Creating effective leadership development programs: A descriptive quantitative case study

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CREATING EFFECTIVE LEADERSHIP DEVELOPMENT PROGRAMS:
A DESCRIPTIVE QUANTITATIVE CASE STUDY

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ABSTRACT

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A Descriptive Quantitative Case Study

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An organization’s long term success is strongly correlated with its ability to build effective and dynamic leaders. Many senior executives acknowledge that there is a lack of formal processes for developing new and current leaders who possess the appropriate skills, aptitudes, and perspectives needed to assume positions of leadership (Cadrain, 2005; Collins & Holton, 2004; Taylor, 2004). Organizations must be able to provide an environment in which future and current leaders learn how to effectively lead and carry out the missions of their companies. This study uses a descriptive quantitative case study method to explore what skills, behaviors, and practices are critical for a specific global pharmaceutical company to develop an effective sales leadership development program.

In this study, data was collected from two different sources: (a) district managers; and (b) sales representatives. Collecting data from multiple levels within an organization allowed the researcher to identify key skills, behaviors, and practices for individual groups as well as identify themes among all participants. The findings and methods of identifying key elements of an effective sales leadership development program (LDP) may be of value to current leadership research and organizations that are designing and implementing LDPs.
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CHAPTER 1

INTRODUCTION

Collins and Holton (2004) suggest there is a shortage of competent, effective leaders in business organizations. The senior leadership of many organizations is comprised of baby boomers who are approaching retirement age, and, as a result, there is a pressing need to develop younger effective leaders (Peterson, Deal, & Gailor-Loflin, 2003). In general, organizations are uneasy about their employees’ inadequate leadership skills, and such organizations are committed to formal education and training to help develop their younger employees’ management skills, competencies, and abilities (Conger & Benjamin, 1999).

Senior leaders acknowledge there is a dearth of emerging leaders adequately equipped to replace the baby boomers who will retire over the next several years; however, such leaders point out that it is difficult to develop employees who have the appropriate skills, aptitudes, and perspectives needed to assume positions of leadership (Cadain, 2005; Peters & Wolfred, 2001; Taylor, 2004). Many executives realize that leadership capabilities can be improved through a combination of relevant work experiences and formal development opportunities. Still, managers admit the lack of a formal process restricts the development of new leaders (Center for Creative Leadership, 2002; “Survey Says: Leadership,” 2004). However, in spite of the perception that there exists a lack of formal leadership development programs, there has been an increase in the number of LDPs in recent years (Horner, 1997).

The leadership dilemma is no different for large, multi-national pharmaceutical companies; the rapidly changing medical environment has magnified the issue of the
need for developing effective and dynamic leaders (Fisher, 2010). The growing complexity of the health care industry is forcing pharmaceutical companies to employ more specialized sales representatives and, now more than ever, to develop district and regional sales managers that are able to lead in times of change and to train other employees (Goldberg & Ramos, 2006). Developing effective sales leaders is still an elusive piece of the puzzle for many global pharmaceutical companies (Goldberg & Ramos, 2006).

This study used a descriptive quantitative case study design to investigate what core skills, behaviors, and practices are essential for developing an effective sales leadership development program for a pharmaceutical company. The information from this study will help organizations create and implement LDPs that will prepare sales leaders who are equipped to deal with the complexities of a global and changing environment.

For the purposes of this study the terms manager and leader will be used interchangeably as is often done in the literature regarding pharmaceutical sales leadership (Fisher, 2010; Goldberg & Ramos, 2006).

Background of Problem

Leaders establish a vision for the future of their organizations and align workers and resources with that vision using a variety of techniques (Kotter, 2001). Because organizations recognize that leadership is the basis for the success or failure of the enterprise, there has been an increase in LDPs around the world (Hernez-Broome & Hughes, 2004; Woltring, Constantine, & Schwarte, 2003). In a 2002 survey (Center for Creative Leadership, 2002), 756 chief executive officers (CEOs) identified leadership
development as a critical component of competitive advantage, and indicated that acquiring and developing the talent to drive organizational performance has become a vital issue for their companies. As a result, training programs have been created to develop future leaders. Unfortunately, many companies are failing to reap the maximum benefit from such programs (Hernez-Broome & Hughes, 2004).

A global economy and tremendous pressure to maximize shareholder returns are forcing many senior-level executives to recognize the critical need to train current employees for future leadership roles: “Investment in employee education and training increasingly funds the development of an infrastructure to support the sustainable competitive advantage that a highly-trained workforce provides” (Torraco & Swanson, 1995, p. 13). However, for an organization facing the challenges of continual change and growth, grooming the next generation of leaders can be a daunting task (Smith & Bledsoe, 2006).

Conger and Benjamin (1999) explained that leadership development is not just about paying attention to the individual learner and his or her coaching needs, but it is also about paying attention to the learner’s changing behaviors. This suggests that a one-size-fits-all training program is no longer sufficient for developing effective future leaders who are adequately equipped to deal with an ever-changing global economy. Western organizations are now learning that leadership is a complex interaction between leaders and the social environment of organizations (Fiedler, 1996).

Organizations must be able to provide individual professional development experiences and training opportunities that help emerging leaders learn how to effectively translate mission, vision, strategic planning, and concepts of leadership into practice so
such emerging leaders can manage the demands required by future leadership positions (McCauley, Moxley, & VanVelsor, 1998; Moxnes & Eilersten, 1991).

Not only do high-level executives recognize the importance of leadership development programs, but employees are also expressing a desire for further training to help them improve and refine their leadership skills (Center for Creative Leadership, 2003). The desire of both senior executives and employees to develop leaders for tomorrow provides an excellent opportunity for refining LDPs.

Clawson (2002) suggested that leadership development has been widely studied and yet remains an elusive phenomenon. Although LDPs are common in organizations, past research (Sogunro, 1997) indicated organizations spend little time developing the leadership, interpersonal, and people skills of their future leaders. In fact, many individuals may have been selected as potential leaders within a company, but few of them are prepared to be successful leaders. This disconnect often occurs because companies do not take the time to understand the leadership development needs of potential leaders (McCauley et al., 1998). Collins and Holton (2004) also found that organizations are spending little time evaluating how LDPs are created and if such programs are meeting the needs of individuals within the organization. In most cases, it is taken for granted that leadership programs will automatically improve the individual and the organization (Zhang, 1999). If organizations are going to make the transformational changes needed to succeed in a global and competitive marketplace, they first must look at how they are training and preparing future leaders (Gilley, Dixon, & Gilley, 2008).
Problem Statement

A few of the myriad reasons companies continue to invest in LDPs include the demands of a rapidly changing and increasingly competitive global economy, increased pressure to maximize shareholder returns, and increased accountability for performance (Herling, 2000; Krohn, 2000). Leadership positions are more demanding than ever and require individuals, who are able to focus positively on customers, strategize effectively, act decisively, drive performance, work collaboratively, and develop people and the organization. Many corporations now run succession-planning initiatives to identify replacements for core leadership positions. The problem remains, however, that most companies lack the understanding and knowledge to develop the specific leadership needs of these emerging leaders (Collins, Lowe, & Arnett, 2000).

The challenge organizations face is how to create successful LDPs that prepare future leaders for the demands of tomorrow while succeeding in today’s complex and competitive marketplace. Before trying to create an effective LDP, it is important to understand what the perceived leadership development training needs are for the future.

This study was originally designed to use information from three different sources: (a) regional sales managers; (b) district sales managers; and (c) sales representatives from a large pharmaceutical company, to determine what leadership skills, behaviors, and practices are necessary to become a successful leader. Due to a low response rate from the regional sales manager group, the study did not draw conclusions from said group regarding skills, behaviors, and practices, but responses from the regional sales group are included in overall sample results.
Analyzing data from district managers and sales representatives provides multiple perspectives regarding what types of skills and abilities are important for future leaders. These data are essential in order to design effective sales LDPs that produce effective sales leaders who have technical skills, functional skills and interpersonal skills, such as knowing how to create a vision, leading by example, building relationships of trust, thinking strategically, and motivating others to follow.

Klenke (1993) found that many LDPs are not effective because they lack the content needed by future leaders. Researchers have used different rationale to explain why organizations are not able to create effective LDPs: (a) the competencies required to be an accomplished leader are complex (Collins et al., 2000), and McCauley et al. (1998) suggested that a full range of leadership development experiences includes mentoring, job assignments, feedback systems, on-the-job experiences, developmental relationships, exposure to senior executives, leader-follower relationships, and formal training; (b) the senior executives of many organizations believe that enhancing the knowledge and skills of individual employees will automatically improve their company’s effectiveness (Collins & Holton, 2004); and (c) some researchers suggested evaluative studies of leadership development are sparse because an evaluation model that adequately measures the effect of interventions used to improve the performance of organizations does not exist (Alliger & Janak, 1989; Bassi, Benson, & Cheney, 1996; Swanson, 1998).

Case Description

The pharmaceutical company that was used for the study is a global healthcare company. The company has more than 66,000 employees worldwide and approximately 11,000 employees in the United States. The company develops and produces medications
for the following medical conditions: (a) cancer; (b) heart disease; (c) mental illness; (d) gastrointestinal disorders; (e) infections; and (f) respiratory conditions. The pharmaceutical company is also committed to developing employees and maintaining an environment of learning and growth but has struggled to develop an effective LDP that produces dynamic leaders who are prepared to succeed in an ever-changing market place. In an interview with the sample organization, which will be used as the setting for the present study, the senior trainer in the company pointed out that there are four reasons for the lack of an LDP: (a) the company does not fully understand what skills, experiences, and training are appropriate for this type of program; (b) it is difficult to balance the needs of developing an LDP with the company’s other training needs; (c) there is no selection process for identifying future managers from the company’s 5,000 sales representatives; and (d) the company has not identified an economical way to provide an LDP (personal communication, 2009).

District sales managers in the subject company are responsible for providing leadership and strategic direction to sales representatives in order to achieve performance objectives. Sales managers fulfill their responsibilities by spending time in the field coaching and mentoring sales representatives and using resources to achieve the organization’s vision. In a recent job posting for a district sales manager, the company described a district manager’s major responsibilities:

- Develop people: Drives business by observing sales representatives interactions with key customers, providing them with individual coaching, feedback, and inspiration. Helps sales representatives continue to develop for success in current role and for future growth.
• Ensures commitment: Builds commitment for the shared vision by facilitating team communication, morale, and effectiveness. As a role model, inspires trust and commitment to the company’s best interests. (Within own work unit and/or cross-functional teams)

• Builds self-awareness: Continuously seeks opportunities to understand why one’s emotions occur, as well as how they impact others. Asks for feedback in an effort to raise awareness and gain insight into one’s strengths and developmental needs.

• Helps others succeed: Works collaboratively across functional areas by serving as a resource within one’s region and by leveraging the expertise of others.

• Influences others: Acts as a liaison between the sales force and other cross-functional areas, persuading, convincing, or motivating a targeted audience through collaboration and direct or indirect influence.

• Focuses relentlessly on customer excellence: Actively seeks to discover and meet the needs of internal and external customers by building relationships and delivering innovative solutions.

• Focuses on delivery: Manages multiple priorities and resources related to individual and group efforts. Takes responsibility for redirecting efforts as needed to deliver high productivity and quality of work from self and others.

• Sets ambitious goals and exceeds them: Sets ambitious goals, identifies strategic business opportunities, and is accountable for achieving standards of excellence aligned with one’s work unit, and/or one’s self.
• Professionalism: Demonstrates business ethics, understands basic business principles, and interprets resources available to make sound business decisions (online, 2009).

The roles and responsibilities of the district manager are complex and require the individual to balance many different tasks. The more prepared a person is before becoming a manager, the more success the company and individual will have in the future.

LDPs have been studied in the insurance industry (Cummins & Santomero, 1999), government sector (Campbell & Dardis, 2004), hospital management, and academia (Boyatzis & McLeod, 2001). There are no studies, however, that examined LDPs in the pharmaceutical industry.

Purpose of Study

This study was designed to determine what core skills, behaviors, and practices are essential for developing effective sales leadership development programs to cultivate successful and dynamic leaders who will help a worldwide pharmaceutical company exceed in an ever-changing marketplace. This study surveyed two groups of people within the subject organization: (a) district sales managers; and (b) sales representatives. Through quantitative measures the study determined how district managers and sales representatives viewed their organization and direct managers regarding leadership and what skills and abilities said district managers and sales representatives believed are critical for effective sales leadership. This information will be vital in creating an effective LDP.
Significance of Study

Leadership at any level of an organization has always affected profitability, turnover, employee commitment, customer satisfaction, and employee retention (Zenger & Folkman, 2002). Leadership programs, however, are struggling to produce effective and dynamic leaders who are prepared to lead in a changing marketplace (Fulmer & Goldsmith, 2001; Goleman, Boyatzis, & McKee, 2002). As a result of the complexities of creating a program that improves employees’ leadership skills, abilities, and competencies, and the daunting task of having the learner internalize and self-reflect, effective LDPs still remain elusive (Hanna & Glassman, 2004).

The study was designed to determine the type of skills, behaviors, and practices employees feel are critical to creating effective sales leaders within its organization. The results of the study provide this global pharmaceutical with information that may assist it to prepare future sales leaders to take on leadership roles, as well as help similar companies in this industry develop effective sales LDPs. The development of people should exist at all levels of organizations if the goal is long-term success. Pernick (2001) stated that “leadership at every level is the necessary catalyst” (p. 442). This study will help companies understand what skills and abilities are essential for effective sales leadership, and this information will be vital in developing LDPs at every level of an organization.

Nature of Study

This study discovered what skills, behaviors, and practices individuals in a major pharmaceutical company need to become effective sales leaders. A three-part survey (see Appendix A) was administered to district managers, regional managers, and sales
representatives in a leading pharmaceutical company and used to identify the core elements of LDPs. This approach is consistent with procedures recommended by training professionals (Dillman, 2000; Gmelch, Reason, Schuh, & Shelley, 1999; Wolverton, Wolverton, & Gmelch, 1999). Similar methods for collecting data have been used by Gilley, Dixon, and Gilley (2008) and LeCompte and Preissle (1993).

In this study, data was collected from two different sources: (a) district sales managers; and (b) sales representatives. Due to the low response rate of the regional sales manager group, the study did not draw conclusions from said group regarding skills, behaviors, and practices, but the responses from this group are included in overall sample results.

Collecting data from multiple levels within the organization enabled the researcher to determine what critical components each group thinks are necessary for an effective sales LDP. This type of stratification sampling provided the opportunity to view each group independently, as well as identify commonalities between the groups, and adds depth and insight to the study (Babbie, 2004).

A case study approach is most applicable because it seeks to understand what elements current sales leaders, employees and aspiring leaders believe must be addressed in a company’s LDP (Creswell, 2003). Using a quantitative approach allowed the study to have a significant sample size, which gives validity and reliability to the critical factors that are revealed through the results (Creswell, 2003; Gilley, et al, 2008; Wolverton, et al, 1999).
Conceptual Framework

A wide body of literature supports the premise that leadership skills, behaviors, and practices can be developed by a motivated learner (Bennis & Thomas, 2002; Gunn, 2000; Kouzes & Posner, 2002; Stephenson, 2004). In addition, researchers have indicated that leadership skills can and must be developed if leaders are going to be effective in today’s marketplace (Conger & Ready, 2004; Gunn, 2000; Wells, 2003).

Myriad leadership skills, behaviors, and practices will be the conceptual framework for the proposed study, and the concept that skills and behaviors need to be used at different times and places depending on the situation (Sims, Faraj, & Yun, 2009). Situational leadership states that there is no single best style of leadership, but that effective leadership is task-relevant and that the most successful leaders are those who adapt their style to the individual, group, and environment they are leading (Hersey, 1985).

In an in depth interview, the head of training for the subject pharmaceutical company (personal communication, February 2009) spoke about how his company tries to inspire and train its sales leaders to lead, motivate, connect and communicate with, and engage its employees. Sims, Faraj, and Yun (2009) suggest that before a leader begins to interface with employees he or she should first undertake the following five steps: (a) define goals for a specific situation; (b) define potential leadership skills; (c) indentify situational conditions; (d) match leadership skills and style to the particular situation; and (e) determine how the match between leadership skills and situation will be made. An effective leader is able to successfully accomplish these goals. Currently, the head of training and the company’s executives are frustrated because they have not been able to
develop leaders who possess the appropriate skills and insight to consistently lead, motivate, communicate, and engage its employees (personal communication, February 2009). Therefore, leadership skills, abilities, behaviors and the ability to use different skills and styles depending on the environment is the lens that was used for the conceptual framework for the study.

Research Questions

The following research questions guided the study:

- How do district managers perceive their organization and specifically their manager are at using effective skills, behaviors, and practices in leadership?
- How do sales representatives perceive their organization and specifically their manager are at using effective skills, behaviors, and practices in leadership?

Assumptions and Limitations

It is assumed the survey participants were honest and answered the survey without fear of a supervisor or the company reviewing an individual’s responses. The study was conducted at one pharmaceutical company, thus the results may not be applicable to other industries. Parts of this study rely on quantified perceptual and highly subjective data; therefore, some bias may exist. The possibility that the facts may differ from one person’s perception to another person or situation must also be considered a limitation.

The study also looked at sales leadership within the organization. The sample population will be people who are in the sales departments of the subject organization, which could limit the study’s results to be applied only to those departments.

Finally, the subject organization requested that the study only involve the Western United States area. This limited the size of the study; in particular only eight regional
managers could participate. Due to the low response rate of the regional sales manager group, the study did not draw conclusions from said group regarding skills, behaviors, and practices but the responses from this group are included in overall sample results.

Definitions

The following terms were used throughout the research process.

*Emerging leaders.* This group includes employees who have been identified as potential leaders.

*Leadership development.* This concept includes every form of growth or stage of development in a person’s life that promotes, encourages, and assists the expansion of knowledge and expertise required to optimize one’s leadership potential and performance.

*Situational leadership.* The leadership theory that believes there is no single “best” style of leadership that effective leadership is task-relevant and the most successful leaders are those who adapt their leadership style to the individual or group they are leading.

Summary

Effective leaders offer organizations a strategic advantage in a rapidly changing global environment (Fulmer & Goldsmith, 2001; Weatherly, 2005; Wells, 2003), but many organizations are concerned that they may not possess the future leaders needed to deal with the pressures of the global marketplace. As a result of this concern, there is increasing pressure to improve LDPs and provide emerging leaders with the appropriate training needed to become successful leaders.
The purpose of this study is to investigate what skills, behaviors, and practices are critical to producing effective and dynamic sales leaders in a global pharmaceutical company. The information gathered may be used by this pharmaceutical company to develop a LDP for future leaders. The information may also result in future research that focuses on the creation of LDPs in other companies or industries.

A review of the current literature that deals with leadership development is provided in chapter two. The chapter includes a general overview of leadership theories and how they have evolved. The literature review also explores the leadership skills and abilities that are essential for effective leaders, a brief explanation of the development of the survey instrument used in this study, and the concepts of training. The literature review also shows how there is an abundance of written scholarship on leadership and the many different styles, theories, and even examples of good and bad leadership; however, a void remains in how organizations pragmatically develop LDPs that meet the unique needs of an organization, which has helped shape and direct the research questions for this study. Chapter three presents a description of the research methodology that will be used in the proposed study. This chapter includes a discussion about the research design, target population, sample selection, procedures, methods of data collection and analysis, and expected findings. Chapter four provides the results of the study. Chapter five is a summary of the research project, recommendations for this particular pharmaceutical company, and future research opportunities.
CHAPTER 2
REVIEW OF THE LITERATURE

A careful review of literature dealing with leadership clearly indicates that an organization’s approach to leadership development determines its long-term success. There are countless companies that have either failed or thrived at the hands of their leaders. Some of the most notable failures include Bear Sterns, Fanny May, Freddie Mac, and AIG: “These failures were not caused by financial instruments. They resulted from failures in leadership” (George, 2008, ¶ 1). The contrary, however, is true for corporations such as McDonalds, Starbucks, and Johnson & Johnson. These companies have thrived as a result of their leaders, and they have all become global household names (George, 2008, ¶ 5). There is increasing pressure to improve LDPs and provide emerging leaders with the training needed to become successful leaders (Berlade & Harman, 2007).

By examining leadership theories, leadership skills, behaviors, the necessity of change, how the different types of workers in today’s workforce impact leadership, LDPs, and the concepts of learning, it is evident successful companies have a common link: That is, they all have elements of a dynamic leadership development program in place. It is also clear that there is a need to identify the critical skills, behaviors, and practices that will make leaders successful and then take those findings and begin to create a dynamic and effective LDP.

This chapter will review the evolution of leadership theories, leadership skills, discuss the importance of leadership during change, and show how understanding adult learning and training is critical when constructing an effective and dynamic LDP. Finally
this chapter will include a brief history of how the survey was created that was used in this study.

Leadership Theory

Hickman (1998) identified the characteristics of successful leaders in today’s marketplace: (a) they set direction during turbulent times; (b) manage change while still providing exceptional customer service and quality; (c) attract resources and forge new alliances; (d) harness diversity; (e) inspire a sense of optimism among followers; and (f) are a leader of leaders. Weick (2001) suggested that being a self-achiever is a common characteristic of effective leaders. This type of leader searches for better questions and is constantly evolving, not afraid to admit ignorance, and is a strong delegator. Therefore, the challenge is not finding leaders for tomorrow, but rather developing LDPs that ultimately help individuals realize their potential as leaders and hone their skills before taking on a leadership role. Without this type of training, organizations will struggle to survive and thrive in times of change and uncertainty.

A search on Amazon.com using the term *leadership* produces a list of more than 480,000 books on the topic and many of these books deal with leadership theories. In order to provide clarity about leadership theory, this section of the literature review will provide a timeline and brief description of some of the mainstream leadership theories that have evolved from the early 1900’s to today. See figure 1 for a visual representation of the timeline and evolution of the different types of leadership theories.
A review of the mainstream leadership theories are discussed below in an effort to help discover why these theories should be considered when creating a LDP.

Traditional Leader Theory

Historically, organizations have operated in a top-down leadership style: That is, senior executives gave orders and workers followed them (Hickman, 1998). Organizational hierarchies were built to encourage centralized decision making, and communication occurred through layered departmental structures. This type of leadership by centralizing authority and information helped managers differentiate talents and functions (Toregas, 2002).

Current challenges, such as expansions, downsizing, bankruptcy, and a global economy, have forced organizations to examine the traditional leadership approach (Yukl, 2002). Organizations are now shifting from traditional hierarchal leadership to various forms of open networks comprised of people who work together closely to achieve interrelated goals (Hickman, 1998). This new model of leadership focuses on the value of people and recognizes everyone involved in an organization can contribute to and help mold the vision of the company (Bowen & Ostroff, 2004; John-Steiner, 2000; Kouzes & Posner, 2002; Senge, 1994):
Corporations have been becoming less hierarchical and more collaborative...and have required that responsibility and initiative be distributed more widely. It is now possible for large groups of people to coordinate their actions, not just by bringing lots of information to a few centralized places but also by bringing lots of information to lots of places through ever-growing networks within and beyond the firm (Ancona, Malone, Orlikowski, & Senge, 2007, p. 92).

Charismatic Leader Theory

Sociologists, political historians, and political scientists have widely accepted the theory of charismatic leadership (Bass & Avolio, 1987; Choi, 2006; Walter & Bruch, 2009). Originally advanced by Weber (1947), charismatic leadership is effective and lends itself to many other leadership styles (Bass, 1997; Bass & Avolio, 1990; Groves, 2005; Howell & Shamir, 2005). Charismatic leadership can manifest itself in two different forms: (a) personalized leadership and (b) socialized leadership (House & Howell, 1992; Howell & Shamir, 2005). Personalized leadership can be exploitative, non-egalitarian, and self-aggrandizing, and it can have disastrous consequences for followers and the organization. Well-documented examples of such personalized leaders include Adolf Hitler and Jim Jones of Jonestown (Choi, 2006). This personalized leadership style represents the dark or negative side of charismatic leadership (Conger, 1989), and it will not be considered in the following discussion.

Charismatic leadership has been defined many ways; however, for the proposed study, charismatic leadership will be defined as “a special quality that enables leaders to be non-exploitative yet motivate followers to maximize the gains of the organization through specific personal actions without regard for the leader’s personal needs” (Howell & Frost, 1989; Nadler & Tushman, 1990). In addition, charismatic leadership is characterized as a leader’s ability to help followers formulate personal higher-order goals and enduring needs and instill followers with a sense of power that encourages them to
pursue goals. It is a leadership style with a focus on development (Choi, 2006; Dvir & Shamir, 2003).

Conger and Kanungo (1998), House (1977), Nadler and Tushman (1990), and Weber (1947) suggested several phases and attributes of the charismatic leader. Recently, Choi (2006) identified three behavioral components of charismatic leadership: (a) envisioning, (b) empathy, and (c) empowerment.

Charismatic leaders are effective, and they exhibit many talents and skills. For the purposes of the proposed study, the above-mentioned theory has been explored because of these leaders’ ability to effectively motivate individuals and accomplish goals and targets. Much has been written about the charismatic leader and what a charismatic leader is capable of accomplishing.

Transactional Leadership Theory

Transactional leadership theory suggests that leaders use simple organizational frameworks to tell subordinates what to do and what rewards they get for following orders (Bass, 1997; Burns, 1978). Transactional leadership’s use of rewards can be effective in routine situations and lead to high performance and follower satisfaction (Bass, Avolio, & Goodheim, 1987). In this relationship, “the leader provides a benefit by directing the group toward desirable results. In return, the followers provide the leader with status, the privileges of authority, influence, and prestige” (Bass, 1990, p. 356).

Transactional leadership stresses contract and contingent reinforcement (Bass, 1985). The transactional leader performs the following tasks:

- Communicates performance expectations
- Communicates goals
• Links goals and achievements to rewards
• Monitors followers performance toward goal attainment
• Takes corrective action when necessary (Smith, Montagno, & Kuzmenko, 2004; Torpman, 2004).

Burns (1978) suggested that although transactional leadership has its place, it can also be very limiting: “A leadership act took place, but it was not one that binds leader and follower together in a mutual and continuing pursuit of a higher purpose” (p. 20). Bass (1985) argued that transactional leadership works as long as the leader is “a rational and economic being” (p. 6). For example, when workers complete an important job assignment on time and under budget, the transactional leader may reward workers monetarily, but if a deadline is missed or a project goes over budget, then the leader may make it very uncomfortable for workers (Bass, 1997). Donald Trump, a hardnosed business guru, and Bobby Knight, who is known for his authoritative yet effective sports coaching strategies, are examples of transactional leaders. They reward people who follow orders and reprimand people who do not follow orders. It is important for organizations to recognize this type of leadership and understand that it will yield only short-term gains and cannot be used long term. LDPs need to teach developing leaders about the benefits and pitfalls of transactional leadership.

Transformational Leadership Theory

Burns introduced the theory of transformational leadership in 1978 and suggested that leaders and followers engage in a social exchange in order to reach a desired goal. Burns (1978) first defined transformational leadership as “a relationship of mutual stimulation and elevation that converts followers into leaders and may convert leaders
into moral agents” (p. 20). Burns added to his definition and stated that a transformational leader is someone who elevates followers and him or herself to a higher level of motivation and morality: “The transformational leader also recognizes the need for a potential follower, but he or she goes further, seeking to satisfy higher needs…to engage the full person of the follower” (Bass, 1990, p. 23). Smith, Montagno, and Kuzmenko summed up the characteristics of a transformational leader in 2004: “Transformational leadership occurs when a leader inspires followers to share a vision, empowers them to achieve the vision, and provides the resources necessary for developing their personal potential” (p. 80).

Other researchers (Bass 1985; Bennis & Nanus, 1985) pointed out that transformational leadership goes beyond individual needs and focuses on a common purpose, intrinsic rewards, and developing commitment with the followers. Bass (1990) described a transformational leader as “someone who shows charisma by demonstrating complete faith in a co-worker, encourages inspiration through high performance expectations, is intellectually stimulating with creative and innovative problem-solving abilities, and provides individualized consideration by offering needed personal attention” (p. 218).

Podsakoff, MacKenzie, Moorman, and Fetter (1990) identified six key characteristics of a transformational leader:

- Is an appropriate role model
- Fosters the acceptance of goals
- Sets high performance expectations
• Provides individual support

• Provides intellectual stimulation

Geroy, Bray, and Venneberg (2005) suggested that transformational leaders have an internal locus of control that allows them to lead through change, and this ability enables them to handle stress better than transactional leaders: “Transformational leaders lead by motivating others and by appealing to higher ideals and moral values” (Mason & Wetherbee, 2004, p. 190). Bass (1993) identified four aspects of transformational leadership:

1. Individualized consideration: The transformational leader attends to each follower’s needs, acts as a mentor or coach, and listens to the follower’s concerns and needs. This leader is empathic, provides support, keeps communication open, and provides followers with challenges.

2. Intellectual stimulation: The transformational leader challenges assumptions, takes risks, and solicits followers’ ideas. Leaders with this trait stimulate and encourage creativity and nurture and develop independent thinkers. For this leader, learning is a value, and unexpected situations are seen as opportunities to learn. The followers ask questions, think deeply about things, and figure out better ways to execute tasks.

3. Inspirational motivation: The transformational leader articulates a vision that is appealing and inspiring to followers. Leaders who use inspirational motivation to achieve goals challenge followers with high standards, communicate optimism about future goals, and provide meaning for the task at hand.
4. Idealized influence: The transformational leader provides vision and a sense of purpose, stimulates pride, and gains respect and trust.

Mahatma Gandhi, Nelson Mandela, and Winston Churchill are examples of transformational leaders. Each of these exceptional leaders had the ability to inspire and motivate others, shattering many social norms in the process. Becoming a transformational leader is a process that does not happen overnight, and developing an LDP that produces transformational leaders is something that takes time, planning, research, and an organization’s long-term commitment to developing its people.

Transcendental Leadership Theory

Several studies (Chary, 2010; Kouzes & Posner, 1999; Wheatley, 1999) found that the search for leadership is primarily an internal journey to connect with a higher influence (Saunders, Hopkins, & Geroy, 2003). Geroy et al. (2005) suggested that transcendental leadership is concerned with the internal journey and, as a result, it is a more effective style of leadership than transformational leadership. These researchers argued that transcendental leadership goes beyond transformational leadership. They pointed out that transcendental leaders have a strong “internal locus of control…which compels them to consciously place greater importance on the dynamics of the immaterial (i.e., inner spirit) as opposed to the material (i.e., the body)” (p. 20).

Transcendental leaders inspire action and a sense of wholeness, harmony, and well-being by caring for and being concerned about their followers. These leaders have a strong appreciation of self and other people, posses a genuine selfless concern for people, and help followers feel powerful and encouraged to make decisions, accomplish tasks, and lead on their own (Fairholm, 1996; Fry, 2003; Korac-Kakabadse, Kouzmin, &
General Electric, Johnson & Johnson, Nordstrom, and Disney have consistently produced leaders who embody the transcendental theory (Ulrich & Smallwood, 2007). All of these companies produce leaders who truly put the needs and concerns of other people above their own, and it shows in profits, employee engagement, customer satisfaction, and employee and customer retention (Macey & Schneider, 2008).

Thompson (2000) stated that achievement in transcendental leadership cannot occur without spirituality, and hierarchical levels of spirituality are associated with hierarchical levels of desired leadership accomplishments. Thomson (2000) identified three structural levels of leadership accomplishment: (a) transactional; (b) transformational; and (c) transcendental. Fundamentally, leaders’ spiritual development (e.g., consciousness, moral character, and faith) is linked to development along these three levels of leadership achievement (Thomson, 2000).

Golden-Biddle and Greenwood (2000) contended that traditional approaches to understanding leadership lack depth and are inadequate in scope. Research (Bass, 1985; Bycio, Hackett, & Allen, 1995; Howell & Avolio, 1993) that examined traditional levels of leadership accomplishment neglected or only passively addressed the internal mechanisms of the leader (Saunders, Hopkins, & Geroy, 2003). There is a growing body of literature (Blackaby & Blackaby, 2001; Greenleaf, 1991; Hawley, 1993; Wilkes, 1999) that examines the internal components, such as spirituality, of transcendental leadership (Saunders et al., 2003).

Learning Leadership Theory

In the past decade, research (Conger & Benjamin, 1999; Kouzes & Posner, 2002; Wells, 2003) has found that individuals with a desire to learn can be taught the skills
necessary to be a successful leader. Gordon (2002) suggested that leaders should be
developed in natural settings because these settings provide the opportunity to gain
experience with collaboration, sharing, and teamwork. Learning leadership theory
suggests that leadership is a continual process where learning and growth takes place
throughout an individual’s life (Gordon, 2002; Greenleaf, 1991; McCauley, Moxley, &

The more a company can plan and intentionally place talented individuals in
situations where learning can occur, the more likely the individual will start to acquire the
skills and strengths of an effective leader (Wells, 2003). Unfortunately, although placing
individuals in situations where leadership occurs is discussed in the literature, no
researchers have explained how to make this process work.

McCauley, Moxley, and Van Velsor (1998) defined leadership development as
“the expansion of a person’s capacity to be effective in leadership roles and processes”
(p. 4). Brungardt (1996) stated that leadership development is “every form of growth or
stage of development in the life-cycle that promotes, encourages and assists the
expansion of knowledge and expertise required to optimize one’s leadership potential and
performance” (p. 83). According to Conger (1999), leadership development can be
grouped into four categories: (a) leadership training through personal growth; (b)
leadership development through conceptual understanding; (c) leadership development
through feedback; and (d) leadership development through skill building and teaching
key leadership competencies.

Hernez-Broome and Hughes (2004) conducted a study designed to better
understand the nature of developing leaders. For many years, it was thought that
leadership simply came naturally for some people and could not be learned. These researchers found, however, that leadership can be learned, and leaders feel it is vital to continue to evolve and grow. Understanding how to develop future leaders, as well as helping current leaders become more effective, is critical for organizations. Successful leaders must learn to develop new traits that motivate workers to achieve greater success (Kouzes & Posner, 2002). As a result of this information about people’s ability to learn how to lead puts pressure on organizations to have effective LDPs that promote this learning.

Servant Leadership Theory

Robert K. Greenleaf’s concept of servant leadership is now in its fourth decade as a leadership theory, and continues to grow in popularity around the world (Spears, 2004). According to Laub (1999), servant leadership is:

An understanding and practice of leadership that places the good of those led over the self-interest of the leader. Servant leadership promotes the valuing and development of people, the building of community, the practice of authenticity, the providing of leadership for the good of those led and the sharing of power and status for the common good of each individual, the total organization and those served by the organization (p. 83).

The servant leader possesses a mindset and behavior to serve others as a requirement of leading a good and moral life (Greenleaf, 1991). The servant leader is someone who first is service orientated and then finds themselves in leadership positions. Greenleaf (1970) states an individual in a position of leadership and authority does not choose servant leadership as a method or style of leading. Rather, “the servant-leader is servant first” (Greenleaf, p.7).
Servant leadership theory is unique because unlike other theories it focuses on self development and self reflection of the leader as a human person first. “Typical models of leadership do not begin with an analysis of leader motivation, and Greenleaf’s concepts in this regard are unique” (Smith, Montagno, & Kuamenko, 2004). Spears (2004), provides 10 characteristics central to the development of servant leaders: (a) listening; (b) empathy; (c) healing; (d) awareness; (e) persuasion; (f) conceptualization; (g) foresight; (h) stewardship; (i) commitment; and (j) building community. This list is not exhaustive but illustrates the type of characteristics that servant leaders posses.

It is easy to list the characteristics or what a servant leader is suppose to do, the challenge is how you help individuals grow in this area. Barnabas, Paul, and Anbarasu (2010) suggest that leadership and management programs in colleges and universities should include servant-leadership within the syllabi of one or more of the courses comprising these programs.

Developmental Leadership Theory

Developmental leadership views employee growth and development as the ultimate goal, and, as employees and leaders grow, so does the organization (McAlearney, 2008). It is important that leaders offer individualized plans that will capitalize on specific strengths and address areas of weakness of employees and future leaders (Cacioppe, 1998; Pernick, 2001; Zenger & Folkman, 2002).

In an effort to become lean and profitable, organizations have flattened their organizational structure, and this has created fewer layers of workers to draw on for promotions. This change, however, also enables leaders to emerge from all levels of an organization. Flat organizations encourage greater involvement in idea innovation, foster
decision making, increase group work, and respond positively to change (Horner, 1997). However, flat organizations must create plans for developing workers into leaders, promoting teamwork, raising employee morale, and maintaining a healthy work culture (Horner, 1997).

Developmental leaders place the development of their people first and the organization second. Consequently this type of leader enables organizations to move into various strategic business directions (Gordon, 2002). Developmental leaders view all employees as potential leaders and ensure developmental opportunities exist (Gilley & Maycunich, 2000).

Summary of Leadership Theories

Transactional leaders clarify expectations, achievements, and goals (Bass, 1997; Burns, 1978; Torpman, 2004) and reward people who meet these goals. Transformational leaders communicate at an emotional level that promotes loyalty, longevity, and allegiance (Bass, 1990; Burke, 2006). Transcendental leaders connect with their followers at a spiritual level and motivate people to do things they never thought possible (Fry, 2003; Ulrich & Smallwood, 2007). Learning leaders view learning by everyone as the path to success and ensure that learning occurs at every level of the organization. Servant leaders encourage everyone to actively seek opportunities to both serve and lead others, consequently raising the quality of the organization and its people (Spears, 2004). Developmental leaders view employee growth and development as the ultimate goal. Organizations must understand these different leadership styles and decide what type of leader they want to lead them into the future, before they develop LDPs that will be effective and meet their leadership needs.
Leadership Skills

Leadership is spread throughout all segments of society (Gardner, 1990), but despite its existence in almost all parts of society, there are simply not enough effective leaders. According to Kellerman (2004), poor leadership exists in corporations, religious organizations, and politics. It appears that the lack of effective leadership may be caused by a lack of understanding about the phenomenon of leadership (Wren, 1994). A plethora of leadership theories have surfaced, and researchers have analyzed leadership traits, styles, situations, contingencies, transformations, psychodynamics, behaviors, and characteristics (Northhouse, 1997). It is clear that effective leadership can make a difference to organizational performance, however identifying the skills and abilities that help leaders be successful in an organization are elusive and not well documented. Bennis (1994) described effective leaders in the following way:

Leaders are people who are able to express themselves fully…They know who they are, what their strengths and weaknesses are, and how to fully deploy their strengths and compensate for their weaknesses. They also know what they want, why they want it, and how to communicate what they want to others, in order to gain their cooperation and support. Finally, they know how to achieve their goals. (p. 151)

As mentioned in chapter one, pharmaceutical companies search for leaders who are able to motivate a group of individuals, create a vision, and help a team of people accomplish targets and goals (personal communication, 2009). For the purposes of the proposed study, an appropriate lens to look at leadership development is through the various skills and abilities that are required of leaders during change and the new global economy. Much has been written about leaders who can situationally lead and use a variety of skills to create transformational changes in people while reaching goals for an
organization, and this information should be considered when creating a leadership development program (Avolio & Bass, 1987; Burke, 2006; Howell & Shamir, 2005). A look at six critical skills and abilities that leaders can use and emphasize at different times are identified in this literature review: (a) coaching; (b) rewarding; (c) communication; (d) motivation; (e) supporting others; (f) teamwork and collaboration.

Coaching

Coaching is a “process of equipping people with the tools, knowledge, and opportunities they need to develop themselves and become more effective” (Peterson & Hicks, 1995, p. 41). Hudson (1999) suggested a leader’s coaching enables employees to work more effectively by modifying their approach to a task (Gilley et al., 2008). Coaching motivates other people to be their best, empowers individuals to think outside the box, enables workers to think ahead, and encourages networking and cooperation to maximize results (Gilley et al., 2008).

Coaching creates a partnership between leaders and employees. A collegial partnership should be built on two-way communication that is nonjudgmental, professional, and personal (Gilley & Gilley, 2007). Leaders must ask open-ended questions, give immediate feedback after working with someone, and act as a fly on the wall in the workplace and provide verbal assistance from the sidelines. This type of relationship enables leaders to learn what motivates each employee. These tools allow leaders to effectively lead and inspire during times of change (Gilley & Boughton, 1996).

Rewarding

Organizations use many different reward programs. LeBoeuf’s (1985) research showed a reward program should be based on rewarding people for the right
performance. In addition, a reward program must be flexible and take into account the
dynamic nature of the organization’s initiatives and what workers consider a reward
(Flannery, Hofrichter, & Platten, 1996). A recent survey by Maritz Research suggested
employees who receive their desired type of recognition are twice as likely to stay with
their companies (Rauch, 2005).

An effective reward system is fluid and must be subject to change. It is up to the
leader to help identify the appropriate mix of monetary and non-monetary rewards
(Gilley, Dixon, & Gilley, 2008). Leaders who are able to create a reward system that is a
win-win situation for the company as well as employees will help foster change and
suggested that reward programs foster creativity and innovation, leadership, teamwork
and collaboration, commitment and loyalty, promote long-term solutions, and encourage
workers to learn and apply new skills. A reward program can encourage employees to
accept and apply new approaches with the assurance that competency equals
compensation. Future leaders should experience this rewarding process and be involved
with implementing new reward procedures as part of the LDP process.

Communication

Effective leadership depends on effective communication (Hackman & Johnson
1991). Effective communication enables leaders to create a trusting, cooperative work
atmosphere, motivate employees, and determine employee engagement (Denning, 2005;
Hackman & Johnson, 1991; Rousseau & Tijoriwala, 1999).

Communication includes giving employees feedback that is both positive and
constructive. Employees are unable to make informed decisions about their performance
without feedback. This lack of communication leads to mistakes and a decrease in performance (Gilley et al., 2008; Peterson & Hicks, 1996).

According to Luecke (2003), communication is a valuable tool for inspiring employees when an atmosphere of change exits, and communication will reduce a potential resistance to change. Saunders (1999) recommended the following communication strategies to help organizations during a change initiative:

1. Specify the nature of the change.
2. Explain why.
3. Explain the scope of the change.
4. Develop a graphic representation of the change initiative that employees can understand.
5. Predict the negative aspects of the change.
6. Explain the criteria for success and how it will be measure.
7. Explain how people will be rewarded for success.
8. Repeat, repeat, and repeat the purpose of change and the planned actions.
9. Use a diverse set of communication styles that are appropriate for employees.
10. Make communication a two-way proposition.
11. Be a model for the change initiative.

Leaders who have the ability to communicate, listen, and create clarity in times of change are more likely to achieve long-term success. Effective communication skills are crucial for all leaders, and they should be evident in every LDP.
Motivation

Vroom (1964) suggested that the behavior exhibited by individuals on their jobs and in the job market is voluntary and, therefore, motivated. In an organizational framework, a leaders’ ability to influence and persuade other people to work in a common direction is essential (Gilley et al., 2008). Gilley et al. stated that the skill of motivating other people has two elements: (a) the skill of the leader and (b) the motivational level of the individual employee. LDPs must be able to account for each of these two elements if they are going to truly develop leaders and enable them to make an impact with the people they lead. Carlisle and Murphy (1996) pointed out that motivating other people requires leaders who can create a culture of motivation, communicate effectively, address employees’ questions, generate creative ideas, prioritize ideas, direct personnel practices, plan employees’ actions, convince employees to act, and provide follow-up to overcome motivational problems. An organization with leaders who have freedom, flexibility, and the resources to do their job increases motivation and job satisfaction (Hebda, Vojak, Griffin, & Price, 2007).

Effective leaders are able to attract and retain employees who are passionate about work and intrinsically motivated (Gilley et al., 2008). Organizations that can consistently hire or promote talented leaders who understand human behavior are more likely to have motivated and engaged employees (Gilley, Boughton, & Maycunich, 1999).

Supporting Others

Leaders who are able to create a culture in which employees support one another and willingly work together are able to increase innovation and creativity in the workplace (Williams, 2001). Gilley et al. (2008) agreed that an atmosphere of support
increases productivity and makes the implementation of change in the workplace successful.

Birdi (2005) claimed that when management encourages feedback from employees it influences the success and acceptance of new ideas. Research (Denning, 2005; Williams, 2001) indicated that driving change and innovation requires leaders who ensure communication tools (e.g., coaching, information sharing, and appropriate feedback) are established. In addition, leaders must create an atmosphere of employee participation and strong social networks to ensure the success of a change initiative (Denning, 2005; Gilley et al., 2008; Drucker, 1999; Williams, 2001).

In order for leaders to create a culture where employees support each other, the employees must be exposed to this type of culture before they become a leader. A company’s executives must consider this when creating and implementing an LDP for their future leaders.

Promoting Teamwork and Collaboration

Leaders who are able to guide and structure workgroups encourage team processes, team effectiveness, and organizational achievement (Fedor, Ghosh, Caldwell, Maurer, & Singhal, 2003; Gilley et al., 2008). Recent research (Fedor et al., 2003; Fuqua & Kurpius, 1993; Williams, 2001) found that the success of teamwork (i.e., workgroups) depends on several factors, including boundaries between team leaders and team members (Stock, 2006). Research (Fuqua & Kurpius, 1993; Nadler & Tushman, 1989) also showed that leaders who combine interpersonal skills with group processes, promote teamwork, and encourage ideas and involvement have a far-reaching impact on long-term goals. Williams (2001) suggested that workgroups should include members with diverse
skills and backgrounds. He believed these characteristics encourage constructive interaction and foster an environment in which workers will confidently question and challenge ideas.

Leadership determines a team’s level of achievement and its effectiveness (Fedor et al., 2003). Montes, Moreno, and Victor (2005) stated that successful team leadership depends on the following factors: (a) professional knowledge of team leaders; (b) ability to encourage team members to participate in decision making; (c) innovation; and (d) trust. Leaders can cripple teamwork and collaboration by allowing a hostile environment to develop, setting unattainable goals, communicating poorly, failing to provide skills training, and using coercive control rather than coactive control (Follett, 1924; Gilley et al., 2008). Conversely, leaders who establish open communication, share leadership responsibilities, encourage teamwork cohesion, define clear roles, and value diverse styles strengthen teamwork and collaboration (Montes, Moreno, & Victor, 2005; Parker, 1990).

The six skills detailed in this section are not an exhaustive list but are meant to serve as examples of the types of skills that are critical for leaders to be exposed to and taught to use in different situations. Other skills worth mentioning are vision and creativity, decision making, and setting objectives (Kellermna, 2004; Lussier, 2006; Lussier & Achua, 2007).

Change

Organizations remain competitive when they are able to handle continuous change (Cohen, 1999). According to Miles (2001), any change, large or small, has a cascading effect on an organization. In the past decade, the inability to deal with change
has had serious consequences for some organizations (e.g., bankruptcy) (Yukl, 2002), and this inability to handle change is rooted in organizations’ inability to remain flexible and adaptive in a vibrant business environment (Bossidy & Charan, 2002; Drucker, 1999; Finkelstein, 2003). Organizations are complex networks that face increasing pressure to produce new ideas, grow, renew, and change (Wheatley, 1992). These demands require the ability to respond quickly to new problems or situations in the environment (Berkes, Colding, & Folke, 2000). Denning (2005) suggested that a company’s ability to emerge as a market leader or remain competitive depends on its ability to change and adapt.

In the past, it was believed that companies could control their own destinies, and they operated in a relatively stable, predictable environment. This, however, is no longer the case (Beckhard & Pritchard, 1992). For more than 20 years, there has been an increasing emphasis on change and innovation as primary determinants of an organization’s success (Bekchard & Pritchard, 1992; Drucker, 1999; Ford & Gioia, 2000; Friedman, 2005; Johansson, 2004).

Kuhn (1970), a pioneer in the field of change, suggested that leadership that rejects current paradigms or questions fundamental assumptions when dealing with change is transformational. For example, the founders of Whole Foods decided that consumers were ready for a new way to buy groceries and pushed the envelope of the supply chain, customer interaction, and typical grocery chain model (Sacks, 2009). It took leaders who could create a vision and inspire other people to follow this vision to develop and offer North Americans an alternative to the typical grocery store. This type of large-scale, transformational change significantly affects how organizations are
managed, how they function, and their ability to remain competitive (Gilley, McMillan, & Gilley, 2009; Preskill & Torres, 1999).

Change can also occur incrementally, and an organization makes necessary changes in sequential order (Beckhard & Pritchard, 1992). 3M, IBM, GE, Nissan, Apple, and Bay Networks are all examples of how creating a road map and attaching timelines to a plan can produce results that keep companies on the cutting edge of their industries (Tabrizi, 2007). Kuhn (1970) pointed out that incremental change is important for organizational sustainability, but transformational change is the catalyst for realizing innovation in an organization.

Bekchard and Pritchard (1992) believed that organizations must understand the external forces that are creating the need for change and the impact this change will have within the organization, in order to make effective business decisions. The fundamental change model in 1992 shows how three distinct elements: (a) business decisions; (b) external forces; and (c) organizational consequences can effect change within an organization. In just ten short years, scholars have realized how critical leadership is in facilitating and guiding organizations through change. Many researchers (Gilley et al., 2009; Luecke, 2003; Lussier & Achua, 2007) have argued that the fundamental change model needs to include an element that shows how employees and leaders will impact the change.

Change initiatives have produced innovations that have been applied to technology, products, and services, organizational structure and processes (Lewis, 1994), and organizational business models (IBM, 2006). In order for effective and sustainable change to occur, organizations must dedicate themselves to change and have action plans.
that are aligned with the leaders’ vision (Beckhard & Pritchard, 1992). Denning (2005) believed change is not just about an organization’s ability to run more efficiently. Change is also about the ability to evolve and differentiate. Organizations must be able to handle change in order to survive, but there is a need for leaders to understand the concept of change and that effective change starts with them.

The critical factor in facilitating and driving change efforts is the leadership in an organization (Gilley, 2005; Gilley, Quatro, Hoekstra, Whittle, & Maycunich, 2001; Pfeffer, 2005). In fact, “leadership is often regarded as the single most critical factor in the success or failure of institutions” (Bass, 1990, p. 8). Leadership abilities play an important role in how successful change is facilitated. More often than not, a lack of skilled leadership is cited as a barrier to successful change (Bossidy & Charan, 2002; Gilley, 2005). Such barriers include an inability to understand effective change implementation techniques, a lack of management recognition or rewards for those who change, and an inability to motivate other people to change (Burke, 1992; Kotter, 1996; Patterson, 1997; Ulrich, 1998).

It is crucial for individuals in an organization to identify the need for change. Few people, however, are able to maintain successful change efforts (Gilley et al., 2008). People are instinctively resistant to change - it is simply human nature (Bovey & Hede, 2001). Hall and Hord (2006) echoed this theory of change and argued that change is made even more complex by the wide array of innovations and the different ways people respond to new environments. It is evident that leaders are critical for driving change within a company. Organizations understand change is imminent; however, training
leaders who can carefully guide their business through these rough waters of change has been a challenge for most Western organizations.

Organizational Challenges

One of the challenges presently faced by organizations is how to effectively prepare the next generation of leaders for growth and success in tomorrow’s marketplace (Tulgan, 1995). Senior management-level retirements are at an all-time high, and companies urgently need to prepare junior managers for these critical leadership positions (McClenney, 2001). As the global economy continues to evolve, LDPs for future leaders also need to change (Peterson & Gailor-Loflin, 2003). Peterson and Gailor-Loflin (2003) stated that organizations must understand three fundamental facts if they are going to prepare leaders who can be successful in the new global economy:

1. There are fewer people in the Generation X cohort than in the baby-boom generation that preceded it, and as a result, there are fewer people who can be prepared to become leaders.

2. Evolving employment patterns have affected worker attitudes toward employers, and the new generations require more balance between work and life.

3. The newest generation of emerging leaders has a view and attitude toward authority that is different from previous generations.

Peterson and Gailor-Loflin (2003) suggested that organizations will be able to retain and develop the next generations of leaders by answering a few key questions:

- What are the leadership development needs of emerging leaders, and how do their needs differ from the needs of other age groups?
• What are the learning styles of the emerging leader group?
• What are the challenges emerging leaders face in the workplace?
• What are the leadership challenges in working across generations?

Other research (Bovey & Hede, 2001; Collins & Holton 2004; Gilley et al., 2008) indicated there are specific issues organizations must address in order to survive and compete in the future. For example, companies must look at how effective their leadership is throughout the organization (Aburdene & Naisbitt, 1992). Businesses must also consider the current need to change to an emerging leadership model in order to compete in an increasingly competitive global economy (Hickman, 1998). Also, organizations must find ways to develop leaders who are able to retain and motivate employees (Tulgan, 1995). Although research has pointed out many issues companies must consider when creating an LDP, few studies have provided companies with the information they need to create an LDP unique to their environment and leadership needs.

Types of Employees

There are different types of employees (e.g., knowledge workers and mixed generation workers) in today’s workplace. In order to motivate and retain employees, leaders must understand these different types of employees and how to adjust their leadership style to meet the needs of their employees. In addition, organizations need to understand these different types of employees in order to create LDPs that prepare leaders who can effectively harness and utilize the abilities of these different types of employees.
Knowledge Workers

Knowledge workers are individuals who work primarily with information in the workplace (Drucker, 1954; 1973). Drucker (1994) described knowledge workers as people who respond better to demands created by knowledge than to demands created by authority. Knowledge workers relate to objectives rather than to people. This type of worker needs a performance-oriented organization, rather than an authority-oriented organization. Research (Haag, Cummings, McCubbrey, Pinsonneault, & Donovan, 2006) suggested knowledge workers outnumber all other types of workers in North America by at least 4 to 1. This new norm has caused a shift in the way managers must operate (Haag et al, 2006). Leaders must now create a culture where knowledge workers willingly share and use information to the benefit of the organization. Knowledge workers have traditionally been viewed as the high-value-added, well-paid elite workforce (Haag, et al, 2006). The change to a knowledge-based economy, however, means that knowledge-based jobs exist at all levels in organizations, from the data entry clerk to the technical designer (Haag, et al, 2006). Drucker (1994) pointed out that this type of employee needs a leader and not a manager:

The productivity of the knowledge worker is quickly becoming the center of the management of people, just as the work on the productivity of the manual worker became the center of managing people a hundred years ago, that is, since Frederick W. Taylor. This will require, above all, very different assumptions about people in organizations and their work. One does not “manage” people. The task is to lead people. And the goal is to make productive the specific strengths and knowledge of each individual. (p. 21)

Knowledge workers must be lead in ways they consider acceptable. Drucker (1994) stated that LDPs must teach leaders how to foster a culture of sharing, creativity,
and synergy among knowledge workers and identified the skills a leader of these workers must possess:

- Encourages collaboration
- Explores and resolves conflict
- Encourages dialogue
- Encourages a sense of community, common interest, and trust

Now that knowledge workers dominate the workforce, companies must have an LDP in place that prepares managers to lead this complex workforce.

Mixed Generation Workers

A diverse age group of employees creates another leadership challenge faced by businesses. The Department of Labor, Bureau of Labor Statistics (2005) identified four generations working side-by-side in the workplace: (a) the World War II generation, born between 1922 and 1943; (b) baby boomers, born between 1946 and 1964; (c) Generation X, born between 1965 and 1981; and (d) Generation Y, born between 1981 and 2000. Mixed generation workers are common in all levels of the workplace, and organizations must prepare leaders who can manage this type of diversity (Cadrain, 2005). Deal (2007) found that mixed generations workers have similar ideas about what they want from a leader: (a) respect; (b) credibility; (c) consistency; (d) trustworthiness; and (e) a mentor. Although mixed generations workers have similar ideas about leaders, they have different ideas about authority, and leaders must be able to recognize each generational worker and adapt to that individual’s style of work to foster the highest productivity from each employee. Therefore, it is necessary to develop LDPs that provide future leaders with the opportunities to gain the skills and abilities needed to lead a diverse group of workers.
In order for someone to effectively lead a diverse group of people, they must have practice, development opportunities, training, and feedback. A closer look at what the literature currently states about leadership development programs will add clarity to the importance of this and future studies.

Leadership Development Programs

Successful leadership is a complex process that enables leaders to influence the thoughts and behaviors of other people in a significant way. Successful leaders are able to capitalize on opportunities and challenges to influence behavior, change the course of events, and overcome resistance. Successful leaders are able to implement decisions successfully (Mills, Print, & Weinstein, 2003). Therefore, creating LDPs that prepare leaders to successfully meet the expectations and goals of an ever-changing, demanding marketplace is critical for companies facing a shortage of effective leaders.

Previous LDPs have favored a hierarchical perspective, or a traditional top-down leadership structure, in which the upper echelon is in complete control of the decision-making process (Thompson, 2006). This approach has proven ineffective in the competitive global marketplace (Hickman, 1998). Today, most companies promote a horizontal organization that promotes innovation, decision making, and responses to change from everyone in the organization, from leaders to service employees (Horner, 1997). The challenge is to create effective LDPs that maximize leadership talents wherever they are found in the organization.

Components of LDPs

LDPs should not be a weeklong classroom experience; rather, they should be a collection of experiences and knowledge gained over time (Brungardt, 1996; Hernez-
Broome & Hughes, 2004; Lynham, 2000; Pernick, 2001). Lynham (2000) identified several factors to consider when creating an LDP. First, childhood and adolescent development will affect the way a person views leadership. An individual with abusive authoritative parents will have a different view of leadership and authority than someone with parents who lead with love. Second, formal education plays a key role in how individuals learn and view training. For example, the oil and gas industry relies heavily on recruiting future leaders with a university degree. Many companies are using executive MBAs to help train and develop leaders, but they now believe early education is a critical component for selection (Swanson, 2007). Third, on-the-job experiences are critical. These experiences should focus on three areas: (a) improving a leader’s knowledge; (b) training in success and effectiveness and leadership styles; and (c) leadership and management should not be considered the same thing (Kotter, 1990). Too often companies make the assumption that helping employees to understand spreadsheets, labor costs, and hiring practices constitutes leadership training. These are management functions, and learning these skills does not constitute leadership training.

McCall (1998) identified three factors that should be considered when developing LDPs: (a) challenging experiences are the primary vehicle for development; (b) the most important experiences are a function of business strategy and organizational values; and (c) the people most likely to learn from these opportunities should be able to experience them. McCall (1998) believed that “developing leadership ultimately boils down to what a person does with his or her opportunities and abilities” (p. 121). Companies should provide individuals with opportunities for growth. These opportunities will help companies determine which individuals show the most aptitude for leadership.
Future leaders should have on-the-job training (Jacobs & Jones, 1995; McCauley & Van Velsor, 2004). Jacobs and Jones (1995) provided a wide-ranging guide for designing, delivering, and evaluating structured on-the-job training. These two researchers recommended structured on-the-job training as opposed to unstructured on-the-job training and claimed it makes a critical difference in achieving the desired effect of this type of training. In addition, they contended that structured on-the-job training must be evaluated objectively and in terms of its contribution to an organization’s performance and goals. Jacob and Jones (1995) described five steps in an effective on-the-job training system: (a) prepare the trainee; (b) present the trainee with objectives; (c) require responses; (d) provide feedback; and (e) evaluate performance. Jacobs and Jones (1995) also suggested that in order for on-the-job training to be successful an organization must have a culture that encourages employees to engage in continual learning activities while at the same time ensuring their job and tasks are performed at a high level.

Effective LDPs are often tied to business objectives and goals (Cacioppe, 1998; Moore, 2004; Salopek, 2004). Fulmer and Vicere (1996) predicted that LDPs will become more customized and more focused on business goals and include more action-learning projects with measurable results. Attaching business goals and objectives to leadership development also provides clarity and purpose for participants and allows them to feel like the company is investing in them as individuals.

An effective LDP will have the support of senior leadership who are involved with the trainees. It is critical for senior executives to show support and use their influence for the long-term success of corporate strategies (Fulmer, Gibbs, & Goldsmith,
2000). An organization needs to legitimize its LDP by reinforcing good leadership and not allowing mediocre leadership to exist: “The organization should show its commitment to the program by intolerance of poor leaders” (Pernick, 2001, p. 431).

The Hay Group’s (2005) Eighth Annual Analysis goes a step further and identifies a best practices list for an LDP. These researchers studied the world’s most admired companies and identified the following common elements in these companies’ LDPs:

- Development is tied to the mission, strategy, and values of an organization. It is a purposeful focus on creating the capability and capacity to deliver on the mission and create the desired culture in the organization.
- Development is incorporated and aligned with other practices and policies, including recruiting, selection, promotions, and succession planning.
- Experiential learning is considered important. In both formal and informal settings, leaders are given the opportunity to practice desired behaviors in job-connected assignments and experiences.
- There is a focus on achieving business results. The best programs draw specific connections to the value of certain behaviors in achieving preferred business results.
- There is opportunity for self-assessment. Individuals receive feedback from workers, peers, supervisors, and other people in order to identify strengths and developmental needs.
- Individuals participate in creating a tailored development plan.
One-on-one coaching takes place during the process. Coaching provides a support mechanism for continuous learning and development tailored specifically to the individual.

It should be noted that the above seven elements can be used as a framework once certain skills, abilities, and practices have been discovered that leaders need. LDPs should be viewed as a lifelong journey that links experiences and theory to future application: “An array of developmental experiences must be designed and implemented that are meaningfully integrated with one another” (Hernez-Broome & Hughes, 2004, p. 28). Shields, Schoroyer, and Collins (2004) suggested that the learning process is different for everyone, and each LDP should help individuals change and grow according to their strengths and developmental needs. The Hay Group (2005) concluded the purpose of the LDP is to “develop talent, organize people to become more effective, and motivate them to perform at their best. The focus is on making change happen and helping people and organizations reach their potential” (p. 12). This study was designed to discover the skills and abilities that are critical for effective sales leadership in a particular pharmaceutical company.

LDPs must include a variety of components that teach future leaders how to direct organizations through change (Gilley, 2005; Gilley, Dixon, & Gilley, 2008; Kotter, 1996; Pernick, 2001). The careful combination of different skills makes each program unique and effective. Finding the exact strategic combination of these components and the necessary skills and abilities for each organization is what makes the development of LDPs difficult.
Action Learning

Action learning involves hands-on trial-and-error activities that enable participants to solve problems or perform tasks in real workplace settings, and crisis situations in the workplace significantly shape a worker’s approach to leadership (Cacioppe, 1998). Yost and Plunket (2002) supported this idea and claimed situations in which workers were pushed out of their comfort zones and learning became a necessity to ultimately change their leadership philosophy. Leadership development, therefore, should happen on the job to be effective (Hernez-Broome & Hughes, 2004; Pernick, 2001). The challenge for organizations is how to provide and structure experiences and create learning opportunities for future leaders without affecting their ability to perform their current jobs. This study will attempt to identify ways to accomplish the task of preparing future and current leaders while enabling them to excel in their current roles.

Learning Organizations

A creative organization in which continual learning is commonplace is a pivotal piece of the puzzle for business excellence (Roche, 2002). Organizations aspiring for success must have leaders who understand that success in the marketplace increasingly depends on learning (Argyris, 1991, 1994; Jha & Chawla, 2008). In order to create effective LDPs, organizations must embrace the concept of learning. If an LDP is not based on the principles of adult learning, it will struggle before it starts.

Argyris (1991) argued that well-educated, high-powered professionals who currently occupy key leadership positions are not very good at learning, and many organizations do not understand learning and how to encourage it (Jah & Chawla, 2008). Jah and Chawla (2008) identified two mistakes organizations make that keep them from
becoming a learning organization: (a) many organizations define learning as mere problem solving that identifies and corrects errors, and they do not recognize the important role personal behavior plays in problem solving; and (b) most organizations believe encouraging workers to learn is a matter of motivation, and they assume if employees have the proper attitude and dedication learning will robotically follow and growth will happen without direction or training. When creating an LDP, organizations must realize that individual learning is about personal growth and development, increasing self-confidence and the ability to solve problems, increasing one’s effectiveness, improving one’s performance, and making the most of one’s experiences (Argyris, 1994; Jah & Chawla, 2008). This type of learning takes planning and time and requires a serious commitment from an organization.

Kolb (1984) developed a four-stage model that demonstrates how individuals learn from experience. The model includes (a) taking action; (b) reflecting; (c) connecting; and (d) testing, in a continuous cycle. According to this model (Kolb, 1984), learning starts by taking action, reflecting on the outcomes of the action, making connections with information the individual already knows, and understanding and testing these connections and new ideas. This process encourages more actions and experiences. This seems like a simple process, but it is a major stumbling block. Most organizations struggle to provide their leaders with such experiences (Kolb, Boyatzis, & Mainemelis, 2002).

A trickledown effect exists when leaders embrace the principles of learning (Mainemelis, Boyatzis, & Kolb, 2002). When leaders visibly immerse themselves in learning, an atmosphere of learning is created within an organization (Hiatt-Michael,
Hiatt-Michael (2001) identified four essential elements of a learning community: (a) servant leadership (i.e., someone who guides and nurtures with a transformational style of leading); (b) a shared moral purpose that appeals to the common good of the community; (c) a sense of trust (e.g., confidence, commitment, and personal integrity and respect); and (d) an open environment that encourages collaborative decision making. This type of environment can only be created if leaders have talent, experience, and training.

Argyris (1991) believed creating educational experiences is a key component in leader development. For example, one way to develop a leader’s ability to reason productively is to connect the learning program to real business problems. When organizations create leaders who are able to learn, problem solve, and grow as a result of current experiences, these leaders will create a culture of success and learning and achieve a higher degree of employee satisfaction (Argyis, 1994; Jah & Chawla, 2008). In order to create LDPs that provide participants with a practical learning environment, organizations need to understand what leaders must learn before they take on leadership roles.

Training

Organizations need to train new leaders to assume the positions that will become vacant as a result of the large group of baby boomers who will retire in the next several years. Swanson and Torracco (1995) pointed out that training for the workplace can be traced back to the ancient Greek system of apprenticeship. At the time of the Industrial Revolution, the challenge was to recruit, train, and motivate skilled workers (Wren, 1994), and the lack of worker education forced management to train workers in
specialized roles in order to improve efficiency (Wren, 1994). Although training has been a part of the workplace for many years, it has been easier to train workers for technical jobs than to train workers to assume leadership roles.

Deming’s fourteen points of quality and productivity provided salient insights into the importance of training and education (Scherkenbach, 1987), and Wren (1994) summarized the importance of training:

[Improved] skills through specialization [and enabled] greater pride in output and higher wages; [ensured] individuals received the product of their labors…improved morale and prevented the worker from becoming a machine; and teaching overcame fear and instilled pride and confidence in the worker (p. 149).

Moore and Dutton (1978) suggested that to effectively utilize training budgets and resources a company must first determine the magnitude, scope, and location of its training needs.

In 2000, $50 billion was spent on organizational leadership development in the United States (Fulmer & Goldsmith, 2001). Executives increasingly realize leadership capabilities can be improved through a combination of relevant work experiences and formal development opportunities. Executives admit, however, that the lack of a formal process inhibits the development of leaders (Center for Creative Leadership, 2002; “Survey Says: Leadership,” 2004).

Research (Fulmer & Goldsmith, 2001; Wren, 1994) indicated that training is an integral part of creating an LDP. Lamoureux (2008) summarized a recent study conducted by Bersin and Associates and identified six elements of an effective LDP:

1. Strong executive engagement.
2. Identification and tailoring of core leadership competencies.
3. Alignment of leadership priorities with specific business strategies.
4. Targeting and customizing development programs to all levels of leadership.
5. Integrating leadership development with an overall talent management strategy.
6. Development of comprehensive, ongoing leadership programs that incorporate multiple learning approaches.

As LDPs become more common, it is important for organizations to deliver effective programs (Hernez-Broome & Hughes, 2004; Kincaid & Gordick, 2003). The proposed study will add to the literature that deals with LDPs and identify key areas where training needs to occur before individuals take on leadership roles.

Survey Development

The purpose of this study is to investigate what core skills, behaviors, and practices are essential for developing an effective sales leadership development program for a pharmaceutical company. This study used a survey that was created to determine managerial performance and practices in the organization (Gilley, Dixon, & Gilley, 2008). The survey explores the macro and micro-processes involved in leadership and management, and included twenty-eight perceptual based questions. After receiving feedback about question ambiguity and clarity, the survey was revised and administered to fourteen professionals in leadership roles (e.g., presidents and vice-presidents) who were also PhD students. This experienced leadership group provided feedback about the survey’s face validity. The survey was administered to more than 2,000 people in a number of different studies to help ensure reliability (Ann Gilley, personal communication, March 30, 2010), and 53 conference attendees voluntarily reviewed the
instrument and provided feedback about content validity and survey design (Gilley et al., 2008).

After consulting Ann Gilley, one of the original authors of the survey, the survey that was used in this study contains three parts: (a) Part I contains questions that examine the manager and leader effectiveness of the participant’s direct manager; (b) Part II examines the manager and leader effectiveness for the entire organization; and (c) Part III will be used to collect the following demographic information about the participants: (i) age, (ii) gender, (iii) gender and approximate age of participant’s manager, (iv) length of time with the company, (v) number of employees in participant’s unit and region, and (vi) participant’s position. Permission to use the study in its entirety was obtained from Ann Gilley (Gilley, Gilley, & Kouider, 2010).

Summary

This literature review reveals why leadership is important to organizations and the importance of developing effective leadership. The literature also shows how salient an effective leadership development program is for future leaders, current leaders, and the culture of an organization. Leadership development does more than force individuals to think about their leadership skills, it also enables individuals to assess what impact their leadership has on other people and provides an honest look at the environment (Hernez-Broome & Hughes, 2004).

The literature indicates that a shortage of effective leaders exists and illustrates the importance of effective LDPs for the long-term success of organizations. Collins and Holton (2004) suggested that more research that examines the development of LDPs needs to be conducted and questioned if LDPs affect organizational success.
Many researchers (Deal, 2007; Gilley, Dixon, & Gilley, 2008; Hernez-Broome & Hughes, 2004; Tichy, 1986) have pointed out that LDPs must focus on improving individual job performance, teamwork and collaboration, managerial skills, and creating a culture of learning. Unfortunately, there is little information about how organizations can utilize these skills and whether they are appropriate for all industries.

Although the need for effective LDPs has been recognized by many, it has been difficult for organizations to create LDPs that meet the needs of individuals and achieve the overall goals of the organization. The proposed study is designed to identify key elements of an LDP and how it could be used to effectively prepare future leaders.
CHAPTER 3
RESEARCH METHODOLOGY

This study was designed to examine the type of skills, behaviors, and practices that sales leaders in a pharmaceutical company need in order to be effective. Several studies (Gilley, Dixon, & Gilley, 2008; Hernez-Broome & Hughes, 2004; McCauley, Moxley, & Van Velsor, 1998) have shown that despite numerous models it is difficult to create effective leadership development programs. In an effort to obtain information that could aid in the creation of an effective LDP, the study gathered information from current district sales managers, regional managers, and sales specialists in an effort to identify what skills, abilities, and behaviors are critical for producing effective future sales leaders. Due to the low response rate of the regional sales manager group, the study did not draw conclusions from said group regarding skills, behaviors, and practices but responses from such group are included in overall sample results.

Research Design

This study used a descriptive quantitative approach that sought to understand critical elements for creating effective leadership development programs. A survey that examines managerial performances and practices was sent to 40 district managers, eight regional sales managers, and 442 sales representatives.

A survey design approach was chosen because it provides an opportunity to have a large sample size and gains insights on the participant’s views and attitudes regarding leadership effectiveness from direct leaders as well as how they feel about the organization’s commitment and development of its leaders (Creswell, 2003). Additionally, using a quantitative approach and using a survey that has been used in
multiple industries can help with applying the findings to other organizations and related industries (Creswell, 2003).

Research Questions

The study was guided by the following research questions:

1. How do district managers perceive their organization and specifically their manager are at using effective skills, behaviors, and practices in leadership?
2. How do sales representatives perceive their organization and specifically their manager are at using effective skills, behaviors, and practices in leadership?

The survey was created to identify the skills, behaviors, and practices that are necessary for leaders to be able to lead effectively. Said categories were used as the constructs that can lead to identifying which skills, behaviors, and practices are critical for sales leaders to be effective. See figure two to identify which questions in the survey correlate with each construct.

<table>
<thead>
<tr>
<th>Construct Development</th>
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<tbody>
<tr>
<td>Questions Part I.</td>
</tr>
<tr>
<td>Skills</td>
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<tr>
<td>Behaviours</td>
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<tr>
<td>Practices</td>
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Figure 2: Construct Development
Identifying which questions relate to the skills, behaviors, and practices is a critical component to understanding what makes leaders effective, as well as providing the foundation for creating an effective LDP. The process of identifying which question belonged to each construct was done through consultation with one of the creators of the survey Ann Gilley.

The survey sought respondents’ perceptions of their managers’ skills and behaviors, along with organizational practices. Questions related to skills asked respondents to rate their managers’ effectiveness in coaching, evaluating, rewarding/recognizing, communicating, implementing change, and motivating others. Questions related to behaviors dealt with effectiveness in treating employees fairly and consistently, creating a hostile work environment, growth and development, encouraging suggestions, teamwork and collaboration, and treating employees as unique individuals. Questions related to practices dealt with effectiveness in training after making mistakes, selection process, accountability through results, and promotion process.

Target Population and Selection of Participants

The target population for this research was district sales managers, regional sales managers, and sales specialists in the Western United States area of an international pharmaceutical company. This area includes the following regions: (a) Dallas, (b) Houston, (c) Kansas City, (d) Los Angeles, (e) Minneapolis, (f) Phoenix, (g) San Francisco, and (h) Seattle. Each region has seven or eight districts, and each district has approximately 7 to 10 sales specialists. See figure three for a visual description of the sample population. In total, there were 40 district managers, 8 regional sales managers, and 442 sales representatives who were available to take the survey.
The Western United States area was selected for two reasons: (a) the researcher had an established working relationship with the area leadership team and sales specialists, and gaining access to and the trust of participants was not an obstacle; and (b) the area had just experienced structural changes, and this situation provided a unique opportunity to gain insight into participants’ perceptions of leadership and how they are planning for leadership development in the future. The researcher is a current district manager of the said organization within the Western area center.

Confidentiality

Participants were asked to participate in the study through an introduction letter (see Appendix A), the letter indicated that the study design ensured complete confidentiality and that there would be no risk of their answers being revealed to their supervisors or the organization. The study was designed so that individuals and their surveys could not be linked together, thus ensuring complete anonymity. The introduction letter outlined the purpose of the study and the risks involved in filling out the survey. It explained that participation was voluntary, and participants could quit the
study at any time (see Appendix B). The organization’s name would also not be mentioned in the study to maintain anonymity and confidence with the participants so they could answer the survey honestly. Approval through UNLV’s Institutional Review Board was obtained before the research was conducted - the approval form is included in Appendix B.

**Data Collection**

The sample population was sent an email explaining the research project (see Appendix B). Each participant was asked to participate through an online survey. Participants also had the choice of not completing the survey without penalty or repercussions. A second email was sent as a reminder two weeks after the first email, and one week later, a third email was sent as a final reminder. After four weeks, 273 out of the 490 people within the organization filled out the survey. A response rate of 50% or higher was anticipated and the actual response rate was 56% (Creswell, 2003).

**Survey Design**

The survey is a five-point Likert-type questionnaire, and the scale options range from never (1) to always (5). The survey was designed to capture the participants’ views about their company’s leadership and its effectiveness, and the questions are based on research that examined managerial practices and malpractice (Gilley & Boughton, 1996).

**Data Analysis**

The dependent variable in the study is question one in Part I of the survey: My manager possesses the appropriate skills for his/her position. Cronbach’s alpha was used to assess the reliability of the measurement items, while factor analysis tested for unidimensionality. Independent variables were measured against the dependent variable and
were critical for understanding which elements and areas the sample population deemed are important for LDPs.

Factor analysis gauged the strength of each measurement item from zero to one, with one being a perfect predictor (Churchill, 1979). Factor analysis also separates measurement items into different dimensions, or factors that explain the findings and indicate which items have no explanatory power (Gough & Weiss, 1981).

Factor analysis was used to uncover the real strength of items using principal components analysis with varimax rotation, which aligns the axis to better fit the data and thereby enhance results. Lower than normal scores may be retained if supported by logic or research (Hu & Bentler, 1999). After evaluating the items, additional factor analysis was used to scrutinize the results for higher factor loadings (Nunnally, 1978) to an alpha level of 0.7 or higher. Factors found to have a high number of predictors were removed to shorten the length of the measurement scale and improve the overall quality of results.

The model fit indicators that were used in the study are goodness-of-fit index (GFI), adjusted goodness-of-fit index (AGFI), and root mean square residual (RMSEA), which have been found to be acceptable in previous studies (Bagozzi & Yi, 1988; Bollen, 1989; Hu & Bentler, 1999; Kline, 1998). GFI varies from zero to one and theoretically can yield meaningless negative values. By convention, GFI should be equal to or greater than .90 to accept the model. AGFI is a variant of GFI, which uses mean squares (instead of total sums of squares) in the numerator and denominator of one minus the GFI. It, too, varies from zero to one, and theoretically, it can yield meaningless negative values. AGFI should also be at least .90. Attaining a fit index of .90 is not always possible with larger models. The RMSEA should be .05 or less to obtain an excellent model fit. With data
being analyzed from two different groups (i.e., district managers, and sales representatives), the data are shown in a variety of ways: (a) each group separately; (b) all the groups combined; and (c) as themes or unique findings.

Finally, stepwise regression analysis was performed to help identify significant variables (skills, behaviors, and practices) and the order of their importance (Kline, 1998). In stepwise regression, factors are significant in explaining the dependent variable at a p-value of less than or equal to 0.05 and will be automatically removed when p-value is greater than or equal to 0.10 (Kline, 1998). In addition to stepwise regression, the adjusted R-squared value and Variance Inflation Factors (VIF) scores were considered.

Summary

Organizations today are struggling to find effective ways to train current leaders and more importantly find a way to consistently prepare individuals to take on future leadership roles (Collins & Holton, 2004). Surveying individuals and understanding what skills, behaviors, and practices they perceive are important in their current leaders and their attitudes surrounding their organization’s leadership is a critical step to creating effective LDPs.

Chapter three provided an overview of the methods and procedures that were used in identifying elements that are critical in creating an effective LDP. A quantitative case study was an effective tool for gaining an in-depth understanding of how a particular pharmaceutical company can begin to create an effective LDP. Data gathered from this study will benefit the organization as it strives to refine its training of sales leaders and to prepare future leaders. Additionally, other organizations within the pharmaceutical
industry can capitalize on the data that will be reported on how to improve and create LDPs.
CHAPTER 4

RESULTS

Leadership development programs, although prevalent (Hernez-Broome & Hughes, 2004), still struggle to meet the needs of individuals and effectively prepare leaders for organizations. The purpose of this study was to use a descriptive quantitative case study design to investigate what core skills, behaviors and practices are essential for developing an effective sales leadership development program (LDP) for a pharmaceutical company. The information from this study will help organizations create and implement LDPs that will prepare sales leaders who are equipped to deal with the complexities of a changing industry.

The findings reported in this chapter are based on data analyses related to the following questions that were designed to guide and frame the research process in this study:

- How do district managers perceive their organization and specifically their manager are at using effective skills, behaviors, and practices in leadership?
- How do sales representatives perceive their organization and specifically their manager are at using effective skills, behaviors, and practices in leadership?

To answer these questions, a three-part survey questionnaire presented in was developed and sent to regional managers, district managers, and sales representatives in a particular pharmaceutical company. The survey was created from a series of questions that are used to determine managerial performance and practices in organizations (Gilley, Dixon, & Gilley, 2008). The three parts of the survey are: (a) Part I. how participants perceive their direct managers effectiveness as leaders; (b) Part II. how the participants
perceive manager effectiveness for the entire organization; (c) Part III. the demographics of the professionals who were asked to fill out the survey. Overall, the survey contains 43 questions, seventeen for Part I, nineteen for Part II, and seven for Part III. Tables 1 and 2 summarize the constructs from the survey questions of Parts I and II, respectively, and Part III is explained in the demographics section. As mentioned previously in chapter one, due to the low response rate of the regional sales manager group, the study did not draw conclusions from said group regarding skills, behaviors, and practices but the responses from the regional sales manager are included in overall sample results.

Table 1: Questions/Items of Managerial Practices Survey Part I

<table>
<thead>
<tr>
<th>Factors</th>
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<tr>
<td>Behavior</td>
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<tr>
<td>Practices</td>
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Table 2: Questions/Items of Managerial Practices Survey Part II

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<td>#5, 8, 10, 12, 13, 15</td>
</tr>
<tr>
<td>Behavior</td>
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<td>#2, 6, 7, 17, 18, 19</td>
</tr>
<tr>
<td>Practices</td>
<td>7</td>
<td>#1, 3, 4, 9, 11, 14, 16</td>
</tr>
</tbody>
</table>

65
Demographics of the Survey Participants

In total, the survey was sent to 40 district managers, eight regional sales managers, and 442 sales representatives. After four weeks 273, out of the 490 people within the organization returned completed surveys. A response rate of 50% or higher was anticipated and the actual response rate was 56%. Participants were sent the survey online, two weeks after the initial email a second invitation was sent to the individuals, one week later a third and final email was sent as a reminder. An additional email was sent specifically to regional managers; however, only three out of the eight responded to the survey.

In order to ensure the sample group had adequate insight and experience with the organization, the responses of those who had less than one year with the company were not used; 8.6% of the respondents had less than one year (total of 23 individuals); 29.6% had 1-5 years of experience with the company; 22.3% had 4-6 years of experience with the company; 25.1% had 7-10 years with the company; 8.5% had 11-14 years of experience with the company; 5.3% had 15 plus years of experience with the company; and 0.5% did not report.

Pharmaceutical sale specialists made up 86.7% of the respondents, 11.7% were district managers, and 1.6% were regional managers. The gender break down shows 41.3% of the respondents were male, 57.7% were female and 1.0% gave no indication of gender. Question six in Part III asked about the gender of the respondent’s manager: 24.1% were female, 75.2% were males, and 0.7% did not report. By age, 1.2% of respondents were under 25; 37.2% were between 26-35; 41.7% were between 36-45; 15.0% were between 46-55; and 4.5% were between 56-65, with 0.4% non-reported. In
response to time in current position, 9.7% were less than one year; 19.4% were between 1-3 years; 35.5% were between 4-6 years; 23.7% were between 7-10 years; 5.4% were between 11-14 years; 5.8% were 15 plus years; and 0.5% did not report.

Statistical Analysis

Before answering the three research questions, the reliability and dimensionality of the measurement items were tested by conducting internal consistency analysis (Cronbach’s alpha) and factor analysis.

Cronbach’s alpha is a test to assess the reliability of measurement items that requires only a single test administration to provide a unique estimate of the reliability for a given test (Gliem & Gliem, 2003). The Cronbach’s alpha is the mean value of reliability coefficients that can be obtained for all possible combinations of items when split into two half-tests. The reliability range for Cronbach’s alpha falls between 0 and 1 without a lower limit, and the closer the alpha coefficient is to 1.0, the greater the internal consistency of the items. According to Gliem and Gliem (2003), an alpha of 0.8 is a reasonable goal for the reliability of a measurement item. However, Nunnaly (1978) indicated 0.7 to be an acceptable reliability coefficient, but should not be higher than 0.9. Tables 3 and 4 present the Cronbach’s alphas for Parts I and II, respectively.
Cronbach’s alphas in Tables 3 and 4 show the items of Skills and Behaviors for both Parts I and II are shown to be reliable (Gliem & Gliem, 2003, Nunnaly, 1978). For the measurement items of Practices, the reliability in Part II is acceptable Nunnaly (1978), Gliem and Gliem, (2003), in Part I, however, a low score of 0.402 was obtained. The low score for Practices in Part I indicates that the measurement item is not reliable, perhaps because it contained very few items, the fewest among the different factors for both parts of the survey.

These findings are consistent with similar studies with the same survey instrument with Cronbach’s alpha of 0.860 (standardized 0.853) (Gilley, Gilley, & Kouider, 2010).

The Cronbach’s alpha, and therefore, reliability for the measurement item for Practices in Part I can be increased by adding more questions related to this factor. As
Cronbach’s alpha only tests for internal consistency of measurement items and not the dimensionality, factor analysis is completed to test for uni-dimensionality.

Factor analysis can be used to: (a) reduce the number of variables; and (b) classify variables (Churchill, 1979). Additionally, varimax rotation is done to align the axis to better fit the data and enhance results. Rotation is another method used to analyze initial Principal Components Analysis or Exploratory Factor Analysis and assists in making the pattern of loadings clearer or more pronounced. Presented in Tables 5 and 6 are the results of factor loadings for the measurement of the organization’s ability to develop effective leaders, as well as identify areas of strength for managers. Tables 5 and 6 are organized in the three different constructs: skills, behaviors, and practices. According to Kline (2002), factor loading greater than or equal to 0.30 can be considered significant, or at least salient. Each construct has values that range from low to high, and start to give early signs of themes that would be critical for creating an effective leadership development program. For example, taking the highest two values in each construct for both Parts I and II are displayed in Tables 5 and 6.

Table 5: Highest areas of skills, behaviors, and practices

<table>
<thead>
<tr>
<th>Category</th>
<th>Item/Weight</th>
<th>Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skill</td>
<td>M12 (.887)</td>
<td>Motivation</td>
</tr>
<tr>
<td></td>
<td>M10 (.803)</td>
<td>Communication</td>
</tr>
<tr>
<td>Behavior</td>
<td>M16 (.835)</td>
<td>Treat employees as unique individuals</td>
</tr>
<tr>
<td></td>
<td>M14 (.817)</td>
<td>Growth and Development</td>
</tr>
</tbody>
</table>
Each construct had a repeating question or theme that appeared in both parts of the survey. Motivation and communication for (skill), treating employees as unique individuals (behavior), and hiring best performers (practice) had high values in both sections of the survey. It should be noted that the construct of practice had lower values when compared to skills and behaviors.

From Tables 7 and 8, factor loadings (standardized regression weights column) had scores of .30 or higher except for question 3 in Part I. All other questions exceeded the criteria presented by Kline (2002) and thus, we can consider them significant.

Presented in Tables 9 and 10 are the eigenvalues for Skills, Behaviors, and Practices factors. Eigenvalues of factors represent how much they contribute to the total variance of the model. As seen in Table 7, the highest contributor to variance of the model in Part I is the Skills factor, contributing to about 82% of the total variance, followed by Behaviors, which contributed to about 9.5% of the total variance, and

---

**Table 6: Highest areas of skills, behaviors, and practices**

<table>
<thead>
<tr>
<th>Category</th>
<th>Item/Weight</th>
<th>Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skill</td>
<td>O15 (.800)</td>
<td>Motivation</td>
</tr>
<tr>
<td></td>
<td>O12 (.764)</td>
<td>Communication</td>
</tr>
<tr>
<td>Behavior</td>
<td>O17 (.823)</td>
<td>Treat employees as unique individuals</td>
</tr>
<tr>
<td></td>
<td>O7 (.800)</td>
<td>Team work and collaboration</td>
</tr>
<tr>
<td>Practice</td>
<td>O9 (.672)</td>
<td>Hiring best performers</td>
</tr>
<tr>
<td></td>
<td>O16 (.640)</td>
<td>Ineffective or poor managers are promoted</td>
</tr>
</tbody>
</table>
Practices, contributing to about 8.5% of the total variance. Similarly, Table 8 in Part II of the survey skills contributed nearly 80% of total variance, behaviors 10.5%, and practices 9.5%. With sales representatives making up 86.7% of the sample population, one conclusion that can be drawn is that the construct of skills is critical in leadership. Additionally, the concept of behaviors and practices that are associated with a more macro type leader are much lower in value which is indicative of the sample population.

The Kaiser criterion (Kaiser, 1960), only factors with eigenvalues greater than 1.0 should be retained. In this study, Practices in Part I fell below the criteria, and was, therefore, removed as it was not significant enough to contribute to the model. For Part II, however, the Practices factor met the criteria of having an eigenvalue greater than 1.0, and should be considered in the model.

For the Practices factor in Part I of the survey, as mentioned previously, the Cronbach’s alpha might be increased by adding additional items to measure that factor. However, the Practices factor in Part I was found to be insignificant based on factor analysis. Table 7 shows what might have contributed to the inconsistency and significance. Question three of Part I is found to have a low factor loading (0.172), not meeting the criteria of being greater than 0.3 to be significant (Kline, 2002). By removing this survey question and conducting the reliability and dimensionality tests, Cronbach’s alpha was shown to be much higher with a score of 0.605 although still unacceptable. However, overall fit statistics are more compelling with question three present, considering also that a factor with only two items has a hard time holding together (Kline, 2002). Therefore, question three will remain in the model for this study.
<table>
<thead>
<tr>
<th>Category</th>
<th>Item</th>
<th>Standardized Regression Weight</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skill</td>
<td>M13</td>
<td>.503</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>M12</td>
<td>.887</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>M11</td>
<td>.707</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>M10</td>
<td>.803</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>M8</td>
<td>.757</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>M6</td>
<td>.778</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>M4</td>
<td>.619</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>M1</td>
<td>.818</td>
<td>.000</td>
</tr>
<tr>
<td>Behavior</td>
<td>M16</td>
<td>.835</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>M15</td>
<td>.743</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>M14</td>
<td>.817</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>M5</td>
<td>.642</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>M17</td>
<td>.764</td>
<td>.000</td>
</tr>
<tr>
<td>Practice</td>
<td>M9</td>
<td>.580</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>M7</td>
<td>.729</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>M3</td>
<td>.172</td>
<td>.014</td>
</tr>
</tbody>
</table>
Table 8: *Factor Weights for Part II*

<table>
<thead>
<tr>
<th>Category</th>
<th>Item</th>
<th>Standardized Regression Weight</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skill</td>
<td>O5</td>
<td>.646</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>O8</td>
<td>.725</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>O10</td>
<td>.740</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>O12</td>
<td>.764</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>O13</td>
<td>.754</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>O15</td>
<td>.800</td>
<td>.000</td>
</tr>
<tr>
<td>Behavior</td>
<td>O2</td>
<td>.719</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>O6</td>
<td>.503</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>O7</td>
<td>.801</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>O17</td>
<td>.823</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>O18</td>
<td>.775</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>O19</td>
<td>.705</td>
<td>.000</td>
</tr>
<tr>
<td>Practice</td>
<td>O1</td>
<td>.717</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>O3</td>
<td>.614</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>O4</td>
<td>.402</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>O9</td>
<td>.672</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>O11</td>
<td>.613</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>O14</td>
<td>.492</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>O16</td>
<td>.640</td>
<td>.000</td>
</tr>
</tbody>
</table>
Table 9: *Eigenvalues for the Factors in Part I*

<table>
<thead>
<tr>
<th>Factor</th>
<th>Eigenvalue</th>
<th>% Total Variance</th>
<th>Cumul. Eigenvalue</th>
<th>Cumul. %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skills</td>
<td>8.91</td>
<td>81.9159695</td>
<td>8.91</td>
<td>81.91597</td>
</tr>
<tr>
<td>Behavior</td>
<td>1.042</td>
<td>9.57984738</td>
<td>9.952</td>
<td>91.49582</td>
</tr>
<tr>
<td>Practices</td>
<td>0.925</td>
<td>8.50418314</td>
<td>10.877</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 10: *Eigenvalues for the Factors in Part II*

<table>
<thead>
<tr>
<th>Factor</th>
<th>Eigenvalue</th>
<th>% Total Variance</th>
<th>Cumul. Eigenvalue</th>
<th>Cumul. %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skills</td>
<td>8.762</td>
<td>79.5749705</td>
<td>8.762</td>
<td>79.57497</td>
</tr>
<tr>
<td>Behavior</td>
<td>1.18</td>
<td>10.7165562</td>
<td>9.942</td>
<td>90.29153</td>
</tr>
<tr>
<td>Practices</td>
<td>1.069</td>
<td>9.70847334</td>
<td>11.011</td>
<td>100</td>
</tr>
</tbody>
</table>

The purpose of this study was to investigate what skills, behaviors, and practices are critical to produce more effective and dynamic sales leaders in a global pharmaceutical company. For such an objective, several model fit indicators (discussed in Chapter 3) were used to assess the fit of the model. They are as follows: goodness-of-fit index (GFI), adjusted goodness–of-fit index (AGFI), and root mean square residual (RMSEA) (Hu & Bentler, 1999; Kline 1998). A low and not-significant chi square value is considered a good fit for the data (Kline, 2002).

Table 11 presents the Model Fit Indicators for both Parts I and II. The chi-square of Part I (206.75) with 116 df, and Part II (312.402), with 149 df, are both statistically
significant at the 0.001 significance level. A very good fit of the research model requires GFI and AGFI to be higher than 0.9 (Hu & Bentler, 1999). The model in this study was tested according to these criteria. With the chi-square for both Part I and Part II, and the Cmin/df ratios lower than the recommended maximum of 3.0 (Bagaozzi & Yi, 1988) this can be considered to be a good fit. Results for Part I show that it has a GFI meeting the minimum recommended value of 0.9 (Kline, 2002), however, the AGFI is slightly less than the recommended minimum of 0.9 but very close. Both the GFI and AGFI in Part II fail to meet the 0.9 recommended minimum, but are very close. To indicate a good model fit, the RMSEA should be 0.05 or less, and 0.08 or less to qualify it as an adequate fit. The results indicate that both Parts I and II do not meet the 0.05 criteria (0.056 for Part I, 0.067 for Part II) and, therefore, are not a good fit. However, because they are below 0.08, they are adequate fits and acceptable for the purposes of this study.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Part I</th>
<th>Part II</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cmin</td>
<td>206.75</td>
<td>312.402</td>
</tr>
<tr>
<td>Df</td>
<td>116</td>
<td>149</td>
</tr>
<tr>
<td>Cmin/df</td>
<td>1.782</td>
<td>2.0197</td>
</tr>
<tr>
<td>GFI</td>
<td>0.912</td>
<td>0.881</td>
</tr>
<tr>
<td>AGFI</td>
<td>0.884</td>
<td>0.848</td>
</tr>
<tr>
<td>RMSEA</td>
<td>0.056</td>
<td>0.067</td>
</tr>
</tbody>
</table>
Similar survey studies, fit indicators can be missed by a small margin due to certain factors (Bagozzi & Yi, 1988; Bollen, 1989; Hu & Bentler, 1999). Attempts were made to improve the model by eliminating a survey question and, although this improved the inter-consistency of the measurement item, some results of the adjusted model still failed to meet the good fit criteria. Although the model may be acceptable, a redesigned model and a larger sample size may both be called for to produce a model that meets good fit criteria for all tests (Bagozzi & Yi, 1988; Bollen, 1989; Hu & Bentler, 1999; Kline, 1998). Chapter 5 discusses such changes to the survey instrument and the importance of increasing the sample size.

For further analysis of the model, stepwise regression method was used (Kline, 1998). Stepwise regression was performed individually for the three different groups (district managers, regional managers, and sales representatives), and with all three groups combined, for both aspects of the survey questions: (a) Part I. how the participants perceive their managers’ effectiveness; and (b) Part II. how the participants perceive manager effectiveness for the entire organization. For both parts, the dependent variables are the first item of the respective survey questionnaires: M1 for Part I, and O1 for Part II, and the independent variables are the Skills, Behaviors, and Practices factors. Values of the factors are the average of the categorized results from the survey questionnaire (see Tables 1, 2, 7, and 8). For the independent variable Skills, results of the first question item of Part I, M1, and of the first question item of Part II, O1 were not included as part of the averages for the factor for all groups, as it is the dependent variable. Instead, the average of the results of item M1 for each group makes up the dependent variable of each group for Part I, and the same holds for item O1 of Part II. In stepwise regression,
factors are significant in explaining the dependent variable at a $p$-value of less than or equal to 0.05 and will be automatically removed when $p$-value is greater than or equal to 0.10 (Kline, 1998). In analyzing the predicted model equation itself, the adjusted R-squared value and Variance Inflation Factors (VIF) scores were considered. The adjusted R-squared value is the percentage of response variable variation that is explained by its relationship with one or more predictor variables, adjusted for the number of predictors in the model. The adjusted R-squared is a useful tool for comparing the explanatory power of models with different numbers of predictors, of which it will increase only if the variables improve the model more than would be expected by chance, and will decrease when a factor improves the model less than expected by chance. VIF scores measure how much the variance of the estimated regression coefficients are inflated as compared to when the predictor variables are not linearly related (Kline, 2002). The value for VIF starts from 1, where:

- When VIF = 1, predictors are not correlated
- When $1 < VIF < 5$, predictors are moderately correlated
- When VIF > 5 to 10, predictors are highly correlated

When the VIF value is greater than 10 this may indicate that multi-collinearity is unduly influencing the regression results. VIF scores should not exceed 10 as a general rule (Belsley, Kuh, & Welsch, 1980). Removing unimportant predictors may reduce the multi-collinearity of the model. For both Parts I and II regional managers will not have their own category for equation building, because there were not enough regional manager respondents to create the regression equation for regional managers.
A stepwise regression was performed to show the results for the first part of the survey. The discussion will be in the following order: (a) all respondents combined, (b) sales representatives only; and (c) district managers only. For Part I items, the averaged item scores for all groupings are presented in Table 12.

**Table 12: Part I Averaged Item Scores**

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Respondents Combined</th>
<th>Sales Representatives</th>
<th>District Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>Std. Dev.</td>
<td>Mean</td>
</tr>
<tr>
<td>M1</td>
<td>4.2</td>
<td>0.766</td>
<td>4.24</td>
</tr>
<tr>
<td>Skills (M1 Removed)</td>
<td>3.91</td>
<td>0.734</td>
<td>3.93</td>
</tr>
<tr>
<td>Behavior</td>
<td>4.13</td>
<td>0.758</td>
<td>4.13</td>
</tr>
<tr>
<td>Practices</td>
<td>3.46</td>
<td>0.707</td>
<td>3.47</td>
</tr>
</tbody>
</table>

With all respondents combined for Part I items, the results for stepwise regression are shown below:

**Table 13: Stepwise Regression Results for Combined Respondents, Part 1**

<table>
<thead>
<tr>
<th>Item</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
<th>t</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>.750</td>
<td>.185</td>
<td>4.06</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>Skills</td>
<td>.489</td>
<td>.0186</td>
<td>.468</td>
<td>5.694</td>
<td>.000</td>
</tr>
<tr>
<td>Behavior</td>
<td>.276</td>
<td>.079</td>
<td>.273</td>
<td>3.505</td>
<td>.001</td>
</tr>
<tr>
<td>Practices</td>
<td>.117</td>
<td>.054</td>
<td>.108</td>
<td>2.182</td>
<td>.030</td>
</tr>
</tbody>
</table>
When all respondents are considered, all three factors are found to be significant in explaining the variance of the dependent variable M1 as their $p$-values are all below 0.05. The obtained adjusted R-squared value is 0.611 while the VIF scores are 4.26 or less, which would be quite acceptable in accordance with Belsey et al (1980), and with Haan’s (2002) more conservative 5.0 recommendations.

Table 14 presents the stepwise regression for only sales representatives for Part I of the survey.

Table 14: Stepwise Regression Results for Sales Representatives Only, Part I

<table>
<thead>
<tr>
<th>Item</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
<th>t</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>.780</td>
<td>.182</td>
<td></td>
<td>4.281</td>
<td>.000</td>
</tr>
<tr>
<td>Skills</td>
<td>.5701</td>
<td>.089</td>
<td>.561</td>
<td>6.408</td>
<td>.000</td>
</tr>
<tr>
<td>Behavior</td>
<td>.207</td>
<td>.081</td>
<td>.212</td>
<td>2.548</td>
<td>.012</td>
</tr>
<tr>
<td>Practices</td>
<td>.103</td>
<td>.052</td>
<td>.098</td>
<td>1.989</td>
<td>.048</td>
</tr>
</tbody>
</table>

With only the sales representatives, all three factors are significant in explaining the variance of the dependent variable M1 as well, as the $p$-values are all below 0.05. The obtained adjusted R-squared value is 0.658, which is higher compared to that of the first group, while the VIF scores are 4.72 or less, or acceptable based on Belsey et al (1980), and with Haan (2002).

Regression results for district managers for Part I are presented in Table 15. Considering only the district managers, two factors, Skills and Practices, were removed from the equation as they were not significant. With only the Behavior factor remaining,
making the final model a univariate model. Also, the adjusted R-squared value obtained is very low at 0.346, and is without VIF scores since there is only one factor to explain the variance of the dependent variable. Possible reasons why behaviors were the construct that remained significant with district managers will be discussed more in Chapter five.

Table 15: Stepwise Regression Results for District Managers Only, Part I

<table>
<thead>
<tr>
<th>Item</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
<th>t</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>.995</td>
<td>.766</td>
<td>1.299</td>
<td>.205</td>
<td></td>
</tr>
<tr>
<td>Behavior</td>
<td>.738</td>
<td>.186</td>
<td>.608</td>
<td>3.975</td>
<td>.000</td>
</tr>
</tbody>
</table>

Analyzing the three groupings, comparing the adjusted R-squared values, the model with the highest adjusted R-squared value is that of only the sales representatives. From this we can conclude that the model equation that would have the highest explanatory power to the variance of the dependent variable M1, (that manager possesses appropriate skills for his/her position), would be the grouping consisting only of sales representatives.

For Part II of the survey, the average item scores are shown in Table 16:
Table 16: Part II Averaged Item Scores

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Respondents</th>
<th>Sales Representatives</th>
<th>District Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Combined</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mean</td>
<td>Std. Dev.</td>
<td>Mean</td>
</tr>
<tr>
<td>O1</td>
<td>3.38</td>
<td>0.699</td>
<td>3.35</td>
</tr>
<tr>
<td>Skills (O1 Removed)</td>
<td>3.69</td>
<td>0.543</td>
<td>3.69</td>
</tr>
<tr>
<td>Behavior</td>
<td>3.56</td>
<td>0.563</td>
<td>3.55</td>
</tr>
<tr>
<td>Practices</td>
<td>3.26</td>
<td>0.506</td>
<td>3.25</td>
</tr>
</tbody>
</table>

For all respondents combined for Part II, the regression results are shown in Table 17.

Table 17: Stepwise Regression Results for Combined Respondents, Part II

<table>
<thead>
<tr>
<th>Item</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
<th>t</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>.274</td>
<td>.242</td>
<td>1.13</td>
<td>.258</td>
<td></td>
</tr>
<tr>
<td>Behaviour</td>
<td>.275</td>
<td>.083</td>
<td>.472</td>
<td>3.322</td>
<td>.001</td>
</tr>
<tr>
<td>Practices</td>
<td>.652</td>
<td>.092</td>
<td>.472</td>
<td>7.089</td>
<td>.000</td>
</tr>
</tbody>
</table>

When all respondents are considered, only Behavior and Practices, with p-values below 0.05, were found to be significant in explaining the variance of the dependent variable item O1. The adjusted R-squared value is 0.408, while the VIF scores are very low at 1.84.

The same was also the case for the sales representatives. As shown in Table 18, only Behavior and Practices remain as significant factors. The adjusted R-squared value
is also 0.408, as it was with the first group, and the VIF scores are a bit lower, at 1.82 or less.

**Table 18: Stepwise Regression Results for Sales Representatives Only, Part II**

<table>
<thead>
<tr>
<th>Item</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
<th>t</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>.347</td>
<td>.252</td>
<td></td>
<td>1.378</td>
<td>.170</td>
</tr>
<tr>
<td>Behavior</td>
<td>.277</td>
<td>.085</td>
<td>.233</td>
<td>3.254</td>
<td>.001</td>
</tr>
<tr>
<td>Practices</td>
<td>.623</td>
<td>.096</td>
<td>.463</td>
<td>6.476</td>
<td>.000</td>
</tr>
</tbody>
</table>

Finally, the regression results are shown in Table 19 for district managers for Part II of the survey.

**Table 19: Stepwise Regression Results for District Managers Only, Part II**

<table>
<thead>
<tr>
<th>Item</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
<th>t</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>-.482</td>
<td>.843</td>
<td>-.571</td>
<td>.573</td>
<td></td>
</tr>
<tr>
<td>Practices</td>
<td>1.195</td>
<td>.248</td>
<td>.680</td>
<td>4.820</td>
<td>.000</td>
</tr>
</tbody>
</table>

In Part II for district manager respondents, only Practices was shown to be a significant factor for the dependent variable O1. The adjusted R-squared value, 0.443, however, is higher than for the previous two groups. The practice of choosing or hiring the best performer was an area that most district managers reported to be a critical consideration.
Summary

Research question one asked regional managers if their organization and, specifically their managers provided effective leadership, and what were the characteristics of that leadership. Due to the low response rate of the regional managers this question could not be addressed.

Research question 2 asked district managers if their organization and, specifically, their managers provided effective leadership and what were the characteristics of that leadership. From the results presented above, district sales managers indicated that behaviors were a critical part of leadership.

Through extrapolation of the data the following behavioral areas have been identified as critical components of leadership and should be considered in creating an effective sales leadership development program for this pharmaceutical company:

- Treating employees as unique individuals
- Encouraging teamwork and collaboration

Research question three asked sales specialists if their organization and specifically their manager provide effective leadership, and what were the characteristics of this leadership. From the results explained above, sales specialists place a very high priority in the construct of skill.

Sales representatives in this company identified the following skill areas that are important in their direct managers and within the organization:

- Motivating employees
- Communication with employees
This chapter provided a detailed analysis of the findings of the analysis, answers to the research questions. Chapter five will discuss these findings with respect to the relevant literature presented in the literature review and suggest future research efforts.
CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

As a result of identifying the skills, behaviors and practices that employees deemed critical with their current leaders and their organization, this quantitative case study identified key elements to creating an effective leadership development program for a pharmaceutical company. This chapter will provide insight into the skills, behaviors and practices that the sample population deemed critical to creating an effective leadership development program and offer future recommendations to further refine LDP research. Two questions guided the research process:

1. How do district managers perceive their organization and specifically their manager are at using effective skills, behaviors, and practices in leadership?
2. How do sales representatives perceive their organization and specifically their manager are at using effective skills, behaviors, and practices in leadership?

To answer these questions, a three-part survey questionnaire presented in Appendix A was developed and sent to regional managers, district managers and sales representatives in a particular pharmaceutical company. In total the survey was sent to 40 district managers, eight regional managers and 442 sales representatives. Due to the low response rate of the regional sales manager group, the study did not draw conclusions from said group regarding skills, behaviors and practices but the responses from such group are included in overall sample results.

The survey used is designed to identify the skills, behaviors and practices that are necessary for leaders to be able to lead effectively. Said categories are used as the constructs that can lead to identifying which particular skills, behaviors and practices are
critical for sales leaders to be effective. The analyses of the data revealed that the two
groups (sales specialists and district managers) identified the constructs of skills and
behaviors as important to leadership and the development of future leaders. The emergent
areas with regard to developing skill were communication and motivation. The emergent
areas with regard to developing behaviors were treating employees as unique individuals
and encouraging teamwork and collaboration. The construct of practices had the lowest
statistical relevance when comparing the three constructs.

Discussion

The interpretations of the finding and conclusions derived from this quantitative
study are arranged by the research questions that framed the study. Major themes
emerged from the research data. These findings offer insight and provide a critical step
into creating an effective and dynamic leadership development program.

Research Question 1

District managers were asked if their organization and, specifically, their manager
provide effective leadership, and what are the characteristics of this leadership. The
stepwise regression analysis showed that district managers saw the construct of behavior
as a critical component of their leaders and within the organization. District managers
report directly to a regional sales manager whose responsibilities include strategic
planning for ten to twelve districts, training district managers and more macro type duties
within the sales organization. Knowing that the regional manager does not have daily
interaction with sales representative’s helps explains why district managers place a high
importance on the construct of behavior rather than skills or practices. A closer look at
the questions that dealt directly with the construct of behaviors also helps identify why a
district manager feels that a regional manager’s training should deal with elements that surround behaviors. The following behavioral areas were the focus in Parts I and II of the survey:

- Treat employees fairly and consistently
- Encourage employees’ growth and development
- Encourage suggestions and feedback from employees
- Treat employees as unique individuals
- Encourage teamwork and collaboration

Of the 490 participants in the survey, 40 were district managers, who identified that when creating a leadership development program for regional sales leaders in this particular company, the construct of behaviors should be a major focus.

In addition to identifying the construct of behaviors, the study results also showed which elements the sample population thought were critical to the construct of behaviors. The two themes that emerged from construct were treating employees as unique individuals and encouraging teamwork and collaboration.

Treating Employees as Unique Individuals

Treating employees as unique individuals was one area that was identified as being important in both Parts I and II of the survey. Due to growth of generic prescriptions, change in formulary coverage and other external factors, geographic territories are expanding and the ratio of employees to manager is increasing. District managers are responsible for anywhere between eight to thirteen sales representatives. One explanation for the importance of treating employees as unique individuals can be explained by not only the number of people a district manager manages but the district
manager is also one of many who reports to a regional manager. The need to be treated as a unique individual in a large, often impersonal, global pharmaceutical company is an element that needs to be included in this company’s leadership development program. This is consistent with the literature that explains that LDPs must focus on the individual not only for development but so the individual feels valued and unique (Buck, 2003; Campbell & Dardis, 2004; Kouzes & Posner, 2002; Russon & Reinelt, 2004).

A question that remains unanswered and one that should be considered for future research is can the training for treating employees as unique individuals be the same for a district manager and a regional manager? The results of the current study would indicate that, although the need to be treated as unique individuals might be important, the training to do this would be different for regional sales leaders, district managers and sales representatives, who want to become future leaders. The mere fact that sales representatives and district managers, when looked at separately, identified different constructs would support the idea of tailoring an LDP for different levels of leadership within the organization.

Encouraging Teamwork and Collaboration

Leaders who are able to effectively promote teamwork and collaboration among different work groups within an organization are able to increase useable ideas and solutions from employees and have a greater impact on long-term goals (Fuqua & Kurpius, 1993; Montes, Moreno, & Victor, 2005; Stock, 2006). In the subject organization, most sales representatives are placed in teams of two or three people and are also part of a larger team of ten to thirteen people which make up a district—approximately eight to ten districts make up a region. Depending on the particular region
and its leadership, the sales representatives may have a little or a lot of interaction with other counterparts within the region. Approximately eight to eleven district managers will be employed in one region, which will include seventy or eighty sales representatives. Encouraging teamwork and collaboration had the second highest regression scores when comparing constructs of behavior. Individuals in the study felt that current or future leaders should be able to effectively encourage and develop teamwork and collaboration within districts and regions.

The skill of encouraging teamwork and collaboration is one that needs nurturing, both from an academic learning perspective and an experience-based learning environment (Fedor, Ghosh, Caldwell, Maurer, & Singhal, 2003). Additionally, the success of teamwork depends on several factors, including boundaries between team leaders and team members (Stock, 2006). For the subject organization, specific training that deals with overcoming distance and structural size will be essential.

The sample population from this study was made up of sales leaders and representatives from the company’s Western United States area (see Figure 4). Each district and region can cover a large geographic area, which helps explain why the sample population felt it was critical that leaders be effective at encouraging teamwork and collaboration. A future study for this company might include identifying the districts and regions for each individual participant to see if the theme of encouraging teamwork and collaboration is the same for a small geographic area, such as the Los Angeles region, and a larger area, such as Minneapolis. This type of regional and district identification would help in determining if all leaders needed training in encouraging teamwork and
collaboration or if such training was specific to certain districts and regions based on geographic area.

The results from the construct of behavior demonstrate how difficult it is to create an effective leadership development program. Through extrapolation of the data, the two most important areas under the construct of behavior are: (a) treating employees as unique individuals; and (b) encouraging teamwork and collaboration. At first glance these two themes might seem to contradict one another. The sample population says: “I want to be treated as a unique individual, but also make sure that my leader encourages teamwork and collaboration.” This finding is consistent with literature that states that as knowledge workers continue to increase in the work force, LDPs must be able to meet the needs of preparing people to lead a work force of complex, intelligent workers who need individual development but also thrive when there is a sense of community, common interest and trust (Haag, Cummings, McCubbrey, Pinsonneault, & Donovan, 2006; Drucker, 1994).

**Research Question 2**

Sales representatives were asked if their organization and, specifically, their manager provide effective leadership, and what are the characteristics of this leadership. The sales representatives clearly felt that the construct of skill development was a salient part of their manager’s role and was the responsibility of the organization. Sales representatives report directly to the district manager and have direct contact with their district manager three to four times a week. Sales representatives made up 90.2% of the total sample size of the study, which helps explains why there is such a strong importance placed on the skill construct. A closer look at the questions that dealt directly with the
construct of skills also helps identify why the sample population indicated that the training for leaders should deal with elements that surround skills. The following skill areas were the focus in Parts I and II of the survey:

- Coaches employees
- Effectively evaluates employees
- Effectively rewards and recognizes employees
- Appropriately communicates with employees
- Effectively implements change
- Motivates employees

Out of the 490 participants in the survey, 442 were sales representatives, who identified that when creating an LDP for district managers in this particular company, the construct of skills should be a major focus.

In addition to identifying the construct of skills, the study also showed which elements the sample population thought were critical to the construct of skills. The two themes that emerged from skills were motivating employees and effective communication with employees.

Communication

Effective communication allows leaders to create an environment of trust, learning and engagement and is considered one of the most effective skills a leader can possess (Denning, 2005; Gilley, Dixon, & Gilley, 2008; Luecke, 2003). The findings of this study of a global pharmaceutical company are consistent with the literature that deems communication as a critical skill for current leaders and, because it is so important,
should be at the forefront of LDPs (Denning, 2005; Gilley, et al., 2008; Peterson & Hicks, 1996).

Communication will also be a critical piece of the puzzle for this company as it continues to experience expansion and change. In this particular industry, change with organizational restructuring, medical reform and competition is occurring at a rapid pace and the literature demonstrates that communication is one of the skills that is critical when leading through change (Gilley, Dixon, & Gilley, 2008; Hall & Hord, 2006; Kotter, 1996). A future area of consideration for this company might be to better understand the ways to build internal communications that effectively reach all levels within the organizational structure and, in particular, sales personnel. Should the form of communication training be the same for sales representatives, district managers and regional managers? Or does the style and method of communication training need to be different between these groups? Given the fact that sales representatives and district managers valued the constructs of skills, behaviors and practices differently, the results of the survey suggest that the communication training should be different.

Motivation

Leaders must have the freedom, resources and flexibility to be able to motivate their employees (Hebda, Vojak, & Griffin, 2007). To that end, there are two elements to consider in the area of motivation: (a) the skill of the leader; and (b) the motivational level of the individual employee (Gilley et al., 2008). The current study dealt with a sample group of individuals who were involved in the sales side of the organization. In general, sales people are competitive by nature and view motivation as a critical part of their success (Brown, Cron, & Slocum, 1997). The skill of motivation scored extremely
high in both Parts I and II of the survey and is a critical component in developing a sales leadership development program for this organization.

A challenge for the subject organization is to identify if sales representatives, district managers and regional managers are motivated differently. Does the daily job functions of the individual change the way they are motivated? Additional research in the area of motivation would help bring focus and clarity to developing and delivering LDPs that enhance the skill of motivating employees.

Proposed Leadership Development Model

Effective leadership development continues to be an elusive phenomenon. Notwithstanding the foregoing, if organizations are going to successfully implement transformational changes it is critical that they understand the skills, behaviors and practices that their leaders must be trained in to help lead such change (Clawson, 2002; Gilley, et al., 2008). This study was designed to identify the skills, behaviors and practices that are critical to developing effective leaders. The practical application of the findings of the study is to propose a leadership development program.

The proposed leadership development program will draw from the constructs that had the highest statistical relevance when comparing all three constructs of skills, behaviors and practices. The order of importance in each construct was decided using the factor weights as shown in Tables 5 and 6 in Chapter 4. The standardized weight regression values were used in comparing Part I and Part II and matching the value of importance between both parts of the survey. Table 20 displays the four elements that would be critical for this pharmaceutical company to include in a leadership development program.
Table 20: The skills, behaviors, and practices of effective LDP

<table>
<thead>
<tr>
<th>Construct</th>
<th>Training</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skill</td>
<td>Motivation</td>
</tr>
<tr>
<td></td>
<td>Communication</td>
</tr>
<tr>
<td>Behavior</td>
<td>Teamwork and Collaboration</td>
</tr>
<tr>
<td></td>
<td>Recognizing employees as unique individuals</td>
</tr>
</tbody>
</table>

The skills of motivation and communication, the behaviors of teamwork and collaboration, recognizing employees as unique individuals and growth and development of employees, and the practice of hiring best performers have been identified as critical components that should be implemented into this company’s leadership development program.

The results of the study clearly show that each group of participants viewed the constructs of skills, behaviors and practices differently; however, the areas of development under the constructs which make up the four elements of the LDP model are extrapolated by statistical relevance across the entire sample. From the findings presented in Chapter 4, the recommendation from this study is that the organization should include the elements of motivation, communication, teamwork and collaboration, treating employees as unique individuals and hiring the best performers in the LDP. It is also recommended that the organization should do more research into the constructs of skills, behaviors and practices for each level of leadership to ensure that the design of the LDP meets the needs and demands of each leadership position.
Finally, to complete the model presented in Table 20 the organization needs to do more research into how each level of leadership should receive training and development. Regional managers, district managers and sales representatives all have different daily job functions and different exposure to the organization—these differences will cause the individuals to see the company, the external environment and leadership through different lenses. The five themes might be constant across levels, but the delivery, content and experiences should be tailored to each level.

Implementation

As part of this research project this section will recommend how the pharmaceutical company might practically implement the skills of communication and motivation, and the behaviors of creating teamwork and collaboration and recognizing employees as unique individuals.

Time

It is recommended that this LDP be a minimum of two years, this is consistent with literature (Brungardt, 1996; Cacioppe, 1998; Collins & Holton, 2004; Brungardt, 1996; Hernez-Broome & Hughes, 2004; Lynham, 2000; Pernick, 2001) it might also help address the company’s internal problem of turnover at the district and regional manager level.

Curriculum

The development of curriculum will need to have a mix of classroom learning, online learning, and practical experiences. The following points suggested by the Hays Group (2005) should govern the curriculum development:
• Development is tied to the mission, strategy, and values of an organization. It is a purposeful focus on creating the capability and capacity to deliver on the mission and create the desired culture in the organization.

• Development is incorporated and aligned with other practices and policies, including recruiting, selection, promotions, and succession planning.

• Experiential learning is considered important. In both formal and informal settings, leaders are given the opportunity to practice desired behaviors in job-connected assignments and experiences.

• There is a focus on achieving business results. The best programs draw specific connections to the value of certain behaviors in achieving preferred business results.

• There is opportunity for self-assessment. Individuals receive feedback from workers, peers, supervisors, and other people in order to identify strengths and developmental needs.

• Individuals participate in creating a tailored development plan.

• One-on-one coaching takes place during the process. Coaching provides a support mechanism for continuous learning and development tailored specifically to the individual.

It is also suggested that the LDP be tied with a learning institution and that when the participants are finished with the program they will have a master’s or advance certificate in leadership.

Creating a partnership with a learning institution will help maintain consistency in the program even if senior leadership changes. Creating a long-term
partnership with an institution will also allow the curriculum to evolve over time as demands and environment change.

Researchers Note

There were only eight regional managers in the sample population, and, out of the eight, only three responded to the survey. This low response rate from regional managers meant that no results were reported for question number one in this study. The three regional managers that did participate showed a heavier emphasis on the construct of practices; however, because the sample of regional managers was small, the construct of practices played a small role in the final elements of creating an effective leadership development program for this company.

Recommendations for Future Research

There are many strategies or current leadership development programs being used in organizations today. Coaching, mentoring, action learning, presentations, 360-degree feedback instruments, individualized development assignments, job assignments, and classroom training are common program curricula (Cacioppe, 1998; Conger & Ready, 2004; Pernick 2001). The strategic combination of skills, behaviors and practices and how they are delivered is what makes each program unique. The ability to create an LDP that addresses the needs of leaders within a large organization is very challenging and research still needs to be done to find solutions to those challenges. As LDP research continues to study what are the key skills, behaviors and practices for specific companies, the need for unique models and programs will emerge. The following questions may guide future research to aid organizations in creating effective leadership development programs:
1. Once the areas of skills, behaviors and practices are identified for an effective leadership development program, should it be delivered the same way throughout the organization or should it be unique depending on the responsibilities and/or level of leadership position within the organization?

2. How does a large organization effectively deliver a leadership training program? What is the appropriate mix of online learning, class learning, on the job experience and mentoring?

3. Are the needs or areas of skill, behaviors and practices the same for all parts of the organization? Might the needs be different according to geographical location or current leadership effectiveness?

4. Are the needs or areas of skills, behaviors and practices the same for different industries?

5. How often should an organization reassess the critical skills, behaviors and practices of the leadership development programs?

6. How can leadership development programs be evaluated to show improvement in the areas of skill development and tied to organizational goals?

7. How does a large organization effectively evaluate and select individuals to participate in a leadership development program?

Summary

Leadership development can be a complex and daunting task; however, if organizations are committed to researching the skills, behaviors and practices that are unique to its environment, there are solutions that will aid them in creating effective and
dynamic leaders. As the results of this study indicate, leadership is not a one-size-fits-all approach. Individuals, depending on their daily tasks and responsibilities, will look at the organization and their external environments through their own lens. Understanding these perspectives and being able to capture them in terms of training needs is a critical piece to providing impactful leadership development programs that meet the needs of both the learner and the organization. If organizations are committed to the process of understanding the needs of their leaders and the constructs needed to develop them, they will increase the engagement of employees and long-term success of the company (Clawson, 2002; Collins & Holton, 2004; Gilley, Dixon, & Gilley, 2008; McCauley, Moxley, & Van Velsor, 1998; Zhang, 1999).

This study provides a framework for how organizations can assess the skills, behaviors and practices that are critical for creating an effective and dynamic leadership development program. For the subject pharmaceutical company, the skills of motivation and communication were deemed critical. The behaviors of treating employees as individuals and, at the same time, encouraging teamwork and collaboration were also identified. Finally, the practice of hiring the best performers within the organization was seen as vital through the sample population. Each organization may come up with different skills, behaviors and practices; however, identifying these core elements is the foundation for creating long term success with leadership development programs.
APPENDIX A

INVITATION TO PARTICIPATE LETTER

Dear name of the company employee,

I am a student at the University of Nevada Las Vegas pursuing a doctorate in Educational Leadership. I am conducting a research study entitled “Creating Effective Leadership Development Programs: A descriptive quantitative case study.” The purpose of the research is to determine what type of training and experiences employees need in order to assume leadership positions in a worldwide pharmaceutical company.

Your participation will involve filling out a survey that will take approximately 10-15 minutes. The survey is designed to measure your organization’s ability to develop effective leaders, as well as to rate the effectiveness of current managers. The survey can be completed online which will ensure complete anonymity, or you can complete the survey in a word document and email it back to me. Note that e-mailing the survey will provide the researcher with your email, however once the responses are recorded your email name or email address will be deleted. The results of the study may be published but your name and individual surveys will not be shared with management or anyone within your organization nor will your organization be identified.

Participation in this study is voluntary. If you choose not to participate you can do so without penalty or loss of benefit to yourself.

In this research, there are no foreseeable risks to you.

As a doctoral student this research project is under the direction of Dr. Robert Ackerman and can be contacted at bob.ackerman@unlv.edu should you have any questions. In addition I can be contacted with any questions at holt.canada@gmail.com

Sincerely

Spencer Holt

Robert Ackerman

Doctoral Student

University of Nevada Las Vegas

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Social/Behavioral IRB – Expedited Review Approval Notice

**NOTICE TO ALL RESEARCHERS:**
Please be aware that a protocol violation (e.g., failure to submit a modification for any change) of an IRB approved protocol may result in mandatory remedial education, additional audits, re-consenting subjects, researcher probation suspension of any research protocol at issue, suspension of additional existing research protocols, invalidation of all research conducted under the research protocol at issue, and further appropriate consequences as determined by the IRB and the Institutional Officer.

DATE: July 27, 2010
TO: Dr. Robert Ackerman, Educational Leadership
FROM: Office of Research Integrity - Human Subjects
RE: Notification of IRB Action by Dr. Charles Rasmussen, Co-Chair
Protocol Title: Creating Effective Leadership Development Programs: A Descriptive Quantitative Case Study
Protocol #: 1004-3446M

This memorandum is notification that the project referenced above has been reviewed by the UNLV Social/Behavioral Institutional Review Board (IRB) as indicated in Federal regulatory statutes 45 CFR 46. The protocol has been reviewed and approved.

The protocol is approved for a period of one year from the date of IRB approval. The expiration date of this protocol is July 18, 2011. Work on the project may begin as soon as you receive written notification from the Office of Research Integrity - Human Subjects (ORI Human Subjects).

**PLEASE NOTE:**
Attached to this approval notice is the official Informed Consent/Assent (IC/A) Form for this study. The IC/A contains an official approval stamp. Only copies of this official IC/A form may be used when obtaining consent. Please keep the original for your records.

Should there be any change to the protocol, it will be necessary to submit a Modification Form through ORI Human Subjects. No changes may be made to the existing protocol until modifications have been approved by the IRB.

Should the use of human subjects described in this protocol continue beyond July 18, 2011, it would be necessary to submit a Continuing Review Request Form 60 days before the expiration date.

If you have questions or require any assistance, please contact the Office of Research Integrity - Human Subjects at IRB@unlv.edu or call 895-2794.
REFERENCES


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Special Honors and Awards:
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2000: All-Canadian Basketball team (one of ten chosen throughout Canada)
1999: Royal Bank Academic All-Canadian
1998: Royal Bank Academic All-Canadian

Publications:


Dissertation Title: Creating Effective Leadership Development Programs: A Descriptive Quantitative Case Study

Dissertation Examination Committee:
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Committee Member, Gene Hall, Ph.D.
Graduate Faculty Representative, Lori Olafson, Ph.D.