An unrecognised power:

The influence of folklore on executive leadership

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Abstract

The aim of this paper is to argue for the utility of folklore theory to the study of executive leadership. A context-specific study, a constructivist grounded theory approach to the concurrent collection and analysis of data was used. The sample comprised 30 participants, 22 CEOs and 8 non-CEOs. The findings of the study led to the reconceptualising of the CEO role as a social institution with its own set of social norms. The social norms are, in part, created by folkloric narratives contained within the CEO’s context. These narratives were identified as having their genesis in New Zealand’s European colonisation process. The findings have implications both for the CEOs themselves, and for those involved in the recruitment, selection and development of capable individuals into executive leadership roles.

Introduction

This paper reports on a comeback theme identified in a study that examined the perceptions of chief executive officers (CEO) in large New Zealand organisations. The themes discussed in this paper are the sub-themes of a major theme, confronting institutionalised expectations. Glaser (1998, p 200) has used the term comebacks to describe those themes that have emerged from the data that provide an opportunity for researchers to comeback and study them in more depth.

It is the contention of the researcher that by coming to understand the folkloric narratives and traditions contained within a society we are better able to understand the forces or schema that inform a particular role, in this case, the CEO role. The empirical literature acknowledges the role of stories and legends in the creating and sustaining of internal organisational cultures, however, the impact of society’s folklore on a role is less well researched. Harrision and Pelltier (1997) contend that the CEO role is a construct that is under-researched, as in-depth studies confined exclusively to CEOs were not as common in the literature as might be expected. Furthermore, where prior research has been conducted it has focussed on a CEO’s background and personal characteristics and the nature and dynamics of top management teams (Norburn, 1989) as opposed to the processes and context of the CEO (Grint, 2005;
Parry, 1998). This has occurred despite evidence as early as Barnard’s (1938) study which asserted that CEOs operate in social contexts that span organisational boundaries (Geletkanycz & Hambrick, 1997). The reality is that the external contexts of CEOs have been almost completely ignored (Hunt & Dodge, 2000). Hunt & Dodge (2000) go on to argue that leadership studies are unlikely to be of any additional value until they take into account context-specific variables and their influence on executive leadership.

The identified research problem arose as a result of the situation where New Zealand business organisations are part of a highly competitive, turbulent, globalised environment. This, in turn, has created an increased demand for talented CEOs who have the ability to successfully lead organisations with diverse groups of stakeholders. Not only has there been a limited amount of context specific research, when it has been conducted it has been situated predominately in the North American or European contexts. As a result the CEO role in New Zealand is relatively poorly researched compared to other forms of organisational roles. This has led to a lack of knowledge about the CEO role and/or limitations placed on the ability to attract, develop or retain appropriately skilled executive leaders. The identification of this research problem led to the development of the following research question.

How does the context in which CEO role is situated influence the perceptions of the research participants as to the definition and enactment of that role?

Approaching the sub-themes discussed in this paper as *comebacks* the researcher contends that by developing a knowledge and understanding of the folklore, specifically the narratives and traditions of a society we are better able to understand CEOs and their leadership.
Tradition, the construction of meaning and executive leadership

Burger and Luckman (1971) argue that leadership, just as any other social phenomenon, is socially constructed as a result of the interactions between people and their context. These occur as everyday events which as Giddens (1984, p. 200) contends have an ongoing impact on long-term structural and institutional outcomes. Drath and Paulus (1994) assert that the construction of meaning cannot be solitary because what a person processes internally is contingent on others and the interactions that take place between and among individuals. Therefore, while individuals construct meaning of their personal experiences, they also construct meaning socially or collectively (Gergen, 2003).

Gergen (2003) goes on to state that when a leader, for example the CEO, seeks meaning they act not only as an individuals, they also search for a collective meaning. Smircich and Morgan (1982) argue that leadership is not solely a process of acting or behaving, nor is it a process of manipulating rewards. Rather, it is a process of reality construction and needs to be understood in these terms. Examining the CEO construct from the perspective of reality construction involves examining how a CEO constructs meaning and acquires the set of assumptions that enables them to interpret sensory information and plan accordingly (Drath & Paulus 1994). This includes the social, cultural, legal and economic forces and the stories, myths and traditions that exist within a society. Cheng (1994) argues that the leader uses these features as predicators so they can construct knowledge about their context. For as Gergen and Gergen (1991, p. 206) stated:

*We enter the present with a sack of history slung over our shoulders and this weight shapes our posture … each of us bring a host of preferences, interests and values that shape the way the present is understood.*

Garrison (1998) believes that these preferences, interests and values are the hidden forces present in every context and they are difficult, if not impossible, to study empirically. These preferences, interests and values are developed from the historical, political, economic and religious traditions that exist within a society, are indiscernible and yet have a significant impact on that society and its business culture. Glassie (1995, p. 409) asserted that the place where : "history, culture, and the human actor meet is known as tradition, which is a "volitional, temporal action" . Garrison (1998, p. 42) noting that the influence of a country’s traditions shape ‘the public consciousness in a manner that dictates long-chain behaviours and attitudes that are hard if not impossible to demolish’.

Therefore, when people actively express a cultural or social connection, they are genuinely participating in a traditional culture (Glassie, 1995, pp. 400-401). He goes on to contend that
tradition is always defined in the present and does not exist apart from our interpretations of
of a specific tradition. Handler and Linnekin (1984) argue that tradition is a symbolic
process that both presupposes past symbolisms and creatively reinterprets them. In other
words, tradition is not a bounded entity made up of bounded constituent parts, but a process
of interpretation, by which meaning of the present is constructed. In an attempt to interpretate
the present this study identified folklore as a means by which to frame the myths and stories
that inform the CEO role and executive leadership. As a field of study folklore concerns itself
with how people make meaning in their lives and develop a social identity

Armstrong (1996) argues that the formal definition of folklore is composed of the stories,
customs or norms and beliefs that are preserved in a culture. Informally, the definition has
expanded to mean a set of broadly held ideas within a culture that have not or cannot be
rigorously empirically verified. Toelken (1996) states that there are two laws of folklore, the
first is the everyday accepted sense of tradition, that are passed on from generation to
generation and as such are a product of our culture and enables people to understand the
world and their place in it. The second is the scholarly or analytical view of tradition, where
tradition is used as a symbolic representation that uses materials from the past to create
meaning from experiences, behaviour, human relationships and artefacts in the present. That
is tradition is the means by which the past is used to create fresh interpretations within the
context of contemporary values, norms, attitudes and customs. This paper is an attempt to
meld the two laws of tradition by providing a scholarly academic view of the everyday
accepted narratives that convey tradition. Green (1997) argued that traditions can be
transmitted in two ways; the first is by individuals who are deemed to be the active bearers of
tradition, that is the folklorist, the storytellers, or in the case of the indigenous population
those who are charged with the transmission of tradition lore, and second, those who reinforce
the active bearers by repeating the stories, myths or legends that have developed over time. It
was this second form of transmission that had relevance to the CEO role and executive
leadership.
Method

This research utilized the constructivist grounded theory approach as outlined by Charmaz (2000, 2005) for the concurrent collection and analysis of the data. Purposive sampling was used to select the research participants. This method involves the selection of a sample according to the sample members’ possession of an appropriate characteristic (Zikmund, 2000). The criterion for selection in the sample was that the individual was, or had been, a CEO in a large New Zealand organization or was or had been directly involved with the CEO role, for example, a board chairperson. This resulted in a sample comprising 30 participants, 22 CEOs and 8 executives in non-CEO roles. An attempt was also made to ensure there was an equal gender and ethnic mix in the research sample. However, this was constrained by the gender and ethnic mix of the people holding positions that fitted the specified criterion. In order to attain a balance of gender within the sample, organisations that had women CEOs or board members were targeted. This resulted in a sample of 10 females and 20 males. A similar strategy was undertaken with regard to ethnicity. There were no participants who identified themselves as non-European in the sample. The primary data resulted from semi-structured interviews of 1–2 hours in duration. Semi-structured interviews enable the interviewer to elicit the required information while at the same time pursue topics as and when required. For example, throughout the interviews comment had been made by interviewees about the high amounts of criticism received regarding the perceived high salaries paid to business executives. In response to this commentary, the researcher then asked questions seeking to ascertain why this is an issue in the New Zealand context. This led to the responses that focused on the presence of the tall poppy syndrome and a working class attitude to wealth. The theoretical sampling process as conducted within the grounded theory method permits the researcher to return to participants to seek to confirm points made throughout the research process. As a result 40 formal interviews were conducted. In addition, 20 informal interviews were conducted, 10 of these with individuals outside the main sample group. Ten of these informal interviews were with individuals outside the main sample group. Secondary data was sourced from company publications and documentation, news media reports and relevant research literature. All the data was analysed by the grounded theory method of constant comparison, which involves the following four stages, 1) comparing incidents applicable to each theme, 2) integrating the themes, 3) delimiting the theory and then 4) writing the theory.
Findings

The findings of the study identified a set of perceptions held by the participants about the historical and social forces contained within their context. Identified as traditions and folkloric narratives these forces were perceived to have an influence on how the CEO role is defined, and how the individual enacted his or her role. It is the historical and social traditions that contain the elements of folklore that are discussed in this paper, specifically the Tall Poppy Syndrome and the No 8 fencing wire mentality.

The tall poppy syndrome

The concept of the Tall Poppy Syndrome (TPS) was identified by the research participants as placing a constraint on how CEOs enacts his or her role. The TPS is a deemed to be an uncomplimentary term used primarily in Australia and New Zealand to describe what is seen as a levelling social attitude (Feather, 1994a). Defined in the Oxford Dictionary of New Zealand (1997) a tall poppy is a “person who has achieved conspicuous success” (as cited in Mouly & Sankaran 2000). Someone is said to have the tall poppy syndrome when they are envious, defamatory, or overly critical of someone else because of their presumed higher economic, social or political position. The phrase to “cut down the tall poppy” means to criticise or publicly denigrate those who stand out from the crowd (Mouly & Sankaran, 2000). While a uniquely Australian and New Zealand term (Feather, 1994a), it is acknowledged that other cultures do have their own terms by which to define those who are highly visible. There is what could be deemed to be an abundant amount of information available on the concept, a Google web search identifying 24,700 sources of information. However, a Proquest business research database search at the Victoria University of Wellington provided fourteen citations. This list was reduced to only one citation when the search was confined to purely scholarly journals. This lack of empirical research led to the identification of anecdotal narratives as the main means of transmission of the folkloric stories about the phenomenon.

The findings of this study identified a level of concern on the part of the participants about the role of the TPS in creating negative feelings towards people who become conspicuous by “raising their heads” above the general population, for example, CEOs and business executives. The cutting down of the tall poppy was spoken of as one of the key constraints on the enactment of high-profile risk-styled leadership behaviours. When asked to clarify the reasons why they made these comments a, the participants turned to New Zealand’s
colonisation and the quest to escape the class structures and poverty of nineteenth century Britain as an explanation. One individual commented as follows:

*I mean I’m not a historian but if you go back to why people came here. They came to get away from huge differentials in wealth and the class system and it was the land of opportunity, egalitarianism. You know the stories of our childhood, the perceived belief that if you are making money you are making it at the expense of other people.

The perception was that this colonial past was responsible for the development of a set of egalitarian values and traditions that have led to the folkloric stories about the TPS gaining credibility. Participants born in New Zealand commented that they learnt at an early age that it is not appropriate to draw attention to oneself in a manner that may be construed as ‘standing out from the crowd’. Two CEOs who were born outside New Zealand said that one of the first things they observed when arriving in New Zealand was how deeply the egalitarian principles are embedded and their impact upon all facets of New Zealand life. The following comment from a New Zealand-born CEO with top-level international experience referred to the external contextual environment as being: a culture where it is NOT OK to stand out; it is important to be the same as everyone.

The folklore surrounding the TPS is perceived to have a moderating and constraining influence upon leadership behaviours especially those that cause public scrutiny. The effect of these stories and myths was felt by all the participants, to a greater or lesser degree. The following comment was made by a well-known CEO who had experienced intense public scrutiny:

*The tall poppy thing is an over simplistic way of describing what happens in New Zealand. It’s not because the tall poppies are higher, there’s quite a lot more involved. Yes, we do criticise and we do pull down but, there is more to it, much more.*

When asked for explanation he was at a loss, but did state that the egalitarian principles produced a reluctance on the part of capable executives to take on a CEO role. Paradoxically, some of the research participants who bemoaned the impact of the TPS were also critical colleagues who were perceived as attracting too much attention to themselves. One CEO, when discussing aspects of the negative media publicity being received by some of her colleagues and why it was being received, said: *“Oh well, there’s the tall poppy syndrome … some of them have brought it on themselves”*. The perception was that often an individual did not manage the dynamics within their context as well as they could, resulting in an increase in negative scrutiny from various groups within it. Often the failure of a CEO to manage these dynamics created situations where an individual “stood out from the crowd” and they “only had themselves to blame”. One CEO spoke of his predecessor, who had a high public profile,
commenting that there was an element of ego and love of the limelight, that were integral to
that individual’s personality. It resulted in a very public scrutiny of all aspects of this
individual’s life. A major concern for his successor was that his life also came under public
scrutiny, something neither he nor his family wanted. Managing this situation took
considerable self-awareness, self-esteem, time and energy on the part of this participant.

The influence of the “tall poppy syndrome” was identified as occurring across all the industry
sectors in the study. However, public sector CEOs believed they had even less latitude for
discretion (Finkelstein & Hambrick, 1996) about becoming conspicuous or “standing above
the crowd”, reporting a much higher level of scrutiny and condemnation should they not
conform to the expectations of groups such as stakeholders, the media or general public.
These constraints often adversely affected the ability of an organisation to conduct business,
to recruit high potential talent, and to develop and nurture leadership talent within those
organisations. One consequence of this was that, capable people were often reluctant to
acquire leadership roles, choosing career options that did not make the most of their executive
leadership potential although these options may have been personally satisfying.

When asked to reflect more fully on the implications of the existence of the “tall poppy
syndrome” the research participants accepted that there was a need for a major change in how
we accept and support talented people. A change in attitude would have to occur if New
Zealand was to maximise the development of its talent and create a thriving competitive
business community. There was a sense of being “stuck in the middle”, a situation that
constrained executive leadership development. One participant explained it thus:

I think we’re beyond the egalitarian stage now and we can do one of two things. We can adopt
“everyone’s equal attitude’, put up the trade barriers, and become an isolated little pocket in the
Pacific Ocean, or we have to get real and embrace globalisation. We’re sort of between the two
of them at present.

In particular, the egalitarian working class traditions were identified as one of the primary
forces responsible for a high level of scrutiny that focussed on the CEO and their leadership.
This includes a supposed preference for high-level technical and professional skills that are
equated with leadership, as opposed to what are acknowledged to be specialist leadership
attributes. This led to the identification of the second of the two folkloric stories that
contributed to the moulding of perceptions of the CEO and their role.

**The No 8 fencing wire and she’ll be right**

The folkloric tradition also included a phenomenon referred to as No 8 fencing wire. Closely
linked to this was an attitude that encompassed the ‘she’ll be right, and do it yourself’
mentality’. It was acknowledged by those taking part in the study that there is a long-standing preference for ingenuity and improvisation in New Zealand. During the colonial period the No 8 wire was used to construct fencing on New Zealand farms, and also to repair equipment often supposedly accompanied by the statement, ‘she’ll be right’. In the twenty-first century Number 8 fencing wire has become a symbol of ingenuity and self-sufficiency and adaptability (Jones, 2001). As with the Tall Poppy Syndrome there is a limited amount of empirical research examining this construct and the stories associated with it are more commonly found in the popular press or are anecdotal. One recent empirical work made the following point:

“It is arguable that these characteristics, which many New Zealander’s have subsequently claimed as part of the ‘national character’—versatility, a jack of all trades, ‘number 8 fencing wire’ attitude, a willingness to go on the road – have as much to do with the background of New Zealand’s immigrants as of the unspecialised conditions in nineteenth century New Zealand” (Phillips & Hearn, 2008, p. 191).

That is, the myth of the No 8 fencing wire did not necessarily develop from the colonial environment but rather was brought with the colonists as an inclination towards a certain form of behaviour rather than being developed out of the conditions. However, this inclination allowed these colonists to survive and prosper in the conditions of the period. As with the tall poppy syndrome, the No 8 fencing wire mentality has become almost a clichéd explanation for many aspects of managerial behaviour. It was acknowledged that the attributes aligned with the No 8 fencing wire, the generalist, technical and professional managerial skills, are more highly valued than specialist leadership attributes. Evolving from this was the belief about the importance of the emphasis on the individual’s ability to adapt, using their ingenuity to find solutions to problems, especially innovative technical issues.

The research participants stated that the attitudes and behaviours that are caused by the No 8 folklore are manifested as a priority being placed on a manager’s ability to improvise and use whatever resources are available to ensure a job is completed, a piece of machinery made to work or a unique solution is found to a problem. While these abilities are spoken of fondly and their contribution to the business environment valued there was a consensus of opinion that a fresh view needs to be taken of leadership, specifically that involving the CEO. These views were succinctly summarised by one CEO as:

The other thing is recognising leadership. People aren’t actually recognising leadership … it is the management versus leadership debate that has been around for years. However, we also have the technical competence, like the No 8 fencing wire, and there is still a great deal of it in most organisations and there are a large number of people promoted on that No 8 fencing wire basis.

So while the management versus leadership debate is still in full voice, the added dimension of the No 8 fencing wire mentality has only served to strengthen the fondness for managerial
behaviours. Reflecting the view of Jones (2001), this mentality this has taken on a somewhat mythological existence within the New Zealand business community. The participants spoke of the need to move away from this ‘colonial attitude’ and ‘No 8 fencing wire mentality’ and to take a more serious approach to developing specialist leadership talent.

However, a collective note of caution was sounded because the participants acknowledged the phenomenon contained a number of positive attributes. Specifically, the elements of, can do ingenuity and versatility that should be treasured and maintained. The consensus was that there is a place for New Zealand idiosyncrasies. However, in the context of a globalised business environment this is no longer enough on its own. The conventional thinking where, leadership is framed within a traditional managerial structure and the No 8 fencing wire mentality, has to change. This was expressed in the following manner by a CEO of long-serving exprience:

... because it’s a do- it-yourself mentality, anyone can do anything in New Zealand ... we don’t have enough people ... and companies won’t pay for expertise in different areas ... same drivers ... it’s in the same box as a lot of the other things we’ve been talking about, it’s the do-it-yourself mentality.

Generalist managerial skills were considered to be great when we were a pioneering country. It is also great now in the sense that New Zealanders tend to be multifunctional and their talents are in demand when they move offshore. But isn’t great when the country does need specialist expertise:

It’s the No. 8 fencing wire and “she’ll be right” and I’ll just get out there, I’ve done enough. I mean it’s good to have it because it gives you a degree of confidence that you can approach problems, become problem solvers. But it’s not sufficient to suddenly get stuck in and charge into problems. But at the same time I wouldn’t want to see us get like some societies where everybody is so channelled that they are incapable of doing anything else. I think there is a happy medium.

While these mindsets have served people well in the past, they are believed to have a repressive influence on the enactment of CEO leadership and its identification and development. People spoke of the ability for “the Kiwis” when they went to offshore companies, to able to “fit in” easily and improvise and adapt well to their new surroundings. However, there was an equally strong consensus that there was a need to improve leadership skills and attributes to a higher level and to develop a broader view of what constitutes executive leadership to ensure the challenges of the global environment are met.
Discussion and conclusions

Recognising the narratives as folklore it is possible to come to identify how a number of the stereotypes that inform the CEO role are developed. It is acknowledged, by the participants, that stereotypes are also formed by other means, for example the media. However, mediated representations of these traditions and folklore served to embed the stereotypes more firmly and reinforced the institutionalised expectations of the CEO role and their executive leadership. The folkloric narratives influence the formation of an interpretative schema that frames CEO leadership. The frameworks of this institutionalised schema inform the definition of the CEO role and its subsequent enactment. Within the context of this study the institutionalised expectations require high levels of professional and technical skills and abilities. The behaviours expected of the CEO are risk averse, low profile and generalist in nature. This is in contrast to the high-profile, charismatic visionary, change oriented behaviours that are stated to be specialist leadership behaviours. The theoretical coding undertaken as part of the analysis identified the presence of three social processes influencing the CEO role in New Zealand. These are:

- *The repression of leadership:* This theme explains the social structural processes within the external context that cause the repression of leadership.
- *The restriction of leadership development:* This theme discusses the social structural processes that place a restriction on the development of CEO leadership within the organisation.
- *Rejecting the CEO role:* In contrast to the prior two themes, this theme describes the social psychological processes that trigger the rejecting of the CEO role, both by capable executives and the CEOs themselves.

The theoretical coding process led to the CEO role being conceptualised as a social institution. As a social institution, the CEO role is bounded and informed by a set of social norms that formed in part by the social structural processes that have their genesis the historical, economic and religious traditions that are contained within the CEO’s context. These traditions are deemed to have their origins in the European colonisation of New Zealand. Arising from these traditions are the folkloric narratives the tall poppy syndrome, the No 8 fencing wire and the she’ll be right attitude. Conceptualising the CEO role as a social institution facilitates a critical analysis of the role, for example, examining how perceptions of the role are formed within a specific context. This includes a discussion of the formation of the social norms and the forces that enhance or impede the individual’s ability to carry out the role and the consequences of the failure to adhere to the social norms. The
analysis provided evidence of situations where, if a CEO transgresses the implicit social norms, they were excluded from the community of which they were a member.

While there was a stated preference by the participants for CEOs to be able to display a high-profile, charismatic style of leadership, exhibit long-term strategic thinking and visionary behaviour, however, the reality is that these are the very behaviours that are constrained by the folkloric narratives found within the CEOs’ context. These findings have implications for all those who are involved with the CEO role, for example, those who are involved with the recruitment and selection of CEOs. The preference for technical and professional behaviours as emphasised by folklore, for example, the No 8 fencing wire may influence decisions made with regard to CEO selection.

The research has made a contribution to the literature by extending the work of Feather (1994a, 1994b), Jones (2001), and Mouly and Sankaran (2000), through identifying the stories customs and beliefs that contribute to the perceptions of the CEO role. In the New Zealand context these perceptions are formed in part by folkloric tales such as the, tall poppy syndrome and No 8 fencing wire. While Feather (1994a, 1994b) and Jones (2001) discuss these phenomena within the broader context and Mouly and Sankaran (2000) from a specific organisational perspective, this study focuses on a specific role, the CEO, in a variety of organisational settings. Building on the work of Cheng (1994), it is the contention that the context-specific focus of this study was responsible for allowing these social, cultural, historical, political and economic forces to contribute to the building of knowledge of the phenomenon under study. There are opportunities for further explanatory research examining these predictors thereby adding to the body of knowledge. One example, where further study could prove of value, relates to those norms which have become embedded in New Zealand culture as aphorisms or metaphors that describe “the New Zealand way”. The identified lack of empirical research examining these influences on a role that could be deemed to be critical to organisational success and economic well-being is disquieting.
References


