

# **VIRTUOUS LEADERSHIP AND ITS IMPACT ON ORGANIZATIONAL CULTURE**

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## **Abstract**

The study sought to evaluate the impact of virtuous leadership on the organizational culture. To evaluate virtuous leadership, index a closed instrument of Likert type has been developed and applied in each researched organization involving 400 executives. To measure the cultural profile of the researched organizations a Likert type instrument was developed and applied to the same executives of the sample leading to the cultural adequacy index of each one of the investigated organizations. To verify the relationship between virtuous leadership index and the cultural adequacy index, it has been used the linear regression method computing the linear correlation coefficient between the before mentioned variables. The study has shown that the organizations have a virtuous leadership profile unbalanced regarding the dimensions considered in the instrument, presenting low scores as far as hope/faith, altruistic love and meaning/calling dimensions are concerned, as well as, an inadequate average organization cultural index, both results negative as far as creating learning organizations is concerned. On the other hand, the study showed a moderate to high positive relation between virtuous leadership index and the organization cultural adequacy index.

**Keywords:** virtuous leadership, virtuous leadership index, organizational culture, and cultural adequacy index.

## **INTRODUCTION AND REVIEW OF THE LITERATURE**

### **Virtuous Leadership**

Many personal aspects will interact to determine the actions of a person in a leadership role. Perceptions, attitudes, motivations, personality, skills, knowledge, experience, confidence, and commitment are a few of the variables which are important for understanding the behavior of people. They are no less important for understanding the behavior of people at work, whether they are leaders or not. However, this study will highlight what may well be the crucial and underlying determinant of leaders' behavior - virtues.

Virtues were first defined in Philosophy/Theology literature and relates to intelligence theories going back to Plato and Socrates who reasoned that intelligence would always organize things in the best possible way. Thomas Aquinas and Immanuel Kant furthered the discussion with ideas of higher, lower, and different kinds of intelligences.

The importance of a virtuous system is that once internalized it becomes, consciously or subconsciously, a standard or criterion for guiding one's action. Thus, the study of leaders' practice of virtues is extremely important to the study of leadership.

All cultures and religions of the world agree that humans consist of body, mind, and spirit (Smith, 1992). In many Western cultures the importance of developing the body and mind in education and business has been recognized but the development of the spirit has been mainly left to religious communities and personal exploration. Let's consider the example of the USA. "The strong separation between religion and government has carried over virtually to all other institutional arrangements in American life" (Mitroff & Denton, 1999, p.19). When the founders of the United States of America established the separation of church and state to prevent the state from imposing required spiritual beliefs and practices on citizens, they probably never thought that there would be a complete separation of spirit considerations from those of the body and mind and their development in education, business and politics.

The need for spirit recognition and development in business is more apparent than ever. The way organizations have responded to spiritual matters or concerns of the spirit have been to declare them out of bounds or inappropriate (Mitroff & Denton, 1999). However, the crisis of confidence in leadership due to corporate frauds, worker's sense of betrayal engendered by downsizing and outsourcing, economic recession, unemployment, sex scandals, and general distrust are leading people on a search for spiritual solutions to improve the resulting tensions (Hildebrant, 2011; Parameshwar, 2005). Bennis (1989) says, "what's missing at work is meaning, purpose beyond oneself, wholeness, integration, we're all on a spiritual quest for meaning, and that the underlying cause of organizational dysfunctions, ineffectiveness, and all manner of human stress is the lack of a spiritual foundation in the workplace". There has been "an explosion of interest in workplace spirituality" (Parameshwar, 2005, p.690) in part because "the quest for spirituality is the greatest megatrend of our era" (Aburdene, 2007, p.4). Patricia Aburdene (2007) reports that spirituality is 'Off the Charts', 98 percent of Americans believe in God or 'a universal Spirit' and people's expressed need for spiritual growth has increased by 58% in the last five years

(p.5). Amram (2009) states that the growing interest in workplace spirituality can be explained in part by Maslow's hierarchy of needs. As the standard of living increased, so that people are not worried about survival and safety, their concerns have shifted to self-actualization and spiritual needs such as self-transcendence. "Work forms one of people's most significant communities, they expect work (where they spend the bulk of their waking hours) to satisfy their deeply held need for meaning" (Amram 2009, p.33). A positive work / life balance is important to maintain – although some people go to work to avoid difficult situations at home (Hayward, 2013).

Several authors have stated that spiritual leadership and spiritual intelligence are needed to face the challenges of the 21<sup>st</sup> century. Mitroff and Denton (1999) say, "In plainest terms, unless organizations not only acknowledge the soul but also attempt to deal directly with spiritual concerns in the workplace, they will not meet the challenges of the next millennium" (p.7). "Leadership in the third millennium must be based on the power of purpose, love, caring, and compassion," says Mackey in relation to spiritual intelligence in the workplace (Mackey & Sisodia, 2013, p.193). Hildebrant (2011) say, "the demands of the various factions of stakeholders are creating a leadership climate where spiritual leadership is overcoming the bureaucratic approach of the 20<sup>th</sup> century" (p.91). To effectively meet the problems of the 21<sup>st</sup> century, leaders must be developed who have high spiritual intelligence (SQ) in conjunction with high cognitive intelligence (IQ) and high emotional intelligence (EQ). There is also an underlying assumption that the physical strength of the leader is also robust and needs to be high so that the demands of leadership can be properly met.

Before defining spiritual intelligence, it is important to establish what it is not and define key terms. Spiritual Intelligence is not spirituality or religion, nor is spirituality synonymous with religion. Religion is characterized by a class system that delineates the spiritual leaders and followers of the doctrine (Hildebrant, 2011); it is focused on the rituals and beliefs regarding the sacred within institutional organizations (Amram, 2009), and is defined by a specific set of beliefs and practices, usually based on a sacred text, and represented by a community of people (Wigglesworth, 2012). Religions ordinarily manifest the following eight elements: belief system, community, central myths, ritual, ethics, characteristic emotional experiences, material expression, and sacredness (Molloy 2005, pp. 6-7).

Many people are "spiritual" without being "religious" in that they do not participate in organized religion, while others are "religious" without being "spiritual" in that they participate in the necessary rituals and creeds, but their ethics, morals and day-to-day living do not match their professed beliefs (Delaney, 2002). Spirituality is defined in several different ways. Emmons (2009a) says it "is the personal expression of ultimate concern". Wigglesworth (2012) defines it as "the innate human need to be connected to something larger than ourselves, something we consider to be divine or of exceptional nobility". Miller, cited by Delaney (2002, p.7), defines spirituality as "an individual's personal, subjective beliefs and experiences about a power greater than themselves, and about what is sacred to him/herself, which assumes that reality is not limited to the material, sensory world".

Based upon these themes Friedman and MacDonald, as reported by Amram (2009), found when reviewing many definitions of spirituality, that spirituality can be defined as (a) focus on ultimate meaning, (b) awareness and development of multiple levels of consciousness, (c) experience of the preciousness and sacredness of life, and (d) transcendence of self into a

connected whole. Also reviewing many definitions and concepts of spirituality Wilber (2006) offers four meanings: (1) the highest levels in any of the developmental lines such as cognitive, values and needs, (2) a separate line of development – spiritual intelligence – that could be defined as faith in Fowler’s Stages of Faith, (3) an extraordinary peak experience or “state” experience which could be enacted by meditation or prayer as seen in Evelyn Underhill’s work, and (4) a special attitude that can be present at any stage or state such as love, compassion or wisdom.

Spiritual intelligence combines spirituality and intelligence into a new construct (Amram, 2009), but not by simply integrating one’s intelligence with his or her spirituality (Hosseini, M., Elias, H., Krauss, S. E., & Aishah, S., 2010). Emmons (1999) states that “whereas spirituality refers to the search for, and the experience of, elements of the sacred, meaning higher-consciousness and transcendence, spiritual intelligence entails the abilities that draw on such spiritual themes to predict functioning and adaptation and to produce valuable products or outcomes”.

However, several authors claim that spiritual intelligence is not an intelligence based upon their definitions of spirituality and intelligence. Gardner (2009) does not accept spiritual intelligence as a construct. In his paper *A Case Against Spiritual Intelligence* he reinforces his dismissal of spiritual intelligence based on (a) including felt experiences, (b) a lack of convincing evidence about brain structures and processes for this form of computation, and (c) he sees it as a domain of the human psyche without biological potential rather than an intelligence with its primary tie to cognition. Mayer (2009) sees the construct as spiritual consciousness rather than spiritual intelligence, because it doesn’t meet his criteria of intelligence as “abstract reasoning with coherent symbol systems”. He goes on to say that:

“We must understand the symbol system of spiritual and religious writing better to understand the sort of reasoning that takes place within it. Where are the mental transformations necessary to think spiritually? Can the rules of such reasoning be made accessible to the scientist, to computer representations? Are there special instances when spiritual thought achieves a critical mass of abstract reasoning, and therefore qualifies as intelligence? At present, spiritual intelligence, like spirituality itself, remains mysterious in many respects” (Mayer 2009 p.55).

Despite these two major dissenting voices, many others in the field are proposing definitions for spiritual intelligence and a few are offering instruments for its measurement. Among the earliest voices to define spiritual intelligence are Zohar and Marshall (1999). Zohar says:

“By spiritual intelligence (SQ) I mean the intelligence with which we address and solve problems of meaning and value, the intelligence with which we can place our actions and our lives in a wider, richer, meaning-giving context, the intelligence with which we can assess that one course of action, or one life-path is more meaningful than another. SQ is the necessary foundation for the effective functioning of both IQ and EQ. It is our ultimate intelligence” (p.3).

They do not believe spiritual intelligence can be measured.

Another early voice is Emmons (1999), who defines spiritual intelligence as “a framework for identifying and organizing skills and abilities needed for the adaptive use of spirituality”. Following a critique by Mayer (2009), Emmons (2009b) refined his core

components list of spiritual intelligence to four: (a) the capacity for transcendence, (b) the ability to enter heightened spiritual states of consciousness, (c) the ability to invest everyday activities, events, and relationships with a sense of the sacred or divine, and (d) the ability to utilize spiritual resources to solve problems in life. No instrument to measure intelligence has been constructed by him because he too does not believe it can be measured (Emmons, 2009a).

Vaughan (2002) speaks broadly when defining spiritual intelligence. She says that spiritual intelligence is concerned with the inner life of mind and spirit and its relationship to being in the world. It implies a capacity for deep understanding of existential questions and insight into multiple levels of consciousness. It implies awareness of spirit as the ground of being or as the creative life force of evolution. Spiritual intelligence emerges as consciousness evolves into ever-deepening awareness of matter, life, body, mind, soul, and spirit. It is more than individual mental ability. It appears to connect the personal to the transpersonal and the self to spirit. It implies awareness of our relationship to the transcendent, to each other, to the earth and all beings. It can be developed and be expressed in any culture as love, wisdom, and service. Spiritual intelligence depends on the capacity to see things from more than one perspective and to recognize the relationships between perception, belief, and behavior. It depends on familiarity with at least three distinct ways of knowing: sensory, relational, and contemplative (Vaughan 2002 pp.19-20).

She has made no attempt to develop a tool to measure spiritual intelligence.

Sisk (2002) describes spiritual intelligence as a deep self-awareness in which one becomes more and more aware of the dimension of self, not simply as a body, but as a mind-body and spirit. Spiritual intelligence enables us to: develop an inner knowing; connects us with the Universal Mind for deep intuition; enables us to become one with nature and to be in harmony with life processes; enables us to see the big picture, to synthesize our actions in relation to a greater context; and engages us in questions of good and evil (p.209-210). No effort to develop an instrument to measure spiritual intelligence has been made by him.

Noble (2000) did not develop a tool to measure spiritual intelligence and defines spiritual intelligence as follows:

“A quality of awareness that recognizes the multidimensional reality in which physicality is imbedded and the personal and societal importance of cultivating empathy, self-awareness, and psychological health is reinforced. Spiritual intelligence is a dynamic and fluid process, not a static product. It includes, but is not limited, to openness to unusual and diverse experiences broadly labeled “spiritual.” More importantly, it is a quality of awareness that continuously seeks to understand the meaning of those experiences and the ways in which they inform one’s personal and community life – physically, psychologically, intellectually, and interpersonally. It is neither blind nor rigid adherence to a prescribed set of beliefs but a mindset that tolerates uncertainty and paradox as well as the anxiety of “not knowing.” Although an individual might choose to practice a particular religion or spiritual discipline, spiritual intelligence is the awareness that the whole is always greater than the sum of its parts, no matter how cherished a part might be” (Noble 2000 p.4).

Nasel et al. (2004) defined spiritual intelligence as “the ability to draw on one’s spiritual abilities and resources to better identify, find meaning in, and resolve existential, spiritual and practical issues”. He conceptualized spiritual intelligence as a model that exhibits similarity to Galatians 5:22 showing qualities of love, joy, peace, patience, kindness, goodness, faithfulness, humility, and self-control; in short – virtues. Nasel (2004) developed the Spiritual Intelligence Scale (SIS) to assess forms of spiritual intelligence related to Christianity and individual-based spirituality. He also developed the Spiritual and Religious Dimensions Scale (SRDS) to measure the difference between people who adhere to traditional Christianity, and those who adopt the principles of New Age/unaffiliated contemporary spirituality.

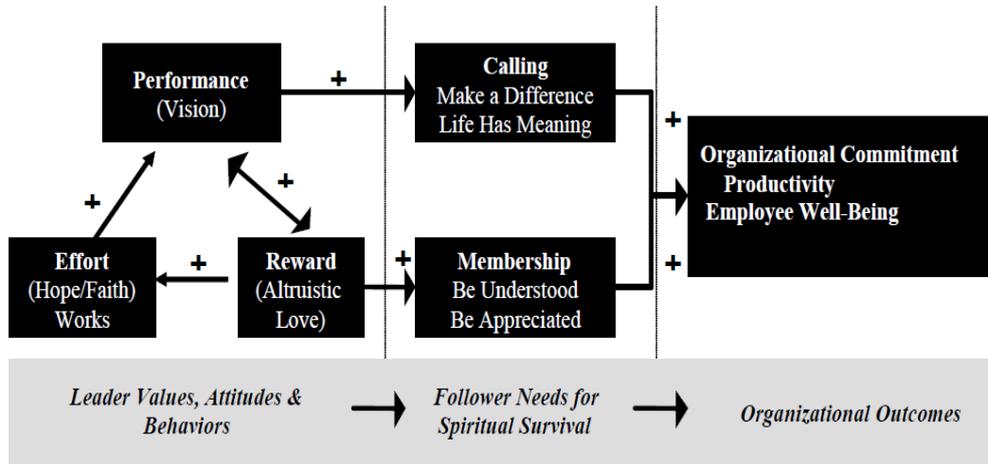
Another definition of spiritual intelligence is provided by Wolman (2001) as “the human capacity to ask ultimate questions about the meaning of life, and to simultaneously experience the seamless connection between each of us and the world in which we live”. After stating his position opposing the construct of a measurement instrument (p.118) he developed the PsychoMatrix Spirituality Inventory (PSI) which measures and describes seven spiritual factors: mindfulness, intellectuality, divinity, childhood spirituality, extrasensory perception, community, and trauma. The PSI seems to be more a measure of spiritual orientation than spiritual intelligence (Amram, 2009).

Tirri, Nokelainen, and Ubani (2006) from the University of Helsinki developed the Spiritual Sensitivity Scale based upon the empirical studies and definitions of spirituality by Hay and Bradford. The Spiritual Sensitivity Scale consists of four dimensions: (1) Awareness sensing, (2) Mystery sensing, (3) Value sensing, and (4) Community sensing (p.37). Awareness sensing refers to an experience of a deeper level of consciousness when we choose to be aware by “paying attention” to what is happening, “being aware of one’s awareness”. Mystery sensing is connected to our capacity to transcend the everyday experience and to use imagination. Value sensing emphasizes the importance of feelings as a measure of what we value. Community sensing represents the social aspects of human love, care, devotion, and practicality (pp.40-41).

Wigglesworth (2012) defines spiritual intelligence as “the ability to behave with wisdom and compassion, while maintaining inner and outer peace, regardless of the situation”. This definition “falls within the general definitions offered by Gardner (2009) who view intelligence as a skill, competence, or ability to comprehend or make sense of things or situations and then bring adaptive, creative approaches to solve problems”. Wigglesworth (2012) describes spiritual intelligence as a set of skills developed over time and with practice. She identified 21 skills in four categories: self/self-awareness, universal awareness, self/self-mastery, and social mastery/spiritual presence. She says that “spiritual intelligence comes down to this essential question: Who is driving your life? Is the calmer, wiser “Higher Self” in charge, or are you driven by an immature, short-sighted ego and/or the beliefs and ideals of others?” (Wigglesworth 2010 p.13). She goes on to say that spiritual intelligence helps us mature the ego and allow our Higher Self to drive the car of our life, while ego sits in the passenger seat. Wigglesworth developed the “SQ21” spiritual intelligence assessment instrument.

Several studies have been done to uncover the virtues leaders and managers actually have. The most influential theory is based upon the thinking of Fry (2005) who extended Spiritual Leadership Theory by exploring the concept of positive human health and well-being through recent developments in workplace spirituality, character ethics, positive psychology, and spiritual leadership, as can be seen in Figure 1, as follows.

Figure 1. Hypothesized Causal model of spiritual leadership theory



Therefore, the seven types of virtues expected to be found as traits within any healthy organization would be as depicted in Table 1, as follows.

**Table 1**  
**Seven Types of Virtues**

1. **Vision** – describes the organization journey and why we are taken it; defines who we are and what we do.
2. **Hope/Faith** – the assurance of things hoped for, the conviction that the organization's vision, purpose, mission will be fulfilled.
3. **Altruistic Love** – a sense of wholeness, harmony, and well-being produced through care, concern, and appreciation for both self and others.
4. **Meaning/Calling** – a sense that one's life has meaning and makes a difference.
5. **Membership** – a sense that one is understood and appreciated.
6. **Organizational Commitment** – the degree of loyalty and attachment to the organization.
7. **Productivity** – efficiency in producing results, benefits, or profits.

Source: Adapted from Fry (2005).

### **The Importance of Values and Virtues**

Values and the practice of virtues will affect not only the perceptions of appropriate ends, but also the perceptions of the appropriate means to those ends. From the concept and development of organization strategies, structures, and processes to the use of leadership styles and the evaluation of subordinate performance, value and virtue systems will be persuasive. Fiedler (1967) came up with a leadership theory based upon the argument that managers cannot be expected to adopt a particular leadership style if it is contrary to their value orientations.

An influential theory of leadership (Covey, 1990) is based upon four dimensions: personal, interpersonal, managerial, and organizational. Not by accident the personal dimension is considered the core dimension. Incidentally it encompasses the value profile of the individual.

Tannenbaum and Schmidt (1973) suggested that there are at least four internal forces that influence a manager's leadership style: value system, confidence in employees, personal inclinations, and feelings of security in an uncertain situation. Again, value system plays an important role. In short, people decide according to the value system they espouse, in other words values and attitudes are important because they may shape behavior, and behavior will influence people.

### **Organizational Culture**

One of the broadest studies on organizational culture in the world was carried out at the end of the 1970s. The ILO (International Labor Office), headquartered in Geneva, asked Professor Hofstede and a group of experts to carry out a study on work-related cultural differences in over 50 countries throughout the world and to find out how such differences affect the validity of management techniques and their philosophy in different countries.

The result achieved was that management should adapt itself to local conditions, mainly as to a country's cultural and social values, traditions and systems.

Sometime later, and basing themselves mainly on Hofstede, Barros & Prates (1996) carried out a study on the main cultural traits present in Brazilian organizations by surveying the perception of 2500 executives and managers from large, mid and small-sized companies in the Southeast and the South of Brazil. The Barros & Prates paper (1996) studied local cultural traits within a Brazilian environment.

The study showed that managers brought a management style that reflected the characteristics of local culture into their organizations.

The current study is based on the model proposed by Barros & Prates and it seeks to create a methodology to draw the cultural profile of an organization and analyze how it is used in the company's strategic analysis. From such an analysis we then make recommendations for the organization that is being studied.

An organization's development is closely linked to its cultural development. A company's values, beliefs, rites, myths, laws, technology, morals, work and management are all molded on the society it is inserted in through its historic and anthropological makeup.

According to Bethlem (1999), people are culturally different, as they have received different influences through education and thus they have a diverse set of motives and

goals. Among the greatest challenges facing managers are (1) adapting the company to the external environment and (2) internal integration for organizational performance.

The problem focused on this study is the inexistence of data that refers to aspects of culture in organizations that can contribute to strategic planning, mainly during the stage of strategic analysis. As we currently live in a society whose markets are very much in evidence, a moment that is characterized as the age of information, a time when changes are happening at great speed, companies must have a culture of great flexibility to face problems related to uncertainty that are generated by this society that grows increasingly demanding, mainly as to adapting itself to the characteristics of the environment. Strategic planning has been a very useful tool and it helps company managers very much. As this planning goes through a stage of internal analysis, we intend to use this research to prepare a methodology to measure the elements that make up organizational culture, as they are very important for the company's internal integration. In many cases, cultural barriers are established, and these will constitute a true bottleneck to organizational performance.

According to Tylor, cited by Willens (1962), culture is "that complex whole that includes knowledge, beliefs, the arts, morals and customs, as well as all the capabilities acquired by man as a member of society".

Everything we can imagine is part of a society's culture. Therefore, this complex whole led Edward B. Reuter, cited by Lenhard (1982), to propose to organize cultural content by segmenting it, as below:

a – **material culture** - instrument and equipment building and handling tools.

b - **manifest social behaviors patterns** – just as when dealing with material objects, so it is when sharing experiences among people, as members of any society need a greater or a lesser, but not always a large number of skills and routines on how to carry out their activities;

c - **mental patterns** - behavior techniques and standards do not exist by themselves, but they serve the needs and desires of Man. Such desires produce feelings and attitudes in relation to objects (material, social and nonmaterial), which, by turn, are traditional for the most part and, although rooted in individual minds, are culturally conformed. Society attributes value to certain objects (that is, it bears feelings and attitudes in relation to them) and such consensus is essential to its cohesion. It is therefore important to transmit it to the new generations.

d - **social organization** - a ranking of positions and social relations, rules and values, power distribution, institutions such as the family and organizations, property, the state, etc., ensures a properly balanced society.

e - **symbolic elements** - symbols are perceptible phenomena that are socially used to mean that which is inaccessible to the senses. Every society has a system of communication and thought symbols that include oral and written language and the special languages of mathematics, logics, etc., that is, the sensorial phenomena to which abstract meanings are attributed; and

f - **thoughts organization** - scientific, philosophic and religious systems built through symbols that stem from a society but that do not identify themselves with this society's system of feelings, attitudes and values.

According to Freitas (1991), culture is "something that is shared in the minds of the members of the community, such as the beliefs, values and ideas that people support in common". Bethlem corroborates with Freitas by citing the definition of culture according to

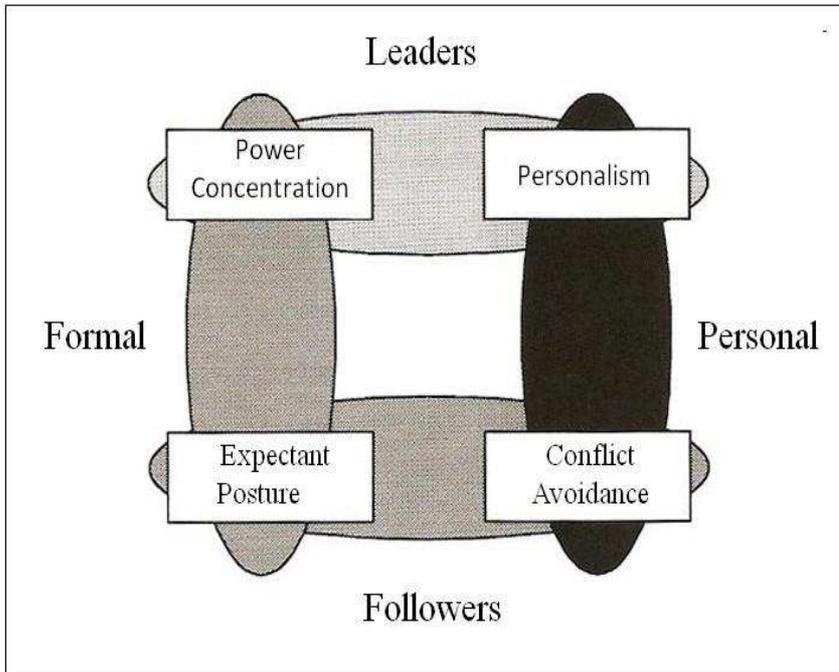
the ILO study, which states that "culture is defined as the collective programming of the mind that distinguishes the members of one group from those of another".

The current study sought to use the main organizational culture traits observed by Barros & Prates (1996) in their work, which proposes "a cultural action model in business management". This model is based on reflections on the reading about Brazilian culture (DaMata, 1984, 1987; Barbosa, 1992), as well as on the theme of national cultures (Hofstede, 1980; Bolinger & Hofstede, 1987) and on the results of a survey about the main cultural traits present in Brazilian companies from the perception of 2500 executives and managers from 520 from large, mid and small-sized companies in the Southeast and the South of Brazil. The traits observed will be used in this research and they are: Power Concentration, Flexibility, Paternalism, Personal Loyalty, Personalism, Impunity, Conflict Avoidance, Expectant Posture and Formalism.

### **2.1. The Barros & Prates Model**

The model proposed aims to deal with Brazilian culture in business management as a way to understand cultural action in an integrated way. This means that, when thinking about modeling Brazilian culture one must take into account not only the typical cultural trait in an isolated way and describe it but, mainly, its integration with other traits. This will lead to a cause-and-effect network within which those traits will influence each other mutually. From such a perspective, this Brazilian cultural action model was proposed for business management - a model of the Brazilian management style that portrays a multi-faceted cultural system with various facets, but one that acts simultaneously through several components. The model can be characterized as a system made up by four subsystems: the institutional (or formal) one, the personal (or informal) one, the one of the leaders, and that of those who are led, each one presenting common cultural traits and also special traits that articulate the set as a whole.

These subsystems intersect each other at various points where common cultural traits can be found. There are four intersections which are characterized by power concentration, personalism, expectant posture and conflict avoidance, distributed thus: 1) power concentration in the intersection of the leader and formal subsystems; 2) expectant posture in the intersection of the followers and formal subsystems; 3) personalism in the intersection of the leaders and personal; 4) conflict avoidance in the intersection of the followers and personal subsystems, according to Figure 1.



*Figure 1 - Common cultural traits stemming from the intersection of subsystems*  
 Source: PRESTES, Fernando C.; CALDAS, Miguel P., 1997.

These subsystems are also articulated through special cultural traits that, on final analysis, are the ones responsible for the whole system not rupturing. At the same time, these are the points that should alter in degree or nature so as to achieve effective change. Such traits are Paternalism, Personal Loyalty, Formalism and Flexibility. To complete the list of the most important Brazilian traits we should highlight Impunity in the institutional subsystem (formal), which bears strong reflexes on the Brazilian cultural action system, as it can reinforce or undermine the maintenance and stability of the whole system.

The combination of all the traits cited is what makes up and operates the model called Cultural Action System, as shown in Figure 2.

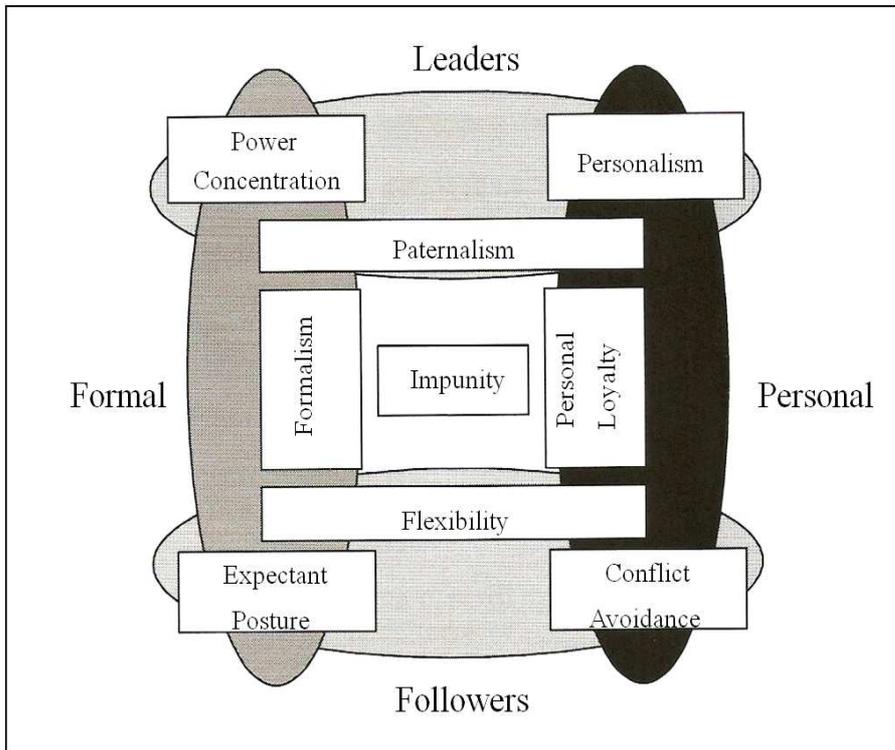


Figure 2 - An integrated vision of the proposed model Cultural Action System  
Source: PRESTES, Fernando C.; CALDAS, Miguel P., 1997.

### Research Questions

The study sought to answer the following research questions:

1. How the practice of virtues, in the involved organizations, is perceived by their executives?
2. What is the virtuous leadership index of the involved organizations?
3. What is the cultural profile of the researched organizations?
4. What is the average cultural adequacy index of the organizations involved in the research?
5. Is there a relation between virtuous leadership and organizational culture?

### METHODOLOGY

#### Sampling

It has been randomly selected 400 executives involving 48 organizations operating in Brazil and South America, encompassing medium and large size ones. Most of them were organizations in the fields of consumer electronics, vehicles, health care, paper and packing, mechanical and electrical components, transportation and logistic, virgin media, telecommunications, white goods, service, energy, IT, supermarkets, clothes, shoes, graphics, departmental stores, office material, individual protection equipment, and cell phones. Most of the executives were Brazilians (366) and some foreigners (34), being 142 females and 258 males with ages varying from 28 up to 48.

### Data Gathering

In order to uncover the **virtuous leadership index - VLI** of each researched organization a Likert-type attitudinal measurement instrument was developed as shown in Appendix A. The instrument covered several aspects: vision, hope/faith, altruistic love, meaning/calling, membership, organizational commitment, and productivity. The Recurrence Table (Appendix B) shows the considered items per virtuous categories allowing the computation of the average score for each one of the seven virtues as can be seen in Table 2. The instrument was statistically validated in terms of items and reliability, being the general average rating per item across the respondents 2.43 (scale end points 1 to 4), and the instrument reliability was 82% (the split-half technique was used, Schmidt, 1975), considering in both tests only the validated items. The computation of the virtuous leadership index (VLI) has been done for each one of the researched organizations, as can be seen in Table 5. The VLI, per organization, is computed dividing the general average of the approved items of the instrument per four (maximum of the scale) and multiplied per 100 having the results in percentage varying from zero to 100.

To measure the **organizational culture**, and its adequacy, of the researched companies a closed instrument of Likert (1932) type was used covering the nine traits of the Barros and Prates model. The instrument was validated in terms of statement and reliability. The cultural adequacy index was computed taking into consideration the number of traits with adequate scores divided by the total number of traits considered in the instrument in percentage. Adequate scores are those under two for all the traits, except for one trait, namely Flexibility.

### FINDINGS AND ANALYSES

To answer the first research question, the average scores of the respondents were computed taking into consideration each one of the seven virtues orientations considered in the measuring instrument, as shown in Table 2.

**Table 2**  
**Virtuous Leadership Profile of a Sample of Executives (N=400)**

| Virtues                   | Average Score<br>(1 to 4) |
|---------------------------|---------------------------|
| Vision                    | 2.8                       |
| Hope/Faith                | 1.5                       |
| Altruistic Love           | 1.2                       |
| Meaning/Calling           | 1.5                       |
| Membership                | 3.3                       |
| Organizational Commitment | 3.1                       |
| Productivity              | 3.6                       |

Source: Research Data.

N= sample size

The Virtuous Leadership Index considering all 48 organizations together is 61% (general average/ $4 \times 100 = 2.43/4 \times 100$ ). There is plenty of space to improve, once in the cases of opinion surveys a world class score would be  $\geq 85\%$ . On the other hand, Table 2 depicts that this sample of executives obviously values Productivity, Membership and Organization Commitment more highly than Altruistic Love, Hope/Faith, and Meaning/Calling. On the other hand, the results are in terms of group averages; individual executives may have responded differently from the group. In any way Table 2 shows a lack of balance in terms of executives' personal virtuous profile, and, consequently, in their decision process they will value more highly the predominant ones.

Regarding the third research question Figure 6 shows the averages for the nine considered traits: power concentration, personalism, paternalism, expectant posture, formalism, impunity, personal loyalty, conflict avoidance, and flexibility.

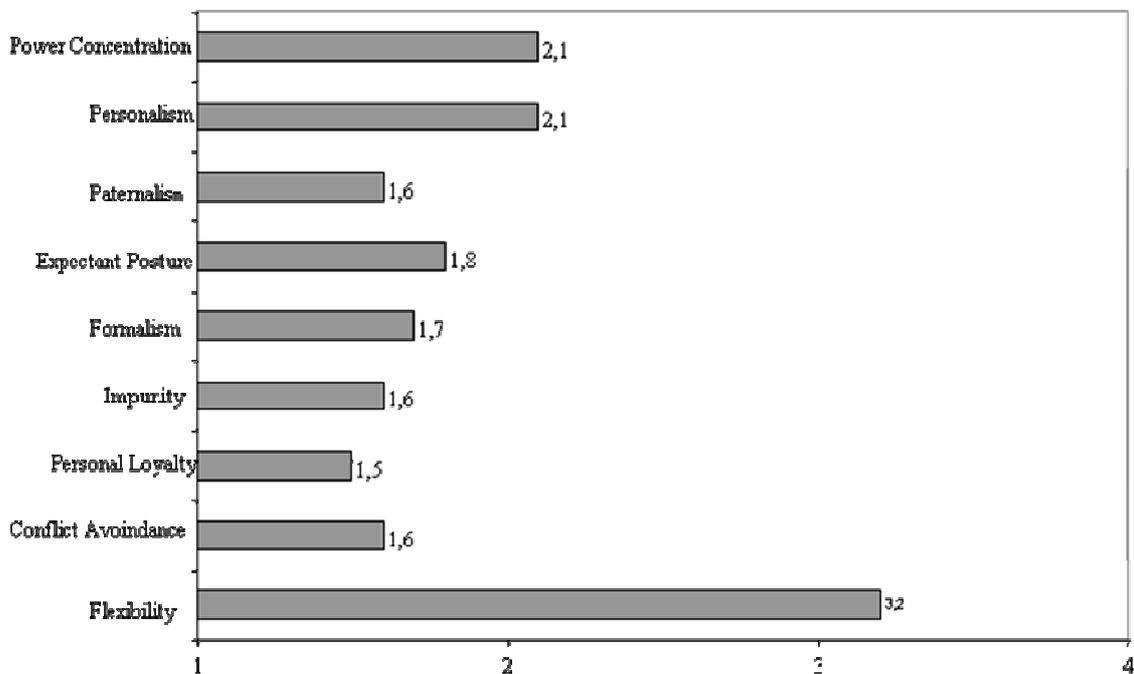


Figure 6 – Executives' attitudinal profile by dimension

Source: Research Data.

Figure 6 shows that the means for six dimensions paternalism, expectant posture, formalism, impunity, personal loyalty, and conflict avoidance, can be found in the low preponderance zone, that is, means between 1.00 and 1.99.

The dimensions power concentration and personalism can be found in the average preponderance zone, that is, their means varied between 2.0 and 2.99. The flexibility dimension can be found in the high preponderance zone, as its score laid between 3.0 and 4.0. From Figure 6 one can compute the cultural adequacy index following the methodology, As we have seven traits with convenient scores among nine, therefore the cultural adequacy index of the composite organization was 78%, slightly below the

desirable (80%). The result has shown an inadequate average organization cultural index, which is very negative as far as innovation activities are concerned, once power concentration, for instance, leads to lack of participation of the stakeholders on the innovation process.

Finally, to verify if there was a relation between: a) **virtuous leadership index (VLI) and cultural adequacy index (CAI)**, per organization, the linear correlation coefficients involving the set of paired data were computed. Table 3 presents the computations regarding the 48 organizations involved in the research.

**Table 3**  
**Cultural Adequacy Index and Virtual Leadership Index**

| <b>Nbr.</b> | <b>SECTOR</b>        |      | <b>CAI (%)</b> | <b>VLI (%)</b> |
|-------------|----------------------|------|----------------|----------------|
| 1           | Health Care          | O 1  | 44             | 50             |
|             |                      | O 2  | 55             | 55             |
|             |                      | O 3  | 55             | 55             |
|             |                      | O 4  | 66             | 60             |
| 2           | Paper & Packing      | O 5  | 77             | 80             |
| 3           | Mechanical Parts     | O 6  | 44             | 50             |
| 4           | Electrical Parts     | O 7  | 55             | 60             |
|             |                      | O 8  | 77             | 60             |
| 5           | Transport/Logistic   | O 9  | 44             | 50             |
|             |                      | O 10 | 66             | 80             |
|             |                      | O 11 | 55             | 60             |
| 6           | Consumer Electronics | O 12 | 44             | 50             |
|             |                      | O 13 | 66             | 80             |
|             |                      | O 14 | 67             | 85             |
|             |                      | O 15 | 77             | 85             |
| 7           | Vehicles             | O 16 | 55             | 70             |
| 8           | Virgen Media         | O 17 | 44             | 50             |
| 9           | Info Technology      | O 18 | 77             | 70             |
|             |                      | O 19 | 78             | 75             |

|    |                       |      |    |    |
|----|-----------------------|------|----|----|
|    |                       | O 20 | 66 | 87 |
|    |                       | O 21 | 44 | 60 |
| 10 | Service               | O 22 | 67 | 60 |
|    |                       | O 23 | 66 | 50 |
|    |                       | O 24 | 77 | 80 |
| 11 | Physical Distribution | O 25 | 67 | 60 |
| 12 | Car dealer            | O 26 | 55 | 50 |
| 13 | Language School       | O 27 | 55 | 50 |
| 14 | Banking               | O 28 | 66 | 60 |
|    |                       | O 29 | 77 | 60 |
| 11 | Supermarket           | O 30 | 44 | 40 |
|    |                       | O 31 | 67 | 85 |
| 12 | Telecom               | O 32 | 55 | 60 |
|    |                       | O 33 | 66 | 65 |
|    |                       | O 34 | 55 | 50 |
| 13 | Clothes               | O 35 | 66 | 70 |
|    |                       | O 36 | 67 | 85 |
| 14 | Shoes                 | O 37 | 56 | 70 |
|    |                       | O 38 | 66 | 87 |
| 15 | Graphics              | O 39 | 56 | 50 |
|    |                       | O 40 | 66 | 50 |
| 16 | White Goods           | O 41 | 45 | 60 |
| 17 | Software House        | O 42 | 67 | 65 |
| 18 | Construction Material | O 43 | 55 | 50 |
| 19 | Hotel Chain           | O 44 | 77 | 80 |
| 20 | Office Material       | O 45 | 78 | 85 |
| 21 | Protection Equipment  | O 46 | 44 | 50 |
| 22 | Fabrics               | O 47 | 45 | 55 |
| 23 | Departmental Store    | O 48 | 55 | 50 |

O = Organization, CAI = Cultural Adequacy Index, and VLI = Virtuous Leadership Index

Source: Research Data.

The linear correlation coefficient was computed considering the set of paired data involving all the 48 organizations, being **virtuous leadership index** one variable, and **cultural adequacy index** the other. The result was a linear correlation coefficient of +0.70, which suggests, according to Schmidt (1975), a moderate degree of positive relation between the two considered variables.

## CONCLUSIONS AND RECOMMENDATIONS

### Conclusions

The following conclusions were reached based on the research:

1. The study has shown that the executives involved in the research have an unbalance perception regarding the practice of virtues within the researched organizations; and, even worse, the Virtuous Leadership Index considering all 48 organizations together is 61%. There is plenty of space to improve, once in the cases of opinion surveys a world class score would be  $\geq 85\%$ . On the other hand, Table 2 depicts that this sample of executives obviously values more highly Productivity, Membership and Organization Commitment ends than Altruistic Love, Hope/Faith, and Meaning/Calling, which are means to influence people to bring motivation from within leadership. These findings can be partially explained because the great majority of the executives of the sample (72%) belongs to the Generation X (ZEMKE et al., 2000), the survival generation with a casual approach to authority, and, on the other hand, the virtues practice, or spiritual intelligence, is associated with religions, which is somewhat “old-fashioned” for most of this generation. In any way this is the moment to face this problem. If we really want to have leaders with traits such as: responsible influence, people centered, showing coherence between attitudes and actions, and fecundity leading the process of assuring progress, then we need to work hard in order to develop knowledge for better understand and influence leaders’ personal values, attitudes and behavior.
2. Regarding the cultural aspects the results of the analyses indicated the preponderant traits, based on the model proposed in the study. The Flexibility dimension showed the greatest preponderance, thus indicating that there is great flexibility within the companies. This means that the organizations have great capacity to adapt themselves to the circumstances of the environment, which can be a positive point when we consider that, currently, society has been undergoing constant and fast changes that demand that organizations be agile so they can meet the demands of the environment. Personal Loyalty was the dimension that showed the least preponderance. It means that the executives who took part in the research are more loyal to the organization than to their leader. Thus, personal relations at the workplace remain in the background, which makes for a healthy environment from the point of view of motivation and collaboration. Power concentration is present, which means that some executives still impose their will through traditional legal power and their hierarchical positions, leading to expectant posture which will create difficulties to release new ideas and innovation. Another undesirable trait is personalism, which appears with moderate preponderance, once it may lead to personal loyalty.

Some actions are needed to reduce some of the negative cultural aspects that are present within the environment of the researched organizations.

The following actions are deemed to be necessary to achieve the above-mentioned objectives:

a. Power Concentration: create a culture where power is not concentrated, where an executives' authority is not only based on rational legal power, on hierarchy-subordination, on the threat of sanctions and punishment, but also include other variables such as knowledge, performance, and autonomy, enhancing participation.

b. Personalism: in their dealings with their subordinates, keep leaders from emphasizing relationships focused on the figure of the leader, either through their discourse or their power from being linked to other influential people in the company.

c. Paternalism: keep leaders from acquiring the hierarchical and absolute power culture imposed from top to bottom with traditional acceptance by its members, as this will create dependence, fewer freedom and less autonomy for the group.

d. Expectant Posture: keep leaders from displaying expectant posture, which is generated by developing bossing, protectionist and dependent practices represented by paternalistic solutions. This must be done by practicing dialogue, power balance, critical awareness, incentives to take initiative, greater freedom and autonomy to act, and responsible acts.

e. Formalism: resist formalism culture in the company by having everyone follow internal norms and regulations. Practice what has been set down in company regulations. Avoid nepotism, favoritism, and corruption. Avoid situations in which established criteria are ignored in deference to greater business mobility.

Whenever there is a gap between fact and right, use common sense in a shared way.

f. Impunity: avoid the impunity culture - the company should make an example of all those who break internal norms and guidelines.

g. Personal Loyalty: resist the personal loyalty culture by giving more value to the company's needs than to those of the leader. That is, centralize needs into the representation of the company. Strengthen the company by making compliance to norms an impersonal issue.

h. Conflict avoidance: resist the conflict avoidance culture by creating an environment that fosters empowerment, independence, and autonomy in leaders. This will probably create an environment that is less alienating and passive while, at the same time, it will lead to improved motivation and initiative on the part of the employees. Conflict situations should be dealt with through institutional relations.

i. Flexibility: maintain a position of flexibility. As the world is currently very dynamic, the speed of changes demands that companies should almost routinely adapt themselves to the conditions of the environment (the market). Thus, they should remain agile to adjust both their internal and external processes to produce all kinds of innovations.

## **Recommendations**

### **General**

A certain number of initiatives should be taken to improve the development of leaders aiming at the establishment of a new society:

- a) to address issues such as leadership in society's educational efforts as from the early childhood in order to prepare the new generations for the responsible practice of a leadership primarily focused on people and their professional and personal needs.
- b) the hour of choice is now ; in order to assure that 2/3 of mankind, with poor quality of living, will receive a fast and effective attention from the leaders of today and tomorrow, we need to speed up the process of the democratization of the concept of leadership, that is to say, we need to make leadership accessible to people from all disciplines, all ages and everywhere; and
- c) let all of us stimulate and support such organizations as the United Nations (UNESCO) and all the educational system worldwide in continuing to multiply and flourish in terms of projects and decisions towards the human society development, assuring convergence of the business world, the political institutions, and the civil society; however, we must realize that this will only be possible if all the parts involved are agreed on the basic values and purposes underlying their projects and decisions (actions) – true union (heart to heart) will be a must.

### **Specific**

The samples used in the study were rather small, therefore any extrapolation from the results of the research must be done with caution.

In future studies of the same nature a 360 degree appraisal, as far as leadership style , style flexibility and leadership effectiveness are concerned , would be highly recommended.

Additional research of the same nature involving bigger sample sizes and conducted in other cultures is highly recommended.

## **APPENDIX A VIRTUOUS LEADERSHIP SURVEY**

### **Objectives:**

The objective of this survey is to measure your perception of the practice of virtues within the organizational environment.

### **Methodology:**

The survey presents you with some statements that you must read very carefully and then choose only one of the possible alternatives as your answer, namely:

**SA** – I strongly agree. You totally agree that this statement represents the reality of your workplace.

**IA** – I am inclined to agree. You tend to agree that this statement represents the reality of your workplace.

**ID** – I am inclined to disagree. You tend to disagree that this statement represents the reality of your workplace.

**SD** – I strongly disagree. You totally disagree that this statement represents the reality of your workplace.

### **Results:**

Results will be statistically analyzed later and then published.

Thank you very much for your help.

Please answer sincerely and rest assured that your answers will be kept in strict confidence.

|  | <b>SA</b>                | <b>IA</b>                | <b>ID</b>                | <b>SD</b>                |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| 1. I understand and am committed to my organization's vision.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. I have faith in my organization, and I am willing to "do whatever it takes" to insure it accomplishes its mission.        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. My organization really cares about its people.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. The work I do is very important to me.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. I feel my organization understands my concerns.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. I do not feel like "part of the family" in this organization.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Everyone is busy in my working area; there is little idle time.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. My work group has a vision statement that brings out the best in me.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. I persevere and exert extra effort to help my organization succeed because I have faith in what it stands for.            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. My organization is kind and considerate toward its workers, and when they are suffering, wants to do something about it. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. My job activities are personally meaningful to me.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. I feel my organization appreciates me, and my work. .  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13. I would be very happy to spend the rest of my career with this organization.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14. In my working area, work quality is a high priority for all workers.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 15. My organization's vision inspires my best performance.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16. I always do my best in my work because I have faith in my organization and its leaders.                                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 17. The leaders in my organization "walk the walk" as well as "talk the talk".   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 18. The work I do is meaningful to me.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 19. I feel highly regarded by my leadership.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 20. I talk up this organization to my friends as a great place to work for.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 21. In my working area, everyone gives his/her best efforts.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

22. I have faith in my organization's vision for its employees.
23. I set challenging goals for my work because I have faith in my organization and want us to succeed.
24. My organization is trustworthy and loyal to its employees.

|  | <b>SA</b>                | <b>IA</b>                | <b>ID</b>                | <b>SD</b>                |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| 25. The work I do makes a difference in people's lives.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 26. I feel I am valued as a person in my job.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 27. I really feel as if my organization's problems are my own,   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 28. My work group is very productive.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 29. My organization's vision is clear and compelling to me.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 30. I demonstrate my faith in my organization and its mission by doing everything I can to help us succeed.                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 31. The leaders in my organization are honest and without false pride.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 32. I feel my organization demonstrates respect for me, and my work.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 33. I feel very loyal to this organization.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 34. My work group is very efficient in getting maximum output from the resources (money, people, equipment, etc.) we have available. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 35. The leaders in my organization have the courage to stand up for their people.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 36. I feel a strong sense of belonging to my organization.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Please check that you have answered all the statements!

Please write, in the space below, the remarks you believe are important.

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As we have already mentioned, your answers will be kept in confidence. However, it is important that you should define the area you work in.

**Area:**

## RECURRENCE TABLE

| DIMENSIONS                   | STATEMENTS            |
|------------------------------|-----------------------|
| 1. Vision                    | 1, 8, 15, 22, 29      |
| 2. Hope/Faith                | 2, 9, 16, 23, 30      |
| 3. Altruistic Love           | 3, 10, 17, 24, 31, 35 |
| 4. Meaning/Calling           | 4, 11, 18, 25         |
| 5. Membership                | 5, 12, 19, 26, 32     |
| 6. Organizational Commitment | 6, 13, 20, 27, 33, 36 |
| 7. Productivity              | 7, 14, 21, 28, 34     |

Remark: The recurrence table above allows us to calculate the average points per dimension on the instrument by calculating the average of the averages per validated statement in the instrument. Points scale extremes are 4 (Strongly agree) and 1 (Strongly disagree).

## **APPENDIX B**

### **INSTRUMENT TO MEASURE ORGANIZATIONAL CULTURE**

#### **Objective**

The objective of this research is to measure your perception of your company's Organizational Culture.

#### **Instructions**

The research presents some statements that you should read very carefully. After that please mark only one of the possible alternatives:

**STRONGLY AGREE (SA):** you strongly agree that the statement portrays the reality of your workplace.

**INCLINED TO AGREE (IA):** you tend to agree that the statement portrays the reality of your workplace.

**INCLINED TO DISAGREE (ID):** you tend to partially disagree that the statement portrays the reality of your workplace.

**STRONGLY DISAGREE (SD):** you totally disagree that the alternative portrays the reality of your workplace.

#### **Observations:**

1. No answer is right or wrong. What is important is to know what you think about each statement that is presented.
2. Please mark only one answer to each statement.

3. Please make sure you have considered all 27 statements.

4. Should you have any doubts before or while you are filling out this instrument, please consult the survey supervisor.

### MEASURING ORGANIZATIONAL CULTURE

|  | Strongly agree | Inclined to agree | Inclined disagree | Strongly disagree |
|--|----------------|-------------------|-------------------|-------------------|
| 1. My authority as a leader is based on the power coming from my position in the organization's hierarchy.   |                |                   |                   |                   |
| 2. Under my leadership people are involved and motivated more by our discourse and my charisma.  |                |                   |                   |                   |
| 3. I exert authority by emphasizing the organization's hierarchy, and I expect employees to obey this.   |                |                   |                   |                   |
| 4. I carry out my work without freedom of action or autonomy.  |                |                   |                   |                   |
| 5. I exert authority based on internal norms, without fully following them   |                |                   |                   |                   |
| 6. The organization wants sanctions and punishment to be determined for those who do not collaborate, but I let it be and look for an excuse not to do this. |                |                   |                   |                   |
| 7. I exert my authority by giving greater importance to the group than to the company as a larger system.  |                |                   |                   |                   |
| 8. In a meeting of executives, I have low motivation because I have no power of decision.  |                |                   |                   |                   |
| 9. During company reorganizations I have great capacity to learn and adapt to what is new.   |                |                   |                   |                   |
| 10. I exert my authority by determining sanctions and punishment for those who do not obey me or the rules.  |                |                   |                   |                   |
| 11. I can exert authority because I have links to important and influential people in the company.   |                |                   |                   |                   |
| 12. If my authority is not respected, the ones who have rebelled can be excluded from the company.   |                |                   |                   |                   |
| 13. The environment in my area is one where people depend on the leaders.  |                |                   |                   |                   |
| 14. There are situations when norms are not being followed, sometimes by my superior and sometimes by  |                |                   |                   |                   |

|  |  |  |  |  |
|--|--|--|--|--|
| me.  |  |  |  |  |
| 15. I can determine sanctions and punishment, but I try to get away from regulations and try to find another solution.                       |  |  |  |  |
| 16. I recognize the person who is the leader of the work group as being more important than the company.                                     |  |  |  |  |
| 17. I exert leadership without much questioning because I do not have the power to decide.   |  |  |  |  |
| 18. My management style is flexible in relation to cooperation with people from different sectors.   |  |  |  |  |
| 19. My position in the company gives me the authority needed to direct my work activities.   |  |  |  |  |
| 20. I exert authority because I have access to information that is important to others.  |  |  |  |  |
| 21. I position myself in relation to my staff as a parental figure who they must obey.   |  |  |  |  |
| 22. I have low initiative, little capacity to perform through self-determination, and that is so because I receive orders from my superiors. |  |  |  |  |
| 23. Sometimes there are situations when norms are only partially followed.   |  |  |  |  |
| 24. I can determine sanctions and punishment for those who do not collaborate, but I let it be because they are friends of mine.             |  |  |  |  |
| 25. The trust shown to the group leader is more important than that shown to the company.  |  |  |  |  |
| 26. I exert my leadership passively and with little initiative because I am not encouraged to be a leader.                                   |  |  |  |  |
| 27. My management style is flexible in relation to fulfilling the demands of the position.   |  |  |  |  |

Should you wish to do so please use this space to write down additional remarks.

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Thank you very much for your kind attention.

This survey is important so that the company's organizational culture can be better understood.

Remark: The recurrence table that follows allows us to calculate the average points per dimension on the instrument by calculating the average of the averages per validated statement in the instrument. Points scale extremes are 4 (Strongly agree) and 1 (Strongly disagree).

| DIMENSIONS             | STATEMENTS |
|------------------------|------------|
| 1. Power concentration | 1, 10, 19  |
| 2. Personalism         | 2, 11, 20  |
| 3. Paternalism         | 3, 12, 21  |
| 4. Expectant posture   | 4, 13, 22  |
| 5. Formalism           | 5, 14, 23  |
| 6. Impunity            | 6, 15, 24  |
| 7. Personal loyalty    | 7, 16, 25  |
| 8. Conflict avoidance  | 8, 17, 26  |
| 9. Flexibility         | 9, 18, 27  |

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