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A comparative study of leadership skill requirements across sales, human resource and finance functions

Ronald P. Conlin

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Pepperdine University

Graduate School of Education and Psychology

A COMPARATIVE STUDY OF LEADERSHIP SKILL REQUIREMENTS

ACROSS SALES, HUMAN RESOURCE AND FINANCE FUNCTIONS

A dissertation submitted in partial satisfaction

of the requirements for the degree of

Doctor of Education in Organizational Leadership

by

Ronald P. Conlin

April, 2016

Farzin Madjidi, Ph.D. – Dissertation Chairperson

This dissertation, written by

Ronald P. Conlin

under the guidance of a Faculty Committee and approved by its members, has been submitted to and accepted by the Graduate Faculty in partial fulfillment of the requirements for the degree of

DOCTOR OF EDUCATION

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VITA

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Summary of Qualifications

Possesses strong understanding of marketing and business principles. Has proven track record of successfully applying these principles in the classroom and in business.

Possesses the combination of C-Suite client presence and expert research acumen. As Partner, played an integral role in J.D. Power and Associates 600 percent growth in revenues. Was a primary executive at JD Power to address the media.

Professional **J.D. Power and Associates, Westlake Village, California**
Experience   *Partner, Emerging and Service Industries*

Spearheaded the development of new markets. In a ten month period led the successful (and profitable) expansion into the accounting, office equipment and consumer electronics industries. During the past two years sold multi-million dollar programs to Services Corporation International ($3.0 million) and Waste Management Inc ($1.8 million). Developed the proprietary consulting Voice of the Customer Proficiency methodology. January 2003 to the present.

Pepperdine University, Visiting Professor
2008 to the present. Have taught Principles of Marketing, Marketing Research, International Marketing and Marketing Strategy.

Pepperdine University, Adjunct Professor
2005 to the 2008. Taught Marketing Research.

J.D. Power and Associates, Agoura Hills, California
Partner, Corporate Research Director

As the Firm's chief methodologist, responsible for the establishment and implementation of worldwide research standards. Other responsibilities include, new product development (including new CSM and Brand Equity Models) and client consultation. Developed the training curriculum for market research design and implementation training. Played an integral role in the Firm's global expansion and Internet research initiatives. Was the ISO 9000 Executive Representative driving the organization to a successful ISO 9000 Registration. January 1999 to January 2003.

J.D. Power and Associates, Agoura Hills, California
Partner, Research Director

As the head of J.D. Power and Associates largest business unit, played an integral role in the Firm's 258% growth in revenues over a three-year

span. Profit and loss responsibility. Duties include responsibility for sales and marketing, product development and operations. Managed a staff of 80 professionals. July 1995 to January 1999.

The Goodyear Tire and Rubber Company, Akron, Ohio
Manager, Market Planning and Research
Responsible for coordinating all strategic market planning efforts for Consumer, Commercial, Farm and Off-Road products and services. Managed the activities and development of a staff of seven professionals (MBA required). September 1990 to July 1995.

The Goodyear Tire and Rubber Company, Akron, Ohio
Communications Research Manager
Responsible for the planning and evaluation of advertising for the Goodyear brand and Goodyear's chain of retail stores. April 1990 to September 1990.

ABSTRACT

The purposed of this quantitative study was to identify whether leadership skill requirements to perform one's job effectively varies by job function. This research focuses on leadership skill rather than other leadership constructs such as leadership traits because leadership skills can be developed and improved upon. Past research in this area has identified that leadership skill requirements vary by level within an organization (executive, middle management, lower management) but nothing exists examining by job function (Mumford, Campion, & Morgeson, 2007). In this research, the job functions examined were sales, human resources, and finance, and 146 interviews were completed. The results showed that certain softer leadership skills (listening and critical thinking) were more important leadership skills across all 3 functions. The findings also suggest that leadership skill requirements were not the same for the 3 job functions. Sales professionals required more interpersonal skill than their finance counterparts.

Chapter 1: The Problem

Background

As organizations in recessionary times struggle to accomplish more with fewer resources, the importance of effective leadership is clear. Current leaders are faced with the difficult task of competing in an increasingly global economy with substantial pressure to meet shareholder objectives (Dillon, 2011). To be effective, leaders seek to influence and inspire all stakeholders. This includes board members, shareholders, employees, suppliers, and customers.

Katz's (1974) seminal article on leadership stipulated that there are three basic dimensions of leadership skill: conceptual, technical, and interpersonal skill. Katz also stated that skill requirements differ based on organizational level. There now appears to be general acceptance of the leadership skills approach (Kouzes & Posner, 2002). Basic conceptual (business and strategic), technical, and interpersonal skills are required at various levels of organizations, yet scholars have criticized research in the area of leadership for lacking empirical examination (Taylor & Wright, 2004).

Mumford, Campion, and Morgeson (2007) developed a leadership strataplex framework. In their research of 1,023 professionals within the Occupational Information Network (O*Net), they found that leadership skill requirements vary by level (or stratum) of the leadership position within an organization. O*Net, developed by the U.S. Department of Labor, was formed to analyze job functions and requirements (Peterson et al., 1999).In their framework, they empirically demonstrated that higher level leaders require more strategic and conceptual skill compared to leaders in lower levels who require greater technical skill (Mumford et al., 2007).

Statement of the Problem

Despite the evidence from Mumford et al. (2007) demonstrating that leadership skill requirements vary by organizational level, critical questions remain. The strataplex framework has demonstrated that these skill requirement differences are consistent across organizations *horizontally*. It suggests that there is no interaction between functional area and organizational level. This assumes the same differences in leadership skill requirements from senior level to junior level are consistent whether it be in the sales organization or administrative functions like human resources or finance (Mumford et al., 2007). Additional empirical investigation is required to better understand whether leadership skill requirements vary among key organizational functions. An empirical examination of whether leadership skill requirements vary by the functional area in which the leader resides is lacking in the literature.

Purpose of the Study

The purpose of this study is to identify what differences, if any, exist between sales, finance, and human resource leaders with regard to cognitive, interpersonal, and business leadership skills.

Nature of Study

In this quantitative study, the variable *leadership skill requirements* will be measured by quantifying the extent cognitive, interpersonal, business, and strategic skills are required to perform the job function. The variable *job function* also will not be manipulated and will be measured by identifying what job function (sales, finance, human resources) the job title will fall. This comparative study will examine whether leadership skill requirements vary between job functions, using a cross-sectional tool of analysis.

Research Question

This is research is informed by the following research question:

To what extent, if at all, do differences exist between sales, finance and human resource leaders with regards to cognitive, interpersonal and business leadership skills?

Hypotheses

It is hypothesized that leadership skills requirements (cognitive, interpersonal, and business) will vary among sales, finance, and human resource leaders. Scholars have criticized that conceptualizations of leadership skills have not been given adequate empirical examination, despite the fact that here have been thousands of studies on leadership (Taylor & Wright, 1994). Mumford et al. (2007) showed that cognitive, interpersonal, business, and strategic skill requirements vary systematically by organizational level; however, little/no empirical examination of whether these skill requirements vary across organizational functions exists.

It is hypothesized that cognitive and interpersonal skill requirements will be higher for sales and marketing leaders than for human resource and finance leaders. In a review of predictors of sales person effectiveness, Vinchur, Schippmann, Switzer, and Roth (1998) indicated that statistically significant predictors of salesperson effectiveness ratings included general cognitive ability and extraversion. These two dimensions would appear to align with cognitive and interpersonal leadership skills.

It is hypothesized that business skill requirements will be higher for human resource professionals than for sales professionals. Human resource and finance leaders are more focused on enterprise issues compared to sales and marketing leaders who are more externally focused, routinely dealing with customer, retailer, and wholesaler issues. While no empirical data has

been collected to address this issue, this internal focus might suggest a greater need for strategic and business skill requirements.

Theoretical Framework

Past meta analysis has identified over 60 unique classification systems designed to define and explain the dimensions of leadership (Fleishman et al., 1991). This study encompasses the three most widely cited theoretical leadership frameworks: leadership traits, leadership styles, and leadership skills (Northouse, 2007).

Leadership trait approach. The trait approach suggests that specific, inborn characteristics make certain individuals uniquely qualified to lead. Lord, Devader, and Alliger (1986) conducted a meta-analysis and identified that intelligence, masculinity, and dominance as the key traits that related to how individuals perceived leaders. Zaccaro, Kemp, and Bader (2004) expanded leadership traits required to included self-confidence, integrity, and sociability. Sociability aligns with the interpersonal dimension of leadership skill. A criticism of the trait approach is that it is typically assessed from the follower perspective and this is often unrelated to the leader's skill or effectiveness (Judge, Piccolo, & Kosalka, 2009).

Leadership style approach. The leadership style approach focuses on the behavior of the leader and how it impacts followers. One of the best known models of leadership behavior is the Leadership Grid. Leadership Grid focuses on two dimensions to describe how leaders guide organizations to achieve their objectives: concern for production and concern for people (Blake & Mouton, 1985). Concern for production refers to the goals of the organization. Concern for people focuses on how a leader deals with individuals in an organization who are trying to reach and surpass organizational objectives. Examples of this concern could include (a) creating a positive and effective work environment and (b) building organizational commitment and trust.

Critics of the leadership style and trait approach point out that little validation of these approaches exist. Leadership styles and traits have not been adequately linked to performance outcomes (Yukl, 2008).

Leadership skills approach. The leadership skills approach is quite different from the trait and style approach. Whereas the trait approach focuses on personality traits that are considered innate and stable, the skills approach posits that skills can be developed (Katz, 1974). Katz's (1974) article on the skills approach to leadership identified three critical skills required for effective leadership: technical, human, and conceptual. Mumford, Zaccaro, Harding, Jacobs, & Fleishamn (2000) expanded upon the Katz model to include cognitive, interpersonal, business, and strategic skills.

An empirical examination of the skills approach was conducted by Mumford et al. (2007). This research suggested that (a) jobs at higher levels of organizations have greater overall leadership requirements, (b) cognitive skills are required most across all organization level, (c) interpersonal skills are required more than strategic and business skill, and (d) there is a stronger correlation between leadership requirements for business and strategic skill and organizational level than for interpersonal and cognitive skill requirements.

Operational Definitions

Leadership skill requirements. Leadership skill requirements are the skills needed to perform the job effectively. These include cognitive, interpersonal, business, and strategic skills, as operationalized below.

Cognitive skill. Cognitive skill consists of generalized cognitive ability and crystallized cognitive skills (Mumford et al., 2007). Generalized cognitive ability is the innate intelligence of the individual. High cognitive intelligence improves the probability that the leader will develop

more complex problem solving skills. Crystallized cognitive skills are the intellectual ability

gained with experience. It is acquired intelligence. Cognitive skill requirements will be assessed

using the same items used in Mumford et al. (2007) research: speaking (conveying information

effectively), active listening (listening to others and asking questions as appropriate), writing

(writing effectively based on the needs of the audience), reading comprehension (understanding

written sentences and paragraphs from work related documents), active learning (working with

new information and grasping its implications) and critical thinking (using logic and analysis to

identify strengths and weaknesses of different approaches. In the past, according to Mumford et

al. the internal consistency reliability of these six items' was .90.

  Interpersonal skill. Interpersonal skills are the ability of the leader to successfully

influence all levels of an organization whether it be a superior, a peer, or subordinate. It is

proficiency in working with others (Katz, 1974). Leaders with high human skills understand

people, how they behave and how to communicate with them. Leaders with strong human skills

would be described as having high emotional intelligence (Goleman, 1998). Interpersonal skill

requirements will be assessed using the same items used in Mumford et al. (2007) research:

social perceptiveness (being aware of others reactions and understanding the reasoning behind

their behavior), coordination (adjusting actions based on others' reactions), negotiation (bringing

others together to reconcile differences), and persuasion (persuading others to change their minds

or behavior). In the past, according to Mumford et al., these four items' internal consistency

reliability was .94.

  Business skill. Business skill requirements involve leadership skills related to the unique

functional area in which leaders work (Hambrick & Mason, 1984). Business skills involve the

management of material resources and operations analysis as leaders make decisions about

equipment procuring and allocation (Katz, 1974; Zaccaro, 2001). In addition, business skills involve the specific skills for managing people to identify, motivate, and cultivate individuals in their work (Luthans, Welsh, & Taylor, 1988). Finally, business skills include financial management of the functional unit (Katz, 1974).

Business skills will be measured using the same items used in Mumford et al. (2007) research: operations analysis (analyzing needs and product requirements to create a design), management of personnel resources (motivating, developing and directing people as they work), management of financial resources (determining how money will be spent to get the work done), and management of material resources (obtaining and seeing to the appropriate use of equipment, facilities and materials). In the past, the internal consistency reliability of these four items was .75.

Leadership skill requirements (cognitive, interpersonal, business, and strategic) and leadership function (human resources, finance, sales, and marketing) will be measured with the Occupational Information Network (O*Net) scales. The U.S. Department of Labor developed these scales (Peterson et al., 1999). O*Net's objective is to provide a complete and methodical measurement system for describing work. It achieves this by (a) utilizing multiple occupational descriptors, (b) utilizing cross job descriptors to provide a common language for different job titles, and (c) using a taxonomic approach. This data source can allow cross-domain and cross-occupation examinations of leadership skills (Mumford et al., 2007).

Leadership job functions. Leadership job functions will be defined using the Occupational Information Network (O*Net) job families. Each of the four functions will be identified by the job title in the O*Net database, as operationalized below.

Human resource function. Human resource management is the management of an organization's workforce (Ulrich, 1997). This function's responsibilities includes the selection, training, assessment, and rewarding of employees, while also ensuring compliance with employment and labor laws (Ulrich, 1997). Human resource leaders will be identified by possessing the following titles: Human Resources Director, Human Resources Vice-President, Human Resources Manager, Director of Human Resources, Employee Benefits Manager and Employee Relations Manager.

Finance function. The finance functions in large firms focus on cost control, operating budgets, capital budgeting, asset valuation and internal auditing (Desai, 2008). Finance leaders will be identified by possessing the following titles: Treasurer, Controller, Vice-President of Finance, Director of Finance and Financial Manager.

Sales function. The sales function is responsible for the selling of a product or service in return for money or other compensation (Selden, 1998). Sales leaders will be identified by possessing the following titles: Vice-President of Sales, Director of Sales, General Manager, Regional Sales Manager, District Sales Manager, Sales Manager, Senior Sales Representative.

Marketing function. The American Marketing Association (2012) defines marketing as "the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large." Marketing leaders will be identified by possessing the following titles: Vice-President of Marketing, Chief Marketing Officer, Marketing Director, Commercial Marketing Director, Commercial Marketing Specialist, Business Development Director.

Key Terms

  Leadership. According to Northouse (2007), four aspects of leadership are central to the phenomenon: leadership is a process; it involves influencing others, it happens in a group context; and, is focused on the achievement of goals.

  Leadership trait approach. The trait approach suggests that there are specific individual's unique inborn characteristics that make them uniquely qualified to lead. These traits differentiate these people from others. Lord et al. (1986) conducted a meta-analysis and identified that intelligence, masculinity, and dominance were the key traits that related to how individuals perceived leaders.

  Leadership style approach. The style approach emphasizes the behavioral aspects of the leader. The style approach reinforces the notion to leaders that how they behave in the relationships they develop and the tasks they perform has a significant impact on others. One of the best known models of leadership behavior is the Leadership Grid (Blake & Mouton, 1985).

  Situational approach. Situational approach focuses the specific situation and the appropriate corresponding leadership behavior. Different situations require the effective leader adapts his or her style. Based on the needs of the specific situation, such as the maturity of the subordinate, either a directive or supported style of leadership might be required (Blanchard, Zigarmi, & Nelson, 1993).

  Leadership skills approach. The leadership skills approach is quite different from the trait approach. Whereas the trait approach focuses on personality traits that are considered innate and stable, the skills approach posits that skills can be improved upon. The skills approach suggests that leadership can be developed. Katz's (1974) article on the skills approach identified three critical skills required for effective leadership: technical, human and conceptual.

The Importance of the Study

As the leadership strataplex research observed, leadership skill requirements vary across an organization vertically (Mumford et al., 2007). Their findings suggested that jobs at higher levels of organizations require greater overall leadership requirements. According to their theory, interpersonal skills are more important than business and strategic skills. The strataplex argues that these skill requirement differences are consistent regardless of organizational function. There is no known empirical examination of the extent to which, if at all, leadership skill requirements vary by the functional area in which the leader resides. Further investigation of this issue could provide future direction for research in leadership requirements for sales, finance, and human resource professionals if skill requirements do, in fact, differ based on where the leader resides. A key distinction between the leadership skill and *leadership trait* approach is that skill can be developed and improved upon and traits cannot (Northouse, 2007). By identifying if and how skill requirements differ by function, strategies for improving leadership effectiveness can be tailored to the leadership position.

The assumption that leadership skills requirements are the same across functional areas could potentially lead to hiring and developmental mistakes. Skill requirements for a chief financial officer or vice-president of human resources might be different than for a vice-president of sales. Empirical research examining how skill requirements vary by functional area might improve the likelihood of businesses correctly placing the right leader in the right position. Such research might also improve the efficacy of leadership training because it is based on the skill requirements of the position.

Limitations

Despite the conceptual differences in leadership skills, there is evidence that some of the distinction might be lost on the leaders who complete the leadership requirement questionnaires. For example, in a pilot test of O*Net, two conceptually different scales, skill level and skill importance, were often highly correlated (Peterson et al., 1999). This suggests that despite the conceptual differences, those completing the surveys were not always able to make the distinction. To address this potential limitation, scales will be chosen to minimize redundancy to ensure that there is distinction among cognitive, interpersonal, business and strategic leadership skill requirements.

Assumptions

Common sources of job related skill requirements are the *role incumbent*, *supervisors*, and *job analysts* (Siddique, 2004). The source used in this study will be the role incumbent. It is assumed the role incumbent will respond honestly and accurately. Dierdorff and Morgeson (2009) directly investigated incumbent ratings and reported high levels of validity regarding work activities, knowledge, and skills.

Chapter 2: Review of Relevant Literature

Background

  As organizations in recessionary times struggle to accomplish more with fewer resources, the importance of effective leadership is clear. Current leaders are faced with the difficult task of competing in an increasingly global economy with substantial pressure to meet shareholder objectives (Dillon, 2011). To be effective, leaders seek to influence and inspire all stakeholders. This includes board members, shareholders, employees, suppliers, and customers.

  Katz's (1974) seminal article on leadership stipulated that there are three basic dimensions of leadership skill: conceptual, technical and interpersonal skill. Katz also stated that skill requirements differ based on organizational level. There now appears to be general acceptance of the leadership skills approach (Kouzes & Posner, 2002). Basic conceptual (business and strategic), technical and interpersonal skills are required at various levels of organizations. Scholars have criticized research in the area of leadership for lacking empirical examination (Taylor & Wright, 1994).

  Mumford, Campion, and Morgeson (2007) developed a leadership strataplex framework. In their research of 1,023 professionals within the Occupational Information Network (O*Net), they found that leadership skill requirements vary by level (or stratum) of the leadership position within an organization. O*Net, developed by the U.S. Department of Labor, was formed to analyze job functions and requirements (Peterson et al., 1999).In their framework they empirically demonstrated higher level leaders require more strategic and conceptual skill, compared to leaders in lower levels who require greater technical skill (Mumford et al., 2007).

  What is lacking is an empirical examination of whether leadership skill requirements vary by the functional area in which the leader resides.

In this chapter, the phenomenon of leadership will be reviewed. Citing sources that focus on defining leadership, the specific emphasis will be on what needs to occur for leadership to take place. Then, some of the most widely cited leadership approaches will be described in detail. While there are over 60 unique methods of classifying leadership (Fleishman et al., 1991), the focus here will be on leadership traits, leadership styles, situational leadership and the transformational leadership, and the leadership skills approach. The merits of each will also be described here.

Also this chapter will review the human resource, finance, and sales functions in an organization. The roles and responsibilities of each function will be described. In addition, past research examining the competencies, traits and skills required to successfully perform each function will be reviewed.

Definition of Leadership

There is a vast array of definitions of leadership and its dimensions in the literature. Past meta-research had identified over 60 different methods of classifying leaders developed to define and describe the dimensions of leadership (Fleishman et al., 1991). Despite the multitude of ways leadership has been conceptualized, four main components have been identified as critical to the leadership phenomenon: (a) Leadership is a process, (b) Leadership involves influence, (c) Leadership occurs in a group context, and (d) Leadership involves goal attainment (Northouse, 2007).

The first component, leadership is a process, means that it is between a leader and his/her follower(s). It is a transactional event; it implies there is interaction. The leader both affects the follower and is affected by them. Because leadership is an interactive event, leadership is not the exclusive role of the formally designated leader of the group or the boss. It is open to everyone.

Leadership involves and requires influence. Simply, if the leader has no influence, leadership cannot exist. Leadership transpires in groups and it involves groups with a common purpose. The groups can be small or an entire organization. The purposeful interaction of a group is the context where leadership and influence takes place. Leadership focuses on the achievement of goals. It involves directing of individuals to attain agreed upon goals. Leaders direct teams who have a common purpose and desired outcome (Northouse, 2007).

Jago (1982) described leadership as being both a property and a process:

The process of leadership is the use of non-coercive influence to direct and coordinate the activities of an organized group toward the accomplishment of group objectives. As a property leadership is the set of qualities or characteristics attributed to those who are perceived to successfully employ such influences. (p. 315)

Gini (1997) described a leader as the individual who develops the vision and sets the tone for the organization. The leader also directly affects and shapes the behavior of others within a particular organization.

Peterson (1988) asserted that leaders develop norms of behavior within an organization. Leaders directly impact the work environments culture and climate. The leader communicates what is important, what is expected, and what is valued. The key, according to Peterson, is communication. In both verbal and non-verbal ways the leader must consistently communicate openly with regard to values and expectations.

Approaches to Leadership

Five major approaches to leadership will be described and analyzed here. They include the leadership trait approach, leadership style approach, situational approach, transformational leadership, and leadership skills approach.

Leadership trait approach. "He/she is a born leader" sums up this approach to leadership. The trait approach suggests that there are specific individual's unique inborn characteristics that make them uniquely qualified to lead. These traits differentiate these people from others. Lord et al. (1986) conducted a meta-analysis and identified that intelligence, masculinity, and dominance were the key traits that related to how individuals perceived leaders. They went on to argue that these personality traits can be extended across situations. Those possessing these traits will be strong leaders independent of situational context. Northouse (2007) advanced the description of the dimensions of leadership by adding intelligence. Intelligence includes possessing strong verbal ability, perceptual skills, and reasoning to make a leader better. Zaccaro et al. (2004) expanded leadership traits required to included self-confidence, integrity, and sociability: self-confidence, leaders with high self-esteem and self-assurance determination are more influential than those lacking this trait; integrity involves honesty and trustworthiness, and sociability is the leader's desire to interact seeking out social relationships. Leaders with this trait have strong interpersonal skills and are empathetic to others. Sociability aligns with the interpersonal dimension of leadership skill. A criticism of the trait approach is that it is typically assessed from the follower perspective and this is often unrelated to the leader's skill or effectiveness (Judge et al., 2009).

Leadership style approach. The style approach is different from the trait approach, which emphasizes the leader's personality characteristics. The leadership style approach focuses on the behavior of the leader. The style approach reinforces the notion of leaders that how they behave in the relationships they develop and the tasks they perform has a significant impact on others. One of the most recognized models of leadership behavior is the Leadership Grid (Blake & Mouton, 1985). Refined several times from the Managerial Grid, the Leadership Grid focuses

on two dimensions to describe how leaders guide organizations to achieve their objectives: concern for production and concern for people (Blake & Mouton, 1985).

Concern for production centers on the leaders' attention and concern for achieving organizational tasks and outcomes. Examples of this could include meeting quarterly sales target, customer satisfaction goals, and new product development objectives. Concern for production focuses on achieving whatever the organization is striving to accomplish. Concern for people focuses on how a leader deals with individuals in an organization who are trying to reach and surpass organizational objectives. Examples of this concern could include creating a positive and effective work environment and building organizational commitment and trust.

Depending on where leaders fall on the two dimensions, the Leadership Grid provides five major leadership styles: country club management, authority-compliance, middle of the road management, impoverished management, and team management.

Authority-compliance is the most direct and controlling type of leadership style. The main focus of this style is task accomplishment with little concern for the people other than they are the tools to attain objectives. This style is extremely results driven. Leaders exhibiting this style are demanding and controlling.

Country club management places heavy emphasis on interpersonal relationships with little concern for task accomplishment. Leaders with this style try to create a positive organizational climate by being eager to help, nurturing, and agreeable. They stress the feelings and attitudes of the followers over the accomplishment of tasks.

Impoverished management describes the type of leader who is going through the motions. Being both unconcerned with outcome accomplishment and interpersonal relationships, this type of leader is uninvolved and withdrawn.

Middle of the road management describes leaders with compromising styles. These leaders avoid conflict by attempting to balance concerns for task achievement and concerns for their followers. This type of leader typically takes the middle ground attempting to minimize disagreement.

Team management places strong emphasis on the achievement of organizational goals and interpersonal relationships. These leaders promote participation and teamwork and focus on their followers involvement and organizational commitment (Northouse, 2007).

Critics of the leadership style approach point out that little validation of the style exist. Leadership styles have not been adequately linked to performance outcome (Yuk1, 2008). The style approach implies that the high-high team management style is the most effective managerial style. There is little evidence that this is the case. Leadership styles might have to be modified based on specific situations: for example, in a crisis situation. In this situation, a leader might have to engage in authority-compliance mode when dramatic and short term decisions must be made.

Situational approach. As the name implies, situational approach focuses on leadership behavior in specific situations. An effective leader modifies his or her style based on the demands of different and unique situations. Situational leadership emphasizes that leadership is made up of both a directive and supported style of leadership (Hersey & Blanchard, 1969). Examples of supportive behavior might be praising an employee or asking for input. Directive behavior is more instructive, that is, clearly describing what needs to be done, how it should be done, and by when.

The amount and degree of directive and supportive behavior varies across subordinates and within subordinates as the context changes. For example, for a subordinate tackling an

assignment for the first time, it might require more directive behavior from the leader. As time goes on and the subordinate is more comfortable with the task, the leader will go into a more supportive mode. The leader adapts based on the needs of the follower in the performance of organizational based tasks. The leader also adapts his/her style based on the commitment of the follower. High committed followers require more supportive leadership style, while less committed require more directive behavior. Blanchard et al. (1985) developed the Situational Leadership II model, which incorporates the two aforementioned dimensions and identifies four core leadership styles: supporting, coaching, delegating, and directive:

Directing style is high directive and low supporting. Leaders engaging in directive style provide instruction regarding what the goals are and how they are to be achieved. The directive leader also supervises the subordinate very closely.

The coaching approach is high on both directive and supportive behaviors. While still having final say regarding what the goal is and how it is to be accomplished, leaders exhibiting a coaching style are soliciting subordinate input and are going out of their way to assure the follower is comfortable.

With the supportive approach, the leader, rather than focus on the subordinate's task at hand, utilizes supportive behavior to bring out the best in the employee's skills. Maximizing the employee capabilities is the key to task accomplishment with the supportive approach. Behaviors include soliciting employee input, providing feedback to the employee, and providing praise. With this approach, day to day decision making is given to the subordinate but the leader makes him/her available for collaboration and problem solving.

The delegating approach emphasizes less social and task support of the subordinate. This low supportive-low directive is the most hands-off of the approaches. The delegating leader has

far less involvement in the planning or details in the process of task accomplishment. Theoretically this is designed to increase the employee's autonomy and subsequent self-confidence to achieve the agreed upon project and task outcomes.

Strengths of the situational approach is its flexibility and practicality. It adapts to the task at hand and the capabilities of the subordinate. For example, if the subordinate is very new and inexperienced and the task is daunting, the manager can utilize a more high directive-high supporting leadership style. On the other hand, if the task is very doable and the subordinate is very experienced and competent, the leader can take a more hands off approach when leading. Because the leadership approach is very context specific the leader must prescribe the approach that is the most appropriate. Because the approach is prescriptive, it forces the leader to use multiple styles, based on the situation.

This process of having to prescribe the style that is best has shown to improve the effectiveness of the leader by making the leader accountable to what type of leadership style is best given the situation. Critics of the situational approach point to the ambiguous nature of how subordinate development levels are defined. It is unclear how subordinate commitment and competence are combined to assess the subordinate's ability to accomplish the task required (Graeff, 1997). Another criticism of the situation approach is that it fails to address the demographic factors that affect the leadership-subordinate interaction. Vecchio and Boatwright (2002) demonstrated that education level and amount of work experience were negatively related to a directive leadership style and showed no relationship to a more supportive style. The article by Vecchio and Boatwright indicated that better educated employees with more experience desired less structure. The article also demonstrated that age is positively correlated to desire for structure. Older employees preferred more structure than younger workers. Other critics of the

leadership style and trait approaches have pointed out that little validation of these approaches exist. Leadership styles and traits have not been adequately linked to performance outcomes (Yukl, 2008).

Authentic leadership. The origin of authentic leadership comes from an ancient greek tenant, "know thyself" (as cited in Kernis & Goldman, 2006). There are many definitions of authentic leadership, each definition having slight nuances. However, there appears to be general agreement that authentic leadership has the following unique qualities:

Self-awareness. The leader continuously reflects and re-examines his or her strengths, weaknesses and values. This is an ongoing process.

Balanced transparency. The leader is very open sharing his or her thoughts. However, the leader avoids showing inappropriate emotions.

Balanced processing. The leader actively solicits opposing points of view. The leader also provides fair minded consideration of these differing opinions.

Internalized moral perspective. The leader is resistant to outside pressures. The leader adheres to a positive ethical foundation that provides the resolve to maintain independence and objectivity (Waluambwa, Avolio, Garner, Wensing, & Peterson, 2008).

Specific leadership characteristics appear to be important with regards to the appearance of authentic leadership. Self-knowledge, the ability of a leader to understand his or her strengths and weaknesses has been identified as an antecedent of authentic leadership. Self-consistency, which is the ability of a leader to align their values, benefits and behavior in a consistent fashion has been identified as another driver of authentic leadership (Waluambwa et al., 2008).

The 32 item Leader Authenticity Scale was one of the first measures to assess levels of authentic leadership. The scale, developed by education researchers, focuses on tendencies

regardless of job titles. Critical dimensions within the scale include leaders accountability for mistakes and the extent leaders do not manipulate subordinates (Henderson & Hoy, 1983).

Proponents of authentic leadership cite the positive impact on team potency, which is the belief in a team's ability to succeed. Teams exhibiting authentic leadership behaviors promote team goodness. This, in turn, promotes team performance and potency. Teams being led by leaders practicing authentic leadership outperform teams with leaders who do not practice authentic leadership (Rego, Vitoria, Magalhaes, Ribeiro, & Cunha, 2013).

Servant leadership. Servant leadership helps people develop and perform as effectively as possible by putting the needs of others first. It is quite distinct from traditional leadership, which typically involves the accumulation and exercise of influence and power by one individual at the pyramid's top. The servant leader's primary focus is to encourage and enable subordinates to maximize their full potential and abilities. While providing critical support to subordinates when needed, the servant leader delegates responsibility and participates in decisions.

There is general agreement among scholars that there are critical characteristics of the servant leader:

Listening. Listening effectively to others, particularly to subordinates, is emphasized by servant leaders.

Awareness. Servant leaders are self-aware. They are cognizant of their strengths and weaknesses and understand their own set of values.

Persuasion. A servant leader is able to influence others by being persuasive rather than directive.

Healing. Spiritual health and wholeness of subordinates are a priority of servant leaders. This is fostered by servant leaders.

Conceptualization. The servant leader effectively integrates the realities of the present with the possibilities of the future.

Foresight. The servant leader has a strong understanding how the past, present, and future are related.

Stewardship. The servant leader is entrusted with the organizations resources. The servant leader manages these resources for the greater good.

Commitment to the growth of people. Serving the needs of others is a top responsibility of servant leaders.

Building community. The servant leader creates a sense of community among participants in an organization.

Proponents of servant leadership identify the following benefits of the approach. Servant leadership improves levels of worker engagement as a result of more trust being engendered.

Transformational leadership. In research on political leaders, James MacGregor Burns (1978) introduced the concept of transformational leadership. Burns defined the transformational leader as one who "looks for potential motives in followers, seeks to satisfy higher needs, and engages the full person of the follower" (p.4). He expanded the definition noting the impact made by transformational leaders by adding, "transformational leadership is a relationship of mutual stimulation and elevation that converts followers into leaders and may convert leaders to moral agents" (p. 4). Kouzes and Posner (1993) view transformational leaders the same way as Burns. They described such leaders as those "who inspire others to excel, provide consideration to the individuals and stimulate people to think in new ways" (p. 321).

Bass (1985) expanded upon the work of Burns and introduced four elements of transformational leadership: (a) Individualized Consideration: It is the degree of empathy to

which the leader has for each follower. The leader acts a mentor to the follower. The leader recognizes the importance of respect. The leader recognizes that followers have aspirations for their own growth hand have intrinsic motivation to do their job well; (b) Intellectual Stimulation: It is the degree to which the leader values and encourages creativity and out of the box thinking. A leader possessing this element of transformational leadership rewards those followers who think independently. Learning has high value to these types of leaders. They encourage risk taking; (c) Inspirational Motivation: To be motivated to act, followers must have a strong sense of purpose. Inspirational motivation is the ability of a leader to provide a vision that is appealing, inspiring and achievable. This provides the passion and energy to drive the followers and articulates a vision that is appealing and inspiring to followers. Leaders with inspirational motivation are optimistic and have high standards with regards to future goals; (d) Idealized Influence: This is the extent to which the leader "walks the talk." Their behavior is one of high ethics. They are a role model for their followers and gain their respect and trust. Bass and Avolio (1993) identified behavioral indicators of transformational leaders. These behaviors were organized by the four aforementioned elements of transformational leadership (see Table 1).

Table 1

Behavioral Indicators of Transformational Leadership

Individualized consideration	Inspirational motivation
Recognizes individual strengths and weaknesses	Convinces followers that they have the ability to achieve levels of performance beyond what they felt was possible.
Shows interest in the well-being of others.	Sets an example for others to strive for.

(*continued*)

Individualized consideration	Inspirational motivation
Assigns projects based on individual ability and needs.	Presents an optimistic and attainable view of the future.
Enlarges individual discretion commensurate with ability and needs.	Raises expectations by clarifying the challenges.
Encourages a two-way exchange of views.	Thinks ahead to take advantage of unforeseen opportunities.
Promotes self-development.	Provides meaning for actions.

Intellectual stimulation	Idealized influence
Encourages followers to reexamine their assumptions	Transmits a sense of joint mission and ownership.
Takes past examples and applies them to current problems.	Expresses dedication to followers.
Encourages followers to revisit problems.	Appeals to the hopes and desires of followers.
Creates a 'readiness' for changes in thinking.	Addresses crises 'head on.'
Creates a 'holistic' picture that incorporates different views of a problem.	Eases group tension in critical times.
Puts forth of listens to seemingly foolish ideas.	Sacrifices self-gain for the gain of others.

Note. Adapted from "Transformational leadership: A response to critiques," by B. M. Bass and B. J. Avolio, 1993, *Leadership Theory and Research Perspectives and Directions, 8*, p. 56. Copyright 1993 by Leadership Theory and Research Perspectives and Directions.

Leadership skills approach. The leadership skills approach is quite different from the trait approach. Whereas the trait approach focuses on personality traits that are considered innate and stable, the skills approach posits that skills can be developed. Leadership skills can be improved upon (Katz, 1974). The trait approach to leadership suggests that leadership is based on intrinsic characteristics of the leader. Because the skills approach suggests that knowledge,

skills, and talent are critical for effective leadership, research that has defined the skills approach will be described and analyzed here. Katz's (1974) landmark skills approach to leadership article identified three critical skills required for effective leadership: technical, human, and conceptual.

Technical skill. This is based on specific knowledge. It is expertise or proficiency in a particular area of work. For a leader to possess technical skills, he/she is knowledgeable pertaining to activities specific to an organization based on its operating procedures and its products and services (Katz, 1974). Katz argued that technical skills become less important as the leader advances up the organization. Technical skills are proficiency in working with process, things, and objects. These skills are critically important at lower levels of the organization and decrease somewhat at the supervisory management levels. Technical skills become much less important at the C-suite levels of management (e.g., CEO, CFO, COO).

Human skills. These skills refer to the ability of the leader to successfully influence all levels of an organization whether it be a superior, a peer, or subordinate. It is proficiency in working with others. Leaders with high human skills understand people, how they behave and how to communicate with them. Leaders with strong human skills are described as having high emotional intelligence (Goleman, 1998). Emotional intelligence is composed of several dimensions: self-awareness (i.e., knowing one's internal states, preferences, resources and intuitions), self-regulation (managing one's internal states, impulses, and resources), motivation (emotional tendencies that guide or facilitate reaching goals), empathy (awareness of others' feelings, needs, and concerns), and social skills (adeptness at inducing desirable responses in others; Goleman, 1998). Leaders with strong human skills grasp organizational issues facing them and become aware of others' needs and thoughts. Because leaders with good interpersonal skills effectively interact with others, they are better able to foster an environment of trust. This

improves communication's effectiveness and efficiency. Goleman argued that the higher level in an organization one aspires, the more important it is to exhibit high levels of emotional intelligence. In addition, the emotional intelligence's importance increases with job complexity. That is, the more complex the position the more value emotional intelligence becomes. Another critical aspect of emotional intelligence is that unlike cognitive capabilities, emotional competencies can be improved. Goleman also described the five elements in the art of influence:

Influence. The leader tailors and fine tunes its messages based on the needs and competencies of the listener. The leader utilizes effective tactics of persuasion.

Communication. Leaders with high emotional intelligence deal with difficult issues proactively. They send clear messages.

Leadership. These leaders, through shared vision and mission, inspire others.

Change catalyst. By removing barriers, these leaders initiate and important promote change within an organization.

Conflict management. These leaders aggressively deal with conflict. They promote win-win outcome when negotiating and resolving disagreements.

Katz (1974) argued that this becomes a more collaborative environment and incorporating all team members' ideas increases the speed and effectiveness at meeting organizational goals. Katz posited that human skills are required in significant degree at all organizational levels, whereas technical skills are less important at the senior level.

Conceptual skills. This type of skill involves thinking through hypothetical concepts and envisioning resultant downstream organizational consequences. Conceptual skills make a leader comfortable with what if scenarios, critical on organizational decision making. An executive with strong conceptual skills is better at making allocation decisions. This leader is better able to

forecast the organization's downstream consequences. For example, should the organization invest $10 million in advertising or pour it into research and development? The conceptually skilled leader is more comfortable with ambiguity. The conceptual leader is better able to incorporate multiple inputs into decision making. Katz (1974) stated conceptual skill requirements are the opposite of technical skill requirements. Conceptual skill is most needed at the most senior levels of an organization and much less so at the lower levels.

Kouzes and Posner (1993) conducted research among a nationwide sample of fifteen hundred executives in 1987 and again in 1993. The purpose of the research was to identify the characteristics that were essential for successful leadership. Their findings were consistent with Katz (1974). Kouzes and Posner's study, the characteristics most often associated with impactful leader ships were "(1) integrity (leaders are truthful, are trustworthy, have character and have convictions); (2) competence (leaders are capable, productive and efficient); and (3) leadership (leaders are inspiring, are decisive and provide direction)" (p. 12).

Mumford et al. (2000) expanded on the Katz skills based approach by developing a skills based model of leadership. Consistent with Katz, the model presumes that many, not just the born leaders, have the capability to lead. They argued: if individual are able to learn from their experiences, they have the capability for leadership. The Mumford group identified five components in their skills based model: individual attributes, leadership outcomes, career experiences, environmental influences and competencies. The three types of competencies, problem solving skills, social judgment skills, and knowledge resemble Katz's three dimensions of skills (technical, human and conceptual).

The Mumford group's notion that individual attributes mitigate the likelihood of a leader developing skills is of particular interest here. These individual attributes of a leader include

cognitive (general and crystallized), motivation, and personality. Generalized cognitive ability is the individual's intelligence. It is not based on the individual's experience, rather, the innate intelligence of the individual. In the skills model, general cognitive intelligence positively affects the ability to learn. High cognitive intelligence improves the probability that the leader will develop more complex problem solving skills. Crystallized cognitive skills are the intellectual ability gained with experience. It is acquired intelligence. From experience it is the mental abilities learned over time. Motivation is the third individual attribute that impacts the individual ability to develop skill. If an individual is to become a more skillful leader, he/she must possess the motivation to do so. Leaders must want to lead. The fourth individual attribute is personality. Personality traits impact the individual's ability to cope with organizational complexities. For example, a leader's tolerance for ambiguity significantly impacts that leader's ability to learn and enhance their leadership skill. To summarize the Mumford group's perspective, through experience and training, leaders can increase their leadership effectiveness by being better problem solvers and thus, more impactful leaders (Mumford et al., 2000).

Table 2

Previous Conceptualizations of Leadership Skill Requirements

Leadership Strataplex	Cognitive	Interpersonal	Business	Strategic
Mahoney et al. (1965)	Investigating	Supervisory, Negotiating	Coordination, Staffing	Planning, Evaluation, Figurehead

<div align="right">(continued)</div>

Leadership Strataplex	Cognitive	Interpersonal	Business	Strategic
Mintzberg (1973)	Monitor, Disseminator	Leader, Negotiator, Disturbance handler		
Katz & Kahn (1978)		Human relations	Technical know-how	System perspective
Connelly et al. (2000)	General cognitive capabilities	Social judgment		Problem solving skills
Mumford, Marks et al. (2000)		Social judgment		Problem solving
Zaccaro (2001)	Basic cognitive capacities	Social capacities	Functional expertise	Higher cognitive capacities

Note. Adapted from "The leadership skills strataplex: Leadership skill requirements across organizational levels," by T.V. Mumford, M.A. Campion and F.P. Morgeson, 1993, *Leadership Quarterly, 18*, p. 155.

The appeal of the leadership skills approach is that it rebukes the simplistic notion that only born leaders, with their innate ability to lead, can ever be effective leaders. The skills approach argues that leadership is open to many more people because leadership can be developed. Because of this notion, the skills approach is examined in more detail here.

Most of the leadership approaches described in this paper have been criticized for the lack of empirical validation. In other words, while the theory may make intuitive sense, hard evidence is lacking to confirm (or reject) the theoretical models. An empirical examination of the skills approach was conducted by Mumford et al. (2007). Based on previous conceptualizations of leadership skills required, the authors examined the presence of four skills: cognitive,

interpersonal, business, and strategic skills across organizational levels (high, middle, and low level). They hypothesized that these skill requirements vary based on the leader's particular level in an organization. The analysis included approximately 1,000 senior, mid-level, and junior level managers. They described a leadership strataplex paradigm when the skills required at the senior levels are quite distinct from what is required at the middle and junior level management levels.

Their findings support the notion of a leadership strataplex. As Figure 1 demonstrates, leadership skills required do, in fact, vary by organizational level:

- Jobs at higher levels of organizations have greater overall leadership requirements.

- Cognitive skills needed to the greatest degree across organization.

- Interpersonal skills required to a greater degree than business and strategic.

- Stronger relationship between organizational level and leadership requirements for strategic and business than for interpersonal and cognitive.
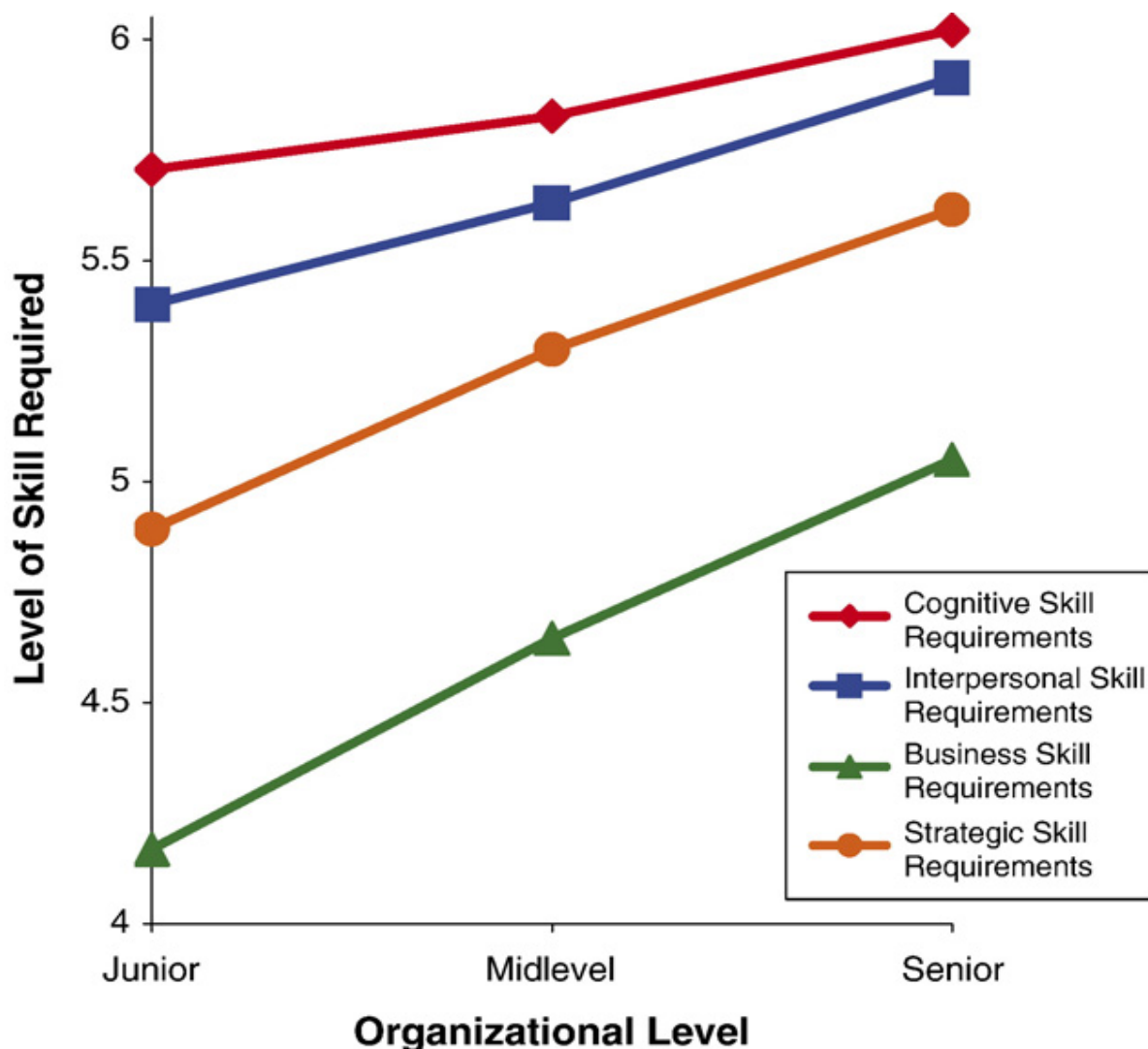
Figure 1. Estimated marginal means for leadership skill requirements across organizational levels controlling for organizational specialty and location. Adapted from "The leadership skills strateplex: Leadership skill requirements across organizational levels," by T.V. Mumford, M.A. Campion, and F.P. Morgenson, 2007, *Leadership Quarterly, 18*, p. 22. Copyright 2007 by *Leadership Quarterly*.

While most of the findings from this analysis are intuitive and perhaps basic, they are important nonetheless. Scholars have criticized research in the area of leadership for lacking empirical examination. Here there is evidence that leadership skill requirements do exist and that the specific skills differ based on organizational level. This should prove valuable when conceptualizing leadership skill requirements and customizing these requirements based on the organizational level the leader resides.

Despite the evidence from Mumford et al. (2007) demonstrating that leadership skill requirements vary by organizational level, critical questions remain. The strataplex argues that these skill requirement differences are consistent across organizations horizontally. It suggests that there is no interaction between functional area and organizational level. This assumes the same differences in leadership skill requirements from senior level to junior level are consistent whether it be in the sales organization or administrative functions like human resources or finance (Mumford et al., 2007). Additional empirical investigation is required to better understand whether leadership skill requirements vary among key organizational functions.

Functional Descriptions and Competencies Required for Human Resources, Sales, and Finance Functions

Competency is defined as the skills, abilities, and knowledge that an individual has demonstrated (Ulrich, Brockbank, Young, & Lake, 1995). Competencies for each of the aforementioned job functions will be described in this section.

The human resource function. Human resource management is the management of an organization's workforce. Critical functions of human resources include aligning the human resource function with the organization's business strategy, modifying or re-engineering organization processes, communicating to, listening and responding to employees, and managing organizational change. This function's responsibilities includes the selection, training, assessment, and rewarding of employees, while also ensuring compliance with employment and labor laws (Ulrich, 1997).

The human resource function focuses inward, within the organization. It is responsible for employee experience during the entire employment cycle. It is responsible for attracting the right type of employees by promoting and branding the organization. Through the recruitment

process, it selects the most appropriate employees. Once employees are hired, the human

resource function manages the training and development of the new hires. Human resources also

oversee an organization's formal talent assessment through the use of performance appraisals

and manages performance based merit and compensation. Finally, human resources plays a

critical role in employee terminations. This includes performance-related dismissals,

resignations, and reductions in the work force due to redundancies.

Tsui (1984) identified six categories of human resource activity: organizational design,

hiring, employee development, performance assessment, reward system design, and employee

communication. Human resource professionals perceived as competent in these areas will be

viewed as credible within their respective organizations (Ulrich et al., 1995).

Eichenger (1987) identified six critical dimensions for human research competence:

cognitive agility, personal management, assertiveness, interpersonal skill, job skill, and business

savvy. In a large scale empirical examination of required human resource competencies, Ulrich

et al. (1995) analyzed data from over 12,000 human research associates across over 100 firms.

Their findings suggest three areas of competencies are critical for the human resource function to

add value to their respective organization: knowledge of the business, performance of the human

resource function, and management of the firm's change processes.

Knowledge of the business does not require the human resource professional to be able to

perform all of the business functions, but to understand them. According to Ulrich, knowledge of

the human resource discipline is necessary but not sufficient. They can be competent in

employee or human relations, but to add value to their organization they must have a strong

understanding of the business in which their firms compete.

Management of change is the third dimension of human resources functional competence. Businesses with a greater ability to adapt to a changing environment will be more competitive over time (Tichy, 1983). Human resource professionals who are competent in managing change are able to identify problems, communicate a vision, develop a leadership agenda, and set and accomplish organizational goals (Tichy, 1983).

Brockbank and Ulrich (2012) focused on identifying what knowledge and abilities are critical for outstanding human resource professional performance. Associated with the Ross School of Business at the University of Michigan, they identified six competencies required by high performing human resource professionals:

*Strategic positioner***.** This includes a keen understanding of the external environment. Human resource professionals possessing this competency understand business conditions (e.g., economic, technological, competitive, political trends) that impact their industry. They understand their target market customer and help align their organization to meet and exceed customer needs.

Human resource innovator and integrator. This involves the understanding of state of the art human resource practices and the ability to develop solutions to meet the business requirements. The human resource practices include organizational design, talent procurement, talent development, and performance management.

*Change champion***.** This involves ensuring that the organization's internal capacity for change matches the external pace of change. They ensure that their organization remains flexible, agile and responsive. High performing human resource professionals possessing this competency are able to build a case for the importance of specific change and overcoming resistance to change. They are able to successfully engage key stakeholders involved in the

change. They are also able to sustain change through organizational structure decisions, organizational communication and continuous organizational learning.

*Technology proponent***.** Technology has changed the way human resource professionals work. At a basic level, they need to utilize technology to efficiently deliver human resource systems like healthcare costs, payroll processing, and other administrative services. In addition to this basic level, human resource professionals need to utilize technology to improve communication both within and outside the organization. Utilizing technology such as social media assists the organization connecting inside employees to outside customers.

Capability builder. A highly effective human resources leader creates a strong organization. The authors posit that an organization is not a structure; rather, it is a distinct set of capabilities. It should define who the organization is and what they are known for. Human resource professions should be able to invest in the capabilities of an organization. They should also be able to periodically audit the capabilities of the organization.

*Credible activist***.** Effective human resource leaders develop relationships with business leaders. They build personal relationships with senior leadership, develop trust, and strengthen reliability. The authors posit that human resource professionals who are credible but not activist are liked but have little impact on an organization. Effective human resource professionals are proactive and have high degree of self-awareness.

The finance function. The finance function in large firms focuses on cost control, operating budgets, capital budgeting, asset valuation, and internal auditing (Desai, 2008). Managerial or corporate finance focuses on the provision of funds for an organization's activities. The main responsibility of corporate finance involves balancing enterprise risk and profitability, while maximizing the organization's wealth and the value of its stock. The finance

function is responsible for facilitating three organizational decisions. These decisions are often interrelated. The first decision involves whether and where investments should be made. This includes deciding which projects should be funded and which ones not. Through this capital budgeting process where business valuation techniques are employed, the finance function attempts to improve the probability of successful investment. The second critical organization decision focuses on how these investments are to be funded. Funding sources include equity, which can be secured privately of publically in the form of an initial public offering, obtaining credit or from the organization's operations in the form of cash flow. The balance or these investment forces is the organization's capital structure. The third critical decision for which the finance function is responsible involves what to do with the profits of the enterprise. Should the profits be retained for future organizational investment or be distributed to shareholders? If profits are distributed to shareholders, the finance function decides on the most appropriate form. The finance function is also responsible for the organization's short-term financial management. This involves managing working capital, which includes cash, inventory, and debt. These financial decisions are directed toward the future of the firm (Desai, 2008).

The financial executive role has evolved, particularly since the passage of the Sarbanes-Oxley Act of 2002. Finance executives who are viewed as competent have evolved from their bean-counter roles to one of having more organizational impact (Favaro, 2001). The successful finance executive to be viewed as competent, must not only have a mastery of the finance function, but must possess four additional competencies within their respective organization: an ability to strategize, an ability to organize and utilize large amounts of information, has strong communication skills, and possess demonstrable leadership skill (Favaro, 2001).

   The ability to strategize. Similar to the human resource leader, the finance leader must have a strong grasp of the business. The competent financial leader understands the business and can proactively identify strategic opportunities for the business.

   The ability to process large amounts of information. This involves the ability of the finance manager to work with line management to provide fact based financial systems to create strategy and monitor business performance.

   The ability to communicate. This involves both internal and external communication. The competent finance executive can effectively communicate within the organization the firm's current situation and future direction. The competent finance executive is also adept at communicating to its investors and the media.

   Possess strong leadership skill. A competent finance executive forges strong relationships with others in their respective organizations. They are an active participant in the decision making process of their organization. They have close working relationships with other business unit leaders within the organization and fellow executives.

   In a study of college chief financial officers, Harrop (2001) examined the perceived leadership traits, behaviors, and characteristics required to do the job effectively. The leadership traits that were found to be critical to the performance of the CFO included knowledge, honesty, integrity, and credibility. Leadership behaviors that we found to be essential for strong job performance included being accountable, the ability to effectively collaborate, being fair, being decisive, and being objective. Characteristics found to be critical for impactful CFO job performance included empathy and achievement oriented.

The sales function. The sales function is responsible for the selling of a product or service in return for money or other compensation (Selden, 1998). Lambert (2009) asserted that there are three essential tenants required for professional selling:

- The focus of the sales profession centers on the human agents involved in the exchange between buyer and seller.

- Effective selling requires a systems approach, at minimum involving roles that sell, enable selling, and develop sales capabilities.

- A specific set of sales skills and knowledge are required to facilitate the exchange of value between buyers and sellers. (p. 1)

The sales function is the primary interface between an organization and its customers. The sales process can be a complicated one. Success of the selling process "depends on the salesperson properly identifying and satisfying the needs of the customer" (Szymanski, 1988, p. 65).

Kotler (1991) described the personal selling process as a one on one interaction between a seller and a buyers where the purpose of the seller is to persuade the buyers into taking a course of action or to develop a relationship with the seller.

Weitz (1981) asserted that an effective salesperson must be adaptable. Adaptability is based on the salesperson ability to evaluate the context of the customer relationship, themselves, and the customer. Lashbrook and Wheeless (1991) suggested:

Adaptability in human encounters depends on one's perceptions of self, others and the context of the relationship. It is, in part, a function of consistent behavior in interaction with situation variables that demand the selection of responses among alternatives the person is capable of enacting. (p. 243)

Most of the literature focusing on competencies required for an effective sales professional focuses on the differentiating traits separating successful salesperson performance from others. The most widely cited dimensions of personality that are used to describe human personality is the Big Five personality traits measurement (Goldberg, 1981). This five factor model has five factors based on unique personality traits. These five traits are summarized as follows:

Openness (to experience). The appreciation for unusual ideas and adventure. This reflects the degree of intellectual curiosity.

Conscientiousness. To possess self-discipline. This involves planned rather than spontaneous behavior.

Extraversion. Outgoing rather than reserved behavior. Individuals possessing this trait seek the company of others.

Agreeable. Individuals that are compassionate and cooperative rather than suspicious and maybe antagonistic.

Neuroticism. The degree of emotional stability and the ability to control ones impulses. The tendency to experience anger, anxiety, and depression easily.

In a meta-analysis examining more than 2,300 sales professionals, salespeople were found to score much higher on the extraversion dimension than others in different occupations (Barrick & Mount, 1991). Traits such as gregarious and assertive led to increased salesperson effectiveness. Salespersons were found to be lower on conscientiousness and agreeableness than those in other occupations. In a review of predictors of sales person effectiveness, Vinchur, Schippmann, Switzer, and Roth (1998) indicated that general cognitive ability and extraversion were statistically significant predictors of salesperson effectiveness ratings.

A competency model developed by Rohm and Haas (as cited in Marketing Leadership Council, 2007) identified nine competencies for a high impact and successful sales and marketing professional. The nine competencies roughly align with Mumford et al.'s (2007) four dimensions of leadership skill requirements. The nine competencies are listed and briefly explained as follows:

Analysis for business decision making. High performers are strong at business analysis. They use data to understand and identify competitive advantage. They make well informed decisions by incorporating the "big picture."

Bias for action. High performers are proactive. They actively identify and exploit developing opportunities. They maintain strong and clear customer communication to understand critical customer needs identify news ways to better address these needs.

Business acumen. They are very skilled in analyzing financial data. They are able to perform cost/benefit analysis of alternate strategic initiatives to advance the future interests of the organization.

Innovation and conceptual capacity. Strong performers have the ability to synthesize significant amounts of data. They are able to simplify complex issues. They are able to identify the strategic opportunity and clearly communicate the vision to others.

Interpersonal effectiveness. Effective performers are recognized as thought leaders. They provide effective leadership during high tension situations. They possess strong negotiation skills.

Market insight and customer drive. Superior performers effectively apply customer insights to decision making. They focus on anticipating customer needs and meeting them effectively. They consistently watch for emerging trends and unmet customer needs.

Operational marketing. High performers provide key input to their organization's new product development process. They have a keen understanding of their competitors and of their organizations' strengths, weaknesses, opportunities, and threats (SWOT).

Business process knowledge. They understand the complexity of their organization and work to identify and eliminate barriers to effective collaboration. They understand how their organizations process works. They know how to get things done, quickly, effectively, and efficiently.

Strategic focus. They have the ability to identify and create differentiating strategies and plans. They are able to recognize possibilities that are beyond existing limits.

Bolden (2011) conducted in-depth interviews of 15 successful sales leaders to identify common patterns, competencies, and other critical factors contributing to effectives sales leader performance. The research identified task oriented and interpersonal dimensions common among successful sales leaders. Critical task oriented dimensions included having a drive for results. Successful leaders continually keep "their eye on the prize." They are also had strong attention to detail and very adept at managing execution. Common interpersonal dimensions of successful sales leaders included motivating others and fostering teamwork.

The relative importance of key selling abilities was examined by Weibaker (1990). In a study of pharmaceutical salespeople, based on interviews with salespeople, physicians, and sales managers, Weibeker ranked 14 sales abilities based the impact each had on a successful sales interaction (see table 3). The research identified that adaptability, knowledge, presentation skill, listening skill, and questioning skill were the most important selling abilities.

Salesperson knowledge involves the individual's knowledge of his/her's company's products as well as the competitor offerings. Past research has shown a significant positive

relationship between salesperson knowledge and their subsequent effectiveness (Smith &

Owens, 1995). Anderson (1996) asserted that a high degree of salesperson knowledge has critical

intrinsic benefits. A greater amount of knowledge builds the salesperson's self-esteem and these

salespeople feel better prepared to interact with their customers and are more confident. The

result is a greater frequency of successful customer interactions.

Presentation skill is the ability of a salesperson to effectively convey the relative benefits

of their products and/or services compared to competitive offerings using verbal and nonverbal

means.

Listening skills in the context of a personal selling situations involves the process of the

salesperson actively sensing, interpreting, and responding to verbal and nonverbal cues of current

or prospective customers (Castleberry & Shepherd, 1993). Effective salespeople are very good

listeners. Poor listening skills has been identified as the most significant factor in a failed

salesperson and customer relationship (Shwepker & Hutson, 1992).

Table 3

Importance of Types of Selling Ability

Abilities	Salespeople	Managers	Physicians	Sum of Ranks
Adaptability	1	1	3	5
Knowledge	2	4	1	7
Presentation Skills	5	1	1	7
Listening Skills	2	1	6	9
Questioning Skills	4	4	5	13
Observational Skills	6	6	9	21
Confidence	7	7	10	24

(*continued*)

Abilities	Salespeople	Managers	Physicians	Sum of Ranks
Organization Skills	8	7	11	26
Enthusiasm	9	12	7	28
Empathy	10	7	12	29
Handle Rejection	11	7	13	31
Creativity	11	12	8	31
Perseverance	11	7	13	31
Likability	14	14	4	32

Note. Importance of types of selling ability. Adapted from "The Identification of Selling Abilities Needed for Missionary Type Sales" by C. P. Schuster and J. E. Danes, 1986, *The Journal of Personal Selling and Sales Management*, *10*(3), pp. 45–58.

Questioning skills. According to Oberhaus, Ratcliffe, and Stauble (1993), questioning in a sales context accomplishes three things: (a) it allows the sales person to acquire information to help secure the sale, (b) it allows the sales person to better understand what the customer is thinking and feeling, (c) it helps the sales person verify or validate facts and opinions based on other sources. Past research has shown a positive relationship between the number of questions asked and the effectiveness of the sales person – customer interaction. The greater the number of questions asked the greater probability that the interaction is successful (Schuster & Danes, 1986).

Conclusion

Despite the evidence from Mumford et al. (2007) demonstrating that leadership skill requirements vary by organizational level, critical questions remain. The strataplex argues that these skill requirement differences are consistent across organizations horizontally. It suggests that there is no interaction between functional area and organizational level. This assumes the same differences in leadership skill requirements from senior level to junior level are consistent

whether it be in the sales organization or administrative functions like human resources or finance (Mumford et al., 2007). Additional empirical investigation is required to better understand whether leadership skill requirements vary among key organizational functions.

Investigation in this area is critical. These are issues that would significantly impact hiring criteria and leadership development priorities. There is no known empirical examination of the extent to which, if at all, leadership skill requirements vary by the functional area in which the leader resides. Further investigation of this issue could provide future direction for research in leadership requirements for sales, marketing, finance, and human resource professionals if skill requirements do, in fact, differ based on where the leader resides. A key distinction between the leadership skill and leadership trait approach is that skill can be developed and improved upon and traits cannot (Northouse, 2007). By identifying if and how skill requirements differ by function, strategies for improving leadership effectiveness can be tailored to the leadership position.

Chapter 3: Methodology and Procedures

This chapter will describe, in detail, the rationale and purpose of the research and will restate the research questions. In addition, the two key research variables: job function and leadership skill requirements, will be operationalized and described in detail. The research methodology, including how subjects will be selected and the data collection method utilized will be described. Relevant human subject considerations will be addressed in this chapter. Finally, the analytical plan used to address the research questions in this research will be described in detail in this chapter.

Research Design and Rationale

The purpose of this study is to identify what differences, if any, exist among sales, finance, and human resource leaders with regards to cognitive, interpersonal, and business leadership skills. This study will be quasi-experimental, quantitative and comparative in nature. The study will be cross-sectional in nature comparing multiple groups at a single testing time.

Job function, a nominally scaled variable, will classify the job incumbent, based on current job title, into one of three functional categories: sales, human resources, and finance. Leadership skill requirements will be measured with a survey instrument using a 14 item scale covering the three dimensions of leadership skill. Leadership skill requirements will be self-reported by the job incumbent, based on their perceptions of the current requirements to perform their job effectively. Each scale item will utilize a seven point Likert type interval response scale. Anchors are provided at the high and low points of each scale.

Research Question

To what extent, if at all, do differences exist among sales, finance, and human resource leaders with regard to cognitive, interpersonal, and business leadership skills?

Table 4

List of Eligible Majors

Eligible Majors
Bachelor of Science in Accounting
Bachelor of Arts in Advertising
Bachelor of Science in Health Administration
Bachelor of Science in Management
Bachelor of Science in Business Administration and Industrial Psychology
Bachelor of Arts in Business Administration and Public Relations
Bachelor of Science in Business/Computer Science
Bachelor of Science in Business Computer Systems
Bachelor of Science in Business Psychology and Administration
Bachelor of Arts in Business Administration and Multimedia Design
Bachelor of Science in Business Administration/ French
Bachelor of Science in Business Administration
Bachelor of Arts in Business Administration and Telecommunications
Bachelor of Science in Business Communication
Bachelor of Science in Business/ Creative Writing
Bachelor of Arts in Business/ Japanese Culture
Bachelor of Science in Business/ Psychology
Bachelor of Arts in Communication
Bachelor of Science in Computer Mediated Communication
Bachelor of Arts in Economic Philosophy
Bachelor of Arts in Economics

(*continued*)

Eligible Majors
Bachelor of Arts in Entrepreneurial Leadership
Bachelor of Science in Entrepreneurial Management
Bachelor of Science in Finance
Bachelor of Arts in Finance and Economic Studies
Bachelor of Science in Finance/Computer Science
Bachelor of Science in Human Resources Management
Bachelor of Arts in Human Values
Bachelor of Arts in Industrial and Organizational Psychology
Bachelor of Arts in Integrated Managerial Communication
Bachelor of Arts in Integrated Managerial Communication
Bachelor of Arts in Integrated Marketing
Bachelor of Arts in Integrated Marketing Communication
Bachelor of Science in Integrated Marketing Communication
Bachelor of Arts in Integrated Media Communication
Bachelor of Science in Integrated Marketing Communication
Bachelor of Arts in Communication
Bachelor of Science in International Business
Bachelor of Arts in Communication
Bachelor of Science in International Business and Finance
Bachelor of Arts in International Business and Music
Bachelor of Science in International Business/ Finance Emphasis
Bachelor of Science in Japanese Business
Bachelor of Arts in Leadership in International Organizations

Eligible Majors
Bachelor of Science in Leadership and Consumer Economics
Bachelor of Science in Marketing
Bachelor of Arts in Marketing and Applied Music
Bachelor of Science in Marketing Management
Bachelor Of Arts in Marketing/ Advertising
Bachelor of Arts in Mass Communication
Bachelor of Arts in Organizational Behavior
Bachelor of Arts in Organizational Communication/English
Bachelor of Arts in Communication
Bachelor of Arts in Public Relations
Bachelor of Arts in Public Relations and Psychology
Bachelor of Arts in Sports Administration
Bachelor of Science in Sports Administration
Bachelor of Arts in Sports Management
Bachelor of Science in Sports Management

Population, Sampling Method, Sample, and Participants

The population in this research consists of leaders in sales, human resources and finance functions among Pepperdine University alumni. Surveys will be sent to Pepperdine alumni. Alumni will be targeted by majors likely to reside in sales, finance and human resource functions (see Table 4).

Questionnaires will be sent to everyone with eligible majors. If they have a job in a sales, finance, or human resource function, they will be asked to complete the survey. To achieve a 95% level of confidence and a margin of error of five points, sample sizes for sales, human

resources, and finance leaders will need to be 384, 383, 382 and 384 respectively. Potential non-response bias might occur. Those with higher incomes and higher leadership positions might be less likely to participate in this study. This might be due to senior level executives having greater time constraints and less time available to complete the questionnaire. In addition, the ability to project to a larger population from a sample of Pepperdine graduates could be questioned.

There are 342,000 sales leaders in the United States The average annual salary is $98,530. Human resource leaders will be identified by possessing the following titles: human resources director, human resources vice-president, human resources manager, director of human resources and employee relations manager. There are 72,000 human resource leaders with an average salary of $99,180. Finance leaders will be identified by possessing the following job titles: treasures, controller, vice-president of finance, director of finance and financial manager. There are 527,000 finance leaders in the United States with an average annual salary of $103,910.

Human Subject Considerations

Questionnaires will be sent with an accompanying consent form. The consent form will include the purpose of the research, the measures taken to ensure confidentially and that participation is voluntary. Research subjects will be instructed that no more than minimum risk will exist and remuneration will not be provided. Potential social risk, though minimal, might occur as the respondents are asked to complete a survey regarding the skills required to do their job effectively. Responding to the 14 items spanning leadership skill requirements might uncover certain skill deficiencies or skill requirements that are not required to do one's job effectively. Respondents could benefit from completing the survey. By responding to the 14 items that comprise leadership skill requirements, subjects might uncover a particular area of leadership

skill that they were unaware of which could lead to enlightenment, possibly providing the subject with insight regarding their own leadership improvement.

To provide confidentiality, the data will only be reported in the aggregate. The researcher will not directly or personally interact with the study subjects. Leadership skill data collected will be stored in an OS datafile on the researcher's computer. This file will be password protected. All other material pertaining to the research will be kept in a locked cabinet in the researcher's work office.

Data Collection Setting and Procedures

Each participant will complete a questionnaire which includes O*Net's leadership requirement scale, a 14 item scale covering the three dimensions of leadership skill requirements (see Table 5). Each scale item will utilize a seven point Likert type interval response scale. Bi-polar adjectives high and low will be provided at the high and low points of each scale. For each of the 14 items, the respondent will be asked to indicate the amount each particular skill is required to do his/her job effectively. Item scores will range from one to seven, with one being low and seven high. In addition, specific demographic information within the survey instrument will be collected.

Every Pepperdine alumnus who is eligible based on their major (see Table 4), will be sent an e-mail describing the purpose of the study and a link that includes a consent form and the questionnaire. Informed consent will be obtained through standard IRB guidelines. Selected respondents will be instructed to mark the "I consent" box on the consent form and return it electronically along with the completed questionnaire. Because the data will be collected on-line, a waiver of documentation of informed consent will be secured prior to e-mails being sent. Two reminder e-mails will be sent to the selected participants who have not completed and returned

the surveys one week and two weeks after the initial invitations are sent. E-mail addresses for selected respondents are accessed through Pepperdine's alumni database. The timeline for recruitment and data collection will be:

- February 15, 2015: Initial e-mail to be sent with the study's purpose, consent and questionnaire.

- February 22, 2015: First reminder e-mail to be sent (to those who have been selected but have not responded).

- March 1, 2015: Second reminder e-mail to be sent (to those who have been selected but have not responded).

Table 5

Leadership Skill Requirements

Cognitive Skill Requirements
Speaking (talking to others to convey information effectively).
Active listening (listening to what other people are saying and asking questions as appropriate).
Writing (communicating effectively in writing as appropriate for the needs of the audience).
Reading comprehension (understanding written sentences and paragraphs in work related documents).
Active learning (working with new information to grasp its implications).
Critical thinking (using logic and analysis to identify the strengths and weaknesses of different approaches).
Interpersonal Skill Requirements
Social perceptiveness (being aware of others' reactions and understanding why they act as they do).

(*continued*)

Interpersonal Skill Requirements
Coordination (adjusting actions in relation to others' actions).
Negotiation (bringing other's together to reconcile differences).
Persuasion (persuading others to change their minds or behavior).

Business Skill Requirements
Operations analysis (analyzing needs and product requirements to create a design).
Management of personnel resources (motivating, developing and directing people as they work).
Management of financial resources (determining how many will be spent to get the job done).
Management of material resources (obtaining and seeing to the appropriate use of equipment, facilities...)

Instrumentation

O*Net's leadership requirement scale, a 14 item scale, covering the three dimensions of leadership was developed by the U.S. Department of Labor (Peterson et al., 1999). In the past, internal consistency reliability for cognitive, interpersonal business and strategic skill requirement dimensions were .90, .94 and.75 respectively (Mumford et al., 2007). In addition, specific demographic information within the survey instrument will be collected.

Analytical Techniques

Data collection will utilize an on-line survey tool. Leadership skill requirements will be assessed with a 14 item instrument covering the three dimensions of skills, cognitive, interpersonal, strategic and business. Utilizing a radio button response format, each scale item will utilize a seven point Likert type interval response scale. Anchors are provided at the high and low points of each scale. Each item will be coded on a one-to-seven basis, seven being high

and one low. A composite score will be computed for each of the three leadership dimensions. Each respondent will have 14 scores for each item and four composite dimension scores.

Job function, a nominally scaled variable, has three categories: sales, finance, and human resources. Each participant will be classified in only one of the categories.

Data analysis. For each of the 14 items and three composite dimensions, mean scores and standard deviations will be computed. To verify the extent the data is normally distributed, skewness and kurtosis will be computed for each measure. For job function, a one way frequency table containing frequencies and percentages will be computed. One way frequency tables containing frequencies and percentages for the other demographic data will be computed.

To examine whether the four dimensions of leadership skill requirements vary by the four job functions, a four by four multivariate analysis of variance (MANOVA) test of means will be conducted with the p-value set at .05. The effect size, based on the three by four design, will be calculated and interpreted using Wilks' lambda. If there is a significant multivariate effect, univariate analyses of variance (ANOVA) for each dependent variable, or leadership skill requirement dimension, will be conducted as follow-up tests to the MANOVA. The p-value will be set at .05 and the effect size will be calculated and interpreted using Hedges' g and Cohen's d.

Chapter 4: Results

The purpose of this study was to examine whether leadership skill requirements to perform ones job effectively varies by job function. Leadership skill requirements included cognitive, interpersonal, and business skills. Job functions examined included sales, finance, and human resources. A total of 138 business professionals participated in this study.

A purposeful, nonrandom sampling method was utilized. Participants were chosen based on their undergraduate and graduate majors. Majors selected were done so to target those likely in sales, human resources and finance functions. Because participants were chosen in a non-random fashion, any generalizations to a larger population should be done with caution.

Getting IRB approval for this research was about a six week process. Among the more important requirements for approval included:

- The statement of research purpose must be adequate. It had to be descriptive and specific.

- The privacy and confidentiality of the research had to be sufficient.
  The data collection method was clearly explained.

- The risks and benefits to the respondents for study participation, while minimal, were made very clear.

Each respondent was informed with regards to the purpose of the study and provided consent prior to participation. After the first of three waves of data collection, 72 completed interviews were collected. A week later, a reminder e-mail was sent to those that had not responded in the first week. After this second wave, 122 completed interviews were collected. One week later, the third and final reminder was sent to those that had yet to participate. The third wave of invitation netted 16 additional completed interviews for a total of 138.

Table 1 displays the frequency counts and percentages for selected variables. The vast majority (72 %) had supervisory responsibilities, including 28 % supervising more than 15 employees. Most participants had been in there job a significant amount of time. Only 15 % reported that they had been in their job less than one year. The gender mix for study participants was 58 % men and 42 % women.

Table 2 displays descriptive statistics (mean, standard deviation, maximum and minimum) for each leadership skill requirement. They are displayed in order of importance as reported by the participants. Ten of the 14 items rated at least a six on a seven points scale. The most important skills were speaking, listening, critical thinking, active learning, and writing. The less important skills pertained to the specific function of the job. These included operations analysis, management of financial resources, and the management of material resources.

Table 3 displays summary statistics for each leadership skill dimension. These dimensions include cognitive, interpersonal, and business skill requirements. Participants indicated that cognitive skills were the most important to perform ones job effectively, followed by interpersonal and business skills. These findings closely match the findings of Katz (1974) in that seminal paper on leadership skill. In that research, cognitive (i.e., the ability to learn and adapt) was the most important leadership skill requirement followed by interpersonal skill (i.e., interactive with and influencing others). Similar to this research, the third most important leadership skill identified by Katz was business leadership skill (i.e., involve the management of material resources. operations analysis and personnel management). These findings from table three also closely converge with Mumford et al.'s (2007) leadership strataplex research. In that research, like Katz and like this research, cognitive skills were most important followed by interpersonal skill and then business leadership skill.

The Cronbach alpha reliability coefficients ranged from $r = 0.70$ to $r = 0.79$. This suggested that all dimensions and the complete 14 item scale had adequate levels of internal reliability. It is worth noting, however, that these alpha reliability coefficients were lower than what Mumford et al.'s (2007) reported. In that leadership strateplex research, internal consistency reliability coefficients for cognitive, interpersonal and business skill dimensions were .90, .94 and .75 respectively. Perhaps this is not surprising and might be attributed to the changing nature of jobs and job requirements between the 13-year difference between when the Mumford et al. (2000) data were collected and when these data were collected in 2015. To further assess the validity and reliability of the three leadership skill dimensions and the 14 items, a factor analysis was conducted to confirm or reject the notion of these three dimensions.

Table 4 and table 5 strongly confirm the presence of the cognitive, interpersonal and business leadership skill dimensions. Using a principle component analysis extraction method, a confirmatory factor analysis was conducted. Table 4 shows there are three factors. The first factor accounts for 25 % of the variance in the data, a second factor accounting for 16 % and a third factor accounting for 11 % of the variance for all items. Adding a fourth factors added little variation explained (8.44 %) so it was concluded there are three factors.

Table 10 confirms the presence of cognitive, interpersonal and business leadership skill dimensions. A varimax method of factor rotation was used to identify the factor solution. The varimax method strives for simple structure meaning that items load on a single factor (Nunnally, 1978). Factor 1 is mainly composed of business leadership skills, factor 2 is mainly composed of cognitive leadership skills and factor three is primarily made up of interpersonal leadership skill requirements.

Table 6

Frequency Counts for Selected Variables

Variable	Category	*n*	%
How Many People Do You Supervise?			
	None	39	28.3
	1–3	30	21.7
	4–15	39	24.8
	More than 15	30	28.3
How Long Have You Been in Your Current Job?			
	Less than 1 year	21	15.2
	1–3 years	32	23.2
	3–5 years	17	12.3
	5–10 years	30	21.7
	More than 10 years	38	27.5
Your Gender			
	Male	80	58.0
	Female	58	42.0

Note. *N* = 138.

Table 7

Leadership Skill Requirements Scores

Score	*M*	*SD*	Low	High
Speaking (talking to others to convey information effectively)	6.75	.52	4	7
Active listening (listening to what others are saying)	6.67	.72	3	7
Critical thing (using logic and analysis)	6.56	.84	2	7

(*continued*)

Score	M	SD	Low	High
Active learning (working with new Information)	6.40	.73	4	7
Writing (as appropriate to the audience)	6.29	1.10	3	7
Reading comprehension	6.21	.92	3	7
Negotiation (bring others together)	6.18	1.03	3	7
Social perceptiveness (being aware of others' reactions)	6.11	1.05	2	7
Coordination (adjusting actions)	6.06	1.03	2	7
Persuasion (persuading others)	5.99	1.12	2	7
Management of personnel resources	5.69	1.55	1	7
Operations analysis (analyzing needs and product requirements)	5.14	1.65	1	7
Management of financial resources	5.08	1.83	1	7
Management of material resources	4.50	1.90	1	7

Note. $N = 138$.

Table 8

Psychometric Characteristics for Summated Scale Scores (N = 138)

Score	Number of Items	M	SD	Low	High	Alpha
Cognitive skill	6	6.48	0.51	4.83	7.00	.70
Interpersonal skill	4	6.09	0.79	3.00	7.00	.73
Business skill	4	5.10	1.35	1.00	7.00	.79

Table 9

Factor Analysis: Total Variation Explained

Component	Initial Eigen Values Total	*% of Variance*	*Cumulative %*
1	3.55	25.40	25.40

Component	Initial Eigen Values Total	*% of Variance*	*Cumulative %*
2	2.29	16.37	41.76
3	1.48	10.58	52.34
4	1.18	8.44	60.78

Note. N = 138.

Table 10

Factor Analysis: Rotated Component Matrix

	Component		
Item	1	2	3
Speaking (talking to others to convey information effectively)	.098	.554	.234
Active listening (listening to what others are saying)	.110	.482	.274
Critical thing (using logic and analysis)	.116	.560	-.025
Active learning (working with new Information)	.076	.742	-.072
Writing (as appropriate to the audience)	-.118	.591	.151
Reading comprehension	-.035	.757	.151
Negotiation (bring others together)	.273	-.042	.716
Social perceptiveness (being aware of others' reactions)	-.002	.255	.729
Coordination (adjusting actions)	-.082	.250	.759
Persuasion (persuading others)	.125	.077	.651
Management of personnel resources	.751	.118	.028
Operations analysis (analyzing needs and product requirements)	.599	.042	.072
Management of financial resources	.860	.076	.052
Management of material resources	.836	.003	.111

Research Question One

To what extent do leadership skill requirements vary by job function? To do ones job effectively, do leadership skills, namely cognitive, interpersonal or business skills change whether the professional is in a sales, finance, or human resource function?

Table 11 displays descriptive statistics (means and standard deviations) for each leadership skill dimension for each job function. Very few differences exist between job function on the cognitive skill dimension. Differences are observed when looking at the interpersonal dimension. Participants in sales functions rate a higher interpersonal requirement *(M* = 6.3) than those in a finance position *(M* = 5.9).

Table 12 displays the MANOVA multivariate test. Very little overall effect is observed (Wilk's Lambda value = .911, *F* = 2.123, sig level = .051 and partial Eta squared = .046).

Table 11

Descriptive Statistics

Leadership Skill Requirement	Job Function	Mean	Std Dev	*N*
Cognitive	Sales	6.56	0.41	55
	Human Resources	6.54	0.55	25
	Finance	6.37	0.57	58
Interpersonal	Sales	6.3	0.65	55
	Human Resources	6.08	0.94	25
	Finance	5.9	0.79	58
Business	Sales	4.92	1.47	55
	Human Resources	5.1	1.37	25

(*continued*)

Leadership Skill Requirement	Job Function	Mean	Std Dev	*N*
	Finance	5.28	1.23	58

Table 12

Multivariate Test

	Value	F	Sig	Partial Eta Squared
Wilks' Lambda	0.911	2.123	0.051	0.046

A one way analysis of variance was conducted to identify between subject effects. There appears to be a significant interaction between job function and the interpersonal skills required to do ones job effectively.

Table 13

Tests of Between-Subject Effects

Dependent Variable	Type III SS	df	Mean Square	F	Sig	Partial Eta Squared
Cognitive	1.06	2	0.531	2.063	0.131	0.03
Interpersonal	4.297	2	2.149	**3.612**	**0.03**	0.051
Business	3.521	2	1.7	0.958	0.386	0.014

Table 14 displays mean estimates for each skill requirement dimension for each job function. Standard errors and upper and lower bounds at the 9 % confidence level are displayed.

Table 15 displays mean estimates for each leadership skill requirement item for the sales function. Standard errors are also displayed. Speaking, active listening and critical thinking were three most important leadership skills for those residing in a sales function.

Table 14

Estimates

Dependent Variable	Job Function	Mean	Std. Error	95% Confidence Interval Lower Bound	95% Confidence Interval Upper Bound
Cognitive	Sales	6.56	0.068	6.428	6.699
	Human Resources	6.54	0.101	6.339	6.741
	Finance	6.38	0.067	6.248	6.511
Interpersonal	Sales	6.29	0.104	6.085	6.497
	Human Resources	6.08	0.154	5.775	6.385
	Finance	5.9	0.101	5.701	6.101
Business	Sales	4.92	0.183	4.561	5.284
	Human Resources	5.1	0.271	4.564	5.636
	Finance	5.28	0.178	4.924	5.628

Table 15

Estimates

Item	Mean	Std. Error
Speaking	6.91	0.039
Active listening	6.78	0.084

(*continued*)

Item	Mean	Std. Error
Critical thinking	6.58	0.180
Writing	6.42	0.067
Active learning	6.36	0.108
Negotiation	6.33	0.124
Reading comprehension	6.33	0.113
Persuasion	6.29	0.139
Social perceptiveness	6.27	0.120
Coordination	6.27	0.128
Management of personnel	5.56	0.240
Operations analysis	5.03	0.233
Management of financial resources	4.80	0.272
Management of material resources	4.29	0.274

Table 16 displays mean estimates for each leadership skill requirement item for the human resource function. Standard errors are also displayed. Similar to those in a sales capacity, speaking, active listening and critical thinking were three most important leadership skills for those residing in a human resources function.

Table 16

Estimates

Item	Mean	Std. Error
Speaking	6.72	0.039
Active listening	6.68	0.125
Critical thinking	6.60	0.216

Item	Mean	Std. Error
Writing	6.52	0.131
Active learning	6.60	0.108
Negotiation	6.28	0.124
Reading comprehension	6.12	0.113
Social perceptiveness	6.16	0.268
Coordination	6.16	0.268
Management of personnel	5.96	0.278
Persuasion	5.72	0.261
Operations analysis	4.96	0.339
Management of financial resources	4.76	0.366
Management of material resources	4.72	0.393

Table 17 displays mean estimates for each leadership skill requirement item for the finance function. Standard errors are also displayed. Similar to their sales and human resources counterparts, speaking, active listening and critical thinking were three most important leadership skills for those residing in a finance function.

Table 17

Estimates

Item	Mean	Std. Error
Speaking	6.62	0.088
Critical thinking	6.56	0.089
Active listening	6.55	0.110
Active learning	6.33	0.093

(*continued*)

Item	Mean	Std. Error
Negotiation	6.18	0.154
Reading comprehension	6.14	0.122
Writing	6.07	0.143
Social perceptiveness	5.95	0.136
Persuasion	5.83	0.133
Coordination	5.83	0.126
Management of personnel	5.69	0.181
Management of financial resources	5.48	0.208
Operations analysis	5.33	0.205
Management of material resources	4.60	0.231

Cohen (1988) recommended parameters for interpreting the strength of linear correlations. He proposed that a weak correlation typically had a value of $r = .10$ (about 1 % of the variance explained), a moderate correlation typically had a value of $r = .30$ (about 9 % of the variance explained), and a strong correlation typically had an absolute value of $r = .50$ (about 25 % of the variance explained). With this sample size of $N = 155$, a trivial correlation of $r = .16$ (only 2.6% of the variance accounted for) is significant at the $p < .05$ level. Also, given 60 correlations, a researcher would expect 3 correlations (5 % of the total correlations) to be statistically significant ($p < .05$) simply due to random fluctuations in the data (Nunnally, 1978). Therefore, for the sake of carefulness to avoid making Type I error, this results chapter will primarily highlight those correlations that were of at least moderate strength. This will minimize the chances of Type I errors stemming from interpreting and drawing conclusions based on potentially spurious correlations.

Table 18 displays pairwise comparisons of means examining each skill requirement dimension pairing sales and finance, sales and human resources, finance and human resources. The tukey method of computing multiple mean scores was used when determining statistical significance. While there are mathematical differences in leadership skill requirement means, the only statistical significant difference is comparing those in sales functions compared to finance functions. The interpersonal skill requirement is significantly more important for the sales function than finance.

Table 18

Pairwise Comparisons

Dependent Variable	Job Function	Job Function	Mean Difference	Std. Error	Sig.	Lower Bound	Upper Bound
Cognitive	Sales	Human Resources	0.024	0.122	1	-0.27	0.32
		Finance	0.184	0.095	0.167	-0.047	0.418
	Human Resources	Finance	1.61	0.121	0.563	-0.134	0.455
Interpersonal	Sales	Human Resources	0.211	0.186	0.777	-0.24	0.32
		Finance	0.39	0.145	0.024	0.038	0.455
	Human Resources	Finance	0.179	0.185	1	-0.268	0.455
Business	Sales	Human Resources	-0.177	0.327	1	-0.97	0.616

(*continued*)

Dependent Variable	Job Function	Job Function	Mean Difference	Std. Error	Sig.	Lower Bound	Upper Bound
		Finance	-0.353	0.255	0.506	-0.962	0.266
	Human Resources	Finance	-0.176	0.324	1	-0.611	0.611

Table 19

Spearman Correlations for Selected Variables with Staff Size, Experience, and Gender

Variable	Staff Size		Experience		Gender [a]	
Cognitive Scale	-.03		.04		.23	**
Interpersonal Scale	.13		.21	**	.07	
Business Scale	.48	****	.27	****	-.05	
Total Scale	.35	****	.27	****	.08	
Speaking (talking to others to convey information effectively).	.06		.16		.19	*
Active listening (listening to what other people are saying and asking questions as appropriate).	.00		.05		.13	
Writing (communicating effectively in writing as appropriate for the needs of the audience).	-.09		-.04		.19	*
Reading comprehension (understanding written sentences and paragraphs in work related documents).	-.01		.05		.07	

Variable	Staff Size		Experience		Gender [a]	
Active learning (working with new information to grasp its implications).	-.11		-.07		.23	**
Critical thinking (using logic and analysis to identify the strengths and weaknesses of different approaches).	.03		-.05		.12	
Social perceptiveness (being aware of others' reactions and understanding why they act as they do).	.01		.03		.16	
Coordination (adjusting actions in relation to others' actions).	-.07		.01		.21	**
Negotiation (bringing others together to reconcile differences).	.21	*	.18	*	.00	
Persuasion (persuading others to change their minds or behavior).	.13		.26	***	-.03	
Operations analysis (analyzing needs and product requirements to create a design).	.17	*	.07		-.06	
Management of personnel resources (motivating, developing and directing people as they work).	.47	****	.28	****	.08	
Management of financial resources (determining how much will be spent to get the job done).	.41	****	.26		-.05	

(continued)

Variable	Staff Size	Experience	Gender [a]
Management of material resources (obtaining and seeing to the appropriate use of equipment, facilities and materials needed to do certain work).	.44 ****	.20 *	-.06

Note. N = 138.

* $p < .05$. ** $p < .01$. *** $p < .005$. **** $p < .001$.

[a] Gender: 1 = *Male* 2 = *Female*.

  Table 19 displays the correlations between leadership skill requirements and staff size, work experience and gender. Little differences in leadership skill requirements are observed when analyzing by gender. Consistent with past research, leadership skill requirements increase with individual having greater work experience (Mumford et al., 2007). Perhaps not surprisingly, leadership skill requirements to perform ones job effectively increases as the amount of staff an individual supervises gets larger. Perhaps, intuitively, table 18 shows that management of personnel resources as a leadership skill requirement increases in importance as the number of individual a leader supervises increases. This is logical as management of personnel resources becomes more important as the number of an individual's direct reports gets bigger.

  The purpose of this study was to examine whether leadership skill requirements to perform each job effectively vary by job function. In this case, sales, human resources, and finance functions. In the final chapter, these findings will be compared to the literature. Conclusions and implications will be drawn and a series of recommendations will be suggested.

Chapter 5: Background

Introduction and Brief Summary of Key Findings

The purpose of this study was to examine whether leadership skill requirements to perform ones job effectively varies by job function. Leadership skill requirements included cognitive, interpersonal, and business skills. Job functions examined included sales, finance, and human resources. A total of 138 business professionals participated in this study. The most important skills were speaking, listening, critical thinking, active learning and writing. Interpersonal leadership skills we more important to those in sales function than for those in finance functions. Table 1 displays the frequency counts and percentages for selected variables. The vast majority (72 %) had supervisory responsibilities, including 28 % supervising more than 15 employees. Most participants had been in there job a significant amount of time. Only 15 % reported that they had been in their job less than one year. The gender mix for study participants was 58 % men and 42 % women.

Literature That Agrees With the Findings

The results support Goleman's notion of the importance of emotional intelligence. Often, interpersonal skills are often valued more than cognitive or business leadership skills (Goleman, 1998). The findings support Eichenger (1987), in research where cognitive and interpersonal skills were identified as critical for those in the human resource function. Six critical dimensions were identified for human research competence: cognitive agility, personal management, assertiveness, interpersonal skill, job skill, and business savvy. The findings here showed that, for human resource leaders, cognitive skills are the most important followed by interpersonal and business skills, respectively. Ulrich et al. (1995) also supported the finding found in this research. Their findings suggested three areas of competencies are critical for the human

resource function to add value to their respective organization: knowledge of the business, performance of the human resource function, and management of the firm's change processes.

According to Ulrich et al. (1995), they can be competent in employee or human relations, but to add value to their organization they must have a strong understanding of the business in which their firms compete.

Management of change is the third dimension of human resources functional competence. Businesses with a greater ability to adapt to a changing environment will be more competitive over time (Tichy, 1983). Human resource professionals who are competent in managing change are able to identify problems, communicate a vision, develop a leadership agenda, and set and accomplish organizational goals (Tichy, 1983).

Brockbank and Ulrich (2012) also supported the findings in this research. Their research focused on identifying what knowledge and abilities are critical for outstanding human resource professional performance. They identified six competencies required by high performing human resource professionals:

Strategic positioner. This includes a keen understanding of the external environment. Human resource professionals possessing this competency understand business conditions (e.g., economic, technological, competitive, political trends) that impact their industry. They understand their target market customer and help align their organization to meet and exceed customer needs.

Human resource innovator and integrator. This involves the understanding of state of the art human resource practices and the ability to develop solutions to meet the business requirements. The human resource practices include organizational design, talent procurement, talent development, and performance management.

Change champion. This involves ensuring that the organization's internal capacity for change matches the external pace of change. They ensure that their organization remains flexible, agile and responsive. High performing human resource professionals possessing this competency are able to build a case for the importance of specific change and overcoming resistance to change. They are able to successfully engage key stakeholders involved in the change. They are also able to sustain change through organizational structure decisions, organizational communication and continuous organizational learning.

Technology proponent. Technology has changed the way human resource professionals work. At a basic level, they need to utilize technology to efficiently deliver human resource systems like healthcare costs, payroll processing, and other administrative services. In addition to this basic level, human resource professionals need to utilize technology to improve communication both within and outside the organization. Utilizing technology such as social media assists the organization connecting inside employees to outside customers.

Capability builder. A highly effective human resources leader creates a strong organization. The authors posit that an organization is not a structure; rather, it is a distinct set of capabilities. It should define who the organization is and what they are known for. Human resource professions should be able to invest in the capabilities of an organization. They should also be able to periodically audit the capabilities of the organization.

Credible activist. Effective human resource leaders develop relationships with business leaders. They build personal relationships with senior leadership, develop trust and can be relied upon. The authors posit that human resource professionals who are credible but not activist are liked but have little impact on an organization. Effective human resource professionals are proactive and have high degree of self-awareness.

The findings in this research also support Favaro (2001).The successful finance executive to be viewed as competent, must not only have a mastery of the finance function, but must possess four additional competencies within their respective organization: an ability to strategize, an ability to organize and utilize large amounts of information, has strong communication skills, and possess demonstrable leadership skill (Favaro, 2001).

The ability to strategize. Similar to the human resource leader, the finance leader must have a strong grasp of the business. The competent financial leader understands the business and can proactively identify strategic opportunities for the business.

The ability to process large amounts of information. This involves the ability of the finance manager to work with line management to provide fact based financial systems to create strategy and monitor business performance.

The ability to communicate. This involves both internal and external communication. The competent finance executive can effectively communicate within the organization the firm's current situation and future direction. The competent finance executive is also adept at communicating to its investors and the media.

Possess strong leadership skill. A competent finance executive forges strong relationships with others in their respective organizations. They are an active participant in the decision making process of their organization. They have close working relationships with other business unit leaders within the organization and fellow executives. Harrop (2001) examined the perceived leadership traits, behaviors, and characteristics required to do the chief financial officer job effectively. The leadership traits that were found to be critical to the performance of the CFO included knowledge, honesty, integrity, and credibility. Leadership behaviors that we found to be essential for strong job performance included being accountable, the ability to

effectively collaborate, being fair, being decisive, and being objective. Characteristics found to be critical for impactful CFO job performance included empathy and achievement oriented.

The findings in this research, with regards to leadership skill requirements to perform effectively in a sales function, strongly support the literature. the Big Five personality traits measurement (Goldberg, 1981). This five factor model has five factors based on unique personality traits. These five traits are summarized as follows:

- Openness (to experience): The appreciation for unusual ideas and adventure. This reflects the degree of intellectual curiosity.

- Conscientiousness: To possess self-discipline. This involves planned rather than spontaneous behavior.

- Extraversion: Outgoing rather than reserved behavior. Individuals possessing this trait seek the company of others.

- Agreeable: Individuals that are compassionate and cooperative rather than suspicious and maybe antagonistic.

- Neuroticism: The degree of emotional stability and the ability to control ones impulses. The tendency to experience anger, anxiety, and depression easily.

In a meta-analysis examining over 2,300 sales professionals, salespeople were found to score much higher on the extraversion dimension than others in different occupations (Barrick & Mount, 1991). Traits such as gregarious and assertive were found to lead to increased salesperson effectiveness. Salespersons were found to be lower on conscientiousness and agreeableness than those in other occupations. In a review of predictors of sales person effectiveness, Vinchur et al. (1998) indicated that general cognitive ability and extraversion were statistically significant predictors of salesperson effectiveness ratings.

A competency model developed by Rohm and Haas (as cited in Marketing Leadership Council, 2007) identified nine competencies for a high impact and successful sales and marketing professional. The nine competencies roughly align with Mumford et al.'s (2007) four dimensions of leadership skill requirements. The nine competencies are listed and briefly explained as follows:

Analysis for business decision making. High performers are strong at business analysis. They use data to understand and identify competitive advantage. They make well informed decisions by incorporating the "big picture."

Bias for action. High performers are proactive. They actively identify and exploit developing opportunities. They maintain strong and clear customer communication to understand critical customer needs identify news ways to better address these needs.

Business acumen. They are very skilled in analyzing financial data. They are able to perform cost/benefit analysis of alternate strategic initiatives to advance the future interests of the organization.

Innovation and conceptual capacity. Strong performers have the ability to synthesize significant amounts of data. They are able to simplify complex issues. They are able to identify the strategic opportunity and clearly communicate the vision to others.

Interpersonal effectiveness. Effective performers are recognized as thought leaders. They provide effective leadership during high tension situations. They possess strong negotiation skills.

Market insight and customer drive. Superior performers effectively apply customer insights to decision making. They focus on anticipating customer needs and meeting them effectively. They consistently watch for emerging trends and unmet customer needs.

Operational marketing. High performers provide key input to their organization's new product development process. They have a keen understanding of their competitors and of their organizations' strengths, weaknesses, opportunities, and threats (SWOT).

Business process knowledge. They understand the complexity of their organization and work to identify and eliminate barriers to effective collaboration. They understand how their organizations process works. They know how to get things done, quickly, effectively, and efficiently.

Strategic focus. They have the ability to identify and create differentiating strategies and plans. They are able to recognize possibilities that are beyond existing limits.

Bolden (2011) conducted in-depth interviews of 15 successful sales leaders to identify common patterns, competencies, and other critical factors contributing to effectives sales leader performance. The research identified task oriented and interpersonal dimensions common among successful sales leaders. Critical task oriented dimensions included having a drive for results. Successful leaders continually keep "their eye on the prize." They are also had strong attention to detail and very adept at managing execution. Common interpersonal dimensions of successful sales leaders included motivating others and fostering teamwork.

The relative importance of key selling abilities was examined by Weibaker (1990). In a study of pharmaceutical salespeople, based on interviews with salespeople, physicians, and sales managers, Weibeker ranked 14 sales abilities based the impact each had on a successful sales interaction (see table 3). The research identified that adaptability, knowledge, presentation skill, listening skill, and questioning skill were the most important selling abilities.

Final Thoughts About the Literature

There is a vast array of definitions of leadership and its dimensions in the literature. Past meta-research had identified over 60 different methods of classifying leaders developed to define and describe the dimensions of leadership (Fleishman et al., 1991). Despite the multitude of ways leadership has been conceptualized, four main components have been identified as critical to the leadership phenomenon: (a) Leadership is a process, (b) Leadership involves influence, (c) Leadership occurs in a group context, and (d) Leadership involves goal attainment (Northouse, 2007).

Five major approaches to leadership were described. They include the leadership trait approach, leadership style approach, situational approach, transformational leadership, and leadership skills approach. Regarding leadership skills, which can be developed, is quite different from the trait approach. Whereas the trait approach focuses on personality traits that are considered innate and stable, the skills approach posits that skills can be developed. Leadership skills can be improved upon (Katz, 1974). The trait approach to leadership suggests that leadership is based on intrinsic characteristics of the leader. Because the skills approach suggests that knowledge, skills, and talent are critical for effective leadership, research that has defined the skills approach will be described and analyzed here. Katz's (1974) landmark article on the skills approach to leadership identified three critical skills required for effective leadership: technical, human, and conceptual.

Some important findings from Mumford et al. (2007) include:

- Jobs at higher levels of organizations have greater overall leadership requirements.

- Cognitive skills needed to the greatest degree across organization.

- Interpersonal skills required to a greater degree than business and strategic.

- Stronger relationship between organizational level and leadership requirements for strategic and business than for interpersonal and cognitive.

New Contributions to the Literature

What was lacking in the literature was an empirical examination of whether leadership skill requirements, to perform ones job effectively, vary by job function. Here it was observed that, yes, they do. Interpersonal leadership skill is more important to those in a sales function than those residing in a finance function. This finding has significant hiring and developmental implications. Leadership skill requirements vary by which function in which the leader resides. It is essential to get the most out of leaders that organizations ire right and train right.

Conclusions and Recommendations

As the leadership strataplex research observed, leadership skill requirements vary across an organization vertically (Mumford et al., 2007). Their findings suggested that jobs at higher levels of organizations require greater overall leadership requirements. According to their theory, interpersonal skills are more important than business and strategic skills. The strataplex argues that these skill requirement differences are consistent regardless of organizational function. Before now, there was no known empirical examination of the extent to which, if at all, leadership skill requirements vary by the functional area in which the leader resides.

This research provides future direction for research in leadership requirements for sales, finance and human resource professionals. Leadership skill requirements do, in fact, differ based on where the leader resides. A key distinction between the leadership skill and leadership trait approach is that skill can be developed and improved upon and traits cannot (Northouse, 2007). Identifying if and how skill requirements differ by function, strategies for improving leadership effectiveness can be tailored to the leadership position.

The assumption that leadership skills requirements are the same across functional areas could potentially lead to hiring and developmental mistakes. Skill requirements for a Chief Financial Officer or Vice-President of Human Resources are different than for a Vice-President of Sales. Here, empirical research examining how skill requirements vary by functional area might improve the likelihood of businesses correctly placing the right leader in the right position. This research might also improve the efficacy of leadership training because it is based on the skill requirements of the position.

Recommendations for Future Research

The number of job functions examined should be expanded. Here leadership skill requirements were examined across only sales, finance and human resource functions. Other functions, such as accounting, manufacturing and research and development should be examined.

Methodological Enhancements

This research's sampling frame was Pepperdine University graduates. It is unclear how representative it is of the workforce. While there was a good mix of gender, number of employees supervised, and job tenure, the projectability of the findinga could be questioned.

Future research in this area might consider using a broader sampling frame. In addition, the sample size of only 138 increased the probability of Type 2 error. Type 2 error is also identified as a false negative, It is the error of accepting the null hypothes when in fact the alternative hypothesis is the true state. It happens when there is failure to accept the alternative hypothsis due to inadequate power (Nunnally, 1978). In the future, greater sample size would be required to investigate whether some of the mathematical differences observed in this research were statistically significantly different.

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APPENDIX A

IRB Approval Letter

PEPPERDINE UNIVERSITY

Graduate & Professional Schools Institutional Review Board

March 6, 2015

Ronald P. Conlin

Protocol #: E1214D04
Project Title: A Comparative Study of Leadership Skill Requirements across Sales, Human Resource and Finance Functions.

Dear Mr. Conlin:

Thank you for submitting your application, *A Comparative Study of Leadership Skill Requirements across Sales, Human Resource and Finance Functions,* for exempt review to Pepperdine University's Graduate and Professional Schools Institutional Review Board (GPS IRB). The IRB appreciates the work you and your faculty advisor, Dr. Madjidi have done on the proposal. The IRB has reviewed your submitted IRB application and all ancillary materials. Upon review, the IRB has determined that the above entitled project meets the requirements for exemption under the federal regulations (45 CFR 46 - http://www.nihtraining.com/ohsrsite/guidelines/45cfr46.html) that govern the protections of human subjects. Specifically, section 45 CFR 46.101(b)(2) states:

(b) Unless otherwise required by Department or Agency heads, research activities in which the only involvement of human subjects will be in one or more of the following categories are exempt from this policy:

Category (2) of 45 CFR 46.101, research involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey procedures, interview procedures or observation of public behavior, unless: a) Information obtained is recorded in such a manner that human subjects can be identified, directly or through identifiers linked to the subjects; and b) any disclosure of the human subjects' responses outside the research could reasonably place the subjects at risk of criminal or civil liability or be damaging to the subjects' financial standing, employability, or reputation.

In addition, your application to waive documentation of informed consent has been **approved.**

Your research must be conducted according to the proposal that was submitted to the IRB. If changes to the approved protocol occur, a revised protocol must be reviewed and approved by the IRB before implementation. For any proposed changes in your research protocol, please submit a **Request for Modification Form** to the GPS IRB. Because your study falls under exemption, there is no requirement for continuing IRB review of your project. Please be aware that changes to your protocol may prevent the

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research from qualifying for exemption from 45 CFR 46.101 and require submission of a new IRB application or other materials to the GPS IRB.

A goal of the IRB is to prevent negative occurrences during any research study. However, despite our best intent, unforeseen circumstances or events may arise during the research. If an unexpected situation or adverse event happens during your investigation, please notify the GPS IRB as soon as possible. We will ask for a complete explanation of the event and your response. Other actions also may be required depending on the nature of the event. Details regarding the timeframe in which adverse events must be reported to the GPS IRB and the appropriate form to be used to report this information can be found in the *Pepperdine University Protection of Human Participants in Research: Policies and Procedures Manual* (see link to "policy material" at http://www.pepperdine.edu/irb/graduate/).

Please refer to the protocol number denoted above in all further communication or correspondence related to this approval. Should you have additional questions, please contact Kevin Collins, Manager of the Institutional Review Board (IRB) at gpsirb@peppderdine.edu. On behalf of the GPS IRB, I wish you success in this scholarly pursuit.

Sincerely,

Thema Bryant-Davis, Ph.D.
Chair, Graduate and Professional Schools IRB

cc: Dr. Lee Kats, Vice Provost for Research and Strategic Initiatives
        Mr. Brett Leach, Compliance Attorney
        Dr. Farzin Madjidi, Faculty Advisor