis results	Determine most important turnaround action items from self-referent participant perceptions—question 3
16	Develop study conclusions	Describe researcher point of view
17	Meet with participants	Gain feedback on experiences and findings
18	Write up study findings	Include notation of participant feedback

Note. Emphasis on steps that addressed the three study questions.

The first step was to hold a proposal hearing with my committee and gain approval for this study. Following approval, I consulted with Dave Murphy to finalize the P set list of secondary participants based on our preliminary discussion in our September meeting regarding eight senior staff people. Next, I secured approval from the Antioch Institutional Review Board to conduct the research (see IRB application in Appendix C, informed consent document in Appendix D, and list of questions in Appendix D). With all approvals in hand, I developed a

work plan and made the necessary scheduling arrangements with Murphy's administrative staff.

I then met with the participants and spent ancillary research time at the Red Wing Shoe Company offices and primary factory to gather field data. Data gathering included conducting interviews, making contemporaneous notes, reviewing documents, gathering relevant artifacts, making a plant tour, taking pictures, making field journal entries, and submitting the interview files for transcription. The field data gathering phase ended when the participants reviewed and approved their transcripts.

Once the transcripts were finalized, I reviewed them using the techniques I described earlier. First, I reviewed the transcript of Dave Murphy's interview to ascertain whether or not his developmental profile includes the six elements of edge leadership. This review informed the first of the study's three questions.

I then reviewed his and the other participants' transcripts and highlighted the verbatim action statements or Q samples (McKeown & Thomas, 1988) which are at the heart of the study's purpose. I extracted the Q samples and assembled them in data files that enabled me to further examine and organize the information. To develop the full concourse that Q method required (McKeown & Thomas, 1988), I edited the Q samples to create Q statements (McKeown & Thomas, 1988) that removed the normal aberrations of human speech, but preserved the participants' words and intent. I then further examined the concourse of Q statements and used judgment to remove extraneous or irrelevant outlier comments and conflate extremely similar statements. This process reduced the list of Q statements into a final Q set (McKeown & Thomas, 1988)—that is, those remaining statements which still represented the full concourse, but were edited into a form usable for the next stage of Q methodology, the participants' Q sort process (McKeown & Thomas, 1988).

I also noted the actions within the Q set as being either transactional or transformational in nature, relying on my judgment as developed from my reviews of the literature to guide the assignments. Then, I compared the Q statements in the Q set to my theory-based top-25 edge leader turnaround action items list to learn how well the action statements matched up with that literature-based list, just as I had done in my trial project. I was open to learning whether or not the top-25 list needed modification. These steps informed the second of the study's questions.

I then transferred the Q statements to individual cards that I used to conduct the Q sorts with the participants. I met a second time with the participants to conduct the Q sort process to gather their individual perceptual data about the importance of the actions that were taken. My conditions of instruction (McKeown & Thomas, 1988) required the participants to sort the Q set statement cards using a seven-point scale.

I collected and preserved each participant's ratings data during the Q sort process. After converting the scale data to an alternate ordinal scale, I loaded them into Microsoft Excel and SPSS software to conduct various analyses, including factor analysis with rotation. Factor analysis helped me develop a point of view about the quantum relationships among the variables in the Q set—that is, the participants and their perceptions of each statement. Following the factor analysis, I interpreted the data to draw conclusions about which of the actions taken by the COO were seen by the participants as the most important to the Red Wing Shoe Company's turnaround. My conclusions informed the study's third and most important question. In sum, my Q methodology study of the Red Wing Shoe Company's turnaround story, as perceived by the COO and his staff, addressed the three questions I had posed. I later contacted the participant group again to review the results of the study and then incorporated their comments about their experiences in the study and its findings in chapters 4 and 5 of this dissertation.

Chapter 3 Summary

Q methodology is well suited for a study in leadership; it five broad categories of strength that promote its use for this purpose: subjectivity, synthesis, pragmatism, adaptability, and uniqueness. While the method appears similar to its more familiar twin, R methodology, Q has a fundamentally different focus. Instead of being interested in a comparison of the turnaround leader's actions against a fixed set of hard facts, Q methodology is interested in the quantum relationships among the participants and their perceptions of those actions, all within the full context of the case (Brown, 1991). Leadership is essentially a relational phenomenon (Rost, 1991) and Q methodology is essentially focused on relationships and meaning. Q methodology is also highly pragmatic (Greene & Caracelli, 1997); it supports a constructivist study backed up by quantitative analysis, an approach that supports the purpose of my work. By combining qualitative and quantitative means (Brown, 1991), Q methodology leads to greater insights for the researcher and greater acceptability for the research.

In chapter 4, I report on the conduct and results of the study. I describe the case, including the firm's history, downturn, turnaround, and current performance. I then describe the leader's development profile and compare it to the six conceptual elements of edge leadership. Then I compare his actions in leading the turnaround to my top-25 edge leader turnaround action items list and describe them as either transactional or transformational in nature. I describe the perceptions of the leader and his staff about his actions and discuss the quantum relationships among their perceptions within the context of the case. Finally, I discuss my learning about which of the actions seemed to the participants to be the most important to the turnaround.

Chapter IV: Findings of the Study

The purpose of this study was to build upon my previous research by examining the case of Dave Murphy, president and COO of the Red Wing Shoe Company, a turnaround leader who led his firm back to health and then sustained it over time. Murphy was the principal participant, along with eight members of his senior staff.

The study focused on three issues. First, I sought to substantiate my edge leadership concept by learning whether or not the six elements I had proposed from my earlier research were present in Murphy's profile. Second, I sought to substantiate my previous work of identifying the actions edge leaders take in leading a turnaround by comparing Murphy's actions to my top-25 edge leadership turnaround action items list. Third, I sought to understand the relationships among the perceptions of Murphy and his senior staff about his actions and identify which of them they saw as the most important to the company's success.

Because the situations Murphy and his staff worked through had their roots in the history and culture of the company, it is important to begin my discussion of the study's findings by briefly recounting the company's history, downturn, turnaround, and current performance. I do this in ways that do not reveal financial details that have not been made public because the company is privately held. Next, I describe the population (P set) of participants. I address the study's first question by comparing Murphy's developmental profile to the six conceptual elements of edge leadership. I address the second question by comparing my top-25 edge leadership turnaround action items list to the Q set action statements. Finally, I describe the outcomes of my statistical analyses of the perceptions of Murphy and his staff about his leadership actions and their importance to the company's success. I answer these questions in ways that preserve the anonymity and confidentiality requested by certain participants.

The Case, as Drawn From Books, Artifacts, Online Sources, and Interviews

     History. Since its incorporation in 1905, the Red Wing Shoe Company, Inc. has reflected the characteristics and culture of its ownership and the people of its small namesake city, Red Wing, Minnesota—industrious, conservative, caring, and yet, competitive on a global scale. Red Wing sits alongside the Mississippi River, 45 miles southeast of Saint Paul and takes its name from the Mdewakenton Dakota chief who sold the land used to start the city in 1853 (Marvin & Vrooman, 1986). Its riverfront location was well suited for shipping the products of the prevailing agrarian economy and for providing the necessary waterpower to support the emerging industrial economy. As Eastern citizens and immigrants flocked to the American West, the shoe industry, previously centered in New England, began to decentralize. Red Wing was a boomtown when Charles Beckman and other investors founded the Red Wing Shoe Company. Beckman, a prominent local shoe dealer, was named its first president (Sandt & Schoeweiler, 1955).

     The company focused on making high quality work boots to support farmers and other working people, with 100 employees initially making just 550 pairs a week (Marvin & Vrooman, 1986). Red Wing salesmen traveled their territories, selling to dealers, demonstrating the products at work sites, and listening to customer requests for new products and quality improvements. Production was done under the prevailing apprentice system (Sandt & Schoeweiler, 1955). The company grew quickly, doubling the size of its factory in 1908 and adding a catalog business in 1910. C. H. Boxrud, Beckman's successor, hired J. R. Sweasy as a "cost man" (Sandt & Schoeweiler, 1955) in 1914. Sweasy became the general manager in 1918 and gained the controlling interest and the presidency upon Boxrud's death in 1921 (Sandt & Schoeweiler, 1955). The Sweasy family has held majority control ever since.

In the 1920s, the company expanded further through technology innovations, new marketing programs, and a major expansion of the product line. Rubber soles were introduced, providing new improved utilities for job-specific footwear products (Marvin & Vrooman, 1986). Sales reached $1 million annually in 1923 (Sandt & Schoeweiler, 1955). Two years later, Red Wing introduced a new line of oxfords, so named after the types of half-boots worn by students at England's Oxford University (Marvin & Vrooman, 1986). Things were going very well until 1929 when the Great Depression began, leading to major changes in the company's operations.

Management implemented a 10% pay cut that year (Marvin & Vrooman, 1986) and targeted emerging markets to keep the factory running. The company invented a line of 99-cent synthetic shoes to match people's reduced buying power, and a high quality line of safety shoes to address the growing industrial market (Marvin & Vrooman, 1986). During the 1930s, despite Sweasy's focus on keeping the plant running in dire times, relations between management and the workforce became more contentious, as was the case across America. The Boot and Shoe Workers Union (BSWU) successfully organized Red Wing's production workers into Local 527 in 1933. As the depression dragged on into 1938, Sweasy was forced to impose another 5% pay cut (Marvin & Vrooman, 1986).

Then, as the prospects for war grew at the turn of the decade, the company was affected dramatically in several ways by the demands of the country's military buildup. Management secured a contract for combat boots that drove production 46% higher in 1940 to 1941 alone (Marvin & Vrooman, 1986). Orders for other military footwear products followed and production levels grew again. Labor relations were changed in two substantial ways. First, women entered the production workforce for the first time, changing its makeup forever. Second, the War Labor Board, while generally supporting unions, also decreed that no worker

could quit until after the war ended (Marvin & Vrooman, 1986). These two changes meant that, although they still operated within a historically paternalistic, top-down culture, Sweasy's management staff and the new, mixed-gender labor force were forced to cooperate to meet the needs of the military. Management and labor have been generally cooperative since that time.

Things changed dramatically again in 1949 when, upon J. R. Sweasy's death, William D. (Bill, Sr.) Sweasy succeeded his father as president & CEO. He soon undertook a major restructuring designed to move from its past top-down management style to a more modern, participative management approach (International Directory of Company Histories, 2007; Marvin & Vrooman, 1986). During Bill, Sr.'s 42-year tenure as CEO, management continued to innovate in the firm's marketing and product development efforts. For example, the company commissioned new marketing programs featuring artwork by Norman Rockwell; introduced the hugely successful Irish Setter brand of sport boots (Marvin & Vrooman, 1986); greatly expanded the domestic and international independent dealer and company-owned retail network; added new lines of Lady Red Wing shoes; developed the Vasque brand of outdoor boots and shoes; and developed new work shoes for specific emerging markets such as computer operations, healthcare, and security services (International Directory of Company Histories, 2007).

In 1972, Sweasy appointed 30-year veteran Ole Jensen as president, but retained the chairman and CEO roles for himself (International Directory of Company Histories, 2007). Under Jensen, production grew to 7,500 pairs per day (Marvin & Vrooman, 1986). When Jensen retired in 1985, he was succeeded by William J. Sweasy (Bill, Jr.), who became the third generation of the family to hold a top leadership role in the company.

The firm secured a dedicated source of leather in 1986 by acquiring the S. B. Foot Tanning Company and added substantial production capacity in 1994 by opening new plants in

Potosi, Missouri and Danville, Kentucky (International Directory of Company Histories, 2007).

Father and son ran the company together for the next six years until Bill, Sr. retired in 1991 and

Bill, Jr. assumed his chairman and CEO roles (International Directory of Company Histories,

2007).

Downturn. Bill, Jr. remained president, chairman, and CEO until 1995, when he

appointed Joseph Goggin as president while remaining chairman and CEO (International

Directory of Company Histories, 2007). Under Goggin, the company restructured around its

major brands: Red Wing (high-quality work products), Irish Setter (hunting and sports products),

Vasque (hiking and camping products), and WORX (mid-quality work products). Over the next

six years as the numbers of brands, styles, and new markets proliferated, sales increased over

20%, but profits rapidly declined (Duff & Phelps, 2010; International Directory of Company

Histories, 2007). The profit drain was due to a number of factors, including the company's

paternalistic culture's employment-for-life dimension, radically increasing healthcare costs, and

the additional inventory and infrastructure costs associated with the company's complex business

model.

By 2001, a severe downward spiral in profitability was occurring. Goggin retired after

nearly four decades of service and Bill, Jr. appointed Dave Murphy as president and COO in July

of that year (International Directory of Company Histories, 2007). It was clear that a turnaround

was needed.

Turnaround. Murphy had the benefit of being both an insider and an outsider as he

joined Red Wing as its new operating leader. He was an insider in the sense that he had joined

the company's board of directors three years earlier when he was a senior executive at General

Mills. He had retained his board seat when he left General Mills during a restructuring after 23

years there and was subsequently hired to run a small, troubled publishing company. Notably, Murphy successfully learned the publishing business while leading that firm as its president and CEO for two years. He and his partner turned it around and sold it when he became the COO of Red Wing Shoes.

Murphy moved quickly to take the reins of daily operations. Prior to even accepting the job, he had secured full operating authority from Sweasy, feeling it necessary if he was to be successful. As a board member, he had inside knowledge of some of the management issues he inherited and about a downsizing initiative that had been started several months before he was named COO. He used that knowledge to his advantage by working with other senior leaders to promote some people to new positions and reassign others within days of taking on his new role.

Yet, Murphy was still an outsider. He quickly found that he had a lot to learn about the underlying details of the firm's operational issues. He used that quasi-outsider position to his advantage by using the opportunity to look at the company in a fresh way and assess what needed to be done. Still, he was known to the staff and had earned some prior credibility, a situation that allowed him to make and implement decisions quickly.

Murphy worked with his new team to stop the profit drain and stabilize the company within about 18 months (Duff & Phelps, 2010). He quickly took a number of essentially transactional basic business management actions that were badly needed at Red Wing Shoes. One example was that he simply declared the previous results unacceptable. It was clear to Murphy that many people did not know how bad things had become, and by that simple act, he set a new context by making the true situation explicitly obvious to them. At the same time, he was committed to staying with and building upon the core strengths of the company, such as its longstanding reputation for unique, job-specific utilities and consistently high quality in its

industrial footwear business.

In other cases, his actions were essentially transformational; they addressed long-standing cultural issues through structural means. For example, he deliberately moved away from the company's traditional paternalistic, top-down, directive approach. Murphy stopped just issuing orders and instead empowered his management team with the authority to make their own decisions, and then held them personally accountable for results. He also moved away from the previous brand-oriented organization structure to one broadly focused on how the products were used by consumers. He created new divisions that brought the work-related (Global Work) and recreation-related (Global Outdoor) brands into alignment with their different customers.

Sales fell somewhat in Murphy's first full fiscal year as COO, in part due to a recessionary economy and in part due to some deliberate scaling back; however, operating profitability radically improved (Duff & Phelps, 2010). By the end of fiscal 2003, his second year, the company had recovered its sales levels and established a solid earnings rate, thus allowing Murphy and his team to begin a number of new growth initiatives. These included co-marketing agreements with Carhartt and Sears, introducing new lines of products such as European lifestyle shoes, motorcycle boots, women's casual shoes, and shoes for the Japanese market (International Directory of Company Histories, 2007). As the company celebrated its centennial in 2005, Murphy went after opportunity in the international market by creating a new business unit, hiring a new leader for it, and setting ambitious growth targets. To address competitive cost issues, he expanded the company's partnerships with its Chinese affiliates for certain product lines. Yet, he carefully maintained a strong domestic manufacturing presence for the company's flagship brands while most of his competitors eliminated all domestic production. Global production reached over 22,500 pairs per day (International Directory of Company

Histories, 2007).

Murphy maintained the company's core strategies of focusing on its traditional work-related products and its century-old reputation for comfort and quality. By fiscal year 2008, before the onset of an extreme global recession, sales were nearly one-third higher than in fiscal year 2003 and profitability had improved at an even greater rate (Duff & Phelps, 2010). Debt levels had been greatly reduced and the company was positioned for continued growth. Then, the extreme global recession of 2008 set in, bringing forth new capacity and inventory related challenges, and Murphy took additional actions to address them.

Current performance. Despite substantial marketing efforts, sales fell in fiscal year 2009 as the recession deepened. Murphy took action to maintain performance as much as possible, including restructuring his management team and hiring several new leaders with specific functional expertise, undertaking additional consolidation of unneeded production capacity, commissioning supply chain improvements designed to reduce unproductive inventories and improve delivery cycle times, and investing in new information technologies. As a result, while sales and earnings did retreat from the high water mark of fiscal year 2008, both measures remained at levels consistent with prior years (Duff & Phelps, 2010). Now, in fiscal year 2010, the company continues to perform well. Murphy and his management team are moving forward on new retail growth initiatives, continued improvements in the supply chain and information technology areas, new product developments, and a new internal leader development regimen.

In their interviews done for this study, Dave Murphy and his senior team recalled that he took approximately 60 leadership actions to turn around, stabilize, and grow the Red Wing Shoe Company since he became its COO in 2001. He changed the trajectory and culture of the firm

over several years using a balance of transactional and transformational leadership approaches. On the one hand, he honored and protected the company's heritage and promoted its strengths: a deep knowledge of shoemaking; the workforce's collective loyalty, longevity, and skill; a strong dealer network; an ability to find and fill global markets; its focus on the core business of functionally-specific work footwear; and a reputation for quality. Yet, on the other hand, he moved beyond that heritage to find new strengths with which to improve results: greater focus on performance over longevity, new cost reduction programs, new growth-oriented alliances, greater focus on retail stores, and new leaders to complement his long-time staff.

Study Outcomes

Participants. The study required a "purposive sample" (Jarvis, 1999, p. 123) of participants. In this case, the sample included Dave Murphy and eight other participants who held senior cross-functional executive positions and who had operational decision authority within their area of responsibility. The P set was qualified—that is, purposely chosen based on their roles as the leaders who worked most closely with Murphy and were, therefore, either directly or indirectly the most knowledgeable about his leadership actions. Certain participants had tenure spanning Murphy's entire time with the company. Other participants had only been there for about two years. Ideally, the sample would have all been there the entire length of his tenure, but that was not possible due to leadership turnover that had occurred over the years since Murphy's appointment in 2001. Nonetheless, the participants were all qualified because they had developed their own, personally valid perceptions based on what they had experienced, heard about, or learned in other ways. Because certain participants requested anonymity insofar as their names and roles, I have used certain groupings to describe the characteristics of P set in Table 4.1.

Table 4.1.

Characteristics of the P Set, or Sample Population

Characteristic	No.
Organization Level	
President & COO	1
Executive Vice President	1
Senior Vice President	3
Vice President	4
Function	
Executive	1
Finance	1
Product Divisions	2
Supply Chain	1
Retail Division	2
Information Technology	1
Human Resources	1
Tenure	
10-30 years	4
6-9 years	1
3-5 years	2
1-2 years	2
Gender	
Male	8
Female	1

Note. Certain groupings used to preserve confidentiality.

The data. The data necessary to understand what actions Murphy took in leading the turnaround at Red Wing Shoes came directly from the transcripts of the nine recorded interviews and my notes taken during the interviews or subsequent follow-up contacts. Dave Murphy's interview was designed to serve two purposes and was, therefore, twice as long as the others. The first half of his interview probed his development profile for the data necessary to answer the study's first question about how his profile compared to the six elements of edge leadership. The second half of his interview was similar to the others in that I sought his recollections of the actions he took in leading the turnaround. In keeping with the essentially constructivist and self-

referent nature of Q methodology (Brown, 1980), these were naturalistic (McKeown & Thomas, 1988), primary data sources; the participants' own words provided the raw data. However, I recognize that some unavoidable researcher bias was present in some aspects of the data gathering process. My choice of the interview questions, my conduct of the interviews, the notes I chose to make, the follow-up contacts I made, and the process I used to extract the action statements from the transcripts all presented opportunities for bias to intrude.

In working through the process of identifying Murphy's actions, I remained mindful of this issue and tried to have as little influence as possible on the final shape of the Q set of action statements insofar as their content and context. In the end, I reduced the original 77 Q sample statements into a Q set containing 60 edited statements that represented the full concourse of actions as recalled by the participants. Table 4.2 lists the 60 final Q set statements, numbered arbitrarily based on the order in which I extracted them from the transcripts during my review process. These statements were used in the subsequent processes of mapping Murphy's actions to my top-25 edge leader turnaround action items list and conducting the participants' Q sorts (during which statement 29 was found to be in error).

Table 4.2.

Q Set Statements, Listed Arbitrarily by Number

No.	Q Set Statement
1	Assessed the business from an outsider's perspective.
2	Deliberately demonstrated decisiveness to establish leadership authority.
3	Completed downsizing initiatives that had begun prior to becoming COO.
4	Held early informal meetings with the employees and listened to their needs.
5	Made highly visible trips to meet with customers and listen to their needs.
6	Immediately changed inherited leadership organization structure and assignments.

7   Immediately declared previous business results unacceptable.

8   Declared intent to quickly make necessary improvement changes.

9   Established new and wider focus on key performance metrics and results.

10   Stated personal confidence in the company's growth potential.

11   Declared respect for, and pride in, longstanding company heritage, but stated need to change, as well.

12   Exhibited personal pride in the Red Wing brand and being chosen to lead the organization.

13   Acknowledged and visibly demonstrated personal leadership responsibility.

14   Declared clear strategic direction toward executing on business fundamentals.

15   Set example on quality standards by stopping production of a boot line due to a blister problem.

16   Sent a personal letter to dealers reinforcing the company's quality standards.

17   Initiated several restructuring efforts to reduce silo management issues.

18   Deliberately promoted a tough manager due to need to focus on results.

19   Declared intent to take all actions necessary to preserve the firm.

20   Met personally with the labor union to set new expectations for negotiations.

21   Secured three-year union contract with no change in wages and more flexible work rules.

22   Consolidated production in Red Wing - from two factories to one, and reduced shifts.

23   Promoted a shift from a formerly paternalistic culture toward a new performance-based culture.

24   Demonstrated personal eagerness to learn the details of the shoe business.

25   Personally worked several shifts in the factory to learn and connect with employees.

26   Described personal vision and enthusiasm for the firm's prospects with other executives.

27   Instilled professional management techniques from previous experience—meeting management, project management, compensation system, etc.

28   Focused on setting, planning, and accomplishing yearly budget targets.

29   Consolidated production: closed Potosi, Missouri factory.

30   Fostered various community involvement initiatives.

31   Established an open and realistic communication approach about company performance with employees.

32   Empowered and enabled senior managers, with clear accountability for results.

33   Promoted a shift from a manufacturing-focused culture toward a customer-focused culture.

34   Reinforced product quality by learning and maintaining premium engineering standards.

35   Supported new lean manufacturing initiatives in Supply Chain.

36   As results improved, sought new ways to grow the business.

37   Improved dealer relations through dialogue and establishment of a dealer advisory board.

38   Developed and deployed new marketing programs.

39   Emphasized international segment growth by establishing structure and hiring a leader.

40   Expanded business relationships with Chinese affiliates.

41   Celebrated company earnings and stock value increases.

42   Over time, expanded focus on long-term strategy.

43   Substantially reduced debt to equity performance.

44   Maintained process improvements once secured through projects.

45   Restructured Research and Development several times.

46   Recruited outside senior leaders to mix with long-term inside leaders.

47   Invested in various ongoing functional improvement initiatives.

48   Integrated the tanning business and improved it over time.

49   Repeatedly communicated message of "make great shoes and sell a lot of them profitably."

50	Spoke personally with employee groups to gain their understanding of key issues.
51	Focused on core industrial work segment sales growth.
52	Held off-site strategy and alignment meetings with senior leadership.
53	Established regular comprehensive cross-functional management meetings.
54	Personally modeled informal communication approaches.
55	Consolidated production—closed Danville, Kentucky factory.
56	Approved new business partner staffing model in HR, finance, and IT.
57	Approved improvement initiatives for the retail organization.
58	Supported basic employee learning and development programs.
59	Maintained United States manufacturing capability.
60	Fostered enterprise inventory reduction initiative.

First question—seeking six elements in Murphy's profile. I answered the study's first question by comparing Dave Murphy's developmental profile to the six conceptual elements of edge leadership. I reviewed the transcript of his two-hour interview and highlighted the relevant information regarding his experience, emotional and social awareness, leadership thinking at various management levels, competencies, individual and organizational learning, and application of transformational leadership practices. I also held several meetings with him to clarify certain information.

As for the first element, his experience was broad, deep, and generally successful. Even while still in college, Murphy had deliberately constructed a varied and purposeful methodical resume by attending schools in opposite areas of the country and working in different organizations during the summers. Then, early in his career at General Mills, he was identified as an emerging leader, then was developed aggressively, and ultimately held a number of key

management roles over a long career. Later, as I have noted, after leaving General Mills, Murphy had quickly turned around and sold a small publishing company.

Murphy demonstrated the second element of emotional and social awareness in several ways. He described himself as being very self-aware and open to the feedback he received from his bosses, peers, and subordinates. He reflected on his strengths and weaknesses as manifested by the results of his experiences in different types of leadership roles. It was evident that, over time, he had come to know himself well. Murphy made deliberate choices about ways to directly communicate and interact with others that indicate his awareness of the impact of his words and actions as a leader.

Dave Murphy also demonstrated the third element of edge leadership; he learned how to think differently about leadership challenges and opportunities as he passed through various levels of the organizations in which he worked. As he was being developed at General Mills, he was given many diverse and increasingly more complex assignments and challenges to manage. He was mentored by the company's most senior executives and took on numerous projects with high visibility. Murphy sat in on General Mills' board meetings, in which he learned how senior managers thought. He was also provided many opportunities to work with leaders in other companies, in government and industry affairs, and in highly visible civic campaigns.

It was clear that Murphy had also developed the fourth element of edge leadership, the competencies to fit his role. His education in economics and finance supports the management skills that he had developed and honed over the years. He had training and experience in public relations, labor relations, public speaking, collaboration, negotiation, and corporate governance to support his many leadership roles. He led numerous change-related projects at General Mills, demonstrating his ability to lead turnarounds of both major brands and large business units.

Murphy also demonstrated the fifth element, a zest for continuous learning. He earned degrees from Dartmouth and Stanford, both well-respected institutions. He experienced four major transformative learning events (Mezirow, 1994): succeeding in a Betty Crocker division turnaround, failing as the president of the Big G division, succeeding as president of General Mills Canada, and succeeding again in turning around the publishing company. His reflection on those learning events revealed to him that he had been the most successful as a leader when managing an entire business rather than working in a matrix environment as a peer member of other senior managers. He traveled globally and extensively as he worked with various General Mills business units on systemic business improvements and with leaders from other companies on collaborative ventures. He understood the role of the leader in defining purpose and meaning. That is why he insisted on operating control upon accepting his current position. During his development at General Mills, he took something new from the various roles he had, training he received, and bosses he worked for. He attended various executive conferences, learning from the top-20 General Mills leaders. In sum, Dave Murphy showed that he was a constant on-the-job learner for his own benefit and for that of the organizations he led.

As for the sixth element of edge leadership, Murphy demonstrated the ability to understand and instill transformational change by leading several substantial successful change initiatives. While working as a top lieutenant for a charismatic General Mills division head, Murphy helped design a turnaround strategy and lead the division to unprecedented success in just two years. By later leading the publishing company turnaround, he showed that his skill was not just industry specific. And, he did it again in yet another completely different industry at Red Wing Shoes. But, despite his skill in leading transformational change, I learned that Murphy did not relate to the continuum of transformational and transactional leadership (Bass &

Riggio, 2006) in conceptual terms; he simply understood which actions were necessary to instill

beneficial immediate, mid-term, and long-lasting change. He used a balance of both types in

doing the job, but did not think of them in theoretical terms.

Table 4.3 illustrates the details of how Murphy's profile compared to the six elements of

the edge leadership concept.

Table 4.3.

Comparison of the Six Conceptual Elements of Edge Leadership to David Murphy's Developmental Profile

Edge Leadership Elements	David Murphy's Developmental Profile Elements

Varied Experience	• Reported being methodical in building a resume; while in college, worked for:
	   o A bank.
	   o An outdoor power equipment company.
	   o A hospital.
	   o A consumer packaged goods company.
	• Worked at General Mills for 23 years; had many different roles.
	   o Held marketing and management positions.
	   o Different products, brands, divisions, countries.
	   o Was moved and developed with purpose.
	   o Had lengthy and robust career.
	• Co-owned and managed a publishing company after General Mills.
	• Held three different Red Wing Shoe Company (RWS) roles since 1998.
	   o Member of the board of directors.
	   o Non-executive chair for 1.5 years in 2000-2001.
	   o President and COO since 2001.

Emotional Intelligence	• Gained 360 feedback from peers, bosses, and subordinates. • Reflected on Big G Cereals leadership and noted some personal deficiencies. • Connected Canada and Betty Crocker experiences; needs to run the whole business. • Felt his return to a corporate matrix position after Canada was not best for him. • As a RWS board member, saw interactions of executives, CFO, and CEO were not right. • In taking the RWS COO role, made clear with the CEO his need for operating control. • Now tries to make RWS CEO's job easy by running the business well. • Tries to be direct; feels is not being fair if let unsuccessful people ride. • While not fully comfortable with conflict; tries to use it as appropriate. • Sets broad objectives for staff; empowers them to handle the details; coaches as needed. • Demonstrates and fosters an informal style with associates and employees.

Passages Through Levels	• Was identified as a player to develop aggressively.
	• Managed different marketing orientations, e.g., big brands vs. commodities.
	• Had many different assignments; advanced quickly.
	• Was mentored by former General Mills CEO; considered a protégé.
	• Was mentored and pushed by General Mills division head; worked as his key lieutenant.
	• Was sent to General Electric for brief training; met Jack Welch.
	• Served on industry boards in Washington, D.C and elsewhere.
	• Sat in on General Mills board meetings; were "high test forums" with senior executives.
	• Led work on major, rapid Betty Crocker division turnaround.
	• Became youngest General Mills vice president ever.
	• Managed half of General Mills product lines, as well as the administrative staff.
	• Struggled as president of Big G cereals; had share declines; was removed after two years.
	• Was offered leadership of General Mills Canada; had the whole business.
	• Ran $350m General Mills Canada; independent, smaller, less important, yet more fun.
	• Returned to General Mills corporate in a senior, matrix role.
	• Lost his matrix position at General Mills in reorganization by a new CEO.
	• Became successful publishing company turnaround entrepreneur for two years.
	• Moved from Red Wing Shoe Company board member to non-executive chair to COO.
	• Feels was divinely led to role at Red Wing Shoe Company; has a sense of mission.
Competencies for the Role	• Became skilled in marketing, public speaking, public relations, collaboration.
	• Gained substantial professional management expertise in varying circumstances.
	• Was trained and became skilled in Economics and Finance.
	• Had broad range of responsibilities: brands, divisions, partnerships, services, locations.
	• Led civic campaigns: United Way, American Cancer Society, and Junior Achievement.
	• Developed ability and preference to run the whole business.
	• Participated and led substantial change regimens in various circumstances.
	• Demonstrated turnaround leadership: cake mix business, publishing business.
	• Was directly involved in labor relations.
	• Held pro-bono senior leadership roles in substantial community campaigns.
	• Held various board memberships; learned corporate governance.

Zest for Continuous Learning	• Attended Dartmouth College; undergraduate Economics degree.
	• Attended Stanford Business School; graduate MBA degree.
	• Learned based on new roles; 90% of training was on-the-job.
	• Tends to think that going to classes and a lot of academics don't have much value.
	• Learned from different jobs and bosses; took some good, some bad.
	• Had public speaking and public relations training.
	• Attended "some classes" while at General Mills.
	• Learned while attending executive conferences with top-20 General Mills leaders.
	• Traveled extensively in Latin America, Europe, and Asia; some travel to Africa.
	• Learned by co-chairing various ventures with leaders from other major food companies.
	• Transformative learning—Betty Crocker team: goals, joint effort, and joint success.
	• Transformative learning—Big G Cereals role: lacked leadership, struggled, was replaced.
	• Transformative learning—General Mills Canada; reflected, learned, renewed confidence.
	• In Canada, learned what he loved; having his fingerprints on the whole business.
	• Learned new publishing business after leaving General Mills.
	• Learned the details of the global shoe business and Red Wing Shoe operations.
	• Continues to learn primarily from board memberships.
Ability to Understand and Instill Transformational Change	• Led the first GE-like leadership development workout sessions at General Mills.
	• Noted charismatic style of division head; people would take risks to please him.
	• Noted division head's ability to empower his team yet remain decisive and in charge.
	• Met with facilitator; set a new strategic course for Betty Crocker division.
	• Transformed Betty Crocker division; set 12 three-year goals, achieved all in two years.
	• Became aggressive about performance measurement and compensation.
	• Compared BC team to 1980 US Olympic hockey; has sought to build own similar teams.
	• Noted no one wanted to leave BC team; said was the best three years of his career.
	• After General Mills, turned a publishing company around in two years and sold it.
	• Genuine in seeking new ways to make Red Wing Shoe Company a great place to work.
	• Used a balance of transactional and transformational actions in Red Wing turnaround.
	• Continues to seek new ways to improve the business; sponsors senior staff ideas.
	• With new senior staff in place, is now working on overall leader development initiatives.

Second question—seeking to substantiate the top-25 list. I answered the study's second question by comparing my top-25 edge leadership turnaround action items list to the Q set action statements. In making the comparison, I relied on my judgment based on my interpretative editing of the interview data into the Q set statements and my earlier interpretation of the literature when I first developed the list. Table 4.4 shows that 23 of 25 (92%) of the top-25 items mapped to 59 of 60 statements in the Q set, while two top-25 items did not (note that I did not include statement 29 in the comparison because it was an error). One Q set statement mapped to two items in the top-25 list. Importantly, there were no valid Q set statements that did not map to at least one of the items in the top-25 list.

The two top-25 items that did not match involved the conceptual understanding and communication of the characteristics of change by the leader. As mentioned, Murphy did not fully relate to the conceptual continuum of transactional and transformational leadership, even though he used both types. He also did not define change as a long-term process with its own patterns and rhythms in working with his team. Instead, he simply set broad goals for each year in succession, the collective results of which ultimately constituted the turnaround. When I discussed these findings with Murphy, he agreed with my assessment and then noted that his senior team had been becoming more vocal recently about the need for more long-term planning (David Murphy, personal communication, May 11, 2010). During a later meeting we held with his team to discuss the study's outcomes, Murphy fostered the new approach.

This was the second time that I used this mapping approach; in my trial study I found that all 25 items mapped to that leader's actions. The top-25 list and associated taxonomy now has support from the literature, from two case studies, and from my own extensive experience in leading large scale change. I believe the list to be viable and worthy of further study.

Table 4.4.

Top-25 Edge Leadership Turnaround Action Item List Comparison to 59 Q Set Statements, With 23 of 25 Mapped Successfully

Top-25 Edge Leadership Turnaround Action Item	Supporting Q Set Statements
Understanding the continuum of transactional and transformational leadership.	• N/A—but did use both types of actions.
Promoting transformational leadership while balancing the transactional form.	• Promoted a shift from a formerly paternalistic culture toward a new performance-based culture. • Promoted a shift from a manufacturing-focused culture toward a customer-focused culture. • Emphasized international segment growth by establishing structure and hiring a leader.
Seeking only beneficial outcomes—that is, maintaining moral intent.	• Declared intent to take all actions necessary to preserve the firm.
Assessing and defining reality in clearly understood terms.	• Assessed the business from an outsider's perspective. • Immediately declared previous business results unacceptable. • Established new and wider focus on key performance metrics and results.
Questioning the assumptions that frame and limit the current reality.	• Declared respect for, and pride in, longstanding company heritage, but stated need to change, as well. • Expanded business relationships with Chinese affiliates.
Applying industry wisdom and experiential intuition to the problems at hand.	• Reinforced product quality by learning and maintaining premium engineering standards. • Focused on core industrial work segment sales growth. • Maintained United States manufacturing capability.
Creating demand for change using dialogue, logic, and emotion.	• Immediately declared previous business results unacceptable. • Declared clear strategic direction toward executing on business fundamentals.

Serving others authentically in ways that promote their own respect and growth.	• Fostered various community involvement initiatives.
Empowering, engaging, and encouraging others in creating a better future.	• Empowered and enabled senior managers, with clear accountability for results. • Improved dealer relations through dialogue and establishment of a dealer advisory board. • Recruited outside senior leaders to mix with long-term inside leaders.
Developing a collaborative, creative, and compelling vision of possibilities.	• Held off-site strategy and alignment meetings with senior leadership.
Catalyzing change through various intentional alignment approaches.	• Initiated several restructuring efforts to reduce silo management issues. • Established regular comprehensive cross-functional management meetings.
Defining change as a process with foreseeable patterns and rhythms.	• N/A. Instead, used a year-to-year episodic approach.
Establishing a systemic view of the organization and its stakeholders.	• Supported new lean manufacturing initiatives in Supply Chain. • Integrated the tanning business and improved it over time.
Expressing confidence in ultimate success when done with the process.	• Stated personal confidence in the company's growth potential. • Described personal vision and enthusiasm for the firm's prospects with other executives.
Communicating the purpose and initiatives through powerful narrative.	• Held early informal meetings with the employees and listened to their needs. • Made highly visible trips to meet with customers and listen to their needs. • Sent a personal letter to dealers reinforcing the company's quality standards. • Met personally with the labor union to set new expectations for negotiations.

- Established an open and realistic communication approach about company performance with employees.
- Repeatedly communicated message of "make great shoes and sell a lot of them profitably."
- Spoke personally with employee groups to gain their understanding of key issues.

Modeling the behaviors expected of others—remaining highly self-aware.

- Exhibited personal pride in the Red Wing brand and being chosen to lead the organization.
- Personally modeled informal communication approaches.

Using power and incentives as needed to calibrate and reinforce the change effort.

- Set example on quality standards by stopping production of a boot line due to a blister problem.
- Deliberately promoted a tough manager due to need to focus on results.
- Instilled professional management techniques from previous experience.

Taking hold and stabilizing the business as a condition of beginning a turnaround.

- Deliberately demonstrated decisiveness to establish leadership authority.
- Completed downsizing initiatives that had begun prior to becoming COO.
- Immediately changed inherited leadership organization structure and assignments.
- Secured three-year union contract with no change in wages and more flexible work rules.
- Consolidated production in Red Wing from two factories to one, and reduced shifts.

Creating quick wins that establish credibility and fund additional future change.

- Focused on setting, planning, and accomplishing yearly budget targets.
- Celebrated company earnings and stock value increases.
- Substantially reduced debt-to-equity ratio.

Building on success by consolidating early wins and pressing forward.

- As results improved, sought new ways to grow the business.
- Maintained process improvements once secured through projects.

Balancing urgency and patience in guiding and reinforcing the change.

- Declared intent to quickly make necessary improvement changes.

Promoting learning on everyone's part as events unfold.	• Demonstrated personal eagerness to learn the details of the shoe business. • Personally worked several shifts in the factory to learn and connect with employees. • Supported basic employee learning and development programs.
Remaining reflective, flexible, and adaptable as learning occurs.	• Developed and deployed new marketing programs. • Restructured Research and Development several times.
Demonstrating perseverance and resilience when the going gets tough.	• Acknowledged and visibly demonstrated personal leadership responsibility.
Enhancing the organization over time to fit the changes being made.	• Over time, expanded focus on long-term strategy. • Invested in various ongoing functional improvement initiatives. • Consolidated production—closed Danville, Kentucky factory. • Approved new business partner staffing model in HR, finance, and IT. • Approved improvement initiatives for the retail organization. • Fostered enterprise inventory reduction initiative.

Third question—identifying perceptions of the most important actions. To answer the study's third question, I conducted both interpretive and statistical analyses. They enabled me to understand the relationships among the perceptions of the COO and his senior staff and to identify which actions were seen by them as the most important to the company's success.

Interpretive analysis. First, as I had done in my earlier, trial study, I sorted the Q statements in rank order of the frequency of their mention in their interviews by the collective P set, with the most frequently mentioned at the top of the listing. The idea was that one might infer a level of importance for a particular action based on how many people, when responding to the same interview question, would mentioned the same action as having been taken. I also noted whether the items were mentioned by the COO or some other participant and, based on conceptual guidance from the transformational leadership literature (Bass, 1985; Bass & Riggio, 2006), I identified each action as being either a transactional or transformational leadership type.

As shown in Table 4.5, six of the top-10 most often mentioned statements (60%) involved transformational actions, as did nine of the top-15 (60%), 12 of the top-20 (60%), and 12 of the top-22 (55%) actions mentioned by five or more participants. If one were to accept frequency of mention by a participant group as a proxy for their view of the importance of an action, one could infer that transformational actions were somewhat more important to these participants than transactional ones, a finding consistent with the assertion that transformational leadership augments, but does not overshadow, required transactional leadership (Avolio & Bass, 1999). I found similar results in my trial study. This interpretive analysis somewhat confirmed my earlier work, but it turned out to not be the whole story. More definitive rankings of importance came from subsequent statistical analyses.

Table 4.5.

Q Set Items Sorted by Frequency of Mention by the Participants

Leadership Type	No.	Q Statement	Initial Mention	Total Mentions
Transformational	32	Empowered and enabled senior managers, with clear accountability for results.	COO	9
Transformational	35	Supported new lean manufacturing initiatives in Supply Chain.	COO	8
Transformational	46	Recruited outside senior leaders to mix with long-term inside leaders.	COO	8
Transformational	52	Held off-site strategy and alignment meetings with senior leadership.	Other	8
Transactional	9	Established new and wider focus on key performance metrics and results.	COO	7
Transactional	14	Declared clear strategic direction toward executing on business fundamentals.	COO	7
Transformational	17	Initiated several restructuring efforts to reduce silo management issues.	COO	7
Transformational	54	Personally modeled informal communication approaches.	Other	7
Transactional	12	Exhibited personal pride in the Red Wing brand and being chosen to lead the organization.	COO	6
Transactional	18	Deliberately promoted a tough manager due to need to focus on results.	COO	6
Transactional	28	Focused on setting, planning, and accomplishing yearly budget targets.	COO	6
Transformational	53	Established regular comprehensive cross-functional management meetings.	Other	6
Transactional	55	Consolidated production—closed Danville, Kentucky factory.	COO	6
Transformational	6	Immediately changed inherited leadership organization structure and assignments.	COO	5
Transformational	8	Declared intent to quickly make necessary improvement changes.	COO	5
Transformational	11	Declared respect for, and pride in, longstanding company heritage, but stated need to change, as well.	COO	5

Transactional	19	Declared intent to take all actions necessary to preserve the firm.	COO	5
Transformational	23	Promoted a shift from a formerly paternalistic culture toward a new performance-based culture.	COO	5
Transformational	31	Established an open and realistic communication approach about company performance with employees.	COO	5
Transactional	34	Reinforced product quality by learning and maintaining premium engineering standards.	COO	5
Transactional	43	Substantially reduced debt to equity performance.	COO	5
Transactional	44	Maintained process improvements once secured through projects.	COO	5
Transactional	1	Assessed the business from an outsider's perspective.	COO	4
Transactional	3	Completed downsizing initiatives that had begun prior to becoming COO.	COO	4
Transactional	7	Immediately declared previous business results unacceptable.	COO	4
Transformational	10	Stated personal confidence in the company's growth potential.	COO	4
Transformational	24	Demonstrated personal eagerness to learn the details of the shoe business.	COO	4
Transformational	33	Promoted a shift from a manufacturing-focused culture toward a customer-focused culture.	COO	4
Transformational	37	Improved dealer relations through dialogue and establishment of a dealer advisory board.	COO	4
Transactional	47	Invested in various ongoing functional improvement initiatives.	COO	4
Transactional	48	Integrated the tanning business and improved it over time.	Other	4
Transformational	49	Repeatedly communicated message of "make great shoes and sell a lot of them profitably."	Other	4
Transformational	50	Spoke personally with employee groups to gain their understanding of key issues.	Other	4
Transformational	2	Deliberately demonstrated decisiveness to establish leadership authority.	COO	3
Transformational	22	Consolidated production in Red Wing—from two factories to one, and reduced shifts.	COO	3

Transformational	26	Described personal vision and enthusiasm for the firm's prospects with other executives.	COO	3
Transformational	27	Instilled professional management techniques from previous experience—meeting management, project management, compensation system, etc.	COO	3
Transactional	29	Consolidated production—closed Potosi, Missouri factory.	COO	3
Transactional	38	Developed and deployed new marketing programs.	COO	3
Transformational	39	Emphasized International segment growth by establishing structure and hiring a leader.	COO	3
Transactional	40	Expanded business relationships with Chinese affiliates.	COO	3
Transactional	41	Celebrated company earnings and stock value increases.	COO	3
Transformational	57	Approved improvement initiatives for the retail organization.	Other	3
Transformational	20	Met personally with the labor union to set new expectations for negotiations.	COO	2
Transactional	25	Personally worked several shifts in the factory to learn and connect with employees.	COO	2
Transactional	36	As results improved, sought new ways to grow the business.	COO	2
Transformational	42	Over time, expanded focus on long-term strategy.	COO	2
Transformational	45	Restructured Research and Development several times.	COO	2
Transactional	51	Focused on core industrial work segment sales growth.	Other	2
Transformational	56	Approved new business partner staffing model in HR, finance, and IT.	Other	2
Transactional	58	Supported basic employee learning and development programs.	Other	2
Transactional	60	Fostered enterprise inventory reduction initiative.	Other	2
Transactional	4	Held early informal meetings with the employees and listened to their needs.	COO	1
Transactional	5	Made highly visible trips to meet with customers and listen to their needs.	COO	1
Transformational	13	Acknowledged and visibly demonstrated personal leadership responsibility.	COO	1

Transformational	15	Set example on quality standards by stopping production of a boot line due to a blister problem.	COO	1
Transactional	16	Sent a personal letter to dealers reinforcing the company's quality standards.	COO	1
Transactional	21	Secured three-year union contract with no change in wages and more flexible work rules.	COO	1
Transactional	30	Fostered various community involvement initiatives.	COO	1
Transactional	59	Maintained United States manufacturing capability.	Other	1

Note. Six of the top-10 (60%), nine of the top-15 (60%), 12 of the top-20 (60%), and 12 of 22 (55%) of the actions mentioned by five or more participants were transformational in nature.

Statistical analyses. I began the statistical analyses of the Q sorts by organizing the raw

Q sort data. The Q sort process provided a second data gathering opportunity, one much less

open to my intrusion because the participants were free to sort the cards containing the

statements according to their own view of an action's importance to the turnaround (Brown,

1991). All participants sorted according to instructions that required a common distribution

profile for the number of cards assigned to each level of importance, but within that one

constraint, they were free to sort each action statement any way they chose. Figure 16 shows an

example of one resulting distribution, with the scores for each level of importance having been

converted from the original seven-point scale of -3 to +3 to a seven-point scale using the whole

numbers 1 to 7 to facilitate the statistical analysis process without mathematically changing any

outcomes (Brown, 1980).

		Respondent D Scale 1-7				
1	2	3	4	5	6	7
21	15	4	3	1	2	23
25	19	8	5	6	11	32
54	20	9	14	7	13	46
	29	10	24	12	26	
	43	16	31	17	33	
	44	18	34	27	42	
	48	22	35	28	51	
	55	30	36	37	53	
		41	38	56		
		50	39	59		
			40			
			45			
			47			
			49			
			52			
			57			
			58			
			60			

Figure 4.1. Example of Q sort participant scoring distribution.

I note again that, as the first participant started the Q sort process, an error with statement 29 was called to my attention. I had made an error in interpreting a statement the COO made regarding the consolidation of production among Red Wing's factories by inferring the closure of a Missouri plant that was, in fact, still open. Given the unfortunate timing and downside logistical implications of this discovery at the start of the Q sort process, I made the choice to leave the item in the Q set but to discuss the error with each participant as they began doing their Q sort and advise them to use their best judgment when sorting the statement in light of it. I did not dictate their ranking of the item but, in the end, they collectively ranked it as the second least important action. I later conducted comparative analyses to insure that the error was not material to the study's final factor solution. This inadvertent error, the results of my finding of statistical immateriality, and this disclosure approach was discussed with, and approved by Dave Murphy and my dissertation committee methodologist on May 11, 2010.

To begin the first level of statistical analysis, I developed a tally sheet in which I entered the converted scores of each participant for each of the 60 Q set statements, thus creating a base data set that enabled all of the subsequent analyses. For the next view of the information, I sorted the Q statements in rank order of their mean importance score, as determined by dividing the sum of the individual participants' Q sort scores for each statement by the total number of participants and then sorting the 60 statements in descending order of their individual mean scores. This view showed the how the group collectively ranked the importance of each item. If the scores were tied for one or more items, I assigned them the same rank. This was a naturalistic view—that is, one that came from the participants themselves through their own Q sort work without intrusion by me.

Table 4.6 shows the results of this step. In this view, 11 of the 20 (55%) statements

ranked by the participants as being in the top-10 most important items (including ties) were transformational in nature, a result consistent with the earlier ranking of the statements by their simple number of mentions by the participants. This outcome was coincidental, but the symmetry was interesting. I also saw that the collective rankings of importance were very different than those of the earlier ranking by number of mentions, so I developed another, more easily comparative view.

Table 4.6.

Q Set Items Sorted by Mean Ranking Scores

Leadership Type	No.	Q Statement	Total Item Score	Mean Item Score	Item Rank
Transactional	51	Focused on core industrial work segment sales growth.	50	5.56	1
Transactional	7	Immediately declared previous business results unacceptable.	49	5.44	2
Transformational	46	Recruited outside senior leaders to mix with long-term inside leaders.	47	5.22	3
Transformational	6	Immediately changed inherited leadership organization structure and assignments.	46	5.11	4
Transformational	23	Promoted a shift from a formerly paternalistic culture toward a new performance-based culture.	46	5.11	4
Transformational	32	Empowered and enabled senior managers, with clear accountability for results.	46	5.11	4
Transformational	2	Deliberately demonstrated decisiveness to establish leadership authority.	45	5.00	5
Transactional	14	Declared clear strategic direction toward executing on business fundamentals.	45	5.00	5
Transactional	1	Assessed the business from an outsider's perspective.	44	4.89	6
Transactional	28	Focused on setting, planning, and accomplishing yearly budget targets.	44	4.89	6
Transformational	33	Promoted a shift from a manufacturing-focused culture toward a customer-focused culture.	44	4.89	6
Transactional	60	Fostered enterprise inventory reduction initiative.	43	4.78	7

Transformational	39	Emphasized International segment growth by establishing structure and hiring a leader.	42	4.67	8
Transactional	59	Maintained United States manufacturing capability.	42	4.67	8
Transactional	5	Made highly visible trips to meet with customers and listen to their needs.	41	4.56	9
Transformational	8	Declared intent to quickly make necessary improvement changes.	41	4.56	9
Transformational	11	Declared respect for, and pride in, longstanding company heritage, but stated need to change, as well.	41	4.56	9
Transformational	35	Supported new lean manufacturing initiatives in Supply Chain.	41	4.56	9
Transactional	3	Completed downsizing initiatives that had begun prior to becoming COO.	40	4.44	10
Transformational	13	Acknowledged and visibly demonstrated personal leadership responsibility.	40	4.44	10
Transactional	4	Held early informal meetings with the employees and listened to their needs.	39	4.33	11
Transactional	9	Established new and wider focus on key performance metrics and results.	39	4.33	11
Transactional	43	Substantially reduced debt to equity performance.	39	4.33	11
Transformational	50	Spoke personally with employee groups to gain their understanding of key issues.	39	4.33	11
Transformational	57	Approved improvement initiatives for the retail organization.	38	4.22	12
Transactional	12	Exhibited personal pride in the Red Wing brand and being chosen to lead the organization.	37	4.11	13

Transformational	17	Initiated several restructuring efforts to reduce silo management issues.	37	4.11	13
Transformational	31	Established an open and realistic communication approach about company performance with employees.	36	4.00	14
Transformational	42	Over time, expanded focus on long-term strategy.	36	4.00	14
Transformational	53	Established regular comprehensive cross-functional management meetings.	36	4.00	14
Transformational	56	Approved new business partner staffing model in HR, finance, and IT.	36	4.00	14
Transformational	22	Consolidated production in Red Wing—from two factories to one, and reduced shifts.	35	3.89	15
Transformational	37	Improved dealer relations through dialogue and establishment of a dealer advisory board	35	3.89	15
Transactional	47	Invested in various ongoing functional improvement initiatives.	35	3.89	15
Transformational	10	Stated personal confidence in the company's growth potential.	34	3.78	16
Transactional	21	Secured three-year union contract with no change in wages and more flexible work rules.	34	3.78	16
Transformational	26	Described personal vision and enthusiasm for the firm's prospects with other executives.	34	3.78	16
Transactional	34	Reinforced product quality by learning and maintaining premium engineering standards.	34	3.78	16
Transformational	15	Set example on quality standards by stopping production of a boot line due to a blister problem.	33	3.67	17
Transformational	20	Met personally with the labor union to set new expectations for negotiations.	33	3.67	17

Transactional	36	As results improved, sought new ways to grow the business.	33	3.67	17
Transformational	49	Repeatedly communicated message of "make great shoes and sell a lot of them profitably."	33	3.67	17
Transformational	52	Held off-site strategy and alignment meetings with senior leadership.	33	3.67	17
Transactional	55	Consolidated production—closed Danville, Kentucky factory.	33	3.67	17
Transactional	40	Expanded business relationships with Chinese affiliates.	32	3.56	18
Transactional	58	Supported basic employee learning and development programs.	32	3.56	18
Transactional	19	Declared intent to take all actions necessary to preserve the firm.	30	3.33	19
Transformational	27	Instilled professional management techniques from previous experience—meeting management, project management, compensation system, etc.	30	3.33	19
Transactional	41	Celebrated company earnings and stock value increases.	30	3.33	19
Transactional	48	Integrated the tanning business and improved it over time.	30	3.33	19
Transactional	16	Sent a personal letter to dealers reinforcing the company's quality standards.	29	3.22	20
Transactional	18	Deliberately promoted a tough manager due to need to focus on results.	28	3.11	21
Transactional	38	Developed and deployed new marketing programs.	28	3.11	21
Transformational	45	Restructured Research and Development several times.	28	3.11	21

Transactional	44	Maintained process improvements once secured through projects.	27	3.00	22
Transformational	24	Demonstrated personal eagerness to learn the details of the shoe business.	23	2.56	23
Transactional	25	Personally worked several shifts in the factory to learn and connect with employees.	22	2.44	24
Transactional	30	Fostered various community involvement initiatives.	22	2.44	24
Transactional	29	Consolidated production—closed Potosi, Missouri factory.	21	2.33	25
Transformational	54	Personally modeled informal communication approaches.	20	2.22	26

Note. 55% of actions ranked in the top-10 are Transformational.

I next constructed a view, shown in Table 4.7, comparing the number of mentions by item to the participants' collective ranking of importance. The information clearly showed that inferring an action's importance based simply upon the number of times it was mentioned by the participants was an erroneous approach. As I reflected on this outcome, I thought about several reasons that make the point.

First, even with my use of a relatively consistent semi-structured interview approach, the statements were mentioned by different participants according to their own individual level of recall at the time. Certain actions were mentioned by the COO and others were mentioned by various other participants. For one example, only one action, that of empowering his senior managers, was mentioned by him and all eight other participants. For another example, one action, that of maintaining United States manufacturing capability, was mentioned by a single other participant and no one else. Further, seven actions were mentioned by Murphy and no one else and, given his role as the leader initiating the actions, it would be likely that he would have had a unique level of recall regarding those actions.

Yet, when the participants rated all 60 actions during the Q sort process and had to think about the importance of each one to the turnaround in relationship to the full concourse, they developed quite different outcomes. For example, the empowerment action that was mentioned by all nine participants was ranked tied for fourth in importance. The statement mentioned by just one other participant regarding maintaining U.S. manufacturing capability was ranked as one of two actions tied for eighth in importance. And one of the statements that was mentioned only by Murphy regarding making highly visible visits to customers was later ranked by the group as the ninth most important to the turnaround. The Q sort process clearly provided much more definitive information than the simple, top mention approach.

Table 4.7.

Comparison of Collective Q Sort Rankings vs. Number of Mentions

Leadership Type	No.	Q Statement	Initial Mention By:	Total Mentions	Item Ranking, with Ties
Transactional	51	Focused on core industrial work segment sales growth.	Other	2	1
Transactional	7	Immediately declared previous business results unacceptable.	COO	4	2
Transformational	46	Recruited outside senior leaders to mix with long-term inside leaders.	COO	8	3
Transformational	6	Immediately changed inherited leadership organization structure and assignments.	COO	5	4
Transformational	23	Promoted a shift from a formerly paternalistic culture toward a new performance-based culture.	COO	5	4
Transformational	32	Empowered and enabled senior managers, with clear accountability for results.	COO	9	4
Transformational	2	Deliberately demonstrated decisiveness to establish leadership authority.	COO	3	5
Transactional	14	Declared clear strategic direction toward executing on business fundamentals.	COO	7	5
Transactional	1	Assessed the business from an outsider's perspective.	COO	4	6
Transactional	28	Focused on setting, planning, and accomplishing yearly budget targets.	COO	6	6
Transformational	33	Promoted a shift from a manufacturing-focused culture toward a customer-focused culture.	COO	4	6
Transactional	60	Fostered enterprise inventory reduction initiative.	Other	2	7

Transformational	39	Emphasized international segment growth by establishing structure and hiring a leader.	COO	3	8
Transactional	59	Maintained United States manufacturing capability.	Other	1	8
Transactional	5	Made highly visible trips to meet with customers and listen to their needs.	COO	1	9
Transformational	8	Declared intent to quickly make necessary improvement changes.	COO	5	9
Transformational	11	Declared respect for, and pride in, longstanding company heritage, but stated need to change, as well.	COO	5	9
Transformational	35	Supported new lean manufacturing initiatives in Supply Chain.	COO	8	9
Transactional	3	Completed downsizing initiatives that had begun prior to becoming COO.	COO	4	10
Transformational	13	Acknowledged and visibly demonstrated personal leadership responsibility.	COO	1	10
Transactional	4	Held early informal meetings with the employees and listened to their needs.	COO	1	11
Transactional	9	Established new and wider focus on key performance metrics and results.	COO	7	11
Transactional	43	Substantially reduced debt to equity performance.	COO	5	11
Transformational	50	Spoke personally with employee groups to gain their understanding of key issues.	Other	4	11
Transformational	57	Approved improvement initiatives for the retail organization.	Other	3	12
Transactional	12	Exhibited personal pride in the Red Wing brand and being chosen to lead the organization.	COO	6	13
Transformational	17	Initiated several restructuring efforts to reduce silo management issues.	COO	7	13

Transformational	31	Established an open and realistic communication approach about company performance with employees.	COO	5	14
Transformational	42	Over time, expanded focus on long-term strategy.	COO	2	14
Transformational	53	Established regular comprehensive cross-functional management meetings.	Other	6	14
Transformational	56	Approved new business partner staffing model in HR, finance, and IT.	Other	2	14
Transformational	22	Consolidated production in Red Wing—from two factories to one, and reduced shifts.	COO	3	15
Transformational	37	Improved dealer relations through dialogue and establishment of a dealer advisory board.	COO	4	15
Transactional	47	Invested in various ongoing functional improvement initiatives.	COO	4	15
Transformational	10	Stated personal confidence in the company's growth potential.	COO	4	16
Transactional	21	Secured three-year union contract with no change in wages and more flexible work rules.	COO	1	16
Transformational	26	Described personal vision and enthusiasm for the firm's prospects with other executives.	COO	3	16
Transactional	34	Reinforced product quality by learning and maintaining premium engineering standards.	COO	5	16
Transformational	15	Set example on quality standards by stopping production of a boot line due to a blister problem.	COO	1	17
Transformational	20	Met personally with the labor union to set new expectations for negotiations.	COO	2	17
Transactional	36	As results improved, sought new ways to grow the business.	COO	2	17
Transformational	49	Repeatedly communicated message of "make great shoes and sell a lot of them profitably."	Other	4	17

Transformational	52	Held off-site strategy and alignment meetings with senior leadership.	Other	8	17
Transactional	55	Consolidated production—closed Danville, Kentucky factory.	COO	6	17
Transactional	40	Expanded business relationships with Chinese affiliates.	COO	3	18
Transactional	58	Supported basic employee learning and development programs.	Other	2	18
Transactional	19	Declared intent to take all actions necessary to preserve the firm.	COO	5	19
Transformational	27	Instilled professional management techniques from previous experience—meeting management, project management, compensation system, etc.	COO	3	19
Transactional	41	Celebrated company earnings and stock value increases.	COO	3	19
Transactional	48	Integrated the tanning business and improved it over time.	Other	4	19
Transactional	16	Sent a personal letter to dealers reinforcing the company's quality standards.	COO	1	20
Transactional	18	Deliberately promoted a tough manager due to need to focus on results.	COO	6	21
Transactional	38	Developed and deployed new marketing programs.	COO	3	21
Transformational	45	Restructured Research and Development several times.	COO	2	21
Transactional	44	Maintained process improvements once secured through projects.	COO	5	22
Transformational	24	Demonstrated personal eagerness to learn the details of the shoe business.	COO	4	23

Transactional	25	Personally worked several shifts in the factory to learn and connect with employees.	COO	2	24
Transactional	30	Fostered various community involvement initiatives.	COO	1	24
Transactional	29	Consolidated production—closed Potosi, Missouri factory.	COO	3	25
Transformational	54	Personally modeled informal communication approaches.	Other	7	26

Note. Considerable variation exists between rankings of importance and number of mentions.

Factor analysis. I then began the second level of statistical analysis, that of an exploration beyond the first level collective views into the underlying data structures that characterized the most important actions he took—that is, the factors that would answer the third question of the study. I used SPSS statistical software to support this part of the study.

In keeping with Q methodology (Brown, 1991; McKeown & Thomas, 1988; Sharp, 2008), I began by performing a correlation analysis of the collective data set comprised of the individual participants' Q sort scores for each statement. Next, I conducted a principal component factor analysis that explored the resulting correlation matrix to identify the most important factors. Third, I performed varimax factor rotation and scoring to determine if new perspectives of the factors emerged from that process. Finally, I interpreted the final, rotated factor solution and characterized the factors.

Correlation analysis. One of the ways that Q methodology is different than the more commonly understood R methodology is that the participants (for whom I have assigned the identifying letter A for Murphy and letters B through I to protect the others' confidentiality) are what are correlated rather than the Q set statements. The correlation among the participants was calculated by first finding the difference in their scores for each item, squaring those differences, summing the squares, dividing that sum by the sum of the squared scores for each participant, and subtracting that resulting number from one. This formula (r = 1 − (sum of squared differences of scores/sum of squared scores of each participant) is also known as *Pearson's r* (Brown, 1991).

Table 4.8 shows the correlation matrix with significance among the participants calculated to the p = < .01 level. Significance was determined by first calculating the standard error using the formula (1 divided by the square root of N), where N represents the number of

statements in the Q sort, and then multiplying that number by 2.5 (Brown, 1991). Significance in this case was calculated as .323 or greater, regardless of sign. All correlations were fairly weak, meaning that none of the participants were strongly aligned. The correlation matrix was only of passing interest, however; the real interest was in the factors derived from the matrix.

Table 4.8.

Q Sort Correlation Matrix—Red Wing Shoe Company Participants

Q Sort	A	B	C	D	E	F	G	H	I
A	-	.11	.12	.36*	.27	.14	.01	.32	- .07
B	.11	-	.12	.30	.16	.18	.31	.04	.06
C	.12	.12	-	-.01	.26	-.01	.07	.13	.18
D	.36*	.30	-.01	-	.12	.28	.44*	.11	.38*
E	.27	.16	.26	.12	-	.17	.12	.43*	.20
F	.14	.18	-.01	.28	.17	-	.20	.09	.18
G	.01	.31	.07	.44*	.12	.20	-	.19	.35*
H	.32	.04	.13	.11	.43*	.09	.19	-	.21
I	-.07	.06	.18	.38*	.20	.18	.35*	.21	-

Note. * Correlation is significant at the 0.01 level (2-tailed).

        Unrotated factor analysis. Initial unrotated factors were generated from the correlation matrix through Principal Component Analysis. Unlike other types of factor analysis that extract all of the factors that seek to explain 100% of the variance involved in a study question, Q methodology seeks to extract those significant factors having Eigenvalues equal to or greater than 1.00, in other words, those factors represented by one or more persons in the sample. As shown in Table 4.9, three factors met that test and one other factor had an Eigenvalue of .97, which I elected to round up to 1.00 and include in the factor array. Factor 1 was by far the dominant factor, with an Eigenvalue of 2.51 and accounting for nearly 28% of the total variance. The four factors in the final array combined to explain 66.84% of the total variance; I focused on those four, and not on all nine.

Table 4.9.

Eigenvalues Resulting in Four Significant Factors

			Total Variance Explained			
	Initial Eigenvalues			Extraction Sums of Squared Loadings		
Factor	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.51	27.94	27.94	2.51	27.94	27.94
2	1.40	15.57	43.50	1.40	15.57	43.50
3	1.13	12.57	56.07	1.13	12.57	56.07
4	0.97	10.76	66.84	0.97	10.76	66.84
5	0.83	9.26	76.10			
6	0.78	8.72	84.81			
7	0.57	6.37	91.19			
8	0.49	5.49	96.67			
9	0.30	3.33	100.00			

The resulting initial unrotated factor array is shown in Table 4.10. I used Brown's (1991) criteria to determine significance of the factors, that being, "factor loadings in excess of 0.50 (plus or minus) are considered significant" (factor analysis section, para. 4). Factor 1 was clearly the dominant factor with five such loadings, along with three others greater than 0.45.

Table 4.10.

Unrotated Factor Matrix

Q Sort	Factor 1	2	3	4
A	0.46	0.43	-0.62*	-0.04
B	0.48	-0.26	-0.18	0.67*
C	0.31	0.39	0.46	0.54*
D	0.69*	-0.38	-0.27	-0.12
E	0.56*	0.54*	0.12	0.03
F	0.47	-0.22	-0.23	-0.10
G	0.62*	-0.44	0.18	0.00
H	0.53*	0.53*	0.07	-0.34
I	0.55*	-0.24	0.57*	-0.32

Note. Extraction method: Principal Component Analysis.
* significant loadings ≥ +/- .50.

Six of the nine Q sorts loaded on only one factor. Q sorts E and H were confounded, loading on factors 1 and 2 and Q sort I was confounded, loading on factors 1 and 3.

Varimax rotation and factor scoring. Factor rotation enables a researcher to view the factors from different perspectives. An analogy helps explain this phenomenon. The situation is not unlike what occurs if a person were to fix his or her attention on a table lamp while standing at one edge of a room. He or she would gain a certain perspective of the size and shape of the lamp. Then, if the person were to move to a different location on the edge of the same room and view the same lamp, he or she would perceive the lamp to have a somewhat different size and shape. The fixed properties of the lamp would not have changed but the person's perception would be different.

Rotation allows the researcher to add "guesses, hunches, and notions that might come to mind" (Brown, 1991, factor analysis section, para. 5) in getting to a deeper understanding and to see if new correlative relationships emerge from the data. In this study, varimax rotation did not change the fundamental nature of the four factors themselves, but it did, as shown in Table 4.11, alter each factor's relative contribution to the variance explained within the factor array. Factor 1 was weakened in the final solution and the others were strengthened to varying degrees.

Table 4.11.

Eigenvalues Comparison—Unrotated Factors vs. Rotated Factors

	Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
Factor	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.51	27.94	27.94	1.93	21.44	21.44
2	1.40	15.57	43.50	1.69	18.76	40.20
3	1.13	12.57	56.07	1.25	13.94	54.14
4	0.97	10.76	66.84	1.14	12.69	66.84

Note. Extraction Method: Principal Component Analysis

Rotation also changed the mix of participants and the individual factor loadings contributing to the four factors. Table 4.12 again underscores the outcomes; factor 1 remained dominant but was somewhat weakened. The three other factors were strengthened.

Table 4.12.

Rotated Factor Matrix$_a$

| Q Sort | Factor$_a$ | | | | |
	1	2	3	4	h2
A	0.39	0.60*	-0.51*	-0.02	0.78
B	0.57*	-0.15	-0.16	0.63*	0.77
C	-0.18	0.28	0.16	0.78*	0.74
D	0.82*	0.13	0.14	-0.04	0.71
E	0.07	0.71*	0.08	0.32	0.62
F	0.56*	0.13	0.05	-0.05	0.33
G	0.60*	-0.01	0.47	0.17	0.61
H	0.07	0.80*	0.15	-0.03	0.67
I	0.26	0.21	0.82*	0.03	0.78

Note. Extraction method: Principal Component Analysis.
Rotation: Varimax with Kaiser Normalization.
* significant loadings ≥ +/- .50.
a. Rotation converged in 12 iterations. h2 = communality
(sum of squares of factor loadings by rows)

In factor 1, the number of participants' Q sorts fell from five to four and the other loadings were significantly reduced. In factor 2, rotation served to now include the COO's loading in the factor and the other two participants' loadings were significantly strengthened. In factor 3, the COO's negative correlation was weakened and the loading for participant I was significantly strengthened. In factor 4, both participants' loadings were strengthened.

Eight of the nine Q sorts loaded significantly on only one factor in the final, rotated solution. Q sort A (that of the COO) was confounded, loading on factors 2 and 3. Generally, in factor analysis researchers eliminate confounded loadings to isolate pure components, but I elected to retain Q sort A because the COO's perspective was unique to all the others and

was, therefore, valuable to interpreting both factors 2 and 3.

Following rotation, I developed factor scores for each of the 60 Q sort statements. Factor scoring is the step in Q methodology that brings the factor loadings together with the content of the Q set statements themselves. Scoring and its associated ranking process are the final steps that enable the researcher to interpret and characterize the factors.

A composite factor score for a given statement is the average of its Q sort scores from those participants having significant loadings for the associated factor. A given statement's score for a single Q sort is determined by the formula rating*weight, where rating = the rating of a given participant and weight is determined by the formula ($w = f / (1 - f^2)$), where w equals weight and f equals the factor loading (Brown, 1991). The scores for each Q sort associated with a given factor are then summed and the sum is then divided by the number of Q sorts associated with that factor to obtain the total score for a statement. In separate worksheets for each of the four factors, I calculated composite scores for each statement and then ranked the statements in descending order to bring to the top those statements that had the highest scores and would, therefore, provide the salient information necessary for my interpretation and characterization of the factors.

Following Brown's (1991) recommendation, to ease understanding of the relative importance of each statement for each factor, I used the same approach in distributing the scored statements as was used in distributing the Q sort rankings—that is, the top-three scores were assigned the number 7; the next eight scores were assigned the number 6—and so on. Taking this approach one step further, in preparation for discussing the outcomes with the study's respondents, I used the original, non-converted scale of -3 to +3 used during the Q sorts. I found that taking this step enhanced their ability to understand and discuss the outcomes.

Table 4.13 shows the rotated factor scoring and ranking outcomes of the statements for the four factors. For ease of understanding, the statements are listed as ranked for the dominant factor 1 and I used the notation *r* to represent that the factors shown are the rotated solutions.

Table 4.13.

Ranking of Q Set Statements by Rotated Final Solution, Listed in Order of Factor 1 Ranking.

No.	Q Statement	Factor			
		1r	2r	3r	4r
23	Promoted a shift from a formerly paternalistic culture toward a new performance-based culture.	7	6	5	3
7	Immediately declared previous business results unacceptable.	7	6	3	7
6	Immediately changed inherited leadership organization structure and assignments.	7	7	3	4
32	Empowered and enabled senior managers, with clear accountability for results.	6	6	6	3
1	Assessed the business from an outsider's perspective.	6	7	6	4
51	Focused on core industrial work segment sales growth.	6	5	7	7
17	Initiated several restructuring efforts to reduce silo management issues.	6	4	4	1
8	Declared intent to quickly make necessary improvement changes.	6	7	1	6
33	Promoted a shift from a manufacturing-focused culture toward a customer-focused culture.	6	6	7	3
14	Declared clear strategic direction toward executing on business fundamentals.	6	6	3	4
60	Fostered enterprise inventory reduction initiative.	6	5	6	6
39	Emphasized international segment growth by establishing structure and hiring a leader.	5	4	6	5
3	Completed downsizing initiatives that had begun prior to becoming COO.	5	4	2	6
9	Established new and wider focus on key performance metrics and results.	5	5	6	3
46	Recruited outside senior leaders to mix with long-term inside leaders.	5	4	4	6
2	Deliberately demonstrated decisiveness to establish leadership authority.	5	5	4	5
22	Consolidated production in Red Wing—from two factories to one, and reduced shifts.	5	4	5	4
4	Held early informal meetings with the employees and listened to their needs.	5	3	2	5

50	Spoke personally with employee groups to gain their understanding of key issues.	5	6	1	5
55	Consolidated production—closed Danville, Kentucky factory.	5	4	5	4
53	Established regular comprehensive cross-functional management meetings.	5	4	5	3
21	Secured three-year union contract with no change in wages and more flexible work rules.	4	5	5	4
28	Focused on setting, planning, and accomplishing yearly budget targets.	4	5	6	5
19	Declared intent to take all actions necessary to preserve the firm.	4	6	2	2
47	Invested in various ongoing functional improvement initiatives.	4	4	3	2
58	Supported basic employee learning and development programs.	4	3	4	3
15	Set example on quality standards by stopping production of a boot line due to a blister problem.	4	5	2	4
43	Substantially reduced debt to equity performance.	4	4	7	5
35	Supported new lean manufacturing initiatives in Supply Chain.	4	4	4	6
26	Described personal vision and enthusiasm for the firm's prospects with other executives.	4	4	2	4
38	Developed and deployed new marketing programs.	4	4	3	2
37	Improved dealer relations through dialogue and establishment of a dealer advisory board.	4	3	5	4
36	As results improved, sought new ways to grow the business.	4	3	3	3
11	Declared respect for, and pride in, longstanding company heritage, but stated need to change, as well.	4	3	4	6
5	Made highly visible trips to meet with customers and listen to their needs.	4	2	4	7
49	Repeatedly communicated message of 'make great shoes and sell a lot of them profitably'.	4	4	3	3
59	Maintained United States manufacturing capability.	4	4	6	6
10	Stated personal confidence in the company's growth potential.	4	4	2	5
13	Acknowledged and visibly demonstrated personal leadership responsibility.	4	4	4	2
57	Approved improvement initiatives for the retail organization.	3	4	6	4
41	Celebrated company earnings and stock value increases.	3	2	4	4

29	Consolidated production—closed Potosi, Missouri factory.	3	1	2	2
20	Met personally with the labor union to set new expectations for negotiations.	3	6	4	4
40	Expanded business relationships with Chinese affiliates.	3	3	4	5
48	Integrated the tanning business and improved it over time.	3	2	5	4
56	Approved new business partner staffing model in HR, finance, and IT.	3	2	4	4
42	Over time, expanded focus on long-term strategy.	3	2	4	3
31	Established an open and realistic communication approach about company performance with employees.	3	5	4	6
52	Held off-site strategy and alignment meetings with senior leadership.	3	2	4	3
45	Restructured Research and Development several times.	2	3	3	2
12	Exhibited personal pride in the Red Wing brand and being chosen to lead the organization.	2	3	4	5
27	Instilled professional management techniques from previous experience—meeting management, project management, compensation system, etc.	2	2	5	2
34	Reinforced product quality by learning and maintaining premium engineering standards.	2	5	5	4
16	Sent a personal letter to dealers reinforcing the company's quality standards.	2	3	2	5
18	Deliberately promoted a tough manager due to need to focus on results.	2	1	4	1
24	Demonstrated personal eagerness to learn the details of the shoe business.	2	5	1	1
44	Maintained process improvements once secured through projects.	2	4	4	4
54	Personally modeled informal communication approaches.	1	2	3	2
25	Personally worked several shifts in the factory to learn and connect with employees.	1	3	3	4
30	Fostered various community involvement initiatives.				

Note. r = rotated factor solution

Factor interpretation and characterization. Factor interpretation and characterization, while supported and informed by the statistical processes within Q methodology, remain "fundamentally about subjectivity" (Brown, 1991, factor analysis section, para. 13). While these processes draw upon the scores and associated rankings of the statements for each factor, they also draw upon the judgment of the researcher who takes into account the totality of his or her constructivist experience in conducting the interviews, developing the concourse, editing the Q set, conducting the Q sorts, and holding the various conversations with the participants.

Factor 1, representing 21.44% of the variance, was characterized by a focus on structural changes that addressed cultural issues. A majority of the statements in the top of this sort involved Murphy making substantial changes affecting the fundamental, day-to-day operating assumptions of the company's other leaders and associates. They included promoting the shift of the firm's longstanding paternalistic culture to one that was performance-based; changing his leadership structure and assignments to address performance and silo management issues; empowering his other leaders to make decisions and accept accountability for results, deliberately demonstrating decisiveness to establish authority; recruiting senior leaders who brought new ideas and professional management practices from outside the firm; promoting another shift from a manufacturing-centric culture to one that was centered on the needs of customers; making sure everyone knew that previous results were unacceptable; and then focusing on, measuring, and communicating results on the fundamentals. The participants whose Q sorts contributed to this factor represented the product, technology finance, and human resources support areas that had experienced substantial structural changes. It is important to note that the unrotated factor array for factor 1 was very strong in that it had five participants with significant correlations over 0.50 and three others with correlations that were close to the

threshold at 0.46, 0.47, and 0.48, respectively. In this view, nearly the entire leadership team agreed that structural changes that addressed cultural issues were important to the turnaround.

Factor 2, representing 18.76% of the variance, was characterized by an urgent shift to a focus on results. A majority of the statements in the top of this sort involved elements of time along with declarations about the new focus. Three Q sorts correlated with this factor. The COO's Q sort had a moderately strong correlation with at 0.60, but those of two other senior leaders were even stronger at 0.71 and 0.80, respectively. A number of statements reflected Murphy's personal engagement in insuring that people understood both the urgency and the shift in focus. He met directly with various associate groups and the union rather than working just through his leadership team.

Factor 3, representing 13.94% of the variance, was characterized by a focus on basic business issues—that is, those general management fundamentals not necessarily tied to the shoe industry. A majority of the statements at the top of this sort involved things such as reducing debt, focusing on customer demand, focusing on growing the core business, reducing excess inventory, better integrating a subsidiary business, establishing regular management meetings and instilling professional management techniques, and consolidating excess production capacity.

This factor was bipolar (Brown, 1991) in that it had two contributing Q sorts that were negatively correlated. The Q sort with the highest correlation, at 0.82, was that of a seasoned business professional who had substantial business experience outside the shoe industry before joining Red Wing Shoes. The other Q sort was that of the COO, which correlated at a moderately negative -0.51. Of course, Murphy also had substantial outside experience and focused on business fundamentals, but he approached the issues differently than the other

participant, in keeping with his preferred style of leadership. Five of the seven statements that scored the highest in his sort for this factor included the word personal in the text. They included him: stating his personal confidence in the company's growth potential, sending a personal letter to dealers reinforcing the company's commitment to quality, describing his personal vision and enthusiasm for the firm's prospects, speaking personally with employee groups to gain their understanding, and demonstrating his personal eagerness to learn the shoe business. The remaining two highest scoring statements involved personal declarations. He declared his intent to take all actions necessary to preserve the firm and to quickly make the necessary improvement changes. These seven statements reflected Murphy's ability to personally rally the troops.

Factor 4, representing 12.69% of the variance, was characterized by a blended strategy of visibly honoring the company's heritage while changing it for the future. Two Q sorts correlated strongly with this factor, one at 0.63 and another at 0.78. Both of the contributing participants held leadership positions involving overall business strategy. One statement that sorted to the top for this factor contained the very words that reflected the characterization. Other, heritage-focused statements involved focusing on the core work segment business, maintaining United States manufacturing capability, emphasizing the company's longstanding quality standards, and exhibiting pride in the Red Wing brand. In the alternative, a number of statements involved a new emphasis on customer needs, new production consolidation and downsizing initiatives, recruiting new leaders, instilling new lean manufacturing approaches, finding and expanding new international markets, and expanding business relationships with the firm's Chinese affiliates. Given the company's position as a highly visible, 105-year-old domestic manufacturer based in a small Midwestern city, this factor reflected a delicately balanced approach.

Factor analysis in Q methodology includes reviewing consensus and distinguishing

statements across the factor array. Consensus statements are those that have similar rankings across the array and among each other (Sharp, 2008). Table 4.14 shows the eight consensus statements ranked against the dominant factor 1. The statements tended to cluster around the middle of the importance ranking. While there appeared to be no starkly obvious theme among the statements, they seemed to reflect commonly expected business practices that a professional management participant sample would judge to be rather straightforward. Two items were notable in their apparently muted level of importance. Consolidating production in Red Wing involved dealing with community and union concerns, yet it was seen as only somewhat important overall. And the mantra Murphy created regarding making great shoes and selling a lot of them profitably was something he saw as a way to succinctly state his fundamental strategy in a way that people would remember it, yet it was seen as a neutral action.

Distinguishing statements are those that reflect highly differentiated rankings across the array and among each other, thereby distinguishing the factors from each other. Table 4.15 shows the seven distinguishing factors ranked against the dominant factor 1. Not surprisingly, given factor 1's focus on structural changes to address longstanding cultural issues, the statements involving Murphy's personal intentions were seen as less important for that factor than for others. It was interesting, yet understandable, that statement 5, involving visiting customers and listening to their needs, had such a high variation among the factors. In factor 2, the issue seemed pushed aside as very unimportant to the urgent drive for results, whereas in factor 4, it was seen as a most important action as the firm honored its heritage while changing toward a customer-centric culture for the future.

Table 4.14.

Consensus Q Set Statements, Ranked by Factor 1r

No.	Q Statement	Factor			
		1r	2r	3r	4r
2	Deliberately demonstrated decisiveness to establish leadership authority.	1	1	0	1
22	Consolidated production in Red Wing—from two factories to one, and reduced shifts.	1	0	1	0
55	Consolidated production—closed Danville, Kentucky factory.	1	0	1	0
21	Secured three-year union contract with no change in wages and more flexible work rules.	0	1	1	0
58	Supported basic employee learning and development programs.	0	-1	0	-1
36	As results improved, sought new ways to grow the business.	0	-1	-1	-1
49	Repeatedly communicated message of "make great shoes and sell a lot of them profitably."	0	0	-1	-1
45	Restructured Research and Development several times.	-2	-1	-1	-2

Note. r = rotated factor solution.

Table 4.15.

Distinguishing Q Set Statements, Ranked by Factor 1r

		Factor			
No.	Q Statement	1r	2r	3r	4r
50	Spoke personally with employee groups to gain their understanding of key issues.	1	2	-3	1
19	Declared intent to take all actions necessary to preserve the firm.	0	2	-2	-2
5	Made highly visible trips to meet with customers and listen to their needs.	0	-2	0	3
57	Approved improvement initiatives for the retail organization.	-1	0	2	0
34	Reinforced product quality by learning and maintaining premium engineering standards.	-2	1	1	0
24	Demonstrated personal eagerness to learn the details of the shoe business.	-2	1	-3	-3
25	Personally worked several shifts in the factory to learn and connect with employees.	-3	-1	-1	0

Note. r = rotated factor solution

Factor analysis summary. A Q set comprised of 60 Q statements reflecting the actions taken by the COO of the Red Wing Shoe Company to lead its turnaround were ranked for importance in a Q sort process by a P set comprised of the COO and eight members of his senior staff. I used correlation and principal components analysis to examine the resulting ranking scores, revealing four significant factors that explained 66.84% of the total variance involved. I used varimax rotation with the initial factor loadings to develop a final factor solution and, then, did factor scoring and the associated ranking of the statements for each factor to enable my interpretation and characterization of them. Finally, I identified and discussed both consensus and distinguishing statements across the factor array.

As shown in Table 4.16, I found that factor 1, the dominant factor, was characterized by a focus on structural changes addressing cultural issues. Factor 2 was characterized by an urgent shift to a focus on results. Factor 3 was characterized by a focus on basic business issues not tied specifically to the shoe business. Factor 4 was characterized by a blended strategy of visibly honoring the company's heritage while changing it for the future. These four factors reflected the various perspectives of the sample senior leadership team as being the most important to the success of the turnaround at Red Wing Shoes.

Table 4.16

Characterizations of Four Rotated Factors

Factor	Characterization
1	Focus on structural changes addressing culture.
2	Urgent shift to focus on results.
3	Focus on general business issues.
4	Blended strategy—honor heritage while changing for the future.

Chapter 4 Summary

The purpose of this study was to build upon my previous research by examining the case of Dave Murphy, a turnaround leader who led the Red Wing Shoe Company back to health and then sustained it over time. Three questions were investigated in the study:

- Do edge leaders exist in place (i.e., would I find the six conceptual elements of edge leadership in the profile of the participant leader)?

- Would my theory-based top-25 edge leader turnaround action items list reflect what was actually done to lead the Red Wing Shoe Company turnaround?

- What were the most important actions taken by the leader, based on the perceptions of him and his followers?

I found the answer to the first question to be yes; the six conceptual elements of edge leadership were present in Dave Murphy's profile. I found the answer to the second question to be generally, yes; 23 of 25 (92%) of the items in my top-25 edge leadership turnaround action items list were matched by one or more Q set statements. I found that the answer to the third question involved four types of actions being seen as the most important to the turnaround: making structural changes to address cultural issues, urgently shifting focus to results, focusing on basic business issues, and honoring the firm's heritage while changing it for the future.

I began by learning the case, coming to understand the company's history, downturn, turnaround, and current performance. I met with and interviewed the COO and other participants. Then, using Murphy's own words as derived from his interview, I substantiated the six conceptual elements of edge leadership by favorably comparing his developmental profile to the conceptual model. Using data from Murphy's and the other interviews, I found substantial support for my top-25 edge leadership turnaround action items list by comparing it to the

concourse of his actions as reflected in the Q set action statements. Finally, using the additional

Q sort data gathering and factor analysis procedures involved in Q methodology, I identified and

characterized four factors that Murphy and his staff perceived as being the most important to the

company's success.

I have described edge leadership as a product of the collective actions of the edge leader

and his or her followers in turning around a troubled business or instilling significant

organizational innovation to sustain and grow a firm. The leader and the leadership team are

joined in a quantum relationship within the case; the people, their perceptions, and the case are

essentially related and indivisible. Yet, the leader has unique responsibilities when leading an

organizational transformation, as Nixon (2003) wrote:

> So leaders now need to do two things exceptionally well: on the one hand, they have to
> offer an appealing message about purpose, values, vision, direction, and culture. On the
> other, they need to enable the organization—to respond, adapt, create, re-create, and
> replace itself as a living system. (p. 164)

In summary, I found that Dave Murphy, an edge leader, used a blend of transactional and

transformational actions at Red Wing Shoes to do those two things.

In chapter 5, I will discuss the findings of this study insofar as their implications for

leadership and change researchers and practitioners. I suggest that the study addressed important

questions about business leadership and made useful contributions to the body of knowledge. It

included integrative reviews of six domains of literature, buttressed by subsequent field research,

to develop a new concept termed edge leadership. It provided a new list of 25 important

turnaround leadership action items that was grounded in the leadership and learning literatures

and that was favorably mapped to the actions taken by turnaround leaders in practice. It

provided new information about the four types of actions seen by a company's leaders as being

the most important among the many that were taken to a successful turnaround. It used Q

methodology, a powerful approach that is extremely well suited to leadership studies because of its focus on the inherently conjoined relationships among people and their perceptions about a topic within the full context of a case. Finally, the study suggested several implications for Dave Murphy and the Red Wing Shoe Company.

I will discuss these findings and implications while remaining aware of the limitations of this single case study, and with the understanding that my discussion will suggest new areas of investigation. As Wren (as cited in Goethals & Sorenson, 2006) noted "In the traditions of the best scholarship, the contents of this volume are presented not so much as conclusions as they are invitations to further debate" (p. 34).

Chapter V: Discussion and Implications

This study built upon my four-year long quest for answers that would make a difference in business leadership practices. My overall area of interest is leader development as a function of organization development. My particular area of focus has been business turnaround leadership, a type that provides companies with a competitive edge and provides the stakeholders of companies with the benefits of relative stability and growth. I began my quest with what seemed a clear destination in mind; I wanted to learn about the nature of turnaround leadership and how such leaders developed their skills. I wanted to learn what they actually did in working with others to renew their firms, and which of those actions seemed to matter the most to success. When I began, I felt that the answers to my questions were likely already known and recorded within the body of knowledge; I would just need to search them out.

Now, after completing four years of preparatory work and spending an additional year conducting this study, I have learned that the answers I sought were not already known. Instead, I had to develop them through a process of reviewing a substantial amount of the literature, making numerous thoughtful judgment calls, conducting diligent field research, and applying complex quantitative analysis techniques. Said differently, to answer my questions, I had to find the knowledge that existed but also create new knowledge. My quest has changed as a result of my journey thus far; I no longer see the conclusion of this study as a destination. Instead, I see it as merely a resting point in a longer journey toward greater understanding. There is more work to be done, by me and possibly other interested parties, to more fully develop edge leadership.

What does the study mean for the discipline of leadership and change? I explore that question by discussing the study and its findings, and then by reviewing its implications for future research and practice.

In the discussion, I start by discussing the meaning behind the words in the study's title: "Edge Leadership: Using Senior Leadership Perceptions to Explore Organizational Turnarounds." I follow that by noting the original elements of the study—that is, those things that I believe make its contribution to the body of knowledge unique. Then, I reflect on the gaps I found in the literature when I began my quest as they relate to the purpose of the Red Wing field study and its three questions. Finally, I review the findings and describe my opinions about them.

I then examine the implications of the study. I describe its contribution toward helping to fill the gaps I initially found in the literature. Next, I review implications for leadership and change scholars by describing opportunities for further research and promoting the considerable suitability and power of Q methodology as a tool for leadership studies. I note implications for leadership and change practitioners in two ways: first, in how the study's findings could be used to improve leader development practices; and second, in how they could help company executives understand how edge leadership could improve their competitive positions. Next, I discuss several implications for Dave Murphy's ongoing leadership at the Red Wing Shoe Company. I close with my reflections on how well the study met its original purpose and what it means to me as a person, as a scholar, and as a practitioner working to encourage beneficial change.

Discussion of the Study

Meaning behind the study's title. The title of this study was carefully chosen to reflect its focus on developing and exploring the concept of edge leadership, its means of investigation through the lens of senior management perceptions, and its object of understanding the leadership actions involved in instilling organizational turnarounds. I discuss these terms to

underscore my intent and approach to conducting the study.

    Concept—edge leadership. The term edge leadership is my catch phrase for the concept I developed that I believe can make a positive difference in the practice of leadership. The concept involves the ability of a leader to work with others to mindfully turn around a troubled business or instill significant organizational innovation to sustain and grow a firm. By definition, a catch phrase is intended to both attract attention and be easily and often repeated. I chose to use the term edge because people seem to readily grasp its meaning and remember it. They hear the term often used in various domains such as business, sports, and politics to describe attempts to gain a competitive edge. That underlying meaning is important to the notion that edge leaders, by virtue of the beneficial change programs they lead, contribute to the businesses, employees, communities, and societies they serve. Edge leadership is important, and businesses need more edge leaders.

    I believe that answers to the questions about what distinguishes edge leaders from others, about how they develop, and about the actions they take are important to the challenge of helping businesses survive and thrive in an increasingly more complex world. Bennis (2003) wrote of the unique role and responsibility of the individual leader in society. Individual leaders must take the critical first step forward to engage others in making progress. But, leaders cannot make progress alone; progress is the product of the ways leaders influence others in creating beneficial change. Edge leadership, then, involves both individual leaders and the collective leadership of themselves and others. Individual leaders take actions to initiate change and, in turn, are affected by the ramifications of that change. They work, learn, and develop along with others on their leadership teams as they pursue their goals. They shape the perceptions of others and, in turn, are shaped by others' perceptions of them. These issues point toward my reasons for why this

study involved—not just a turnaround leader—but also eight members of his senior staff.

While I am enthusiastic about the importance of edge leadership, I remain mindful of the warning that, in every subject of research, there is the danger of scholars claiming too much in order to magnify a theory (Ketcham, 1901). Accordingly, I have never called edge leadership a theory; instead, I have always characterized it as a concept. In a recent discussion I had with Peter Vaill about the distinction between the two terms, Vaill defined a classic scientific theory by saying one would "be able to predict, describe, and explain observable phenomena, subject to various external, objective validity and reliability tests, and to do so free from the influence of researcher bias" (Peter Vaill, personal communication, June 2, 2010). His definition goes well beyond what I have suggested about the edge leadership concept for three reasons.

The first reason is that the conditions under which leadership occurs in today's postmodern organizations (Bergquist, 1993) are inherently unpredictable, variable, and messy (Vaill, 1996)—conditions that make reliable predictions about how specific leadership actions would cause specific outcomes impossible. Second, I see leadership as essentially relational among leaders and followers (Burns, 1978; Wheatley, 1992) and essentially subjective in terms of how people view their organizational situation (Argyris, 1999). What matters, then, is the meaning that people attach to their relationships and their personal and organizational circumstances. To me, that suggests that studies focused on the meaning of leadership must involve observing, describing, and understanding the internal, subjective, and quantum relationships among the participants and their perspectives within the context of a case (Brown, 1991; McKeown & Thomas, 1988). Objective validity and reliability are not so much the issues as are descriptive accuracy and subjective generalizability with respect to other, similar cases. Third, I believe that even though investigators may control for their biases, they still unavoidably

bring their whole persons, including their biases, to their research (Bentz & Shapiro, 1998).

Means—exploring through senior management perspectives. I have noted my care in calling edge leadership a concept instead of a theory. I have also stressed the importance of relationships, context, and perspectives to studies of leadership. The perspectives senior leaders have regarding their relationships with their colleagues, their personal circumstances, and their company's business situation are important for researchers to understand. Perspectives inherently involve issues of meaning for people—that is, subjective personal judgments relative importance to them.

Besides Dave Murphy, the senior leaders included in this study were chosen based on their qualifications as leaders who held cross-functional executive positions with operational decision authority within their area of responsibility. They were the leaders who had worked most closely with the COO and were, therefore, the most knowledgeable about his leadership actions. Several participants were with the company when Murphy joined. Others were recruited by him as he restructured his team over the years. Certain leaders had been promoted by him. Others had been reassigned from the roles they had to other roles he viewed as a better fit for the company and the person involved. All had their unique perceptions and value judgments of his actions based on their differing vantage points, interests, and personal circumstances.

The individual and collective perceptions senior leaders have about their most senior leader's actions will influence their own ideas and actions within their areas of responsibility. Particularly in turnaround situations—when timelines become compressed, when the impacts of decisions become magnified, and when stress levels are high—having a common understanding among a company's senior leaders about what is most important to be done and good teamwork

in accomplishing organizational objectives become especially critical. So, how to best explore edge leadership, a concept that relies so heavily on senior leadership perspectives?

Vaill used the term *conceptual scheme* to describe a framework that "allows a researcher to dance with the data, to gain the perspectives of the executives involved, to take a systemic approach, and to show the complexity of the situation" (Peter Vaill, personal communication, June 2, 2010). He further amplified his description by noting "conceptual schemes are at their most useful for investigating and exploring some phenomenon because they contain the variables one has reason to believe are at play in the phenomenon" (Peter Vaill, personal communication, June 19, 2010). I found it interesting that Vaill's comments, expressed as they were so near to the close of this study, so strongly supported my antecedent choice of Q methodology, which is centered on the scientific study of human subjectivity (Brown, 1991) and uses the inherently relational perspectives of various leaders and followers as its source of data.

In Q method, the participants and their perspectives are the variables the researcher seeks to understand as expressed in interviews and in the Q sort process. The participants' perspectives are both entirely self-referent and rich with underlying meaning. When expressed, they include the contextual elements of the participants' relationships among each other, their feelings about their personal circumstances, and their understanding of their company's business situation. To borrow Vaill's terminology, I found Q methodology to be a very appropriate conceptual scheme for my exploration of edge leadership.

Object—understanding the actions involved in organizational turnarounds. Business strategies are intended to provide firms with competitive advantages based upon core competencies, unique intellectual assets, or effective deployment of people and capital. When one or more of these advantages become compromised, the resulting entropy and decline lead to

financial underperformance and declining market share. Firms decline because their organizational characteristics no longer fit the operating environment and they lose their direction and competitive edge (Harker & Sharma, 2000). Often, pathologies involving stifled communication and lack of trust among leaders become manifest (Argyris, 1999; Kanter, 2003).

Turnarounds involve firms restoring their lost competitive advantages or obtaining new ones (Krueger, 1997). A turnaround leader initiates and manages a firm's recovery through a process of stabilization, renewal, and growth. Business turnarounds are important to society (Drucker, 2001) because those who lead successful firms not only serve customers, they provide the employment that is a critical source of opportunity, economic value, personal security, and a sense of worth for people. I believe that, if the requirements of turnaround leadership were better understood and integrated within the leader development approaches of more companies and professional leadership development organizations, more businesses would remain successful by having leaders in place who could recognize and mitigate downturns in the first place or would be prepared to lead turnarounds from the inside (Gabarro, 1987) if that became necessary.

While it is clear to me that the study of turnaround leadership is important to business enterprises, I suggest that it may also be important to other types of organizations. Non-profits, health care organizations, academic institutions, community service organizations, government institutions, and others are not immune from entropy and decline. They share the need to establish and maintain strategic alignment between their fundamental purpose and the operating environment; meaningful connections with those they serve; and a sense of energy and vitality in their relations with their employees, stakeholders, communities, and society at large.

Original elements of the study. I believe this study combines several original elements that make its contributions to the body of knowledge unique. They include my:

- Use of the term edge leader in the context of business turnarounds.

- Conceptual construct of six elements of edge leadership.

- Integrative review of six domains of the literature.

- Top-25 edge leader turnaround action items list.

- Use of Q methodology to study business turnaround leadership.

- Findings regarding the four factors seen as most important to a turnaround.

My use of the term edge leader as a catch phrase to characterize one who can mindfully turn around a troubled business is original. In developing the term, I drew upon several connotations of the word edge. Turnaround leaders stand on the edge between the past and the future as they work on ways to reestablish a competitive edge for their firms. In doing so, they often add distinctive and innovative products or services—that is, edges—that will be valuable to customers and add to company profits. They work across internal functional silo boundaries, or edges, in managing a total enterprise. And, in today's global business environment, they often work across international boundaries involving complex cultural and financial considerations.

My conceptual construct of the six elements of edge leadership is also original. Based on my long experience in leading large-scale change initiatives, as I read the classic leadership and change and leader development literatures, I saw a gap regarding a leader having the ability to lead basic change and having the capabilities necessary for leading a turnaround. The classic authors spoke to having varied experience, emotional awareness, the ability to think differently about challenges at different organizational levels, and competencies for the role. I saw those as necessary, but not sufficient to create the edge necessary for turnaround leadership. It seemed to me, based on reading Vaill (1996) and Bass and Riggio (2006), that two additional elements were needed: a zest for continuous learning and the ability to instill transformational change.

My review and integration of ideas from six domains of literature is also unique. My search drew together themes and ideas from many authors and many different kinds of studies. It included the diverse but complementary areas of: leadership and change, leader development, business turnaround and organizational innovation leadership research, transformational leadership, transformative individual and organizational learning theory, and transformational turnaround leadership studies.

The top-25 edge leader turnaround action items list I developed from the literature is unique. I created it by going beyond the basic lessons of the classic leadership and change literature to include information from case studies in the turnaround transformational leadership literature. I gathered the various action words from my literature review narratives into a common list and then organized them within a six-part taxonomy representing my view of the higher level phases involved in a turnaround change process. The list does not prescribe a definite sequence or priority of actions, but the items in it suggest a general process involving turnaround leaders applying their seasoned experience, strong self-awareness, highly reflexive learning, and a balance of transformational and transactional behaviors in leading change.

So far as I am aware, my use of Q methodology to study senior management perceptions of a turnaround leader's actions was also unique. In my review of the Q methodology literature (Brown, 1980, 1991, 1997; Cross, 2005; McKeown & Thomas, 1988; Van Exel & De Graaf, 2005), I found mention of its use in studies involving psychology, communication, political science, ideology, religion, health, and the environment—all fields in which human subjectivity is of central concern. In a previous Antioch study, Sharp (2008) used Q method for her investigation of small school leadership. I found no mention, though, of its use in leadership studies involving turnaround leadership in a business setting. This indicated to me that I had an

opportunity to test Q methodology's applicability in a new research situation.

Finally, my field investigation involving Dave Murphy and his actions at the Red Wing Shoe Company was unique. I point out, however, that my finding about how well Murphy's profile matched the six elements of edge leadership was not unique; a similar result occurred in my trial study of another leader. And, at this point, it remains unknown whether or not my finding about the four factors perceived by the study's participants as being the most important to their company's success is unique. Those factors may also apply to other turnaround situations. The Q methodology literature suggests that findings from a single case study about behavioral dynamics may be generalizable to other cases (McKeown & Thomas, 1988).

Gaps in the literature as related to the study's three questions. I have mentioned how, early on, I saw gaps in the classic and contemporary leadership and change and leader development literatures regarding the specific requirements of turnaround leadership. I found substantial information about the developmental elements of basic change leadership and their associated leader development approaches, but was left with three questions about what distinguishes turnaround leaders from basic change leaders:

- What are developmental elements that provide their distinctive edge?

- What do they actually do with others when leading a turnaround?

- Which of their actions seem to matter the most to their company's success?

My five-year long program of study has centered on finding answers to those questions. I developed the edge leadership concept by connecting ideas from various types of literature in an effort to answer my questions. I found support in the literature and my preparatory research projects for my belief that the edge could be found in two additional elements—having a zest for continuous learning and the ability to understand and apply transformational leadership. The

purpose of this study was to learn how well the concept applied to an actual turnaround case.

The study had three important questions:

- Were the six conceptual elements of edge leadership present in the profile of the participant turnaround leader?

- How did the leader's actions compare to my literature-based top-25 edge leader turnaround action item list?

- Which actions were seen by the participants as the most important to success?

The purpose behind the first question was not to determine if Dave Murphy was a turnaround leader. That was determined when I chose him as a participant; he had already proven that issue through his work. Instead, the purpose was to substantiate to what degree the six conceptual elements of an edge leader—as developed from the literature—held up based on how well Murphy's developmental profile matched the conceptual model.

The purpose behind the second question was not to question the actions Murphy took in leading the turnaround at the Red Wing Shoe Company. Rather, it was to find out to what degree the literature-based top-25 edge leader turnaround action item list would be substantiated or not by mapping the actions he took in actual practice to the list.

The purpose behind the third question was to reveal which subset of Murphy's actions were seen by the company's senior leaders as being the most important to the turnaround. The answer to that question, if it could later be found to be generalizable to other turnaround cases, could provide a powerful lens through which other leadership practitioners could focus their attention.

Review of the findings and my opinions of them.

Comparison of the leader's profile to the conceptual model. I found that Dave

Murphy's developmental profile matched all six conceptual elements of edge leadership. His experience was broad, deep, and generally successful (McCall et al., 1988). He was emotionally and socially intelligent (Goleman et al., 2002) in that he was self-aware, reflexive to feedback from others, and mindful of his leadership impact on others. He had learned how to think differently about business challenges and opportunities as he navigated his passages through various levels of a large organization (Charan et al., 2001). Through his education and many different substantial leadership roles, Murphy developed the competencies to fit his role (Gebelein et al., 1999). He demonstrated a zest for continuous learning (London & Mone, 1999; Mezirow, 1994), first in his deliberately varied college career, and then by reflecting on and making changes from what he learned from his various executive and external organizational positions (Argyris, 1999; London & Smither, 1999). Finally, by leading substantial turnaround campaigns at firms in three different industries, he demonstrated the ability to understand and instill transformational change (Bass & Riggio, 2006).

The outcome of Murphy's profile comparison was similar to that which I found in my earlier trial study of another turnaround leader at A Company. Although their career paths were very different, the development profiles of both leaders demonstrated all six of these conceptual elements. These affirmative comparisons qualified both executives as edge leaders. I believe that this finding further substantiated the edge leadership concept and provides something new to consider by other researchers, leadership development professionals, and leadership practitioners. At the same time, I realize that the concept would benefit from further research and remain open to the results of further discovery.

Comparison of the leader's actions to the top-25 list. I found that the top-25 edge leadership turnaround action item list compared favorably—at a rate of 92%—when the 60

actions in the Red Wing Q set were mapped to those in the top-25 list. In my trial study, A

Company's leader's actions mapped completely. I believe that these results support the viability

of the list as a guide for researchers and practitioners to consider. The list is also intended to

represent more than just a single leader's application of experience, self-awareness, learning, and

transactional behavior to a turnaround program. Turnaround leadership is not a singular

phenomenon; it is the collective product of the actions of the edge leader and the rest of the

leadership team (Drath, 2001). In keeping with quantum theory (Brown, 1991; Wheatley, 1992),

I believe that the entire group of leaders, along with their competitive situation, the problems

they face, the decisions they make, their actions, and their perceptions about all those things are

essentially related and interactive.

In addition, none of the 25 action items in the list stand alone; they support one another

during the process of instilling change over time. The list deliberately promotes transformational

leadership practices (Bass & Riggio, 2006) due to the demonstrated benefits of that approach in

augmenting transactional leadership (Bass, 1985, 1999; Bass & Riggio, 2006; Berson & Avolio,

2004; Conger et al., 2000; O'Regan & Ghobadian, 2004; Rowold & Heinitz, 2007). Leaders

improve performance when they use and promote transformational leadership as they assess,

stabilize, transform, enhance, and sustain their organizations.

I note that, even though I found that the comparison supported the top-25 list as viable, I

found something unexpected in the results. While Murphy certainly met the criteria for instilling

transformational change, to my surprise, he did so without having conceptual knowledge of the

transformational leadership model (Bass, 1999). He also did not define change for his staff as a

process with foreseeable patterns and rhythms (Conner, 1993). Instead, he just applied what he

learned from experience and gave his team a series of annual goals and initiatives that, when

added together, resulted in a turnaround. I was surprised a bit because the leader I studied at A Company understood both things. Murphy noted that 90% of his learning came on the job and that he was a real believer in that approach; he did not assign much value to learning theories.

As I reflected on this outcome, I considered two issues that made it more understandable. For one thing, Murphy had the benefit of a very rich on-the-job learning environment at General Mills, so I could understand his point of view and appreciate how he arrived at it. I also realized that his experience and point of view were indeed consistent with what McCall et al. (1988) and McCauley (2006) wrote about regarding the value of early, challenging, and varied job assignments to the development of executive leaders. Murphy's opinion continues to affect his approach to learning. In discussing this issue with me, he noted that his ongoing learning comes mostly from his participation on various boards of directors, not from doing a lot of reading.

This result, while different than my inbound expectation, underscored the fact that continuous learning can take many different forms. However, at this point, I am not yet ready to modify the top-25 list based on my finding in the Red Wing field study. I still believe that emerging leader development regimens that include academic instruction in key concepts, along with application opportunities in trial action learning projects, can accelerate a leader's on-the-job learning. Moreover, I point out that most firms do not have the size, resources, talent pool, or defined progressive job placement regimens of a large company such as General Mills, so their leader development programs would benefit from using supporting adjunct academic resources. In my opinion, the top-25 list remains well-grounded in the literature and was well supported in the results of the research I have done thus far. I think instruction about the list could help leaders understand the actions associated with turnaround leadership in its present form, and yet I remain open to modifying it should further research warrant.

Perceptions of the leaders regarding the most important actions. The data revealed four factors that the senior leadership team at the Red Wing Shoe Company perceived as being the most important to the company's successful turnaround. I based my characterizations of the factors on the rankings of the underlying action statements for each one, as sorted by their weighted factor scores. Factor 1, the dominant factor, was characterized by a focus on structural changes addressing cultural issues. It represented the most far-reaching actions involving a shift from a historically paternalistic and manufacturing centric culture to one focused on performance and customer needs. Factor 2 was characterized by an urgent shift to a focus on results. Aside from signaling a need for dramatic improvement, a focus on immediate results can create near-term wins that provide the financial wherewithal to support longer-term initiatives. Factor 3 was characterized by a focus on basic business issues not specifically tied to the shoe business. These types of actions are inherent to basic business management, and the leadership skills associated with them and are portable across industries and companies. Factor 4 was characterized by a blended strategy of visibly honoring the company's heritage while changing it for the future. This approach builds upon the strengths of a firm while working to improve its weaknesses over time. It helps to maintain morale by not diminishing the contributions of long-term employees while enlisting their support for the things that must change. Combined, these four factors represented 67% of the variance involved in the participants' perceptions. As the factors emerged from the data (Brown, 1980), I reflected on two issues regarding the most dominant factor.

First, the results for factor 1 from the final, complex factor weighting process were entirely consistent with the earlier, much simpler weighted average ranking results that emerged from the collective Q sort tally scoring process. Eight of the 11 statements that were ranked

highest (with either a 7 or a 6) for factor 1, as shown in Table 4.13, were also ranked among the top-seven statements (including ties), as shown in the ranking score analysis in Table 4.6. For the reader's convenience, the relationship among these views is shown in Table 5.1. I saw this outcome as a secondary confirmation of the dominance of factor 1, in that two different processes yielded similar, although not identical, results about the importance of a leader making structural changes that addressed cultural issues rather than just communicating the need.

Second, I reflected on how the outcome for factor 1 may have been influenced by the study's very design. The study's P set, or sample population, was purposefully made up of all senior staff members. On the one hand, that was necessary to get the information I needed. On the other hand, one could argue that senior leaders would likely be the ones most involved in and affected by structural changes, so that factor would of course be very important such a group.

Table 5.1.

Comparison of Final Top-Ranked Factor 1r Q Set Statements to Initial Average Rankings, Listed in Order of Factor 1 Ranking

No.	Q Set Statement	Factor 1r Rank	Average Rank
23	Promoted a shift from a formerly paternalistic culture toward a new performance-based culture.	7	4
7	Immediately declared previous business results unacceptable.	7	2
6	Immediately changed inherited leadership organization structure and assignments.	7	4
32	Empowered and enabled senior managers, with clear accountability for results.	6	4
1	Assessed the business from an outsider's perspective.	6	6
51	Focused on core industrial work segment sales growth.	6	1
17	Initiated several restructuring efforts to reduce silo management issues.	6	13
8	Declared intent to quickly make necessary improvement changes.	6	9

33	Promoted a shift from a manufacturing-focused culture toward a customer-focused culture.	6	6
14	Declared clear strategic direction toward executing on business fundamentals.	6	5
60	Fostered enterprise inventory reduction initiative.	6	7

Note. r = rotated factor solution

When making my subjective characterizations, I remained mindful to not "stray far from the factors" (Brown, 1991, interpretation section, para. 9) and their underlying statements. In my judgment, these four factors were seen by the Red Wing Shoes participants as the most important to their success. They also seem consistent with my own experience in leading a divisional business unit turnaround, although I did not think in those terms at the time and must admit to being subject to potential post-hoc substantiation. The Q methodology literature asserts that "meaningful generalizations about behavioral dynamics can be sustained from small P sets and single case studies" (McKeown & Thomas, 1988, p. 36). That was one reason I chose the method for this study. But, I recognize that others will have objections to that claim. It would be beneficial to have more Q method studies of turnaround situations done across a broad range of organizations, leaders, and situations to satisfy those objections.

Implications of the Study

The study's contributions toward gaps in the literature. I have described the gaps I saw in my initial review of the classic and contemporary leadership and change and leader development literature regarding the distinctive requirements of turnaround leadership. In developing the edge leadership concept, I conducted an integrative review of six domains of the literature that helped to address the gaps. My search drew themes and ideas from many authors and different types of studies. As shown in Figure 5.1, my review included the diverse but complementary areas of: leadership and change, leader development, peer-reviewed business turnaround and organizational innovation leadership research, transformational leadership,

transformative individual and organizational learning theory, and transformational turnaround

leadership studies. I took an iterative path of discovery toward where Vaill (1996) and Bass and

Riggio (2006) had indicated I might find a leadership edge.

Figure 5.1. Unique integration of literature informs edge leadership.

My review of the global, peer-reviewed turnaround and organizational innovation

leadership research literature found that the research on business turnaround leadership was quite

undeveloped. Out of 180 articles retrieved in my search, only 59 proved somewhat relevant to

the issues of business turnaround leadership and organizational innovation. Just 15 studies were

directly relevant to one of my two search areas and only one of them directly addressed both of

them (McCarthy et al., 2005). But, the other 44 articles provided useful indirect information that

supported my path of discovery. Three broad themes with seven underlying threads emerged

from this search in support of the edge leadership concept.

The three themes involved promoting the value of transformational leadership as an

augmentation to transformational leadership, emphasizing the importance of the leader's role in

supporting organizational innovation, and stressing the importance of the leader in the pursuit of

transformational change. Seven conceptual threads clustered around the three themes.

The first thread would help to establish a sense of efficacy in leaders who face

challenging situations. It suggested that leadership does make a difference in business outcomes

and that active leadership may trump the influence of the environment (Beyer & Browning,

1999; Carmeli & Tishler, 2006; Elenkov et al., 2005; Harker & Sharma, 2000; Menguc et al.,

2007; Prabhu & Robson, 2000).

The second thread indicated that leadership behaviors and skills can be defined as

transformational or transactional (Burns, 1978) and reliably measured (Avolio & Bass, 1999;

Bass, 1985; Bass & Avolio, 1994; Bass & Riggio, 2006; Hartog et al., 1997; Podsakoff et al.,

1996). This idea is important to the development of effective behavioral assessments and

pedagogy for leader development programs.

The third underscored the practical side of transformational leadership. It described how

transformational leadership provides measurable benefit when used to augment transactional

leadership (Berson & Avolio, 2004; Boerner et al., 2007; Conger et al., 2000; Howell & Avolio,

1993; Lowe et al., 1996; O'Regan, & Ghobadian, 2004; Rowold & Heinitz, 2007; Xenikou &

Simosi, 2006).

The fourth thread asserted that leadership support for business innovation is critical to its

successful development (Amabile et al., 2004; Christiansen, 1997; Krause, 2004; Smith, 2007;

Sutcliffe, 1999). This idea reinforces the responsibility of leaders to provide both visible

personal support and the means for finding new ways to do things.

The fifth suggested that two meta-competencies—personal identity (self-knowledge) and

adaptability—are key drivers of sustainable leadership in the face of challenge (Jensen &

Luthans, 2006; McCarthy et al., 2005). This conceptual thread provides leaders with important

information on the underlying components of personal resilience.

The sixth thread reinforced the notion that transformational leadership behaviors and

skills can be taught (Bono & Judge, 2004; Bossink, 2004; Burke & Collins, 2005; Garcia-

Morales et al., 2006; Turner et al., 2002). This is critical for the suggestion that edge leadership

concepts can be added to existing leader development programs and reinforced by action

learning projects (Argyris, 1999; Nixon, 2003). Transformational leadership is not purely a

matter of ontology; it is subject to pedagogy. Turnaround leaders are not just born; they can be

developed.

The seventh and final thread described how leadership influence, the environment, the

situation, the business structure, and business process designs work systemically together in

determining outcomes (Leonard & Goff, 2003; Senge, 1990). The idea of a business system is

foundational to teaching leaders to consider the full impacts of their actions.

In summary, this extensive review not only underscored the value of transformational

leadership, it supported my belief that the concepts and skills involved can be taught and learned.

It provided support for considering the value of adding the edge leadership concept to leader

development programs and led to my next literature review of the learning literature.

My subsequent review involved transformative individual and organization learning

theories. In this review, I investigated how personal transformative learning (London & Mone,

1999; London & Smither, 1999; Mezirow, 1994, 2000) can change a leader's perspective, enable

greater reflexivity and support a leader's life mission. It provided information on how

instruction in organizational learning and systems theory can enable leaders to manage for the

long-range effectiveness of a business system (Argyris, 1999; Senge, 1990). And, it again

underscored the leader's unique role in defining purpose and meaning when leading an

organizational transformation (Bennis, 2003; Burns, 1978; Nixon, 2003). To me, this review

provided additional support for including substantial instruction on the value of continuous

personal, career related, and organizational learning in leadership development programs. I

found strong additional support for what I proposed as the fifth element of edge leadership.

I sought more information on the practical aspects of the edge leadership concept's sixth

element in my next review of the transformational turnaround leadership literature. This review

focused on what turnaround leaders actually do. The review included books (Denning, 2005a,

2007; Gabarro, 1987), case study articles (Austin, 1998; Collins, 2005; Denning, 2005b; Gadiesh

et al., 2003; Harker & Sharma, 2000; Kanter, 2003; McCarthy et al., 2005; Tucker & Russell,

2004; Van Nimwegen & Kleiner, 2000), and a dissertation (Krueger, 1997). Importantly, this is

the review that catalyzed my top-25 turnaround edge leader action item list. The additional

information I gained from cataloging the actions drawn from these sources allowed me to

substantially revise an earlier, more basic top-10 list I had developed when reviewing the classic

and contemporary leadership and change literature.

My final review included sources from the contemporary leader development literature

including: Allen (2006), Cappelli (2008), Conger (1992), Conger and Riggio (2007), Drath

(2001), and Fulmer and Goldsmith (2001). I also made site visits to the Center for Creative

Leadership (CCL) and Personnel Decisions International (PDI) to talk with their senior people

and directly observe their approaches to leader development. The literature and those visits strengthened my belief that edge leaders could be developed by adding elements of the edge leadership concept to existing development programs.

In summary, I found support through the literature review process for my belief that the edge leadership concept helps to fill a gap in understanding between the leader development requirements of basic change leaders and those of turnaround leaders. Beyond the literature reviews, my field studies brought additional supporting information to the body of knowledge.

By successfully comparing the six elements of edge leadership to the development profiles of two turnaround leaders, I gained additional confidence that my conceptual model may help identify some distinctions in the makeup of turnaround leaders from basic change leaders. The field studies also supported the viability of the top-25 list. The list has now twice been shown to be highly comparable to what leaders actually did in practice. Their actions brought the top-25 list to life by providing examples of how the overall transformational change process and its underlying supporting actions actually played out in different companies and industries.

The Red Wing field study also provided focused information regarding the leadership team's perceptions of the four most important factors. The factors were neither incidental nor trivial; they were seen as being fundamental to the company's success. In his interview, Murphy was open about the things he did well and those things he saw as missteps along the way. Certain actions brought near-term results; others took longer. Some actions achieved his expectations; others never worked out. But, they all involved substantial levels of discussion, design, planning, focus, and managerial courage over a number of years in their execution.

In summary, I believe that this study's integrative literature review and the findings of its field studies provide valuable additional information on turnaround leadership. The knowledge

gained from the study provides a starting point for further research and is something leadership

practitioners should consider including in leader development programs and in the day-to-day

work of leading beneficial change in organizations.

Implications for leadership and change scholars.

Opportunities for further research. The gaps I found in the literature and the lack of in-

depth studies on the topic would suggest that the topic of turnaround leadership is underserved

by the leadership and change research community. I see this as an important issue given the

importance of robust businesses to their customers, employees, stakeholders, communities, and

society. The results of this study suggest that I have made a good start in my quest to identify

how the profiles of edge leaders are distinctive from those of basic change leaders. I believe the

work done so far demonstrates that my edge leadership concept is worthy of additional

development, but I recognize that the work is still immature. The findings of a single study are

not enough to warrant broad acceptance in the academy and extensive application in practice. To

become more widely accepted and applied, additional research projects and trial action learning

initiatives would be needed.

Additional studies of the development profiles of turnaround leaders from a variety of

businesses would be required to further substantiate the concept's six elements as definitive or

not. New studies should challenge my original construct by looking for additional development

profile elements while at the same time seeking disconfirming evidence regarding my current

model. To go beyond the influences of my own lifeworld and related biases (Bentz & Shapiro,

1998), it would be beneficial for me to work with other researchers or to have them conduct their

own independent studies. Research should also go beyond my original business-centered

purpose to investigate turnaround situations in other venues such as non-profit, health care, and

government service organizations. It would be very interesting to learn whether or not, by mapping the profiles of a broad range of turnaround leaders to the conceptual elements of edge leadership, certain common themes might become apparent.

The top-25 edge leader turnaround action item list would also benefit from additional study to either further substantiate or modify it if necessary. I assembled the list from many different sources and am pleased that it performed well in my trial and primary studies. But many of the books and articles I reviewed in the literature seemed to have just cobbled together a series of ad hoc incidents to make their points about the beneficial actions of transformational change leaders. To really understand long term edge leadership in action, it seems that more substantial case studies and even additional deep, longitudinal studies along the lines of McCarthy et al.'s (2005) study of Ingar Skaug and Wilhelmsen Lines are needed.

It would also be beneficial to have additional research done on the factors seen by senior leaders as the most important to turnaround success. Perhaps, the factors revealed in this study would be appropriate to more situations, but it is very possible that other factors would emerge from studies of different organizations and industries. I suggest, as I did regarding the edge leadership development elements I mentioned, that it may be possible that certain common factors would apply across various turnaround situations. If that were the case, the information would be very useful to leadership development program designers and operating practitioners.

In addition to doing further work on the issues raised by this study, there are other research opportunities that would add value to understanding turnaround leadership practices. The first would be further investigation of the broader impact of environmental influences on a leader's turnaround efforts. In the turnaround and organizational innovation literature, I found support for the notion that active leadership can trump the influence of the business environment

(Beyer & Browning, 1999; Carmeli & Tishler, 2006). However, others would argue the opposite, and the impact of the current global recession lends credence to that point of view. The edge leadership concept would benefit from additional research focused on this issue.

Another, more limited, area of potential research would involve longitudinal reviews of the results of edge leader development programs. Based on my work so far, I believe that organizations would benefit from their investment, but proving that would be admittedly difficult because it would take time to add turnaround skills training into existing development regimens and then follow up on the experiences of the participants. Moreover, this type of research is subject to the problem of leaders frequently changing companies as they grow their careers. Perhaps a more limited approach could be developed to determine the results of trial edge leadership training as applied to a short-term turnaround situation.

The concept would also benefit from additional studies focused on the international cultural aspects of turnaround leadership. I mentioned that I found the global research literature on turnaround leadership to be significantly undeveloped. Some useful questions to examine might include how well the six developmental elements would be substantiated across cultures, how the top-25 action item list would compare across different cultures, and whether the same factors would be perceived as being the most important by leaders from different cultures.

These research implications all involve subjective issues such as relevance, importance, influence, benefits, and culture. They are all issues of personal meaning. Q method is designed for the scientific study of human subjectivity and is particularly well suited for this work.

Q methodology as a tool for leadership studies. Based on its appropriateness for this study, I recommend Q methodology for use by other leadership and change practitioners. The qualitative aspects of leader and follower actions and perceptions, in context with the setting and

the issues, seemed essential to a case study of leadership in a turnaround setting. The

quantitative aspect of obtaining a ranking of importance of key factors was essential, as well. Q

method supported both considerations. My review of the instructive literature about Q revealed

five categories of strengths that promote its use for other leadership studies. They are

subjectivity, synthesis, pragmatism, adaptability, and uniqueness. Figure 5.2 illustrates the

categories and their underlying characteristics.
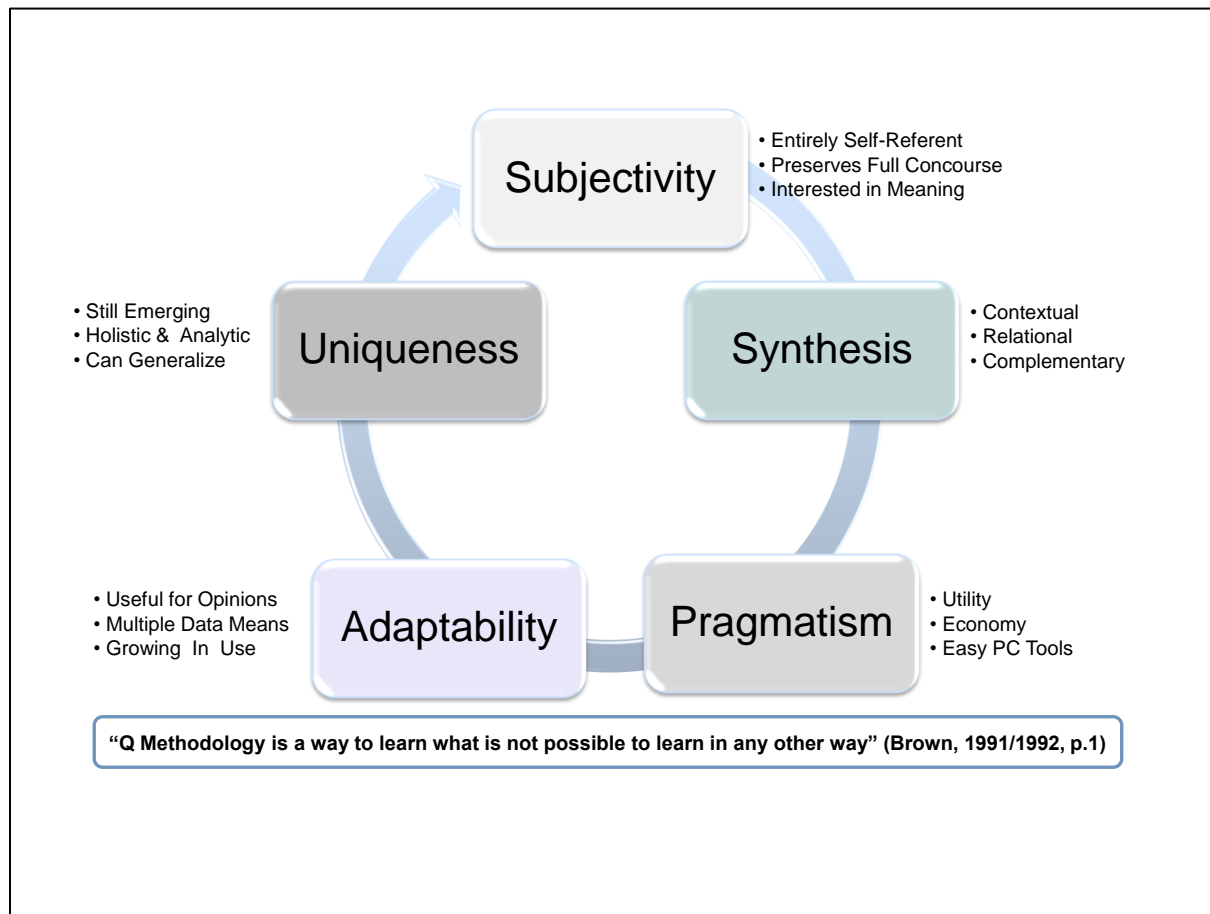
Figure 5.2. Five strengths promote Q methodology for leadership studies.

First, Q methodology was designed for the scientific study of subjectivity (Brown, 1991).

Q focuses on internal measures of subjective meaning (Brown, 1991) as determined by the

participants, and not on external measures based on a fixed set of facts (McKeown & Thomas,

1988). The statements the researcher gathers and analyzes are not only entirely self-referent

(McKeown & Thomas, 1988), but participants express them within the context of their particular case (Brown, 1991). I see leadership as an essentially relational phenomenon among leaders and followers (Burns, 1978; Wheatley, 1992) that is subjective in both delivery and receipt. Q method is essentially constructivist in its philosophy and design, and is therefore, highly suitable for leadership studies.

Second, Q methodology allows a researcher to preserve the synthesis (McKeown & Thomas, 1988) among all the elements of a case (Yin, 2004). In keeping with quantum theory, what are factored within a Q method study are perceptions as expressed by the participants—that is, ephemeral states of energy, not variables (Brown, 1997). Those factors are not distinct, but instead exist together among all of their complementary relationships (Brown, 1997).

A third strength is that Q methodology's pragmatism in its use (Greene & Caracelli, 1997). The method offers the benefits of utility and economy by supporting deep research on a single case using relatively few participants and by using inexpensive computer software to support its factor analysis components. I found this to be helpful in terms of time and resources.

Fourth, Q methodology has been shown to be highly flexible and adaptable (Brown, 1991). Since its early days of use within clinical psychology, Q has been accepted in more fields and its use seems to be growing. Brown (1991) indicated that there is no single way to do a Q method study and that "there is no set strategy for interpreting a factor structure" (Brown, 1980, p. 247). In this study, Q methodology was highly adaptable to a business setting. Future Q practitioners may elect to exercise even greater flexibility than I did by adopting new internet technologies to its use. For example, time could be gained in a study by having participants conduct their Q sorts simultaneously or asynchronously using current survey technologies.

Fifth and finally, Q methodology remains relatively unique for leadership studies, an

attractive prospect for researchers seeking to develop new ways of finding insights. The way its components fit together within a constructivist study that is supported by quantitative analysis seems to enable greater insights by the researcher and greater acceptability for the research. Brown (1991) promoted Q methodology for qualitative research saying, "it might 'tell me about a phenomenon [that which] I cannot learn some other way'" (introduction section, para. 2).

The literature calls for careful attention to design and process considerations. The P set design is particularly important. As with other types of studies, population samples can be developed in various ways (McKeown & Thomas, 1988) to be purposeful or random, intensive or extensive, or large or small. For this study a purposeful, small, and extensive design was appropriate for the questions I was asking involving the perspectives among a single leader's senior staff. Researchers must also take care as they develop a complete Q statement concourse, in editing the Q statements into the final Q set, in developing clear Q sort instructions, in doing the statistical analyses, and in interpreting and characterizing the factors. Q is a constructivist approach, but care is required throughout because the final interpretive judgments can be subjective but not arbitrary (Brown, 1980). I note that, while care is required, the design and process considerations in a Q method study are not difficult to understand or work through.

Given Q method's potential for wider use in leadership studies, I believe that training on the philosophy and processes of the method should be made more widely available to leadership scholars and practitioners. Training would help new researchers understand and apply the design and process considerations I mentioned. Some steps seem familiar in that they are identical to those of other methods. Other steps seem similar to other methods, but their philosophical foundations are very different. Yet other steps, such as the Q sort process, are unique to this method. Finally, the statistical analysis components are somewhat complex. A computer does

the work, but researchers would benefit from training in the necessary software commands.

The considerable power of Q methodology comes from its ability to enable a researcher to start with numerous individual and seemingly unconnected perceptions from a group of participants and then, through a series of qualitative and quantitative steps, focus in on the few factors that matter the most regarding the issue under study. Figure 5.3 shows how the method's framing and processes support this work.
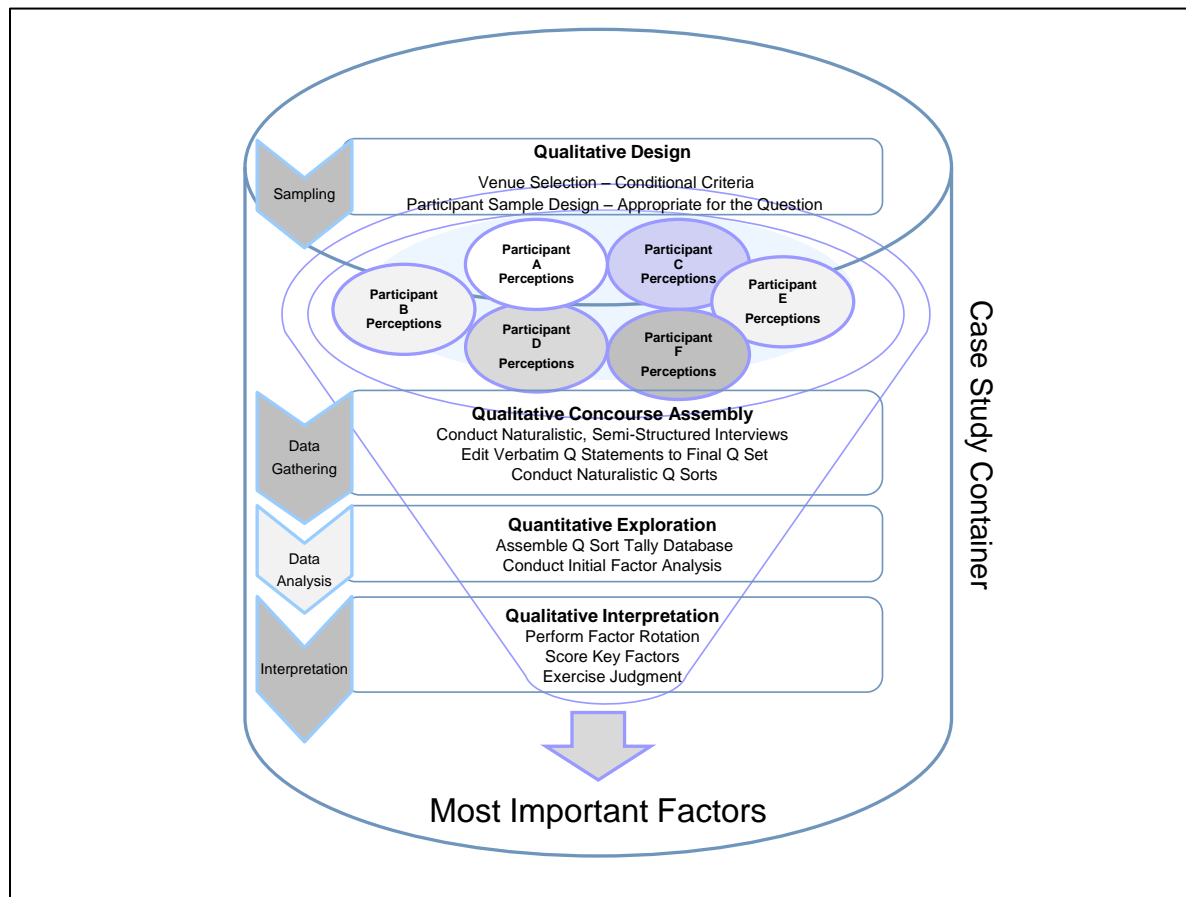
Figure 5.3. Q Method design supports the scientific study of subjectivity.

Implications for leadership and change practitioners. Based on my experience and the gaps I found in the leadership and change literature, early on, I concluded that turnaround leadership skills were underdeveloped in the management practices of business organizations. My reviews of the leader development literature and my site visits to CCL and PDI led me to

suggest that the practice of turnaround leadership has also been underserved by the leadership development community. I address the study's implications for two broad categories of practitioners—those who work in the leadership development discipline and executives in organizations that would benefit from improved leader development practices.

Improving leader development practices. The demands of today's business challenges call for more turnaround leaders who can deliberately implement beneficial, long-lasting change. The case of Dave Murphy and the Red Wing Shoe Company illustrates the benefits of having such a leader. But, the case also points out the strategic weakness of not developing such leaders from inside the firm. Murphy was appointed because he was prepared to take on the turnaround challenge. Red Wing was helped by the fact that in Murphy's case, he was both an outsider and an insider. His development regimen from General Mills gave him the outside experience, emotional intelligence, ability to deal with complex issues, competencies, knowledge, and transformational leadership qualities to lead the turnaround. His previous inside positions as a Red Wing board member and non-executive chairman provided him with the industry context and information necessary to move quickly and credibly as a new president and COO.

But what if Murphy had not been available? What if another long-term veteran had been chosen? Would the firm have recovered at all if it could not escape its cultural biases? What if a total outsider was chosen? Would things have gone as well as they did as soon as they did? There is no way of knowing for sure but, in general, I believe that companies could gain a competitive edge by preparing their emerging leaders from the inside (Collins & Porras, 1994; Gabarro, 1987; Nixon, 2003). Dave Murphy had to bring in outside leaders to his staff, some who also came from General Mills, because Red Wing did not effectively develop its own.

Talent can emerge from unexpected places in organizations; leaders are not just born,

they can be made. Bennis (2003) stressed the leader within each person when he wrote "learning

to lead is a lot easier than most of us think it is, because each of us contains the capacity for

leadership" (p. 3). A future COO may now be buried in an obscure department. A future

department leader may be in the wrong job. Leader development programs must meet the

strategic challenges of finding and developing edge leaders, and I believe that more can be done.

I do not suggest that edge leader development would be easy, inexpensive, or entirely

straightforward, however. Vaill noted this issue once when he gave me feedback on my edge

leadership concept. He wrote:

> You do have hold of a sense of something these leaders have that is not possessed by less
> effective leaders. You believe this "edge" leadership can be developed, but I think you
> will agree that it is a very inexact science at best, and one that depends heavily on the
> learner being ready to "get it." (Peter Vaill, personal communication, September 14,
> 2009)

Vaill was right, but I also believe that leaders of organizations are responsible for setting

expectations for the leaders who come behind them and that, if challenging expectations were

set, they would encourage new leaders to become open to learning about edge leadership.

So, what might those expectations be? Edge leaders need to understand change, to be

able to teach others to navigate it, and to project a calm sense of confidence in dealing with it.

They need to understand how ongoing individual and organizational learning spurs innovation

and must encourage and support it. Edge leaders must learn how to recognize the early signs of

business challenges and their underlying reasons. They must understand how to work

collaboratively and effectively with others in defining and executing effective mitigation options.

And, edge leaders must be able to create a compelling vision for the future and communicate in

ways that inspire the alignment and engagement of their colleagues with that vision.

Leader development programs should include these concepts in long-term learning

regimens and targeted career plans. Allen (2006) defined leadership development as a continuous, systemic process designed to expand the capacities and awareness of individuals, groups, and organizations in an effort to meet shared goals and objectives. If turnaround leader development was included as one of the goals and objectives, I believe the awareness of what it takes and the development of the required capacities would follow. Conger (1992) summarized the developmental needs of leaders as being: managerial skills, conceptual ability, conceptual understanding, targeted beneficial experiences, emotional awareness, and feedback. I believe that if transformational turnaround leadership actions were included in that list of needs, more edge leaders could be developed. Fulmer and Goldsmith's (2001) extensive review of prominent leader development programs demonstrated that all of the corporate programs they profiled were tailored to their own strategic initiatives and specific cultures. The firms involved preferred to grow their leaders rather than buy them from the outside. If curricula and experiential activities focused on the specific issues and requirements of turnaround leadership were added, those executive development programs could be strengthened even more. I believe that adding turnaround leadership components to what already exists in prominent approaches such as those of CCL and PDI would be desirable, possible, and effective. It may even be that psychometric tools could be designed to assess the profiles of turnaround leaders in ways similar to those of the MLQ (Avolio & Bass, 1999) and other leadership assessment instruments being used today.

Informing leaders in organizations. Leaders of business organizations are responsible to seek competitive edges for their firms. If more company leaders supported the development of turnaround capabilities in their emerging leaders, I believe they would enable their organizations to become more competitive. This study developed information about edge leadership that executive leaders could find useful, and, although I do not claim to have complete

answers as to how to reach and influence this audience, I do have several suggestions.

The first thing necessary would be to create greater awareness of the edge leadership concept itself. I believe this work would start small and would need to involve other researchers and practitioners in order to grow. Awareness would involve first making it known that there is something new for leaders to consider. An awareness campaign could include such things as getting articles published based on this study and other subsequent research projects, establishing a presence on the internet, holding seminars at various conferences, including the concept in business school and leadership development classes, and including the lessons learned in organization development consulting engagements.

Beyond simple awareness, it would be necessary to find ways to help executive leaders gain a fuller understanding of the concept. This would start by underscoring the need for and benefits of developing more turnaround leaders. It would then involve using various ways to outline the concept's component elements and educate the audience about them. It would involve discussing the value of broad experience (McCall et al., 1988) and focused career-related continuous learning (London & Smither, 1999) for themselves and the emerging leaders in their organizations. It would involve providing information about emotional and social intelligence concepts (Goleman et al., 2002) to help leaders understand the value of collaboration and personal reflexivity in arriving at optimal solutions to problems. The importance of systems thinking (Vaill, 1996) would be emphasized to help leaders better understand how a narrow solution to a problem in one area of a business could negatively affect another area to the detriment of the whole enterprise. The value of learning to think differently about challenges and decisions as one makes passages through an organization (Charan et al., 2001) should also be stressed as leaders may often struggle to escape their successful past.

It is not only people that struggle to escape their past, organizations do as well. In that regard, it would be important for executive leaders to understand and foster methods of ongoing organizational learning (Argyris, 1999; Nixon, 2003). They would also benefit from learning about the full-range leadership model (Bass & Riggio, 2006) and the value of transformational leadership in augmenting traditional transactional approaches.

I believe that having leaders gain a greater understanding of the elements and benefits of edge leadership would help attain greater executive alignment on some beneficial actions they could take to add value to their organizations. Beneficial actions would include senior leaders directing their leader development organizations to include edge leadership ideas in their training and talent management designs. I mentioned those issues earlier and believe they would have a positive longer-term impact. But, action could also involve positive impacts in the near term by using the top-25 list as a guide in trial settings with leaders who are working on existing business problems. This could be done by having leader development professionals design and administer work-based learning projects that would teach emerging leaders about turnaround leadership principles and processes while providing bottom-line benefit to their firms. The four most important factors that emerged at Red Wing Shoes could reasonably be considered for early problem assessment in such learning projects. The action learning project approach is supported in the literature (McCall et al., 1988; Nixon, 2003) and has been useful in my own experience.

Implications for Dave Murphy's ongoing leadership of change. The implications of the study for Dave Murphy and the Red Wing Shoe Company are few, but perhaps far-reaching. Murphy and his senior staff have had a chance to reflect on what they have accomplished and what that means to them and their many stakeholders. The interviews, Q sort process, and follow-up meetings provided them with ways to tell their stories, provide their perspectives, and

think about how they can best use the information in the future.

Murphy gained confirmation of his abilities as an edge leader from this study. It seemed that he had confidence in his abilities before the study began based on the outcomes of his work. But, by mapping his profile to the six elements of edge leadership, he gained new information about how his personal development process contributed to his success. That knowledge gave him something more to consider when thinking about the emerging leaders at Red Wing Shoes. To his credit, Murphy recently approved an initiative for new leader development programs.

In discussing the two action items in the top-25 list that did not match Murphy's actions, he came to the realization that, because Red Wing does not have the scope of development roles or resources of the larger company he grew up in, providing Red Wing's emerging leaders with support for academic learning to help accelerate their growth and ability to make a difference is in order. He also has agreed, with the firm now on solid ground and poised for growth, to go beyond the serial year-over-year approach and engage in more long-term strategic planning.

From my final meeting with the participants, it seemed that the findings of the study regarding the four factors they saw as the most important were confirmatory, but not notably surprising to them. The factors revealed what the participants thought based on their role-based observation points and personal biases. Factor 1, the dominant factor regarding structural approaches to cultural issues, reflected what four members of the group thought. The other three factors each represented the perspectives of fewer members of the leadership team. The participants experienced the actions involved and so were not surprised. But, I found it to be very interesting and confirmatory to see how Q method so clearly revealed the results.

A final implication for Murphy and his team was posed to me by Vaill in the form of a question. In exchanging ideas about the term *turnaround*, he wondered, beyond its value as "a

headline writer's shorthand, [what] it mean[s] in psychological and organizational behavioral terms" (Peter Vaill, personal communication, June 5, 2010). Based on the participants' high energy levels during the interviews when describing their success, I suggest that it means a great deal. Their morale was high as they discussed new growth and operational improvement initiatives centered on functional and personnel development areas that would provide strong profit and market share returns. The historic downtown Red Wing headquarters building was being renovated and renewed, but with great attention being paid to the firm's heritage in the community. The Red Wing Shoe Company seems well positioned for continued growth and its leaders seemed proud of their success.

Personal Reflections

Leadership and change are important matters. This study was founded five years ago based on my interest in business turnaround leadership, an interest stemming from my belief that business is a foundational organ of society (Drucker, 2001) and that the primary responsibility of business leaders is to sustain and grow their organizations for the benefit of their shareholders, employees, communities, and societies at large. The turbulent and ever more complex business conditions of today require more leaders who can turn around troubled businesses, stabilize them, and grow them for the future. Companies today need more leaders with an edge. Edge leadership involves the ability of a leader to work with others to mindfully turn around a troubled business or instill significant organizational innovation to sustain and grow a firm.

I was interested in the characteristics of edge leaders and in how and what they learn as they become prepared to take up their challenges. But, my main interest was in what they do in association with others to achieve success. My investigation was done using several original elements. I reviewed six diverse but complementary domains of literature and integrated ideas

from them in a new way as I developed the edge leadership concept. I collated findings from the transformational turnaround leadership literature into a unique top-25 edge leader turnaround action items list that can serve as a guide for leader development practitioners and leaders in place in organizations. I conducted a trial study that suggested that the edge leadership concept was worthy of further investigation in my dissertation study.

The purpose of this study was to further investigate and potentially substantiate the concept in the case of a leader and the senior staff of a company that has gone through a turnaround. I believe the study fulfilled its purpose. I used Q methodology to investigate three important questions about the development profile of the turnaround leader, the range of actions he took, and the senior leadership team's perceptions of those actions. My choice of method was well suited to the study's questions, but also unique in that, as far as I am aware, it is the first time it has been used to investigate business turnaround leadership.

The findings revealed that the primary participant's personal development profile matched well to that of a conceptual edge leader. His actions mapped well to the literature-based top-25 action items list. And, factor analysis revealed four important factors that were seen as the most important to the company's turnaround by its senior leadership group.

These findings provide opportunities for further investigation, development, and application by leadership and change scholars and practitioners. The purpose for my course of study over the past five years remains unchanged. It is to assist in improving leader development practices so that more edge leaders can be developed within their organizations. If others see value in my purpose and this study, the future offers many ways of meeting that challenge.

I have been changed by the process of doing this study. I have learned to become a more effective researcher. I gained a high degree of personal satisfaction from learning a powerful

methodology and applying it in practice to learn more about turnaround leadership. I appreciated the guidance of my committee as I made this quest. As my mentors, they provided the best of what is necessary for personal development—that is: assessment, challenge, and support.

Conducting this study has also given me an even greater appreciation for the work that turnaround leaders do. The work is hard and stressful. The issues are many and often paradoxical. The stakes are high and so are the risks. But, when turnaround leaders recapture their company's competitive edge the impact of their work on their associates, their stakeholders, and their communities is enormously beneficial. In leading their companies back to health, edge leaders truly fulfill the proper role of business as an organ of society (Drucker, 2001).

I have learned a great deal but, as McCall et al. (1988) wrote "it is one thing to make a list of lessons, quite another to master them" (p. 9). I realize now that I have not yet reached my destination. My quest is far from over. There is much left to do to optimize what I believe the edge leadership concept may offer to leaders and their organizations. I cannot be sure of what may come of this work, but I hear it calling and must respond. As an earlier Antioch graduate whom I admire once wrote "Listening to the inner voice—trusting the inner voice—is one of the most important lessons of leadership" (Bennis, 2003, p. 35).

APPENDIX

Appendix A: Permission Document

October 16, 2008

Lynn W. Olsen
Antioch University
Ph.D. in Leadership & Change Program
1811 County Highway 111
Fergus Falls, MN 56537

Dear Lynn:

Thank you for your recent request for permission to include the PDI Development Pipeline® model in your dissertation and preparatory work products. PDI hereby grants you permission to use the PDI Development Pipeline model for this purpose, only. No additional use is intended. You may not use the model to create, develop or enhance any competing products, without the prior written consent of PDI.

You agree to identify and credit the source with a footnote indicating PDI's copyright, as follows:

> The PDI Development Pipeline® model is reprinted permission. Copyright © 2000 Personnel Decisions International Corporation. All Rights Reserved.

If you have any questions, please contact me at 612-337-8228. Thank you!

Very truly yours,

Elaine Sloan
EVP & Principal Consultant

AGREED TO AND ACCEPTED THIS 16TH OF October, 2008.

By _____

Name ___Lynn W. Olsen_____

Appendix B: Formal Approval Letter

RED WING SHOES®

ESTABLISHED 1905

December 21, 2009

Dr. Carolyn Kenny
Chair-Institutional Review Board
Ph.D. in Leadership and Change Program
Antioch University
150 E. South College Street
Yellow Springs, OH 45387

Dear Dr. Kenny:

In my role as President of the Red Wing Shoe Company, I authorize Lynn Olsen to conduct his research project entitled: *"Edge Leadership: Using Senior Leadership Perceptions to Explore Organizational Turnarounds"* with me and designated members of my staff.

Sincerely,

David Murphy
President & Chief Operating Officer

Antioch University
PhD in Leadership & Change
INSTITUTIONAL REVIEW BOARD
Application for Ethics Review

IRB Chair comments:
Instructions

- All research (by faculty and/or students) involving human participants must be reviewed and approved prior to initiating the project.
- This version of the form is intended for you to complete in Antioch Online. Once it is completed, including the attachment of any necessary documents, please press the Submit button. Submissions will 1) send you an email copy of the application for your own records, 2) email the application to the Chair of the Institutional Review Board, Dr. Carolyn Kenny E-mail:ckenny@phd.Antioch.edu

NOTE: IRB Approval for projects is valid for one year only. Investigators must request a continuation if the activity lasts for more than one year. IF APPROVAL FOR THE PROJECT LAPSES, CONDUCTING THE RESEARCH IS A VIOLATION OF UNIVERSITY POLICY AS WELL AS FEDERAL REGULATIONS.

1. Name and mailing address of Principal Investigator(s):
Lynn William Olsen
1811 County Rd. 111

Fergus Falls, MN 56537

For Faculty - Other Principal Investigator:

2. Departmental Status: Student

3. Phone Number: (a) Work (952) 828-4591 (b) Home (218) 998-3968

4. Name of Core Faculty Advisor: Mitch Kusy

5. Name & Contact Information of other Program Faculty Involved in this Project:
      Jon Wergin
      112 North Morris St
      Richmond, VA 23220
      804-269-3806 (Home)
      804-304-8426 (Cell)
      jwergin@phd.antioch.edu

a. Antioch Faculty and/or Primary Evaluator for Learning Achievement or Research Project: Dr. Mitchell Kusy

E-mail address of non-PhD faculty person:

Note to students: Please have your primary evaluator send an email to Dr. Carolyn Kenny indicating his/her approval of your research proposal.
b. If this ethics application is for your dissertation, the name of your Dissertation Chair appears below.
Dr. Mitchell Kusy

6. Dissertation

Title of Project: Edge Leadership: Using Senior Leadership Perceptions to Explore Organizational Turnarounds

7. Source of Funding for the project (if applicable):

8. Expected starting date for project: 2/15/2010

9. Anticipated completion date for data collection: 6/18/2010

10. Describe the proposed participants- age, number, sex, race, or other special characteristics. (Up to 250 words):
The proposed participants include up to ten adult professional senior management individuals from a commercial manufacturing and retail organization whom I will interview to better understand their perceptions of the company's business history, strategies, areas of focus, related leadership and management behaviors, activities, programs, implementation practices, and outcomes.

The firm involved is the Red Wing Shoe Company, Inc., a company based in Red Wing, MN. The principal participant is David Murphy, the firm's president and COO. The other adult participants are executive professionals from the Red Wing Shoe Company staff. I have obtained institutional approval from Mr. Murphy to conduct this research.

11. Describe how the participants are to be selected and recruited. (Up to 400 words):
The adult professional executive participants at the Red Wing Shoe Company have been identified by David Murphy, president & COO. They were purposefully selected to comprise a targeted senior cross-functional leadership sample. They may include: Chief Financial Officer, VP Sales, VP Retail, SVP International and Strategic Development, VP Human Resources, VP & General Manager, VP Vasque Brand, Chief Information Officer, SVP Supply Chain, and one other executive of the president's choosing.

The researcher will personally provide oral consent information and confirm every participant's willingness to be interviewed before doing so. No one will be pressured in any way to talk with the researcher.

12. Describe the proposed procedures, e.g., interviewing survey questionnaires, experiments, etc. in the project. Any proposed experimental activities that are included in evaluation, research, development, demonstration, instruction, study, treatments, debriefing, questionnaires, and similar projects must be described. Continue your description on following page if necessary. USE SIMPLE LANGUAGE AND AVOID JARGON. Please do not insert a copy of your methodology section from your proposal. State briefly and concisely the procedures for the project. (500 words):
The dissertation field research design has three components. The first involves a site visit to the Red Wing Shoe Company to conduct the interviews, the second part involves conducting a Q Sort process with the respondents, and the third involves a follow-up debriefing session with the respondents.

The procedures for the site visit will consist of the researcher conducting a semi-structured interview lasting up to two hours with the president & COO, and up to one hour each with the other executives. The researcher will ask a series of open-ended questions intended to draw out the participants' knowledge of the company's business history, along with their experience in working with COO to develop the company's turnaround areas of focus, strategies, critical leadership and management activities, programs, implementation practices, and outcomes. The questions have been largely determined in advance, but the researcher will leave open the option to eliminate some questions or add others as determined by the flow of the conversation.

The researcher will use a digital recorder and keep contemporaneous notes during the interviews. The recordings will be transferred to a computer and saved on a compact disc. The recordings will also be transferred via secure file transfer protocol to a third-party transcription service. The transcriptions will be provided back to the researcher as MS Word documents.

The researcher will make follow up contact with the participants (either in person, via video conference, via personal computer sharing technology, or by telephone) to provide them with the opportunity to add, edit, or redact comments in the transcripts before the transcripts will be considered final.

By drawing key words from the participants' interview responses, the researcher will develop a list of 'Q-Sample' statements regarding the specific actions the turnaround leader took, along with what the followers perceived of those actions and then did themselves as a result.

The researcher will edit the list of Q-Sample statements to a reduced group of 'Q-Set' statements and transfer them individually to a card deck. He will then meet again with each respondent to conduct a 'Q-Sort' process in which the respondents will use the card deck by placing each card on a seven-point scale to rate each statement according to their perception of its importance to the success of the company's turnaround. The researcher will record each respondent's ratings, thereby creating a complete data set of their individual and collective perceptions.

The researcher will then conduct a statistical factor analysis to explore the quantum relationships among the respondents and their perceptions of the importance of the turnaround actions taken.

After making preliminary conclusions, the researcher will hold a debriefing discussion with the respondents to provide the results and gather final feedback regarding the researcher's preliminary conclusions.

The researcher will then finalize his conclusions and write Chapter Four, which will consist of a review of the research process, a recapitulation of the factor analysis results, the researcher's conclusions from the project, and several open questions to be investigated in the future. The chapter will be submitted as part of the researcher's dissertation to the chair and members of the researcher's dissertation committee for credit toward a Doctor of Philosophy degree.

The researcher will compile a record of the research effort including: using a journal, keeping field notes, maintaining digital interview files and transcripts, collecting relevant artifacts, and writing the summary chapter. All notes and a diary of the research activity will be kept in the locked personal files of the researcher.

13. Project Purpose(s) and Benefits: (400 words):
Over the past four and one-half years, the researcher/student has been developing a

concept he has termed 'Edge Leadership', that is, a specific type of leadership involving having the ability to turn around a troubled business or instill significant organizational innovation to sustain a business for the future. To be successful, Edge Leaders must have a broad understanding of an organization's components and their systemic relationships, along with their potential improvement opportunities. They must also demonstrate certain behaviors and take certain actions, a preliminary list of which the researcher has developed based upon literature and trial research.

The investigator's earlier research on leader development initially reviewed four distinct approaches: broad and successful experience (CCL), self-assessment and emotional intelligence (Goleman, et. al), learning to think differently at different organizational levels (Charan, et. al), and external assessment focused on matching competencies with roles (PDI). The researcher/student believed these to be necessary, but not sufficient, to develop Edge Leaders, and therefore proposed two additional areas of focus: the need to instill a zest for continuous learning, and to develop an understanding of the mindful application of transformational change and the ability to apply that learning in practice.

The researcher found significant support for these positions in extensive reviews of the literature and in making site visits to two prominent leader development organizations. The researcher also conducted a trial project to further develop and integrate his understanding through a practice Q Methodology research effort. It involved making a site visit to a retail food organization which had undergone a turnaround and conducting interviews with the president and his cross-functional leadership group, and then using Q Method to develop a prospective Q Set of statements of their perceptions of their experiences. Consistent with being a trial learning achievement project, this effort stopped short of conducting factor analysis and developing comprehensive conclusions from the data.

The purpose of this dissertation project is to extend and substantiate the researcher's earlier work by conducting a complete Q Methodology study with another firm and respondents from a different industry.

The participants will benefit in several ways. They will learn from the investigator's earlier work and be able to consider the findings in their own work. They will have the benefit of reflection to aid their own professional development. If this project helps inform future changes in leader development approaches, they will have had the ability to assist the growth of their profession and other future leaders.

This research project will assist the researcher/student in filling in gaps in knowledge about conducting a Q Methodology project, including the factor analysis component and resulting judgment-based conclusions regarding the respondents' perceptions about the leadership actions that were most important to the organizational turnaround.

14. If participants in this proposed research may thereby be exposed to an elevated possibility of harm—physiological, psychological, or social—please provide the following information: (UP to 500 words)

a. Identify and describe the possible benefits and risks.
NOTE: for international research or vulnerable populations, please provide information about local culture that will assist the review committee in evaluating potential risks to participants, particularly when the project raises issues related to power differentials:

Other than the risk of some unanticipated personal discomfort and disequilibrium from the very process of participating, the researcher does not anticipate any exposure for the participants to an elevated possibility of harm: physiological, psychological, or social.

14b. Explain why you believe the risks are so outweighed by the benefits described in (13) as to warrant asking participants to accept these risks. Include a discussion of why the research method you propose is superior to alternative methods that may entail less risk:

The participants will benefit in several ways. They will learn from the investigator's earlier work and be able to consider the current project's findings in their own work. By learning what the perceived as most important to the company's success, they will have the benefit of reflection and focus to aid their own professional development and continued individual and collective success. If this project helps inform future changes in leader development approaches, they will have had the ability to assist the growth of their profession and other future leaders.

Q Methodology is superior to other methods because it is essentially constructivist in nature; it is used for scientifically studying perception and meaning. In using naturalistic data gathering techniques such as interviewing and the Q Sort process, the respondents will assured that they will be providing information that is totally perceptual; there are no right or wrong answers. The respondents' potential anxiety will be reduced by the researcher's assurance of that element.

14c. Explain fully how the rights and welfare of participants at risk will be protected (e.g., screening out particularly vulnerable participants, follow-up contact with participants, etc.):

The respondents will be given the option to not participate, with no consequences should they elect that option. They will further be given the option not to be named or mentioned by individual role in the dissertation, should they choose that option. In addition, the respondents will be able to redact, edit, or add to their interview transcripts before they are considered final. The factor analysis portion of the study will use alpha-numeric means to identify the respondents, instead of names.

I will make myself available to discuss any concerns during the course of the study, subsequent dissertation, or afterwards, either by telephone, by email, or in person according to the steps involved in the research and the wishes of the respondents.

15. Explain how participants' privacy is addressed by your proposed research. Specify any steps taken to guard the anonymity of participants and/or confidentiality of their responses. Indicate what personal identifying information will be kept, and procedures for storage and ultimate disposal of personal information. (400 words):
All of the raw data for this study will be protected. The primary participant has given permission for this research without requirement for anonymity. The participants' privacy will be addressed by developing only a potential Q Set of statements drawn from their responses to questions involving their knowledge of the company's business history and their experience in working with COO in developing the company's areas of focus, business strategies, related leadership and management actions, programs, implementation practices, and outcomes. No references to individual names or roles will be made in the dissertation without direct permission of the individual(s) involved. If a respondent wishes something to be "off the record", the researcher will insure that it will not appear in the transcript and will give the respondent the ability to redact, edit, or add commentary during the transcript review process. Written notes will be kept secure in the personal diaries and note files of the researcher. Digitally recorded oral notes will be transferred from the researcher's personal recorder to a computer and then moved and maintained on a CD in the researcher's locked files. Transcription files will be similarly maintained. All data will be stored in a locked cabinet indefinitely and may be used for future scholarly presentations and publications.

16. Informed consent statements, if one is used, are to be included with this application. If information other than that provided on the informed consent form is provided (e.g. a cover letter), attach a copy of such information. To submit or fax these documents, refer to the instructions in the next question.

Attached.

If a consent form is not used, or if consent is to be presented orally, state your reason for this modification below:
For the interview participants, consent forms will be presented personally prior to any interviews. The interview participants will all be experienced adult professionals practicing in the retail management field. The researcher/student's questions will primarily involve the participants' professional knowledge and experience.

17. If questionnaires, tests, or related research instruments are to be used, then you must submit a copy of the instrument, or a detailed description (with examples of items) of the research instruments, questionnaires, or tests that are to be used in the project. Copies will be retained in the permanent IRB files. To submit documents i. Go to end of on-line form to upload attachments; or ii. Fax to tblIRBChair.name at tblIRBChair.fax

Please identify all attached documents.
Approved Dissertation Proposal
Draft Consent Form
Draft Prepared list of questions to cover in site visit interviews

18. Will electrical or mechanical devices be applied to participants? No

If YES, describe:

[x] I agree to conduct this project in accordance with Antioch University's policies and requirements involving research.

Attachments

Appendix D: Consent Form

Edge Leadership:
Using Senior Leadership Perceptions to Explore Organizational Turnarounds

The following information has been explained to me:

1. **I am volunteering to participate in a research study about leader development programs.** I understand I will be asked questions about my professional knowledge of my organization's president & COO and his areas of focus, business strategies, related critical leadership and management activities, programs, implementation practices, and outcomes, along with my own perceptions and professional actions while engaging with him and others about such matters.

2. **The benefits I may expect from my participation in this case study are:** I will benefit in several ways. I will learn from the researcher's earlier work on leader development approaches and be able to consider those findings in my own work. I will have the benefit of reflection to aid my own professional development. If this project helps inform future changes in leader development approaches, I will have had the ability to assist the growth of my profession and future leaders.

3. **The process of this study will be**: The procedures will consist of the researcher conducting a semi-structured interview lasting up to one hour with me. The researcher will ask a series of questions to draw out my personal knowledge of, and experience in working with my organization's president & COO and his areas of focus, business strategies, related critical leadership and management activities, programs, implementation practices, and outcomes, along with my own perceptions and professional actions while engaging with him and others about such matters. The questions will largely be determined in advance, but the researcher will leave open the option to eliminate some or add others.

   The researcher will use a digital recorder and keep contemporaneous notes during the interviews. The digital recordings will be transferred to a computer and then saved on a compact disc. The recordings will also be transferred via secure file transfer protocol to a third-party transcription service. The transcriptions will be provided to the researcher as MS Word documents. Drawing from the interview responses of all participants, the researcher will then develop a list of 'Q-Set' statements regarding what actions the COO took and which behaviors he manifested, along with what I perceived from those actions and behaviors and then did myself as a result.

   The researcher will make follow-up contact with me (either in person, or via video conference or personal computer sharing technology, or by telephone) to allow me to edit, add, or redact any comments I wish before the interview transcript will be considered final. The researcher will then develop a final 'Q Set' of statements based upon feedback from me and other participants. He will conduct a 'Q Sort' process with me to have me rank the statements according to my perceptions of their relative importance to the company's outcomes. Following data analysis and before writing his final report, the researcher will discuss his preliminary conclusions with me and other participants to gather final feedback.

4. **The researcher does not anticipate any exposure for me to an elevated possibility of harm** – physiological, psychological, or social.

   All of the raw data collected for this study will remain protected. Only the researcher and his transcription associate will have access to the raw interview data. The researcher's assigned faculty chair, dissertation committee, and dissertation readers will have access to the derivative Q Set Statements, Q Sort data, and the final report, but will not have access to the raw notes or digital oral note files. If I choose to give permission for my name to be divulged by the researcher within the dissertation, I will so note that at the end of this consent form.

5. **I understand that I have rights as a research volunteer.** I am voluntarily participating in this research project. I understand that if I elect not to participate, I will suffer no penalty and lose no benefits. My relationship with the researcher will not be jeopardized by a decision to withdraw, should I elect to do so. I may stop taking part in this study at any time, now or in the future.

Contact information for researcher:
Lynn W. Olsen
1811 County Highway 111
Fergus Falls, MN 56537
218-998-3968
lolsen@antioch.edu

If you have questions about your rights as a research volunteer, call or write:
Dr. Lisa Kreeger, Ph.D.
Antioch University; Ph.D. in Leadership & Change
150 E. South College
Yellow Springs, OH 45387
937-319-6144
lkreeger@antioch.edu

Consent Statement:
I have read and understand the information on this and the previous page. The researcher has answered my questions to my satisfaction and has provided me with a copy of both pages of this consent form. I hereby agree to take part in the "Edge Leadership: Using Senior Leadership Perceptions to Explore Organizational Turnarounds" research study. I may stop my participation at any time, now or in the future.

Signature: _____ Date: _____
Witness: _____ Date: _____

Further consent statement:
I have given my further permission to be referenced by name in the dissertation.
Signature: _____ Date: _____
Witness: _____ Date: _____

Appendix E: Dissertation Questions

Edge Leadership:
Using Senior Leadership Perceptions to Explore Organizational Turnarounds

These questions will enable the researcher to learn about the president & COO's experience in preparing for his role and assessing the business upon assuming that role. They will also inform the researcher about the resultant actions he and his staff undertook, working with and through the other senior staff participants, to develop and communicate new strategic areas of focus, plans, and implementation. Finally, they will enable the researcher to learn how he and his staff experienced the development and execution of their related critical leadership and management activities such as program development, people development, culture change, key implementation practices, key measurement approaches, and ongoing improvements based upon results.

There are more potential questions listed than could reasonably be asked in a one-to-two hour interview. The researcher's discretion will guide the actual questions asked based on the respondent's role and the flow of the conversation during the interview.

Briefly, how did you come to hold your current position?
- What was your career path?
- Which experiences were vital to you?
- What training have you had? What were the key skills you learned from it?
- What education have you had, and how has that supported your development?
- What were the turning points in your leadership life?
- Who were the key people in your leadership development? Why?
- How does your area of responsibility contribute to the firm's direction?

At the time the COO began to change things, how would you characterize the firm?
- How would you assess its business performance at the time?
- What were the company's strengths? Weaknesses?
- How would you describe the organization's culture at the time?
- How would you describe the basic operating assumptions that were in place?
- How would you describe its competitive prospects at the time?

What did the COO do to establish his authority and set direction?
- What were his key messages about the state of the business?
- What were his key directives at the time?
- How did he engage you and others in developing a new way for the business?
- What did you do in response?
- Did any substantial organization changes take place? If so, what were they?
- What was your experience in dealing with these changes?
- How would you describe the new concepts underlying the firm's approach?
- What programs, plans and measures do you focus on the most?

- What did you and your colleagues do to continue to improve the business?

How would you describe the company's position today as compared to before the changes were made?
- How would you assess its current business performance?
- What are the company's current strengths? Weaknesses?
- How would you describe the organization's culture now?
- How would you describe the new basic operating assumptions that are in place?
- How would you describe its competitive prospects now?

What do you believe are the essential qualities of leadership in this company?

Appendix F: Q Sort Instructions

Q Sort Instructions:

First, sort the index cards into three piles:
1. Important
2. Not important
3. Remainder (unsure or neutral)

Second, starting with the important items, take a card and place it on the scale according to your perception of that action's importance to Red Wing Shoe Company's turnaround.

Next, switching to the unimportant items, do the same.

Then, alternate back and forth until you have sorted all of the important and unimportant items.

Next, go through the center pile and review each card to either leave it as is or sort it to one end or the other of the scale, as you did the others.

NOTE: Even though you may believe ALL items have some importance to the Red Wing Shoe Company turnaround, **your task is to force-rank them according to their relative importance to each other**.

NOTE: The end result should be **a flat, symmetrical distribution**

Rating	Rating	Rating	Rating	Rating	Rating	Rating
-3	-2	-1	0	1	2	3
Cards	Cards	Cards	Cards	Cards	Cards	Cards
3	8	10	18	10	8	3

Appendix G: Table of Converted Q Sort Ranking Scores

Leadership Type	No.	Q Statement	A	B	C	D	E	F	G	H	I
						Participant					
Transactional	1	Assessed the business from an outsider's perspective.	4	4	4	5	7	6	3	5	6
Transformational	2	Deliberately demonstrated decisiveness to establish leadership authority.	6	4	5	6	5	7	4	4	4
Transactional	3	Completed downsizing initiatives that had begun prior to becoming COO.	5	5	7	4	7	4	3	3	2
Transactional	4	Held early informal meetings with the employees and listened to their needs.	6	6	4	3	6	5	4	2	3
Transactional	5	Made highly visible trips to meet with customers and listen to their needs.	3	7	6	4	4	6	5	2	4
Transformational	6	Immediately changed inherited leadership organization structure and assignments.	7	4	4	5	6	5	4	7	4
Transactional	7	Immediately declared previous business results unacceptable.	5	7	6	5	7	6	4	6	3
Transformational	8	Declared intent to quickly make necessary improvement changes.	6	6	5	3	6	3	4	7	1
Transactional	9	Established new and wider focus on key performance metrics and results.	2	3	3	3	5	6	6	6	5
Transformational	10	Stated personal confidence in the company's growth potential.	5	5	4	3	4	4	3	4	2
Transformational	11	Declared respect for, and pride in, longstanding company heritage, but stated need to change, as well.	6	6	5	6	4	5	3	2	4
Transactional	12	Exhibited personal pride in the Red Wing brand and being chosen to lead the organization.	4	5	4	5	2	6	4	3	4
Transformational	13	Acknowledged and visibly demonstrated personal leadership responsibility.	5	4	2	6	2	7	6	4	4
Transactional	14	Declared clear strategic direction toward executing on business fundamentals.	7	5	3	4	5	5	6	6	4
Transformational	15	Set example on quality standards by stopping production of a boot line due to a blister problem.	6	3	4	2	5	3	3	4	3
Transactional	16	Sent a personal letter to dealers reinforcing the company's quality standards.	5	3	6	3	3	2	3	2	2
Transformational	17	Initiated several restructuring efforts to reduce silo management issues.	3	2	2	5	6	5	6	4	4
Transactional	18	Deliberately promoted a tough manager due to need to focus on results.	5	2	1	3	3	6	3	1	4
Transactional	19	Declared intent to take all actions necessary to preserve the firm.	5	1	3	2	4	3	3	7	2

Transformational	20	Met personally with the labor union to set new expectations for negotiations.	6	2	5	2	4	3	2	5	4
Transactional	21	Secured three-year union contract with no change in wages and more flexible work rules.	4	3	5	1	6	4	1	5	5
Transformational	22	Consolidated production in Red Wing - from two factories to one, and reduced shifts.	3	3	4	3	5	3	4	5	5
Transformational	23	Promoted a shift from a formerly paternalistic culture toward a new performance -based culture.	7	4	3	7	6	2	5	6	6
Transformational	24	Demonstrated personal eagerness to learn the details of the shoe business.	6	1	2	4	1	2	2	4	1
Transactional	25	Personally worked several shifts in the factory to learn and connect with employees.	2	4	4	1	1	1	4	3	2
Transformational	26	Described personal vision and enthusiasm for the firm's prospects with other executives.	5	5	4	6	3	1	4	4	2
Transformational	27	Instilled professional management techniques from previous experience - meeting management, project management, compensation system, etc.	4	2	3	5	3	4	2	2	5
Transactional	28	Focused on setting, planning, and accomplishing yearly budget targets	4	3	6	5	3	6	6	5	6
Transactional	29	Consolidated Production: closed Potosi, Missouri factory.	1	1	4	2	5	2	4	1	1
Transactional	30	Fostered various community involvement initiatives.	2	4	4	3	1	1	2	1	4
Transformational	31	Established an open and realistic communication approach about company performance with employees.	4	5	5	4	2	2	5	5	4
Transformational	32	Empowered and enabled senior managers, with clear accountability for results.	5	4	3	7	5	4	6	6	6
Transformational	33	Promoted a shift from a manufacturing-focused culture toward a customer-focused culture.	4	6	2	6	5	3	5	6	7
Transactional	34	Reinforced product quality by learning and maintaining premium engineering standards.	4	2	5	4	2	5	2	5	5
Transformational	35	Supported new Lean Manufacturing initiatives in Supply Chain.	3	5	6	4	3	7	5	5	3
Transactional	36	As results improved, sought new ways to grow the business.	4	5	2	4	4	4	4	3	3
Transformational	37	Improved dealer relations through dialogue and establishment of a dealer advisory board.	4	4	4	5	4	3	3	3	5
Transactional	38	Developed and deployed new marketing programs.	3	3	2	4	4	2	3	4	3
Transformational	39	Emphasized International segment growth by establishing structure and hiring a leader.	4	3	6	4	6	4	5	4	6
Transactional	40	Expanded business relationships with Chinese affiliates.	4	2	6	4	4	3	2	3	4

Type	#	Description									
Transactional	41	Celebrated company earnings and stock value increases.	1	6	3	3	4	3	4	3	3
Transformational	42	Over time, expanded focus on long-term strategy.	3	7	1	6	2	4	7	2	4
Transactional	43	Substantially reduced debt to equity performance.	3	4	5	2	4	4	6	4	7
Transactional	44	Maintained process improvements once secured through projects.	3	4	4	2	2	3	1	4	4
Transformational	45	Restructured Research and Development several times.	3	4	1	4	3	5	2	3	3
Transformational	46	Recruited outside senior leaders to mix with long-term inside leaders.	6	3	7	7	4	4	7	4	5
Transactional	47	Invested in various ongoing functional improvement initiatives.	4	4	2	4	4	6	4	4	3
Transactional	48	Integrated the tanning business and improved it over time.	2	4	4	2	4	2	4	3	5
Transformational	49	Repeatedly communicated message of 'make great shoes, and sell a lot of them profitably'.	4	5	2	4	4	5	2	4	3
Transformational	50	Spoke personally with employee groups to gain their understanding of key issues.	5	6	4	3	4	4	5	6	2
Transactional	51	Focused on core Industrial Work segment sales growth.	4	6	7	6	6	4	5	5	7
Transformational	52	Held off-site strategy and alignment meetings with senior leadership.	3	4	3	4	2	4	7	2	4
Transformational	53	Established regular comprehensive cross-functional management meetings.	2	4	3	6	4	4	4	4	5
Transformational	54	Personally modeled informal communication approaches.	1	2	3	1	2	5	1	3	2
Transactional	55	Consolidated Production - closed Danville, Kentucky factory.	2	4	4	2	5	2	4	5	5
Transformational	56	Approved new Business Partner staffing model in HR, Finance, and IT.	4	5	4	5	3	4	5	2	4
Transformational	57	Approved improvement initiatives for the Retail organization.	4	3	5	4	3	4	5	4	6
Transactional	58	Supported basic employee learning and development programs.	2	2	4	4	4	4	4	4	4
Transactional	59	Maintained United States manufacturing capability.	4	6	5	5	3	5	4	4	6
Transactional	60	Fostered enterprise inventory reduction initiative.	2	4	6	4	5	4	6	6	6

References

Allen, S. J. (2006*). An exploration of theories of action in leadership development: A case study* (Unpublished doctoral dissertation). Antioch University, Yellow Springs, Ohio.

Amabile, T. M., Schatzel, E. A., Moneta, G. B., & Kramer, S. J. (2004). Leader behaviors and the work environment for creativity: Perceived leader support. *Leadership Quarterly, 15*(1), 5-32.

Argyris, C. (1967). Today's problems with tomorrow's organizations. *Journal of Management Studies, 4*(1). 31-55.

Argyris, C. (1999). *On organizational learning* (2nd ed.). Malden, MA: Blackwell Business.

Austin, J. E. (1998). Business leadership lessons from the Cleveland turnaround. *California Management Review, 41*(1), 86-106.

Avolio, B. J., & Bass, B. M. (1999). Re-examining the components of transformational and transactional leadership using the multifactor leadership questionnaire. *Journal of Occupational & Organizational Psychology, 72*(4), 441-462.

Barker, V. L. (1992). *Corporate turnarounds as strategic reorientations: A field study of turnaround attempts from firm-based decline* (Unpublished doctoral dissertation). University of Illinois Urbana-Champaign, Illinois.

Barnard, C. I. (1968). *The functions of the executive*. Cambridge, MA: Harvard University Press.

Bass, B. M. (1985). *Leadership and performance beyond expectations*. New York, NY: Free Press Collier Macmillan.

Bass, B. M. (1999). Two decades of research and development in transformational leadership. *European Journal of Work & Organizational Psychology, 8*(1), 9-32.

Bass, B. M., & Avolio, B. J. (1994). *Improving organizational effectiveness through transformational leadership*. Thousand Oaks, CA: Sage.

Bass, B. M., & Bass, R. (2008). *The Bass handbook of leadership: Theory, research, and managerial applications* (4th ed.). New York, NY: Free Press.

Bass, B. M., & Riggio, R. E. (2006). *Transformational leadership* (2nd ed.). Mahwah, NJ: L. Erlbaum.

Bennis, W. G. (2003). *On becoming a leader*. Cambridge, MA: Perseus.

Bennis, W. (2007). The challenges of leadership in the modern world. *American Psychologist, 62*(1), 2-5.

Bentz, V. M., & Shapiro, J. J. (1998). *Mindful inquiry in social research*. Thousand Oaks, CA: Sage.

Bergquist, W. H. (1993). *The postmodern organization: Mastering the art of irreversible change* (1st ed.). San Francisco, CA: Jossey-Bass.

Berson, Y., & Avolio, B. J. (2004). Transformational leadership and the dissemination of organizational goals: A case study of a telecommunication firm. *Leadership Quarterly, 15*(5), 625-646.

Beyer, J. M., & Browning, L. D. (1999). Transforming an industry in crisis: Charisma, routinization, and supportive cultural leadership. *Leadership Quarterly, 10*(3), 483.

Boerner, S., Eisenbeiss, S. A., & Griesser, D. (2007). Follower behavior and organizational performance: The impact of transformational leaders. *Journal of Leadership & Organizational Studies, 13*(3), 15-26.

Bono, J. E., & Judge, T. A. (2004). Personality and transformational and transactional leadership: A meta-analysis. *Journal of Applied Psychology, 89*(5), 901-910.

Booth, W. C., Colomb, G. G., & Williams, J. M. (2003). *The craft of research*. Chicago, IL: University of Chicago Press.

Bossink, B. A. G. (2004). Effectiveness of innovation leadership styles: A manager's influence on ecological innovation in construction projects. *Construction Innovation, 4*(4), 211-228.

Boyatzis, R. E., & McKee, A. (2005). *Resonant leadership: Renewing yourself and connecting with others through mindfulness, hope, and compassion*. Boston, MA: Harvard Business School Press.

Boyd, E. M., & Fales, A. W. (1983). Reflective learning: Key to learning from experience. *Journal of Humanistic Psychology, 23*(2), 99-117.

Bradford, D. L., & Burke, W. W. (2005). *Reinventing organization development: New approaches to change in organizations*. San Francisco, CA: Pfeiffer.

Brown, S. (1980). *Political subjectivity: Applications of Q methodology in political science*. New Haven, CT: Yale University Press.

Brown, S. (1991). *A Q method tutorial* [Eight postings to QUALRS-L@UGA]. Retrieved from http://facstaff.uww.edu/cottlec/QArchive/Primer1.html

Brown, S. (1997) *The history and principles of Q methodology in psychology and the social sciences*. Paper presented at the British Psychological Society symposium on "A Quest for a Science of Subjectivity: The Lifework of William Stephenson," University of London, United Kingdom. Retrieved from http://facstaff.uww.edu/cottlec/QArchive/Bps.htm

Burke, V., & Collins, D. (2005). Optimising the effects of leadership development programmes: A framework for analysing the learning and transfer of leadership skills. *Management Decision, 43*(7/8), 975-987.

Burns, J. M. (1978). *Leadership* (1st ed.). New York, NY: Harper & Row.

Burns, J. M. (2003). *Transforming leadership: A new pursuit of happiness*. New York, NY: Atlantic Monthly Press.

Cappelli, P. (2008). *Talent on demand: Managing talent in an age of uncertainty*. Boston, MA: Harvard Business Press.

Carmeli, A., & Tishler, A. (2006). The relative importance of the top management team's managerial skills. *International Journal of Manpower, 27*(1), 9-36.

Charan, R., Drotter, S. J., & Noel, J. L. (2001). *The leadership pipeline: How to build the leadership-powered company*. San Francisco, CA: Jossey-Bass.

Christiansen, J. A. (1997). *Managing efforts to improve innovation performance: The role of the general manager* (Unpublished doctoral dissertation). Institut Europeen d'Administration des Affaires, Paris, France.

Collins, J. C. (2001). *Good to great: Why some companies make the leap--and others don't* (1st ed.). New York, NY: HarperBusiness.

Collins, J. C. (2005). Level 5 leadership: The triumph of humility and fierce resolve. *Harvard Business Review, 83*(7), 136-146.

Collins, J. C., & Porras, J. I. (1994). *Built to last: Successful habits of visionary companies* (1st ed.). New York, NY: HarperBusiness.

Conger, J. A. (1992). *Learning to lead: The art of transforming managers into leaders* (1st ed.). San Francisco, CA: Jossey-Bass.

Conger, J. A., Kanungo, R. N., & Menon, S. T. (2000). Charismatic leadership and follower effects. *Journal of Organizational Behavior, 21*(7), 747-767.

Conger, J. A., & Riggio, R. E. (2007). *The practice of leadership: Developing the next generation of leaders* (1st ed.). San Francisco, CA: Jossey-Bass.

Conner, D. (1993). *Managing at the speed of change: How resilient managers succeed and prosper where others fail* (1st ed.). New York, NY: Villard Books.

Connerley, M. L., & Pedersen, P. (2005). *Leadership in a diverse and multicultural environment: Developing awareness, knowledge, and skills*. Thousand Oaks, CA: Sage.

Couto, R. A., & Eken, S. C. (2002). *To give their gifts: Health, community, and democracy* (1st ed.). Nashville, TN: Vanderbilt University Press.

Cross, R. (2005). Exploring attitudes: the case for Q methodology. *Health Education Research. 20*(2), 206-213.

Cummings, T. G., & Worley, C. G. (2005). *Organization development and change* (8th ed.). Mason, OH: Thomson/South-Western.

Day, G. S., & Schoemaker, P. J. H. (2008). Are you a "vigilant leader"? *MIT Sloan Management Review, 49*(3), 43-51.

Denning, S. (2005a). *The leader's guide to storytelling: Mastering the art and discipline of business narrative*. San Francisco, CA: Jossey-Bass.

Denning, S. (2005b). Transformational innovation. *Strategy & Leadership, 33*(3), 11-16.

Denning, S. (2007). *The secret language of leadership: How leaders inspire action through narrative* (1st ed.). San Francisco, CA: Jossey-Bass.

Denzin, N. K., & Lincoln, Y. S. (1998). *Strategies of qualitative inquiry*. Thousand Oaks, CA: Sage.

DePree, M. (1989). *Leadership is an art*. New York, NY: Dell.

Drath, W. H. (2001). *The deep blue sea: Rethinking the source of leadership* (1st ed.). San Francisco, CA: Jossey-Bass.

Drucker, P. F. (1998). The discipline of innovation. *Harvard Business Review, 76*(6), 149-157.

Drucker, P. F. (2001). *The essential drucker: Selections from the management works of Peter F. Drucker* (1st ed.). New York, NY: HarperBusiness.

Duff & Phelps. (2010). *Internal valuation report*. Red Wing, MN: Red Wing Shoe Company.

Eisenbach, R., Watson, K., & Pillai, R. (1999). Transformational leadership in the context of organizational change. *Journal of Organizational Change Management, 12*(2), 80-88.

Elenkov, D. S., Judge, W., & Wright, P. (2005). Strategic leadership and executive innovation influence: An international multi-cluster comparative study. *Strategic Management Journal, 26*(7), 665-682.

Erkut, S., & Wellesley College Center for Research on Women. (2001). *Inside women's power: Learning from leaders*. Wellesley, MA: Wellesley Centers for Women.

Essed, P. (2000). Dilemmas in leadership: Women of colour in the academy. *Ethnic and Racial Studies, 23*(5), 888-904.

Fann, K. T. (1970). *Peirce's theory of abduction*. The Hague, Netherlands: Martinus Nijhoff.

Fulmer, R. M., & Goldsmith, M. (2001). *The leadership investment: How the world's best organizations gain strategic advantage through leadership development*. New York, NY: Amacom.

Gabarro, J. J. (1987). *The dynamics of taking charge*. Boston, MA: Harvard Business School Press.

Gadiesh, O., Pace, S., & Rogers, P. (2003). Successful turnarounds: Three key dimensions. *Strategy & Leadership, 31*(6), 41-43.

García-Morales, V. J., Llorens-Montes, F. J., & Verdú-Jover, A. J. (2006). Antecedents and consequences of organizational innovation and organizational learning in entrepreneurship. *Industrial Management & Data Systems, 106*(1), 21-42.

Gardner, H., & Laskin, E. (1995). *Leading minds: An anatomy of leadership*. New York, NY: BasicBooks.

Gebelein, S., Lee, D., Nelson-Neuhaus, K, & Sloan, E. (1999). *The successful executive's handbook: Development suggestions for today's executives* (2nd ed.). Minneapolis, MN: Personnel Decisions International.

Geller, E. S. (2008). People-based leadership: Enriching a work culture for world-class safety. *Professional Safety, 53*(3), 29-36.

Giddens, A. (2000). *Runaway world: How globalization is reshaping our lives*. New York, NY: Routledge.

Goethals, G. R., & Sorenson, G. J. (2006). *The quest for a general theory of leadership*. Northampton, MA: Edward Elgar.

Goleman, D. (1995). *Emotional intelligence*. New York, NY: Bantam Books.

Goleman, D., Boyatzis, R. E., & McKee, A. (2002). *Primal leadership: Realizing the power of emotional intelligence*. Boston, MA: Harvard Business School Press.

Greene, J. C., & Caracelli, V. J. (1997). *Advances in mixed-method evaluation: The challenges and benefits of integrating diverse paradigms*. San Francisco, CA: Jossey-Bass.

Greenleaf, R. K., & Spears, L. C. (2002). *Servant leadership: A journey into the nature of legitimate power and greatness* (25th anniversary ed.). New York, NY: Paulist Press.

Gubrium, J. F., & Holstein, J. A. (2002). *Handbook of interview research: Context & method*. Thousand Oaks, CA: Sage.

Hackman, J. R., & Wageman, R. (2007). Asking the right questions about leadership. *American Psychologist, 62*(1), 43-47.

Handy, C. B. (1998). *The hungry spirit: Beyond capitalism—A quest for purpose in the modern world*. New York, NY: Broadway Books.

Harker, M., & Sharma, B. (2000). Leadership and the company turnaround process. *Leadership & Organization Development Journal, 21*(1/2), 36-47.

Hartog, D. N. D., Van Muijen, J. J., & Koopman, P. L. (1997). Transactional versus transformational leadership: An analysis of the MLQ. *Journal of Occupational & Organizational Psychology, 70*(1), 19-34.

Hatch, M. J., & Cunliffe, A. L. (2006). *Organization theory: Modern, symbolic, and postmodern perspectives* (2nd ed.). New York, NY: Oxford University Press.

Heifetz, R. A. (1994). *Leadership without easy answers*. Cambridge, MA: Belknap Press of Harvard University Press.

Howell, J. M., & Avolio, B. J. (1993). Transformational leadership, transactional leadership, locus of control, and support for innovation: Key predictors of consolidated-business-unit performance. *Journal of Applied Psychology, 78*(6), 891-902.

Hyde, A., & Paterson, J. (2002). Leadership development as a vehicle for change during merger. *Journal of Change Management, 2*(3), 266-271.

International Directory of Company Histories. (2007). *Red Wing Shoe Company, Inc*. Retrieved from http://www.encyclopedia.com/doc/1G2-3479900075.html

Jarvis, P. (1999). *The practitioner-researcher: Developing theory from practice* (1st ed.). San Francisco, CA: Jossey-Bass.

Jensen, S. M., & Luthans, F. (2006). Relationship between entrepreneurs' psychological capital and their authentic leadership. *Journal of Managerial Issues, 18*(2), 254-273.

Kanter, R. M. (2003). Leadership and the psychology of turnarounds. *Harvard Business Review, 81*(6), 58-67.

Ketcham, H. (1901). *The life of Abraham Lincoln*. New York, NY: A. L. Burt.

Kotter, J. P. (1990). What leaders really do. *Harvard Business Review, 68*(3), 103-111.

Kotter, J. P. (1996). *Leading change*. Boston, Mass.: Harvard Business School Press.

Kotter, J. P. (1999). What effective general managers really do. *Harvard Business Review, 77*(2), 145-159.

Kouzes, J. M., & Posner, B. Z. (1993). *Credibility: How leaders gain and lose it, why people demand it* (1st ed.). San Francisco, CA: Jossey-Bass.

Kouzes, J. M., & Posner, B. Z. (2002). *The leadership challenge* (3rd ed.). San Francisco, CA: Jossey-Bass.

Krause, D. E. (2004). Influence-based leadership as a determinant of the inclination to innovate and of innovation-related behaviors: An empirical investigation. *Leadership Quarterly, 15*(1), 79-102.

Kroth, M., & Boverie, P. (2000). Life mission and adult learning. *Adult Education Quarterly, 50*(2), 134-149.

Krueger, D. A. (1997). *Turnarounds and sustainable competitive advantage: An integration and study of decline and recovery* (Unpublished doctoral dissertation). Purdue University, West Lafayette, Indiana.

Leonard, H. S., & Goff, M. (2003). Leadership development as an intervention for organizational transformation: A case study. *Consulting Psychology Journal: Practice and Research, 55*(1), 58-67.

London, M., & Mone, E. (1999) Continuous learning. In D. R. Ilgen & E. D. Pulakos (Eds.), *The changing nature of performance: Implications for staffing, motivation, and development* (1st ed.) (pp. 119-153). San Francisco, CA: Jossey-Bass.

London, M., & Smither, J. W. (1999). Career-related continuous learning: Defining the construct and mapping the process. In G. R. Ferris (Ed.), *Research in human resources management, vol. 17* (pp. 81-121). Greenwich, CT: Elsevier Science/JAI Press.

Lowe, K. B., Kroeck, K. G., & Sivasubramaniam, N. (1996). Effectiveness correlates of transformation and transactional leadership: A meta-analytic review of the MLQ literature. *Leadership Quarterly, 7*(3), 385-425.

Marvin, P. A., & Vrooman, N. C. (1986). *Heart and sole: A story of the Red Wing Shoe Company* (1st ed.). Red Wing, MN: The Red Wing Shoe Company.

McCall, M. W., Lombardo, M. M., & Morrison, A. M. (1988). *The lessons of experience: How successful executives develop on the job*. Lexington, MA: Lexington Books.

McCarthy, J. F., O'Connell, D. J., & Hall, D. T. (2005). Leading beyond tragedy: The balance of personal identity and adaptability. *Leadership and Organization Development Journal, 26*(6), 458-475.

McCauley, C. D. (2006). *Developmental assignments: Creating learning experiences without changing jobs*. Greensboro, NC: Center for Creative Leadership Press.

McCauley, C. D., Center for Creative Leadership, & Van Velsor, E. (2004). *The center for creative leadership handbook of leadership development* (2nd ed.). San Francisco, CA: Jossey-Bass.

McKeown, B., & Thomas, D. (1988). *Q methodology*. Thousand Oaks, CA: Sage.

Menguc, B., Auh, S., & Shih, E. (2007). Transformational leadership and market orientation: Implications for the implementation of competitive strategies and business unit performance. *Journal of Business Research, 60*(4), 314-321.

Mezirow, J. (1994). Understanding transformation theory. *Adult Education Quarterly, 44*(4), 222-232.

Mezirow, J. (2000). *Learning as transformation: Critical perspectives on a theory in progress* (1st ed.). San Francisco, CA: Jossey-Bass.

Nixon, B. (2003). Leading business transformation—learning by doing. *Industrial & Commercial Training, 35*(4), 163-167.

Northouse, P. G. (2004). *Leadership: Theory and practice* (3rd ed.). Thousand Oaks, CA: Sage.

O'Kane, C. (2005). Management styles of a newly appointed leader in a turnaround context. *Irish Journal of Management*, 111-144.

O'Regan, N., & Ghobadian, A. (2006). Innovation in NTBFs: Does leadership really matter? *International Entrepreneurship and Management Journal, 2*(2), 299-314.

Personnel Decisions International. (2002). *The odds that improvement will happen* [Brochure]. Minneapolis, MN: Toby Vitek.

Podsakoff, P. M., MacKenzie, S. B., & Bommer, W. H. (1996). Transformational leader behaviors and substitutes for leadership as determinants of employee satisfaction,

commitment, trust, and organizational citizenship behaviors. *Journal of Management, 22*(2), 259-298.

Prabhu, V. B., & Robson, A. (2000). Impact of leadership and senior management commitment on business excellence: An empirical study in the north east of England. *Total Quality Management, 11*(4-6), S399-S409.

Prokesch, S. E. (1997). Unleashing the power of learning: An interview with British Petroleum's John Browne. *Harvard Business Review, 75*(5), 146-168.

Raadgever, G., Mostert, E., & van de Geiesen, N. (2008). Identification of stakeholder perspectives on future flood management in the Rhine basin using Q methodology. *Hydrology and Earth Systems Sciences, 12*, 1097-1109.

Rost, J. C. (1991). *Leadership for the twenty-first century*. Westport, CT: Praeger.

Rowold, J., & Heinitz, K. (2007). Transformational and charismatic leadership: Assessing the convergent, divergent and criterion validity of the MLQ and the CKS. *Leadership Quarterly, 18*(2), 121-133.

Sandt, A. N., & Schoeweiler, S. (1955). *Fifty years of Red Wing Shoes: 1905-1955*. Red Wing, MN: Ray Johnson.

Senge, P. M. (1990). *The fifth discipline: The art and practice of the learning organization* (1st ed.). New York, NY: Currency Doubleday.

Senge, P. M. (1994). *The fifth discipline fieldbook: Strategies and tools for building a learning organization*. New York, NY: Currency Doubleday.

Sharp, C. (2008). *Introduction to Q-method*. Presented at a residency meeting of the Antioch University Ph.D. in Leadership & Change Program, Seattle, Washington.

Smith, D. J. (2007). The politics of innovation: Why innovations need a godfather. *Technovation, 27*(3), 95-104.

Speechley, C. (2005). The changing nature of leadership. *Measuring Business Excellence, 9*(1), 46-52.

Stake, R. E. (1995). *The art of case study research*. Thousand Oaks, CA: Sage.

Stapleton, C. (1997, January). *Basic concepts and procedures of confirmatory factor analysis*. Paper presented at the annual meeting of the Southwest Educational Research Association, Austin, Texas.

Sutcliffe, N. (1999). Leadership behavior and business process reengineering (BPR) outcomes: An empirical analysis of 30 BPR projects. *Information & Management, 36*(5), 273-286.

Tucker, B. A., & Russell, R. F. (2004). The influence of the transformational leader. *Journal of Leadership & Organizational Studies, 10*(4), 103-111.

Trochim, W. M. K. (2006). *Research methods knowledge base*. Retrieved from http://www.socialresearchmethods.net/kb/measlevl/php

Turner, N., Barling, J., Epitropaki, O., Butcher, V., & Milner, C. (2002). Transformational leadership and moral reasoning. *Journal of Applied Psychology, 87*(2), 304-311.

Vaill, P. B. (1996*). Learning as a way of being: Strategies for survival in a world of permanent white water* (1st ed.). San Francisco, CA: Jossey-Bass.

Vaill, P. B. (1998). *Spirited leading and learning: Process wisdom for a new age* (1st ed.). San Francisco, CA: Jossey-Bass.

Van Exel, J., & de Graff, G. (2005). *Q methodology: A sneak preview*. Retrieved from http://www.qmethodology.net/index.php?page=1&year=2005

Van Manen, M. (1990). *Researching lived experience: Human science for an action sensitive pedagogy*. Albany, NY: State University of New York Press.

Van Nimwegen, J., & Kleiner, B. H. (2000). Harley-Davidson Motor Company. *Management Research News, 23*(7/8), 121-127.

Wergin, J. F. (2007). *Leadership in place: How academic professionals can find their leadership voice*. Bolton, MA: Anker.

Wheatley, M. (1992). *Leadership and the new science: Learning about organization from an orderly universe* (1st ed.). San Francisco, CA: Berrett-Koehler.

Xenikou, A., & Simosi, M. (2006). Organizational culture and transformational leadership as predictors of business unit performance. *Journal of Managerial Psychology, 21*(6), 566-579.

Yin, R. K. (2003). *Applications of case study research* (2nd ed.). Thousand Oaks, CA: Sage

Yin, R. K. (2004). *The case study anthology*. Thousand Oaks, CA: Sage.

Yukl, G. A. (2006). *Leadership in organizations* (6th ed.). Upper Saddle River, NJ: Prentice Hall.