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The Science behind how Character may hinder the Corruptive Effects of Power

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In Partial Fulfillment of the Requirements for the Honors Degree

Introduction

This paper represents my Honors Project and will summarize my experience related to learning more about the scientific method through working on a research project under the faculty supervision of Dr. Rachel Sturm. In particular, this research project examines how power can corrupt those who possess it and offers an explanation of how leader character may decrease these corruptive effects. The sources of power, how power affects leaders, and how different members of an organization can participate in organizational corruption will be explained. Also, I will offer some research questions unpacking the relationship between leader character and power as well as analyze pilot study data to ensure the methodology moving forward to collect the actual data for this research project is appropriate. Hence, I will explore what I have learned from engaging in the first few elements of the scientific method.

Background Research on Power and Character

I learned that the scientific method starts with a question that a curious scientist wants to answer. Dr. Sturm had a question she was interested in and when she shared it with me less than a year ago when I asked her to be the advisor for my Honors Project, I was interested in that question too. The overall research question is: Can character decrease the corruptive effects of power? In order to design an experiment or field study to be able to address this question, we need to first review literature on our main variables of interest.

Defining Power

Over the years, power has been defined in numerous ways. For example, some research has defined power as control over valued resources in social relations (Goldstein & Hays, 2011; Jordan, Sivanathan, & Galinsky, 2011; Magee & Galinsky, 2008) while others have linked power to the powerholders in terms of their agency and carrying out their will (van Dijke &

Poppe, 2006; Weber, 1947). Sturm and Antonakis (2015) reviewed the previous literature on

power and created a definition of it that combined the three defining characteristics of power

from previous research. According to Sturm and Antonakis, power involves having the discretion

and means to enforce one's will over entities. Discretion refers to the choices and latitude of

action available to powerholders to do what they want. This aspect of the definition captures the

notion of agency and that powerholders have to choose to enact their power.

Having the means to enforce one's will refers to sources of power and ways to maintain

power once one has it. In general, sources of power can be innate (e.g., physical appearance, sex)

or acquired through training, expertise, or one's position in the company (e.g., rewards,

punishment). Structural sources of power include one's title and task assignments, cognitive

sources include the notion that everyone has experienced power to some extent and can recall

that experience embedded within them to feel powerful, personal traits include one's looks or

personality, and physical sources capture how the environment, such as sitting in a large chair,

can elicit feelings of being powerful. Through these different sources, individuals can exert their

power over others. Some individuals are more naturally inclined to seek out positions of power

and leadership roles; McClelland (1975) found that these leaders have a *need for power*, so they

aspire to these roles. Once leaders experience power, as is discussed in the next section, they

experience different reactions, thoughts, and emotions towards others.

Lastly, what one *wills* refers to regulating, controlling, or being able to impact aspects of

one's environment, including others. In addition to other people, powerholders can enforce their

will on entities, which refers to things such as policies, practices, systems, and organizational

structure—even time has been affected by powerful leaders, which is evident in our calendar

with the months of July and August, which were influenced by two powerful leaders, Julius

Caesar and Augustus Caesar, respectively.

How Power Affects Leaders

When leaders have access to power and decide to enforce their will on others, interesting

effects can occur to the leader. First, power affects a leader's cognitive state, or how he or she

processes information. Leaders with power tend to be more prone to abstract and analytical

thinking, creativity, confidence, and are better able to create and execute goals (Sturm &

Monzani, 2017). On the other hand, leaders with power struggle to individualize others, so they

are more prone to stereotyping, and they are less likely to associate loss with being threatening

(whether it be financial, with relationships, etc.).

Second, power affects a leader's emotional state and how he or she expresses emotions.

Oftentimes, leaders with power are found to express more positive emotions (e.g., desire,

enthusiasm, happiness, optimism, and pride) and less negative emotions. This affective response

tends to occur because powerholders are usually less attuned to others' suffering, and they tend

to prioritize themselves over others because this is emotionally rewarding to them (Sturm &

Monzani, 2017).

Third, power affects a leader's behaviors; leaders tend to take action to approach

rewarding outcomes, behave more selfishly by spending money on themselves, engage in less

social conformity, and act in a risk-seeking fashion (Sturm & Monzani, 2017). As such, powerful

leaders tend to be overconfident in their abilities, which makes them inclined to make risky

decisions to try and get these large rewards that others are scared to go after. In addition, they are

able to express themselves more freely because they do not care about the opinion of others and

often resist social norms. Whereas this freedom can help powerholders to be more creative,

which is normally seen as something that is positive, it can also lead to them engaging in inappropriate behaviors because they do not feel they need to follow the rules or expected social norms like others do.

Finally, power affects a leader's neurochemical state. Leaders with power tend to experience a neurochemical imbalance that is similar to how drugs affect addicts. Also, stress affects powerful leaders less (e.g., there are lower levels of cortisol and a lower heart rate after stressful situations), an increase in testosterone fosters a strong drive to continue to receive more power, and unchallenged power makes powerholders less empathetic to those beneath them (Sturm & Monzani, 2017).

Power and Corruption

As evident with the preceding section on how power can affect those who possess it, research over the years has found that power corrupts individuals, which includes managers and leaders in businesses. Organizational corruption captures the abuse or misuse of authority for personal, subunit, or organizational benefits (Javor & Jancsics, 2016). Examples of organizational corruption include stealing money, manipulating financial/operational documents, lowering quality standards, and so forth in order to siphon off resources and make a profit illegally. According to Javor and Jancsics (2016), power and corruption are found at every level within an organization, even the lowest levels. To demonstrate this statement, Javor and Jancsics separated organizational members into three categories: Dominant Coalition, Middle-Level Mediator Zone, and Bottom Level.

The Dominant Coalition category represents the top-level managers. These individuals are powerful enough to control other members' behavior, the operational goals of the organization, and the critical resources needed for the organization to function correctly. The

top-level management is expected to ensure the survival of the organization; to do that, they need

enough power to allocate resources, make rules and strategic decisions, and enforce the rules.

The Middle-Level Mediator Zone represents the specialists, organizational professionals,

expert groups, and middle managers. These individuals have some decision-making power, but

the main part of their power comes from their expertise. The Dominant Coalition are dependent

upon their expertise and skills, so they can implement the strategic decisions of the firm.

Oftentimes, the Middle-Level Mediators act as a buffer to the Dominant Coalition. When

problems arise, the blame often gets hidden in this middle-level zone, and therefore, the

repercussions often negatively impact these managers instead of the top-level management.

Finally, the Bottom Level represents the lowest level of the organization. These

individuals do not have control over important decisions and do not have expertise on subjects,

but they do have power over the organization's contact with the outside world. The Bottom

Level employees can accelerate or slow down processes, operate machines and vehicles, and

directly contact customers. If the members of this group band together, they might even develop

enough power to control some organizational processes information (through strikes/refusing to

work until a process is changed).

Corruption often requires cooperation amongst two or more individuals (Javor &

Jancsics, 2016). Some cases have been found where individuals participated in corruption alone,

but oftentimes, complicated corruptive acts where illegal profit is high, and activities are

repeated, are easier to hide when more members of the organization participate. By exercising

their unique power, each level often participates in organizational corruption. The Dominant

Coalition can threaten to replace the Middle-Level Mediators and Bottom Level if they refuse to

go along with their demands. The Middle-Level Mediators can use their expertise to manipulate

documents and create side deals to hide their corruptive actions. The Bottom Level can use their knowledge of corruption to bargain for resources they want.

Limiting Corruption through Character

Given the evidence that power tends to corrupt those who possess it, one may ponder: what can we do about powerful leaders to ensure that corruption is mitigated? If powerful leaders can break the rules, create a culture which emphasizes individual gain at the expense of the common good, can manipulate organizational outcomes for their benefit (such as falsifying accounting reports), and are behaviorally more selfish, what then, can combat the corruptive effects of power? If things such as accountability mechanisms (Pitesa & Thau, 2013) and governance structures (Core, Holthausen, & Larcker, 1999) in the organization only go so far or only mostly impact the Dominant Coalition in terms of limiting the corruptive effects of power, what else is there?

Research seems to suggest that accountability and responsibility can influence the effects of power (Sturm & Antonakis, 2015). Importantly, accountability and responsibility are both seen as part of leader virtuous character according to recent research on the topic. Specifically, character refers to a set of virtues (which includes virtuous values such as conscientiousness and virtuous traits such as transparency) that are universally considered to be important to well-being and excellence in the form of having good judgment in the decisions leaders make (Peterson & Seligman, 2004; Seijts, Gandz, Crossan, & Reno, 2015). According to Seijts, et al. (2015), these virtues of leader character include judgment, courage, humanity, justice, temperance, transcendence, accountability, drive, collaboration, humility, and integrity. Dr. Sturm and I believe that introducing and teaching these virtues to leaders, along with embedding these virtues in the structure and culture of the organization, will help limit corruption because power results

from selfish behaviors that are often carried out to the detriment of others. Inherent in the nature

of character, is for leaders to learn how to balance the different virtues (such as drive with

humanity) so that they can enact the right virtuous behavior at the right time and in the right way

for the right reason, using the language Aristotle used millennia ago in describing what a virtue

is. Also, virtues tend to be self-reinforcing in that the expression of one may help facilitate the

expression of another virtue. As such, the nature of character leads us to believe that it may be

"strong enough" to curb the corruptive effects of power.

By making leaders aware of these virtues and helping them to activate on them in the

workplace, this will help leaders develop a better sense of good judgment that is essential for

helping them cope with the challenges and temptations of exercising power (Sturm & Monzani,

2017). If leaders can exercise good judgment, then they can avoid the vices of power and

enhance their virtuousness to positively impact the organization and others. In addition, we

believe that depth of character enables leaders to short-circuit the effects that power has on the

brain's neurochemistry (Sturm & Monzani, 2017).

Personal Lessons Learned from Reviewing Literature

Reviewing the prior literature related to the question you want to answer is an important

aspect of the scientific method because it gives you a good starting point for your own research

and a basic understanding of the research that already exists. For me personally, I learned how to

use the Wright State University library database to search for articles that could support my

research questions. I sifted through several articles, took notes on those that were relevant to

power and corruption, and cited the information appropriately to give credit to the original

authors.

Some articles were more difficult to understand than others, or their title and abstract were misleading to the actual research that had been collected, so in my opinion, this part of the scientific method was tedious. However, it was necessary for me to experience this because I had very little background knowledge of power and its corruptive effects. Once I was able to develop a better understanding of the topic of this research project, I was able to develop research questions and assess an appropriate data collection methodology.

Research Questions and Methodology

The long-term goal of this research project is to employ neurological techniques to examine how character may decrease the corruptive effects of power. In particular, a lab experiment will be employed that gives power to participants in the form of an economic game and the researchers are going to examine what happens when character is introduced to half of the participants at some point during the experiment. Hence, the specific research questions that the full research project will address include:

Research Question 1: Does power corrupt most people?

Research Question 2: Does character decrease the corruptive effects of power?

Research Question 3: Are powerholders aware of the corruptive effects of power?

These research questions will eventually turn into hypotheses, yet, for the purposes of my Honors Project, I am presenting them more as a guideline to describe the importance of choosing the correct methodology in a research paper, which leads me to the next stage of the scientific method after the hypotheses are developed: ensuring the data collection procedures are methodologically appropriate and accurate.

Ethical Methodology

Since the data collection efforts involve human subjects, I had to participate in ethical training from the Internal Review Board (IRB) at Wright State University. An IRB is a committee whose primary responsibility is to protect the rights and welfare of human research subjects (CITI Program). The ethical training included reading articles and answering questions over several topics involving federal regulations, assessing risk, privacy and confidentiality, informed consent, and so on, to help me understand the rules, regulations, and risks associated with studying human subjects. Although I did not get to complete the full research project, I was able to better understand the steps needed to be taken before starting a research project involving human subjects. Also, I am officially certified and trained to be able to collect data on human subjects in the near future. In general, I am now more aware of what it means to minimize the possible harm that may occur to subjects participating in a research project.

Ensuring the Accuracy of the Methodology

In the full research project, the character activation given to half of the participants must be effective in terms of helping participants activate on leader character in the moment. To ensure that the character activation design that was created will "do what it is supposed to do", a pilot study was conducted to initially test the effects of this character activation condition compared to the control condition. In the pilot study, two different surveys were sent to Dr. Sturm's MGT 1900 class. One survey included a short video clip of an actor portraying Martin Luther King Jr., followed by a list of the eleven-character traits and 20 questions related to charisma that each participant was to rate King on based off the video clip of him speaking to a crowd. The second survey included the same questions and ratings, but instead, had a short video clip of an actor portraying Nelson Mandela speaking to a crowd.

The survey with King is designed to eventually be the control condition (which will not include the framework of character), but in order to test whether participants would pick up on character more with this video clip, we had the survey respondents assess King's character in addition to his charisma—as he and Mandela are both known to be charismatic leaders. The survey with Mandela is designed to eventually be the character activation condition and will include the character framework. Hence, providing the character framework to both leaders with the expectation that respondents will "pick up" on more character-related terms with Mandela (specifically designed through the speaking video clip we show), would help make the case that the video of the leaders presented are helping participants to activate on character in different ways. Also, we believe that the amount of charisma that each leader shows in the short videos will not be different from one another, hence, we can demonstrate that it is character more so than charisma that is driving how participants are responding to the clip they are going to watch.

Results from the Pilot Study

After manually entering the survey data into excel, I looked for themes across each leader about their character and charisma with the main question being, "Do we see the participants mentioning character more so with Mandela?" Dr. Sturm showed me how to import excel data into IBM's SPSS platform, which is a statistical analysis software tool that enables researchers to run different statistical tests, such as a *t*-test, on data to better understand what all the numbers mean in a dataset. Dr. Sturm and I first looked at the data for any outliers, biased responding, etc. In total, 37 participants engaged in the pilot study for surveys 1 and 2, though one respondent's data from survey 1 was not included in the analyses because this individual used the incorrect Likert scale to complete the charismatic leadership questions, hence we were unsure if the

participant was correctly following directions throughout the survey so we decided to take this person out of the analysis portion.

Survey 1 included 22 participants with 43.48% of the respondents being male while survey 2 included 14 participants, with 57.14% of the respondents being male. We checked the descriptive statistics of the variables to get a general sense of the data and then looked at the scale reliabilities for the charismatic leadership items from the revised Conger-Kanungo Scale of Charismatic Leadership (Conger, Kanungo, Menon, & Mathur, 1997). The charismatic leadership items included the following five dimensions, each showing strong reliability: strategic vision and articulation ($\alpha = .80$), sensitivity to the environment ($\alpha = .90$), sensitivity to members' needs ($\alpha = .78$), personal risk ($\alpha = .87$), and unconventional behavior ($\alpha = .88$).

We ran a correlation matrix looking at the basic relationships among our variables. This matrix revealed that most of the character items were significant with our condition variable, which explained whether participants took survey 1 (King video) or survey 2 (Mandela video). It seemed that only one of the charismatic leadership dimensions was significantly related to our condition variable; hence, the correlation matrix started providing us with some initial evidence of the relationships we were expecting/hoping to find in our data. Next, we computed some independent sample t-tests to see how the means of the two different conditions compared to one another in terms of character and charisma. The mean of character (we averaged the scores of the 11-character dimensions to get this number) for survey 1 participants was 4.17 (SD = .67), whereas the mean of character for survey 2 participants was 4.55 (SD = .33). We found that the difference between the two means is significant, $t(34) = -1.92$, $p = .03$, using a one-tailed test. In other words, the participants who watched the Mandela video clip rated him significantly higher on his character compared to King, which is what we expected. In terms of analyzing the

differences in the means of charismatic leadership for King and Mandela, we did not find a significant difference for four of the five dimensions. Only the mean for the sensitivity to the environment dimension was different for the two leaders, $t(34) = -2.562$, $p = .01$, equal variances not assumed. The mean of this dimension was 3.74 (SD = 1.06) for King and 4.48 (SD = .63) for Mandela. Also, we had a one-item overall charisma measure, in which the mean for King was 8.94 (SD = 1.03) and then mean for Mandela was 9.14 (SD = .78), and these means were not found to be statistically different from one another. Hence, it seems for the most part that the charisma of both leaders is quite similar.

Conclusion

Given the constraints on the progression of this particular research project, I was not able to complete all the steps of the scientific method. However, through this research study, I was able to better understand the beginning steps of the scientific research process. I participated and became certified in ethical training, studied past literature, explored different research topics, learned how to develop appropriate methodology, and was exposed to the initial steps of data analysis. I am happy that I was able to participate in Dr. Sturm's project because I have never experienced another class like this. Now I know the rules and risks associated with studying human subjects, and I understand how to test (via a pilot study) if an experimental manipulation is capturing the data that we intend it to capture.

In the future, I plan on helping Dr. Sturm conduct a few of the initial neuroscience tests for the full research project so I can see how the project was intended to go. After seeing the results from the pilot studies I helped conduct, I have full confidence that this project has provided an effective test of character activation and believe it can hinder the corruptive effects of power.

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