

Social Psychology and Organizations

SAMPLE CHAPTER

Edited by

David De Cremer

Rolf van Dick

J. Keith Murnighan

ORGANIZATION with
MANAGEMENT SERIES



<http://www.psypress.com/0761836728561>

Social Psychology and Organizations

David De Cremer
Erasmus University

Rolf van Dick
Goethe University

J. Keith Muninghan
Northwestern University

 **Routledge**
Taylor & Francis Group
New York London

<http://www.psypress.com/9781848728561>

Contents

| | |
|--|-------|
| Series Foreword..... | xix |
| <i>Art Brief, Kim Elsbach, and Michael Frese</i> | |
| About the Editors | xxi |
| About the Contributors..... | xxiii |

SECTION I Introduction

| | |
|---|----|
| Chapter 1 On Social Beings and Organizational Animals: A Social Psychological Approach to Organizations | 3 |
| <i>David De Cremer, Rolf van Dick, and J. Keith Murnighan</i> | |
| Social Psychology and Organizations: Understanding Work Life | 4 |
| Social/Organizational Research Themes..... | 6 |
| Outline of the Book..... | 7 |
| Part 1 | 7 |
| Part 2 | 9 |
| Part 3 | 10 |
| References..... | 12 |

SECTION II Leadership, Power, and Social Influence

| | |
|--|----|
| Chapter 2 Power: A Central Force Governing Psychological, Social, and Organizational Life..... | 17 |
| <i>Adam D. Galinsky, Diana Rus, and Joris Lammers</i> | |
| Power Affects Social Attentiveness | 19 |
| Power Reduces Perspective Taking, Compassion, and Conformity | 20 |
| Power Increases Instrumental Attention | 22 |
| Power Makes the Person..... | 24 |
| Power Increases Assertive Action | 24 |
| Power Increases Optimism and Risk Taking | 25 |

| | |
|---|----|
| Power Increases Illusions of Control | 26 |
| Power Increases Abstract Thinking | 27 |
| Power Reveals the Person | 28 |
| Power Makes You More Like Yourself..... | 29 |
| Power Makes You More Like Your Culture | 29 |
| Harnessing Power in the Service of Leadership..... | 30 |
| Leadership Selection..... | 32 |
| Leadership Creation | 33 |
| References | 35 |
| | |
| Chapter 3 On Being the Leader and Acting Fairly: A Contingency Approach | 39 |
| <i>David De Cremer and Tom R. Tyler</i> | |
| The Relationship Between Fairness and Leadership | 41 |
| The Connection of Leadership to Procedural Fairness..... | 42 |
| Does Leadership Have a Focus on Fairness? | 45 |
| Leadership and Procedural Fairness: A Contingency Approach | 46 |
| Empirical Evidence of a Contingency Approach..... | 48 |
| The Case of Self-Confident Leaders | 48 |
| The Case of Self-Rewarding Leaders..... | 50 |
| The Case of Selecting a Leader..... | 51 |
| Summary..... | 54 |
| The Role of Needs in Our Contingency Approach..... | 55 |
| The Value of the Contingency Approach | 57 |
| Conclusion..... | 59 |
| References | 59 |
| | |
| Chapter 4 Managing Normative Influences in Organizations..... | 67 |
| <i>Noah J. Goldstein and Robert B. Cialdini</i> | |
| Focus Theory of Normative Conduct | 68 |
| Differentiating Between Descriptive and Injunctive Norms..... | 68 |
| The Importance of Focus..... | 70 |
| The Constructive, Destructive, and Reconstructive Power of Social Norms..... | 73 |
| Reference Groups and Normative Influence | 78 |

| | |
|---|----|
| The Role of Social Identification in Normative Influence | 79 |
| The Role of Contextual Similarity in Normative Influence | 80 |
| Conclusion..... | 83 |
| References | 84 |

Chapter 5 Entrepreneurial Actions: An Action Theory

| | |
|---|-----|
| Approach..... | 87 |
| <i>Michael Frese</i> | |
| Active Entrepreneurial Actions..... | 88 |
| Action Theory: Building Blocks | 91 |
| Sequence..... | 91 |
| Action Structure | 91 |
| The Skill Level of Regulation..... | 92 |
| Level of Flexible Action Patterns | 93 |
| Conscious Level..... | 93 |
| Level of Metacognitive Heuristics | 94 |
| Active Actions and the Levels of Regulation | 94 |
| The Focus: Task, Social, and Self | 96 |
| The Task as Focus of Regulation..... | 96 |
| The Social Context as Focus of Regulation | 97 |
| Characteristics of Active Action; Characteristics and Entrepreneurial Success..... | 98 |
| Entrepreneurial Orientation | 99 |
| Active Goals and Visions..... | 100 |
| Active Task Strategy and Active Action Planning | 100 |
| Active Social Strategy for Networking | 105 |
| Effectuation, Improvisation, and Experimentation..... | 106 |
| Active Feedback Seeking and Active Approach to Mistakes | 109 |
| Active Approach to Learning (Deliberate Practice) | 110 |
| Active Approach in Personality..... | 110 |
| Training | 111 |
| Conclusion..... | 112 |
| References | 112 |

SECTION III Conflict, Cooperation, and Decision Making

| | | |
|------------------|---|-----|
| Chapter 6 | Responsive Leaders: Cognitive and Behavioral Reactions to Identity Threats | 121 |
| | <i>Roderick M. Kramer</i> | |
| | Leader Identity and Identity-Threatening Predicaments.. | 123 |
| | Studying Leader Identity Threat and Repair Processes | 125 |
| | Study 1: Countering the <i>Business Week</i> Rankings— Selective Categorization and Strategic Social Comparisons | 126 |
| | Study 2: Leaders' Decisions as Identity-Threatening Predicaments—A Case Study of Lyndon Johnson and His Vietnam Decisions | 131 |
| | Johnson's Identity as a Leader | 133 |
| | Study 3: Transforming Failure to Success—Presidential Self-Presentational Tactics in the Iceland Arms Control Talks | 138 |
| | Summary, Implications, and Conclusions | 141 |
| | References | 143 |
| | | |
| Chapter 7 | The Three Faces of Overconfidence in Organizations | 147 |
| | <i>Don Moore and Samuel A. Swift</i> | |
| | Three Faces of Overconfidence | 148 |
| | Overestimation | 148 |
| | Overplacement | 148 |
| | Overprecision | 149 |
| | Three Problems | 150 |
| | Problem 1: Confounding | 150 |
| | Problem 2: Underconfidence | 151 |
| | Underestimation | 151 |
| | The Illusion of Control | 152 |
| | The Planning Fallacy | 152 |
| | Pessimism About the Future | 152 |
| | Underplacement | 153 |
| | Comparative Pessimism | 153 |

| | |
|---|-----|
| Underprecision..... | 154 |
| Problem 3: Apparent Inconsistency..... | 154 |
| Differential Information Theory | 155 |
| Experimental Evidence..... | 157 |
| Overprecision..... | 157 |
| An Additional Measure of Overprecision..... | 160 |
| The Relationship Among Overprecision, Overestimation, and Overplacement..... | 162 |
| Individual Differences..... | 162 |
| Strengths of the Differential Information Theory | 165 |
| Reconciling Incongruous Results..... | 166 |
| False Consensus and False Uniqueness..... | 166 |
| Moderators of Overconfidence | 167 |
| Controllability..... | 167 |
| Observability..... | 167 |
| Personal Experience | 168 |
| Absent/Exempt..... | 168 |
| Debiasing | 168 |
| Limitations of the Differential Information Theory..... | 169 |
| What Constitutes Performance? | 169 |
| Direct Versus Indirect Measures..... | 170 |
| The Self-Selection Problem..... | 170 |
| Motivational Effects | 171 |
| Future Research | 172 |
| Overprecision | 172 |
| The Benefits of Overconfidence | 173 |
| Conclusion..... | 174 |
| References | 175 |

Chapter 8 Conflict in Workgroups: Constructive, Destructive, and Asymmetric Conflict..... 185

Sonja Rispens and Karen A. Jehn

| | |
|---|-----|
| The Conflict Debate: Past Conflict Research..... | 185 |
| Addressing the Conflict Debate: Conflict Asymmetry..... | 187 |
| Group and Individual Conflict Asymmetry..... | 188 |
| Theoretical Framework..... | 191 |
| Research Framework..... | 193 |

| | |
|---|-----|
| Mediators of Conflict Asymmetry and Group Outcomes..... | 195 |
| Contingencies and Directions for Future Research | 198 |
| Asymmetrical Perceptions and Recognition..... | 198 |
| Physiological Explanations: Threat Versus Challenge... | 199 |
| Conflict Perceptions: Power and Status..... | 200 |
| Moving Beyond Conflict | 200 |
| Conclusion..... | 201 |
| References | 202 |

Chapter 9 The Repair of Trust: Insights From Organizational Behavior and Social Psychology..... 211

| | |
|---|-----|
| <i>Kurt T. Dirks and David De Cremer</i> | |
| Why Trust Matters..... | 212 |
| The Repair of Trust..... | 213 |
| Attributions and Trust Repair | 216 |
| Social Equilibrium..... | 219 |
| Negotiation of Trustworthiness..... | 221 |
| New Questions for Theory and Practice | 223 |
| How Can Trust in an Organization Be Repaired? | 223 |
| How Does Power Affect Trust Repair Process?..... | 225 |
| Can Trust Be Fully Repaired? | 226 |
| Conclusion..... | 228 |
| References | 228 |

Chapter 10 Give and Take: Psychological Mindsets in Conflict.... 231

| | |
|--|-----|
| <i>Francis J. Flynn</i> | |
| The Trouble With Giving and Receiving | 232 |
| The Underestimation of Help Giving | 232 |
| The Overestimation of Help Seeking..... | 234 |
| It's the Thought That Counts..... | 236 |
| How You Give Matters More Than What You Give | 238 |
| How Much Is It Worth to You?..... | 240 |
| Where Do We Go From Here? | 242 |
| Getting Past "No" | 242 |
| The Cooperation–Conflict Connection..... | 244 |
| Thanks, but No Thanks..... | 244 |

| | |
|------------------------------|-----|
| Beyond Attention Focus | 245 |
| Conclusion..... | 248 |
| References | 249 |

SECTION IV Contemporary Issues

| | |
|---|-----|
| Chapter 11 The Value of Diversity in Organizations: A Social Psychological Perspective | 253 |
| <i>Katherine W. Phillips, Sun Young Kim-Jun, and So-Hyeon Shim</i> | |
| The Concept of Diversity..... | 254 |
| The Influence of Social Category Diversity..... | 256 |
| Affect and Cognition in Diverse Groups | 261 |
| Diversity Beliefs in Groups | 263 |
| Future Research | 265 |
| Conclusion..... | 267 |
| References | 267 |

| | |
|---|-----|
| Chapter 12 Antisocial Behavior at Work: The Social Psychological Dynamics of Workplace Victimization and Revenge | 273 |
| <i>Karl Aquino and Jane O'Reilly</i> | |
| Workplace Victimization | 275 |
| Hierarchical Status as a Moderator of the Personality–Victimization Relationship | 278 |
| The Moderating Effect of Demographics | 280 |
| Critique of Research and Future Research Directions .. | 282 |
| A Relational Model of Workplace Victimization: Uniting the Victim's and the Perpetrator's Perspectives of Victimization | 283 |
| Workplace Revenge | 285 |
| The Effects of Absolute Status on Revenge..... | 288 |
| The Effects of Relative Power on Revenge | 290 |
| Critique of Research and Future Research Directions .. | 291 |
| Conclusion and Final Remarks | 292 |
| References | 293 |

| | | |
|-------------------|---|------------|
| Chapter 13 | Creativity in Individuals and Groups: Basic Principles With Practical Implications | 297 |
| | <i>Carsten K.W. De Dreu, Bernard A. Nijstad, and Matthijs Baas</i> | |
| | Creativity and Innovation..... | 298 |
| | Dual Pathway to Creativity Model..... | 299 |
| | Initial Evidence for DPCM..... | 301 |
| | Mood and Creative Performance | 302 |
| | Flow and Creative Performance..... | 303 |
| | Summary and Conclusions on Individual-Level Creativity | 305 |
| | Group-Level Creativity and Innovation..... | 305 |
| | Motivated Information Processing in Groups Model .. | 306 |
| | MIP-G and Group Creativity..... | 308 |
| | MIP-G and Group Innovation..... | 313 |
| | Conclusions and Avenues for Future Research..... | 315 |
| | Individual Creativity: Theoretical and Practical Implications..... | 316 |
| | Group Creativity and Innovation: Theoretical and Practical Implications | 318 |
| | Concluding Thoughts..... | 319 |
| | References..... | 319 |
| | | |
| Chapter 14 | A Social Identity Approach to Workplace Stress..... | 325 |
| | <i>S. Alexander Haslam and Rolf Van Dick</i> | |
| | Dominant Approaches to Stress..... | 328 |
| | The Physiological Approach..... | 328 |
| | The Individual Difference Approach | 329 |
| | The Stimulus-Based Approach | 330 |
| | The Transactional Approach..... | 331 |
| | The Social Identity Approach: Some Key Concepts and Premises..... | 333 |
| | Social Identity Theory..... | 333 |
| | Self-Categorization Theory | 335 |
| | A Social Identity Approach to Stress | 337 |
| | Social Identity and Primary Stress Appraisal..... | 337 |
| | Social Identity and Secondary Stress Appraisal..... | 340 |
| | Social Identity and Burnout | 341 |

| | |
|---|-----|
| Conclusion: Workplace Stress as a Social and Political Process | 345 |
| References | 346 |
| | |
| Chapter 15 When Good People Do Wrong: Morality, Social Identity, and Ethical Behavior..... | 353 |
| <i>Madan M. Pillutla</i> | |
| A Model of Ethical Decision Making | 354 |
| Moral Identity | 356 |
| Social Identity | 358 |
| Social Identity and Moral Behavior | 361 |
| Relationship to Other Compensatory Ethics Models..... | 366 |
| Conclusion..... | 367 |
| References | 367 |
| | |
| Chapter 16 Culture and Creativity: A Social Psychological Analysis..... | 371 |
| <i>Kwok Leung and Michael W. Morris</i> | |
| Prioritization and Conceptualization of Creativity | 372 |
| Cultural Differences in Creative Performance..... | 373 |
| Conceptual and Measurement Issues | 374 |
| Are Some Cultures More Creative Than Others? | 374 |
| Unpackaging the Influence of Culture | 376 |
| Extending Western Research on Innovativeness to the Chinese Context..... | 376 |
| Innovativeness From a Chinese Perspective..... | 378 |
| Multicultural Experience and Creativity | 380 |
| Versatility..... | 381 |
| Virtuosity..... | 383 |
| Broad Access to Ideas..... | 383 |
| Unconventional Associations | 385 |
| Novel Conceptual Combinations | 386 |
| Conclusion..... | 388 |
| References | 390 |
| | |
| Author Index..... | 397 |
| Subject Index..... | |

6

Responsive Leaders: Cognitive and Behavioral Reactions to Identity Threats

Roderick M. Kramer
Stanford University

In recent months, following the almost daily revelations of corporate fraud and abuse by the heads of some of the country's largest corporations, the American people have been witness to a parade of leaders earnestly denying any wrongdoing. And they've seen these same leaders, contritely arrayed at long tables facing angry and accusing Congressional committees, declaring they hadn't seen it coming and it wasn't their fault.

Such events remind us that it isn't easy being at the top. They also remind us that leaders are expected not only to make sensible and prudent decisions as they manage their organizations but also to be adept at explaining and justifying those decisions. Yet, given the intense scrutiny directed at current leaders, successfully maintaining a positive image can be truly problematic (Sutton & Galunic, 1996). Both a skeptical and vigilant media and the various stakeholders of an organization have greater access to information and feel empowered to challenge leaders' judgments and actions. As a consequence, leaders find their decisions endlessly dissected and debated by television pundits, watchdog groups, and bloggers. As Pfeffer (1992) succinctly noted, "To be in power is to be watched more closely, and this surveillance affords one the luxury of few mistakes" (p. 302).

When leaders do make mistakes—or are perceived to have made mistakes—they are likely to find their intentions, motives, attentiveness, or competence called into question. Questions about their integrity, credibility, or competence present them with severe identity-threatening predicaments. When accusations challenge cherished, central aspects of a

leader's own sense of identity, they constitute a particularly serious, personal threat.

The research that I summarize in this chapter explores the array of cognitive responses leaders experience when they face these identity-threatening predicaments. My primary aim in the chapter is to systematically explore two central questions. First, how do leaders construe identity-threatening predicaments? In other words, what cognitive tactics do they use to make sense of (and potentially attenuate or mitigate) these threats to their identity and sense of self? And, second, how do they adjust their cognitions to preserve their sense of self and justify their actions? Stated in slightly different terms, I explore the cognitive strategies leaders use when they try to make sense of identity-threatening predicaments and the cognitive tactics they use when they try to repair their threatened or tarnished identities.

In pursuing these two issues, I should note that my analysis differs somewhat from prior approaches. For the most part, previous research has focused on decision makers' explanatory accounts, including tactics such as apologies, excuses, and justifications (e.g., Elsbach, 1994; Elsbach & Sutton, 1992; Ginzler, Kramer, & Sutton, 1993; Salancik & Meindl, 1984). In the present research, I investigate the role of *strategic categorization* (and also recategorization) processes. In particular, I present the results of three studies that explored leaders' responsive construals of identity-threatening predicaments and the tactics they chose in their attempts to repair their tarnished identities.

My research also takes a different methodological approach to these phenomena. The traditional, preferred method in social psychological research has been the laboratory experiment (Runkel & McGrath, 1974); it has many well-known advantages for investigating the efficacy of self-presentational strategies (e.g., Leary, 1989, 1995; Schlenker, 2003). My research, in contrast, has taken a qualitative, archival approach, investigating the self-presentational strategies and tactics real-world leaders use when responding to real-world predicaments. Thus, I have focused on analyzing the thoughts and responses of experienced, skillful leaders, possibly assisted by their advisors, to actual predicaments.

To begin, I provide a brief conceptual summary of the meaning of a leader's psychological identity or sense of self. I then describe how organizational events, external and beyond a leader's control, as well as those resulting from a leader's own decisions can threaten these identities. I

discuss how I analyzed leaders' responses and then present findings from three different domains. I conclude the chapter by discussing some theoretical and practical implications.

LEADER IDENTITY AND IDENTITY-THREATENING PREDICAMENTS

For the present analysis, I define *psychological identity* in terms of the attributes individuals use to describe themselves (Hoyle, Kernis, Leary, & Baldwin, 1999). Thus, leaders' identities constitute the set of self-perceived attributes they use to characterize themselves or their leadership, including unique or distinctive personal qualities leaders associate with themselves. Leaders might, for example, consider themselves intelligent, competent, trustworthy, competitive, visionary, or resilient. These self-ascriptions also include references to various social and political categories they might use to label themselves. Thus, a leader might also describe herself as a feminist, a centrist Democrat, a neoconservative, or a radical environmentalist.

As with other forms of psychological identity, leader identities are highly differentiated and include multiple identity components (Brewer & Hewstone, 2004). Thus, when asked to describe themselves, most leaders will experience little difficulty invoking a variety of different attributes and categories. To be sure, some may describe themselves in terms of a very few, closely related attributes, and others may list many attributes, some of which may seem inconsistent with, and not easily integrated into, a single, coherent sense of self. They may also vary in their comfort or ambivalence toward their attributes. Martin Luther King Jr., for example, was acutely sensitive to what he perceived as his personal moral weaknesses, especially those related to "womanizing." Nonetheless, he understood and accepted these critical self-perceptions to sharpen his thinking regarding his role in the leadership of the civil rights movement (Branch, 2006).

Identity attributes also vary in their importance and centrality. For example, some leaders might define themselves first and foremost in terms of their ability to manifest grace under pressure (an attribute President John F. Kennedy highly valued). In contrast, Ronald Reagan valued optimism, a deep faith in himself, and the wisdom of his judgment. Other leaders view their ability to bounce back from personal or political crises

as central; for example, Bill Clinton famously referred to himself as “the Comeback Kid.” Similarly, Richard Nixon perceived himself as a scrappy, street-tough fighter whom the Harvard-trained intellectuals and media critics underestimated, with other attributes taking a secondary, more peripheral place.

I characterize those attributes and categories leaders view as particularly important, fundamental, and central to their self-conceptions as *core identity* attributes or categories. From a functional perspective, all of the self-ascriptions and self-categorizations leaders employ when describing themselves can be viewed as helping them define who they are and how they should interpret and act in those situations (March, 1994). Threats to core identity attributes should then be particularly salient.

A few other preliminary points merit mention. As with other forms of identity, leader identities are to some extent socially constructed and socially validated. Leaders attempt to project desired identities through their actions, but a diverse organizational audience—allies, constituents, shareholders, employees, board members, pundits, and critics—*interprets* their actions. Leaders face a constant social challenge in sustaining their desired identity. Because of this interdependence, leaders’ success or failure at constructing and maintaining a valued identity depends on others’ reactions to their identity affirmations and claims. In this sense, leaders’ identities emerge and are sustained through their interactions with other people, especially audiences to whom they feel particularly accountable. Stated differently, identity management is a reciprocal, dynamic influence process between leaders and their audiences (Ginzel et al., 1993).

Because leaders’ identities are socially constructed and negotiated, the success or failure of leaders’ attempts to restore or repair a damaged identity is likely to depend on a perceptive reading of their organizational audience and a deft negotiation of that audience’s concerns, interpretations, and beliefs. This obviously brings leaders’ self-presentation and impression management skills to the fore. Thus, the results of any identity repair process critically depend upon leaders’ persuasion, influence, and negotiation skills.

These ideas and assumptions provide the backdrop for my investigation of leaders’ approaches to the problem of identity threat and repair. The term *identity-threatening predicament* refers to any event that calls into question or challenges a leader’s cherished or valued identity attributes (Tedeschi, 1981). For example, if a leader considers herself to be a moral and trustworthy

leader and highly values those attributes, then an event that calls into question her morality or trustworthiness is likely to constitute an identity threat, especially if it creates an expectation of some sort of response or reaction from her. In other words, both leaders and their various stakeholders understand when an important identity-threatening predicament emerges; they are public, recognizable events that require a response.

STUDYING LEADER IDENTITY THREAT AND REPAIR PROCESSES

A number of approaches have been used to study how individuals respond to identity threats. As noted, most social psychologists have employed experimental methods to investigate antecedents and consequences of identity threats. Steele's (1988) programmatic studies on self-affirmation are an excellent illustration: His experiments demonstrate that when individuals experience a threat to one aspect of their social identities, they can sometimes mitigate the severity of that threat by affirming other positive social identities. Thus, if a student's competence in mathematics is challenged, the student might affirm other compensatory attributes, including his writing ability or knowledge of art.

Although these studies involve inexperienced undergraduate students responding to abstract and artificial social stimuli, they are quite valuable in exploring the basic psychological processes associated with social identity threat and repair processes. They are less useful, however, for building an understanding of the likely reactions of organizational or political leaders. It's hard to bring presidents, senators, or corporate chief executive officers into the laboratory to measure their response to a hypothetical, transient threat. For these kinds of cases, experimental investigations can be only suggestive.

A different approach, represented here in three studies, is to use qualitative data to inductively investigate how leaders respond to identity threats. The first study explored how business school leaders respond to threats to their leadership and the second and third examined Lyndon Johnson's and Reagan's different responses to threats to their presidential performance.

STUDY 1: COUNTERING THE *BUSINESS WEEK* RANKINGS—SELECTIVE CATEGORIZATION AND STRATEGIC SOCIAL COMPARISONS

Business Week (*BW*) magazine began ranking U.S. business schools in 1988. It used a survey to evaluate business schools on two primary criteria: (1) master of business administration (MBA) graduates' satisfaction with their school, including the quality of the educational experience and support for career placement; and (2) recruiters' satisfaction with recent graduates of the school. It constructed a composite score from these two dimensions to rank business schools, with a special focus on its idea of the "Top Twenty" schools in the country. It is important to note that competition among business schools for the best students is fierce, and a school's rankings in surveys like *BW*'s are viewed as important drivers of prospective MBA students' selections of schools. Thus, these rankings constituted a new, serious threat to business schools and their administrative leaders.

The *BW* rankings also represented a serious threat to business schools because they essentially changed "the name of the game" for many schools. Prior to the rankings, many top schools had created distinct reputational niches for themselves. Harvard, for example, was renowned for producing top-flight, management-oriented leaders. Northwestern was considered the most prominent marketing program. The University of Pennsylvania's Wharton School of Business was famous for its finance program. Stanford was known as the premier "basic research-oriented" business school, and Massachusetts Institute of Technology (MIT) and University of California (UC)–Berkeley were known for their high-tech, entrepreneurial orientation. Other schools enjoyed regional reputations that helped them attract students; one school, for example, was known as the "Harvard of the South."

Because of these distinctive niches, it was possible for many schools to consider themselves quite outstanding, claiming high status even as they avoided invidious comparisons. By suggesting a single, common, and purportedly objective metric, the *BW* ranking forced schools to respond to its criteria. Because of the obvious threat posed by students selecting schools primarily on the basis of their absolute ranking, the "live and let

live” feeling among schools prior to the rankings was replaced by more a universally competitive mindset.

This was the context that Kim Elsbach and I used to explore business school deans’ responses to organizational identity threats; our central focus was on their identity construal and repair tactics (Elsbach & Kramer, 1996). We collected a variety of different kinds of evidence. First, we collected and content analyzed school documents, including press releases and published interviews. We also collected articles from campus, regional, and national newspapers. Finally, we conducted extensive interviews ourselves with business school deans, associate deans, and administrators involved in media relations.

Content analyses of the interview and archival materials revealed strong evidence that the *BW* rankings were a serious threat to many business schools in at least two distinct ways. First, the rankings often devalued or ignored altogether the schools’ core identity dimensions and, by implication, their leadership. For example, by emphasizing MBA students’ satisfaction with teaching as a primary evaluative criterion, *BW* implicitly questioned the value of a research orientation: UC–Berkeley, MIT, and Stanford’s basic missions.

Second, by ranking the schools, *BW* questioned many schools’ claims of status, both nationally and regionally. As John Byrne, the creator and editor of the survey, noted, “For years and years there were probably 50 business schools that claimed that they were in the top 20 and probably hundreds that claimed they were in the top 40.... The Business Week survey eliminated the ability of some schools to claim that they [were] in a top group” (Elsbach & Kramer, 1996, p. 445).

Business school leaders are naturally motivated to protect the status and prestige of their schools and their leadership. Students also want their schools to be highly ranked because job placement and starting salaries are tied to a school’s prestige and reputation. Alumni pressure deans to keep rankings high to preserve the value of their degree and the status it confers. As one dean from an Ivy League school put it, when asked why he couldn’t just ignore the rankings if their validity was so suspect, “Regardless of my personal views, I wouldn’t be dean of this institution for very long if I did nothing to respond to even the *perception* that our school was slipping in its national standing (p. 446)”.

The rankings clearly created a severe threat for business school leaders. How did they respond? To answer this question, we again analyzed press

releases and interviews from campus, regional, and national newspapers. We coded every statement made by any administrative leader in response to the threats posed by the *BW* rankings. We also interviewed leaders from each of the schools in our sample. Our research identified several common tactics. First, leaders frequently used *strategic recategorization tactics* to challenge *BW*'s implicit characterization of their core identity or their positional status. Leaders used these tactics to affirm positive aspects of their school's identity that the rankings had neglected or minimized and to make sense of the threat and explain to important constituents why their schools had achieved a disappointing ranking.

An administrator from Berkeley, for instance, categorized his school as a "public management, entrepreneurial-oriented" program, implying that it was different from and should not be compared with other general purpose, private business schools. In noting the importance of this identity attribute, he emphasized to us, "We *really value* our entrepreneurial culture around here. It's central to how we see ourselves.... If the Haas emphasis on high-tech and entrepreneurship were to change, the school would lose its identity and competitive advantage." He also noted the unique complexity of the school's identity, "As a public institution, we have numerous missions private schools don't have" (Elsbach & Kramer, 1996, p. 451).

In a similar vein, a dean at Stanford observed that its entrepreneur-oriented program catered to the career aspirations of its students, many of whom hoped to found a Silicon Valley start-up rather than work for more traditional, large corporations: "More Stanford MBAs have non-Fortune 1000 interests, choosing instead, smaller and entrepreneurial ventures." As a consequence, he noted, "Some of the things that improve rankings are part of what we don't want to change [about our school]" (p. 454).

A University of Texas administrator emphasized that his business school "catered to regional labor markets" better than other schools and that regional standing was a "more important" and salient metric for evaluating his effectiveness as a school leader, since students were seeking jobs within the region rather on the West or East Coast: "I feel responsible for making sure our students get the jobs they want locally, so much of our focus is on that goal" (p. 455).

The second recategorization tactic focused on *favorable social comparisons* that the rankings had neglected. Hogg and Abrams (1988, p. 23) noted how effective this tactic can be: "By differentiating ingroup and outgroup on dimensions on which the ingroup is at the evaluatively positive pole, the

ingroup acquires a positive distinctiveness, and thus a relatively positive social identity in comparison to the outgroup.” Research has often shown that, following unfavorable social comparisons, people invoke comparisons based on other, more flattering dimensions that give them a comparative advantage (Wood & Wilson, 2003). Many business school leaders also responded to the *BW* rankings by selectively categorizing their schools to create more favorable interschool comparisons. This tactic seemed to serve the dual purpose of both affirming their perceptions of their valued core identity and their perceptions of their school’s status. Thus, many leaders used categorizations that increased the salience of identity dimensions that were also held by other well-respected, highly ranked schools but were neglected or devalued by *Business Week*. For example, in categorizing her school as a regional leader, a University of Texas administrator noted, “We’re in a similar situation as highly-ranked University of Michigan Business School.... [In fact] we are considered to be the best in our region ... like Michigan, which is a very powerful regional school, and is also of national stature with Stanford, Harvard, and Wharton. So that’s how we’d like to be seen. We’d like to be a school that totally dominates a region.” Similarly, a University of Chicago dean indicated, “We’re a top research institution. I think of us in the same academic league as Harvard or Stanford” (p. 458).

One UC–Berkeley administrator was particularly articulate about the unfair, illogical use of *BW*’s single metric in its rankings: “In its market, Berkeley does a better job than most schools. But *Business Week* is throwing the Fords and the Chevys and the Porsches in the same mix.... It’s really not fair. It’s like judging apples and oranges, and we’re not the same type of school as many others” (p. 458). As these examples illustrate, business school leaders used this tactic not only to affirm positive aspects of their school’s identity that the rankings had minimized or neglected but also to deflect attention away from the attributes the rankings emphasized.

They also used these tactics to help constituents make sense of or explain why their school had achieved a disappointing ranking. By directing attention away from the ranking itself, they showed how it was misleading or incomplete in its representation of the school, because it ignored aspects of the school’s identity that were more important than the criteria used in the survey. These categorization tactics tried to change the perceived field of salient, available comparisons. Our study reaffirms the potency of such

tactics not just for making sense of where one stands in the social order or how well one is doing on some standard but also in helping leaders repair threats to their core identity or the core identities of the ongoing actions they represent.

Elsbach and I (Elsbach & Kramer, 1996) used the metaphor of a microscope, as it is used to view material on a slide, to visualize how these identity repair tactics work. Just as evaluators peer through the lens of a microscope, selective categorization processes can manipulate a perceiver's field of view and, by implication, the inclusiveness or exclusiveness of comparisons. Thus, the first strategy of highlighting cherished or valued identity attributes is like using a high level of magnification to concentrate only on the focal organization; moving the slide around highlights positive attributes or facets of that focal organization. By concentrating only on positive identity attributes and excluding tainted or tarnished attributes from view, leaders can help perceivers retain a more positive overall perception of the organization and its leadership.

The second strategy is akin to using a lower-powered or reduced magnification to selectively enlarge the field of view to include a set of comparison organizations that reflect favorably on the focal organization and its leadership. Highlighting alternate comparison groups in the field of view involves, metaphorically, moving the slide around to focus on different subsets of organizations and their interrelationships or similarities. Placing the organization in a broader visual field can alter its relationship to other organizations (e.g., its perceived similarity and distinctiveness). For instance, by focusing narrowly on a specific region or subset of schools, leaders can generate a social comparison group in which their organization enjoys high status.

To summarize, this study (Elsbach & Kramer, 1996) identified several cognitive tactics that organizational leaders used to make sense of and manage external threats to their organizations and to their leadership. The *Business Week* rankings were an external threat, largely beyond the control of any individual business school or its leadership.

In the next study (Kramer, 1995), I explored the results of identity-threatening predicaments that have resulted because of decisions that leaders themselves have made. Unlike external threats, leaders are responsible for these events; thus, they must find ways of making sense of and deflecting direct challenges to their own actions.

STUDY 2: LEADERS' DECISIONS AS IDENTITY-THREATENING PREDICAMENTS—A CASE STUDY OF LYNDON JOHNSON AND HIS VIETNAM DECISIONS

Not only are leaders expected to explain and make sense of their organization's performance; they are also responsible for making the decisions that influence that performance. Swift, sure, effective decisiveness may even be regarded as one of the *sine qua nons* of the true leader. In fact, this is the clear conclusion of the voluminous leadership literature that characterizes effective leaders in terms of bold decisions rendered in moments of great crisis or opportunity (e.g., Janis, 1989; Useem, 1998).

Obviously, leaders' decisions have important identity-relevant consequences. For example, Kennedy enhanced his identity (and received rave reviews from American journalists and political pundits) following his successful management of the Cuban Missile Crisis. In contrast, Kennedy's indecisive handling of the Bay of Pigs invasion created an identity-threatening predicament that threatened to undermine his desired identity. More recently, George W. Bush was widely criticized for his slow, indecisive handling of emergency relief in the wake of Hurricane Katrina.

To investigate how leaders' own decisions create identity-threatening predicaments and how they might respond to such threats, I sought a well-documented case of a leader who was widely respected for political acumen and leadership skills, especially self-presentational abilities and impression management skills, but who had also created a severe identity threat for himself. The case of Lyndon Johnson and his Vietnam decisions met all of these criteria: Few instances of leader decision making have generated so much attention from historians, political scientists, psychologists, and organizational theorists. In fact, these decisions have been the focus of enormous scholarly scrutiny—not only because of their intrinsic historical importance but also because of their perplexing character (Kramer, 1995, 1998).

Johnson's Vietnam decisions provide a stark contrast between his attributes as a decision maker and the decisions he made in this instance. Few U.S. presidents have entered the Oval Office with a clearer perception of their ultimate goals and ambitions, and few have seemed better positioned to implement those goals and achieve those ambitions. Johnson was widely regarded as one of the most capable wielders of power ever to

have assumed the presidency; he was a master politician who understood better than almost anyone else in his time how Washington worked.

Johnson's performance in his first months in office, following the unexpected death of President Kennedy, only contribute to our perplexity regarding his subsequent Vietnam decisions. Shortly after assuming the presidency, Johnson performed flawlessly as the nation's leader, winning over a wary Congress and a skeptical public as he sought to enact both President Kennedy's stalled legislation and his own initiatives. After only a few months in office, he was elected to the presidency on his own in 1964 with the then-largest popular mandate in U.S. history. His priorities were clear, and he was confident in pursuing them. Indeed, on the basis of his early White House performance, it looked as if Lyndon Johnson was on his way to achieving his aim of being remembered in history as a great activist president, especially with respect to his legislative accomplishments and advances in civil rights, health care, education, and the war against poverty.

Johnson's initial assessments of the Vietnam situation also seemed remarkably prescient. He clearly understood, for example, the prospect of becoming mired in a costly, escalating conflict with little upside (Beschloss, 1997, 2001): Early in his presidency he confessed to his mentor, Richard Russell, and others that he saw no way such a war might be won. He believed that this conflict was not worth the blood of a single American soldier. He begged his advisors to exercise great caution and care, suggesting that future historians would dissect their decisions with the same critical scrutiny as the Bay of Pigs decisions.

The clarity and force of these initial, perceptive assessments seem to be in direct conflict with Johnson's subsequent decisions on Vietnam, which dramatically escalated the conflict. In the end, his policies went terribly awry, undoing his beloved domestic programs, his presidency, and ultimately his legacy.

Previous psychological research on Johnson's Vietnam decisions has taken several approaches, primarily focusing on decision quality. Groupthink remains one of the more influential social psychological interpretations (Janis, 1983), explaining Johnson's performance largely in terms of defective group dynamics. Another approach has been escalation of commitment (Staw, 1976). These accounts have emphasized leaders' experience of the psychological pressures toward private and public consistency.

In contrast, I approached the Vietnam decisions from an identity perspective (Kramer, 2003). To explicate how identity and decision collided,

with devastating consequence, I first provide a brief characterization of Lyndon Johnson's "self-categorization" as president. I then analyze his cognitive responses to the identity-threatening predicament posed by his Vietnam decisions.

Johnson's Identity as a Leader

Lyndon Johnson described his aspirations and goals to many people (e.g., Henggeler, 1991; Kearns-Goodwin, 1976; Valenti, 1977). His views surfaced frequently in his public pronouncements and his private ruminations with close confidantes and aides. As his aide Jack Valenti put it, "He had one goal: to be the greatest president doing the greatest good in the history of the nation" (quoted in Kramer, 1995, p. 120). He wanted, in his own words, to be "the greatest father the country had ever had" (Grubin, 1991). He once expressed the view that he aspired—figuratively at least—to have his visage placed alongside the other great figures on Mount Rushmore.

In Johnson's eyes, presidential greatness had two cornerstones: a record of historic domestic achievement and the ability of a president to keep the nation out of harm's way. Thus, Johnson first sought, as Nicholas Lemann once aptly commented, to "set world records in politics the way a star athlete would in sports" (Dallek, 1991, p. 109). In pursuit of this goal, Johnson displayed a breathtaking legislative genius, passing more sweeping domestic legislation than any president in history. He was determined to rival Franklin Roosevelt, who knew how to throw the great machinery of government into high gear in pursuit of great if difficult aims. In this spirit, Johnson embarked on a broad set of initiatives under the umbrella of his Great Society program. He felt that this historic, domestic program would be the capstone of his presidency, the banner on which his legacy as a great democratic president would hang. Johnson recognized also that achieving greatness as a president required waging a successful war. In Johnson's eyes, Abraham Lincoln and Roosevelt were the two premier examples of great wartime presidents.

Johnson not only had entertained a clearly defined vision of the identity he sought as president; he also knew how he would achieve it. His reading of history and his intense study of the presidency led him, as Kearns-Goodwin (1976, pp. 343–344) put it, to believe that "if you had the energy and drive to work harder than everyone else you would achieve what you set out to accomplish." Johnson, she went on to note, "held before him the

image of the daring cowboy, the man with the capacity to outrun the wild herd, riding at a dead run in the dark of the night” (pp. 343–344). He drew a clear distinction between leaders who were the “doers” and those he dismissed as the “thinkers” and “talkers” of the world. Thus, Johnson clearly defined both the ends and the means of his desired identity.

This is the context of his Vietnam decisions. In his view, he had inherited the dilemma of Vietnam just as he had inherited his presidency—on a tragic moment’s notice on November 22, 1963. From the instant of that assumed presidency, Johnson clearly recognized the threat that Vietnam posed to his legacy (Beschloss, 1997, 2001): He felt it had little upside. In terms of furthering his ambitions, unfortunately, none of his alternatives seemed attractive or viable either. “I feel like a hound bitch in heat in the country,” he poignantly complained. “If you run, they chew your tail off. And if you stand still, they slip it to you” (Berman, 1989, p. 183). The thought of “cutting and running,” as he once put it, was anathema to someone who had such a keenly developed image of what great, activist presidents need to do in moments of crisis or challenge.

In Johnson’s eyes, the Vietnam decisions also directly threatened his ability to implement his Great Society initiatives. In his view, the Great Society decisions would enable him to demonstrate to the American public the sweep and grandeur of his presidential vision. He envisioned a revitalized, completed America, where people would be judged by the “quality of their minds” and not merely by the “quantity of their goods” (Grubin, 1991). He described the program as being like a beautiful woman that the American people would love (Kearns-Goodwin, 1976).

The intensity of the conflict between his desired identity and his Vietnam decisions intensified as the war drained economic and attentional resources from the Great Society. The program that he had characterized as a young and beautiful woman now withered under the economic hardships imposed by the war: “She’s getting thinner and thinner and uglier and uglier all the time.... Soon she’ll be so ugly the American people will refuse to look at her; they’ll stick her in a closet to hide her away and there she’ll die. And when she dies, I, too, will die” (Kearns-Goodwin, 1976, pp. 286–287).

In Johnson’s mind, the threat to his identity was intensified by the sudden disaffection of large segments of the American public—the same public that, only months before, had made him one of the most popular and beloved presidents in U.S. history. As Berman (1989, p. 183) noted, “It pained him

that those he believed had been helped most by his presidency [e.g., students, Blacks, and educators] were leading the opposition to his war.”

How did Johnson respond to the identity-threatening predicament he perceived in his Vietnam decisions? Initially, he responded with extremely vigilant, mindful information processing of the sort described by Janis (1989) in his classic work on high-quality decision making. Johnson studied all of the details of the decisions and vigorously pressed his secretary of defense Robert McNamara and his other advisors to consider every implication of every decision:

What I would like to know is what has happened I want this discussed in full detail, from everyone around this table ... what are the compelling reasons [for this decision]? What results can we expect? Again, I ask you, what are the alternatives? I don't want us to make snap judgments. I want us to consider all our options. (Valenti, 1975, p. 259–260).

As the war escalated and continued to defy resolution, Johnson increasingly displayed two less adaptive cognitive responses. The first response was hypervigilant information processing (Janis, 1989). “A compulsive reader, viewer, and listener who took every criticism personally and to heart, he was at first intent on, and then obsessed with, answering every accusation, responding to every charge” (Herring, 1993, p. 95).

His second dysfunctional cognitive response was intense and intrusive dysphoric rumination about Vietnam. “If Johnson was unhappy thinking about Vietnam,” Kearns-Goodwin (1976, p. 299) noted, “he was even less happy not thinking about it.” Johnson often “consciously and deliberately decided not to think another thought about Vietnam, yet discussions that started on poverty or education invariably ended up on Vietnam.... He found himself unwilling, and soon unable, to break loose from what had become an obsession” (Kearns-Goodwin, p. 299). In particular, he tended to ruminate at length about his deteriorating image as a leader and as president. He began to imagine a vast web of conspiracy, including his many political enemies, whom he felt were lined up against him with the common aim of denying him his desired presidential legacy (e.g., Califano, 1991; Dallek, 1991; Goodwin, 1988). As he put it, even years later, “They’ll get me anyhow, no matter how hard I try.... The reviews are in the hands of my enemies—the *New York Times* and my enemies—so I don’t have a chance” (Kearns-Goodwin, p. 357).

In trying to repair his threatened presidential identity, two interesting cognitive responses evidenced in the archival data parallel the results of our study of business school responses to the *Business Week* rankings (Elsbach & Kramer, 1996). Both responses represent Johnson's attempts to recategorize himself. The first was his use of *selective self-categorizations* to cognitively focus on the self-enhancing facets of his identity while downplaying or minimizing his less flattering facets. For example, when the critics challenged the wisdom of his military policy, Johnson would remind them of all he had done for civil rights, poverty, education, and health-care reform (Beschloss, 2001). According to his friend, Texas governor John Connally, he had a list of all his legislative accomplishments in his pocket, ready to pull out and read off as if it were a baseball score card (Grubin, 1991). By highlighting alternative accomplishments in the domestic realm, Johnson tried to enhance his faltering identity.

A second, also frequent cognitive tactic was the sort of strategic (i.e., motivated or self-enhancing) social comparisons observed in the *Business Week* study. For instance, in characterizing his difficult choices, Johnson continually compared himself to other presidents, particularly Franklin Roosevelt and Woodrow Wilson. Thus, in justifying his persistence in Vietnam, despite evidence that the war was not progressing favorably, he argued, "You see, I deeply believe we are quarantining aggressors over there ... just like FDR [did with] [Adolf] Hitler, just like Wilson [did] with Kaiser [Wilhelm]. You've simply got to see this thing in historical perspective" (Kearns-Goodwin, 1976, p. 313).

Similarly, when friends, aides, advisors, and critics suggested that he might be perceived as a greater president if he decisively ended such an unpopular conflict, Johnson recoiled. "Everything I know about history," he asserted, "proves this absolutely wrong. It was our lack of strength and failure to show stamina, our hesitancy, vacillation, and love of peace being paraded so much that caused all our problems before World War I, World War II, and Korea" (Kearns-Goodwin, 1976, p. 313).

Johnson also drew solace in comparisons to Lincoln and his unpopular decisions: "I read all about the troubles Lincoln had in conducting the Civil War. Yet he persevered and history rewarded him for his perseverance" (Kearns-Goodwin, 1976, p. 314). "We're going to have our troubles," Johnson acknowledged, but "we're not running from nothing ... and remember old Abraham Lincoln..." (Beschloss, 2001, p. 136). As he admonished his confidantes, "They [the public] don't ever remember

many of these Presidents from Jackson to Lincoln. They don't remember many from Lincoln to Roosevelt. The ones they remember are those that stood up." (Bechloss, 2001, p. 136).

To summarize, the results of this second study (Kramer, 1995) replicate and extend the findings from our study of business school leaders' responses to identity threats. The analysis suggests that leaders' own decisions can create identity-threatening predicaments in at least two ways. First, their decisions can create an internal "credibility gap" that challenges or invalidates their self-perceptions of their cherished self-categorizations. Second, their decisions can also threaten their public claims regarding their core identities. When decisions cause important constituents to question a leader's intentions, motives, actions, or competence, then they may feel like they are in a serious crisis management situation.

The data revealed that Johnson used both of the tactics observed in the *Business Week* study: selective self-categorizations to highlight alternate identity attributes; and selective social comparisons to highlight alternate comparison groups. Both of these tactical responses can be thought of as recategorization efforts in the service of identity maintenance and repair. Selective social comparison, for instance, can be viewed as a form of recategorization of one's perceived social identity group; it can succeed because "healthy [psychological] functioning may depend on the ability to exhibit flexibility in the choice of evaluative comparisons in order to maintain a sense of competence and high self-esteem" (Frey and Ruble, 1990, p. 169).

Analysis from the point of view of an individual's identity provides a somewhat novel perspective on leader decision making. Some studies, for example, have examined the role of power in decision making (Neustadt, 1990; Pfeffer, 1992); others have explored the role of a leader's advisory systems (Burke & Greenstein, 1989; George, 1980; Janis, 1983); and others have investigated the impact of accountability mechanisms and structures on judgment and choice (Allison, 1971; Tetlock, 1992). Approaching leader decision making from an identity perspective indicates that leaders' perceived core identities influence the how they frame their decisions. Their decisions, in turn, have important implications for leaders' identity claims and aspirations. The ability of leaders to construct and sustain valued or desired identities clearly depends on the favorable or unfavorable consequences of their decisions. The research described here indicates how these decisions also represent important parts of leader identity construction and maintenance.

An identity perspective on leader decision making also helps illuminate some of the particular reasons leaders sometimes make the idiosyncratic decisions they do. This perspective also suggests why leaders persist even when the consequences of their decisions seem self-defeating. Thus, although intended to resolve an identity threat, leaders' responses have sometimes increased the threats to their identities, especially when their responses inadvertently invite further hostile or critical scrutiny.

STUDY 3: TRANSFORMING FAILURE TO SUCCESS— PRESIDENTIAL SELF-PRESENTATIONAL TACTICS IN THE ICELAND ARMS CONTROL TALKS

My third study investigated attempts by Ronald Reagan and his advisors to address threats to the perception of him as a competent negotiator with the Soviet Union. In this study, Robert Sutton and I analyzed the “spin control” efforts in the historic 1986 Iceland Arms Control talks between President Reagan and Soviet premier Mikhail Gorbachev (Sutton & Kramer, 1990).

Several events precipitated this incident. On September 19, 1986, Soviet Foreign Minister Eduard Shevardnadze delivered a letter from Soviet premier Mikhail Gorbachev to President Reagan proposing that they have some informal presummit discussions prior to their official summit. Reagan responded affirmatively, suggesting such a meeting could indeed be productive. Accordingly, the two leaders met in Reykjavik, Iceland, on October 11–12, 1986, discussing a wide range of issues, including their countries' nuclear policies and strategic arms postures.

Almost immediately afterward, journalists and media pundits presented a grim, negative assessment of the talks. *Newsweek* (October 27, 1986, p. 31, as cited in Sutton & Kramer, 1990) summarized the failure in a particularly scathing characterization: “The dejection in the President's carriage as he walked out of Hofdi house, the disappointment etched into every line of Secretary of State George Shultz's face as he briefed the press, had flashed an unmistakable message to TV watchers around the world: the summit meeting with Mikhail Gorbachev had ended in failure. Moreover, the blame was placed squarely at Reagan's feet.” As *Newsweek* put it, “Worse, headlines were spreading the impression that Reagan had

thrown away the promise of a nuclear-free world by clinging to his vision of a space-based defense—even if there might be no missiles to defend against.”

These conclusions presented a serious identity threat to Reagan on several fronts. First, Reagan considered himself a masterful negotiator, competent and tough. He felt both confident and comfortable in his face-to-face meetings with Gorbachev and apparently entertained little fear or doubts about his abilities. When aides expressed concern about Reagan’s ability to debate nuclear strategy with Gorbachev, Reagan dismissed their concerns by claiming that Gorbachev didn’t really understand all that stuff either. His speechwriter, Peggy Noonan (1995, p. 218), said, “When he first met with Gorbachev and had to negotiate arms control, he had no great anxiety because, as he put it, he’d been president of the Screen Actor’s Guild, he’d negotiated with Sam Goldwyn and Jack Warner, and Gorbachev was nothing compared to those guys.”

Second, Reagan believed that our security was his responsibility: If necessary, he would stand up to communist leaders and contain the menace of communism. In his view, the leader of one of the world’s most evil empires should not be appeased or allowed to expand Soviet influence. Moreover, Reagan had a sense of destiny—he had a strong view about his place in American history, and that place included helping restore America’s confidence and strength. In short, Reagan considered himself America’s lifeguard.

These talks being discussed as failures, plus suggesting that historic gains in arms reductions had been within grasp only to be unrealized, left Reagan and his team scrambling for a better story line. They were not long in finding one. White House communications director Patrick Buchanan suggested an alternative framing: “Basically, our story is this. The President made the most sweeping, far-reaching arms control proposal in history” (*New York Times*, October 15, 1986, A1). It was Gorbachev, he asserted, who said no. Buchanan further contended that press analyses suggesting that the talks were a failure were simply “mistaken.” One White House aide put it this way: “We weren’t focusing on the one yard we didn’t gain.... What about the ninety-nine yards we did? We kept saying, ‘Let’s focus on that’” (Sutton & Kramer, 1990, p. 240).

It is important to note that the effort expended to respond to this identity-threatening predicament—including forty-four “on-the-record” briefings and interviews in the first week following the talks—was unusually

extensive, even by White House standards. One reporter I interviewed said, “It was impossible to even use the restroom without some White House aide following you into the bathroom trying to tell you more about ‘what really happened.’” Buchanan himself acknowledged that their efforts constituted “the most extensive and intensive communications plan I’ve ever been associated with in the White House” (*New York Times*, October 15, 1986, A1). Even Secretary of State Shultz acknowledged the active efforts to “reshape perceptions” of the Reykjavik meeting. Shultz, initially dispirited immediately following the talks, now characterized the discussions as a “watershed” because “for the first time the two sides agreed to dramatic reductions in nuclear and strategic arms” (Sutton & Kramer, 1990, p. 240).

In an attempt to echo Winston Churchill, the White House Communications Office released a statement characterizing the meeting as “Reagan’s finest hour.” President Reagan himself argued, “We prefer no agreement than to bring home a bad agreement to the United States” (*New York Times*, October 13, 1986).

Donald Regan suggested to a *New York Times* reporter only a few days later that these efforts at explaining what had really transpired had paid off handsomely:

Look at the polls. The American people are behind us. The point was we wanted to tell people what happened inside, so the outsiders will understand the enormity of the accomplishments that the President made. It wasn’t a defeat at all, but it might have been characterized that way if we had sat still... . Why not tell what happened? Why not let it all hang out? We have nothing to be ashamed of. (*New York Times*, October, 16, 1986, A1)

Data from several independent polls support Regan’s assessment: Over a few months, perception of the talks changed from outright failure to a dramatic success. Indeed, as time passed and the event was reassessed, Americans reported *greater* confidence in Reagan’s ability to successfully negotiate an effective arms control agreement with the Soviets. In a perceptive (if perhaps unintentionally disparaging) appraisal of their success, Regan offered a colorful image of their feat: “Some of us [in the administration] were like a shovel brigade that follows a parade down Main Street

cleaning up,” he noted with a laugh. “We took Reykjavik and turned what was a sour situation into something that turned out pretty well.”

These events further illustrate the efficacy of cognitive repair tactics. In particular, by recategorizing the outcome in terms of American resolve and avoidance of losses, Reagan was able to suggest he had effectively avoided making undesirable concessions or retreating from a strong position. He even suggested he had avoided being lulled by Gorbachev into a public relations trap. In short, he maintained his identity as a tough, vigilant negotiator who had stood up to and faced down his opponent.

SUMMARY, IMPLICATIONS, AND CONCLUSIONS

Viewed in concert, the findings from these three studies converge on several insights regarding how leaders initially construe identity threats as well as some of the cognitive tactics they use to respond to those perceived threats.

First, these studies suggest that threats to a leader’s sense of self create a psychological state we might characterize as *identity dissonance*. The magnitude of this dissonance depends on the perceived discrepancy between the leaders’ desired or claimed identity and the identity they perceive is held by important or powerful members of their organizational audience. Thus, for leaders who want to be perceived as trustworthy but feel that an important set of constituents question their credibility, the result is highly dissonant.

As with other forms of cognitive dissonance, identity dissonance is an aversive psychological state that motivates individuals to reduce or eliminate it. Threats to core identity attributes should be especially aversive and, therefore, particularly motivating. Also like other forms of cognitive dissonance, identity dissonance should lead to a variety of identity repair tactics, which is just what we observed in these studies. Leaders will logically select the particular tactics that they believe will be effective, and their perceptions of their audience and the validity of the threat will influence their effectiveness estimates. As these results further suggest, identity repair becomes a dynamic, iterative process: Leaders negotiate their identities by making (and remaking) a series of claims and by responding to their stakeholders’ responses to those claims.

In addition to their theoretical implications and contributions, the findings from these studies have several practical implications for

organizational and political leaders. First, identity-based categorization (and recategorization) tactics are potent tools that allow leaders to help not only themselves but also other individuals—both inside and outside the organization—make sense of an organization’s values, decisions, and purposes. As March (1994, p. 71, italics in original) observed, “Organizations [and their leaders] shape individual action both by providing the content of identities ... and by providing appropriate cues for invoking them.” Such identity cues enable leaders to focus members’ attention on what they want them to be thinking about. They also provide broad cognitive frames for action. Few leader activities are more consequential to the vitality of an organization or the legitimacy of his leadership. As Pfeffer (1981, p. 26) noted, “Every organization has an interest in seeing its definition of reality accepted ... for such acceptance is an integral part of the legitimization of the organization and the development of assured resources.” The same is true for organizational leaders—their authority and credibility clearly hinge, at least in part, on their ability to proffer identities that others view as legitimate, valuable, and efficacious.

The results from these studies also suggest that identity-based recategorization processes may help leaders change or reshape not only their own identities but also the identities of their organizations. Along these lines, Burgelman and Grove (1996, p. 20) proposed a model of what they termed “strategic dissonance” whereby leaders purposefully take advantage of distress related to perceived incongruities or discrepancies between an organization’s avowed strategic intent and leader’s strategic actions. They suggest that leaders can use the information generated by strategic dissonance “when trying to discern the true shape of the company” (p. 20). They argued, however, that “it must be a realistic picture grounded in the company’s distinctive competencies—existing ones or new ones that are already being developed.... Getting through that period of immense change requires reinventing the company’s identity” (p. 20).

It may be useful to close this chapter on a methodological note. Laboratory investigations have contributed many important insights into the antecedents and consequences of effective self-presentational strategies and tactics. These studies have typically evaluated the efficacy of a particular strategy and identified its limitations and its psychological underpinnings (see Leary, 1995; Schlenker, 2003 for literature reviews). For example, researchers have investigated the efficacy of ingratiation as a strategy for increasing interpersonal liking or attraction (Jones, 1990). The

important, distinctive advantage of qualitative case studies is their opportunity to explore the complexity and diverse effects of leaders' actual strategies and tactics. These same methods have been used to investigate the efficacy of the self-presentational strategies of Hollywood screenwriters trying to sell their screenplays in studio settings (Elsbach & Kramer, 2003) and of physicians trying to build rapport and trust with their patients in managed care settings (Cook et al., 2004). Thus, the broad use of multiple methodologies, each having its own advantages and disadvantages, provides an opportunity for retrospective, archival case studies, laboratory experiments, and real-time fieldwork to contribute important, multifaceted insights into the dynamics of leaders and effective leadership.

REFERENCES

- Allison, G. T. (1971). *Essence of decision: Explaining the Cuban Missile Crisis*. Boston: Little, Brown.
- Ambrose, S. (1991). *Nixon: Ruin and recovery, 1973–1990*. New York: Simon & Schuster.
- Berman, L. (1989). *Lyndon Johnson's war*. New York: Norton.
- Beschloss, M. (2001). *Reaching for glory: Lyndon Johnson's secret White House tapes, 1964–1965*. New York: Simon and Schuster.
- Beschloss, M. R. (1997). *Taking charge: The Johnson White House tapes, 1963–1964*. New York: Simon & Schuster.
- Branch, T. (2006). *At Canaan's edge: America in the King years, 1965–1968*. New York: Simon and Schuster.
- Brewer, M. B., & Hewstone, M. (2004). *Self and social identity*. Oxford, UK: Blackwell.
- Burgelman, R. A., & Grove, A. S. (1996). Strategic dissonance. *California Management Review*, 38, 8–28.
- Burke, J. P., & Greenstein, F. I. (1989). *How presidents test reality: Decisions on Vietnam, 1954 and 1965*. New York: Russell Sage Foundation.
- Califano, J. A. (1991). *The triumph and tragedy of Lyndon Johnson*. New York: Simon & Schuster.
- Cook, K. S., Kramer, R. M., Thom, D. M., Stepanikova, I., Mollborn, S. B., & Cooper, R. M. (2004). Trust and distrust in patient-physician relationships: Perceived determinants of high- and low-trust relationships in managed care settings. In R. M. Kramer & K. S. Cook (Eds.), *Trust and distrust in organizations: Dilemmas and approaches* (pp. 65–98). New York: Russell Sage Foundation.
- Dallek, R. (1991). *Lone star rising: Lyndon Johnson and his times, 1980–1960*. New York: Oxford University Press.
- Elsbach, K. D. (1994). Managing organizational legitimacy in the California cattle industry: The construction and effectiveness of verbal accounts. *Administrative Science Quarterly*, 39, 57–88.
- Elsbach, K. D. (2006). *Organizational perception management*. Mahwah, NJ: Erlbaum.

- Elsbach, K. D., & Kramer, R. M. (1996). Members' responses to organizational identity threats: Encountering and countering the *Business Week* rankings. *Administrative Science Quarterly*, 41, 442-476.
- Elsbach, K., & Kramer, R. M. (2003). Assessing creativity in Hollywood pitch meetings: Evidence for a dual process model of creativity judgment. *Academy of Management Journal*, 46(3), 283-301.
- Elsbach, K. D., & Sutton, R. (1992). Acquiring organizational legitimacy through illegitimate actions: A marriage of institutional and impression management theories. *Academy of Management Journal*, 35, 699-738.
- Frey, K. S., & Ruble, D. N. (1990). Strategies for comparative evaluation: Maintaining a sense of competence across the life span. In R. J. Sternberg & J. Kolligan (Eds.), *Competence considered* (pp. 167-189). New Haven, CT: Yale University Press.
- George, A. (1980). *Presidential decisionmaking in foreign policy: The effective use of information and advice*. Boulder, CO: Westview.
- Ginzel, L. E., Kramer, R. M., & Sutton, R. I. (1993). Organizational impression management as a reciprocal influence process: The neglected role of the organizational audience. In L. L. Cummings & B. M. Staw (Eds.), *Research in organizational behavior* (Vol. 15, pp. 227-266). Greenwich, CT: JAI Press.
- Goodwin, R. N. (1988). *Remembering America: A voice from the sixties*. New York: Harper & Row.
- Grubin, D. (1991). *LBJ: A biography* (video). Dallas: North Texas Public Broadcasting.
- Hatch, M. J., & Schultz, M. (2004). *Organizational identity: A reader*. New York: Oxford University Press.
- Henggeler, P. R. (1991). *In his steps: Lyndon Johnson and the Kennedy mystique*. Chicago: Dee.
- Herring, G. C. (1993). The reluctant warrior: Lyndon Johnson as Commander in Chief. In D. L. Anderson (Ed.), *Shadow on the White House: Presidents and the Vietnam War, 1945-1975* (pp. 87-112). Lawrence: University of Kansas Press.
- Hogg, M. A., & Abrams, D. (1988). *Social identifications*. London: Routledge.
- Hoyle, R. H., Kernis, M. H., Leary, M. R., & Baldwin, M. W. (1999). *Selfhood: Identity, esteem, and regulation*. Boulder, CO: Westview.
- Janis, I. L. (1983). *Groupthink* (2nd ed.). Boston: Houghton Mifflin.
- Janis, I. L. (1989). *Crucial decisions*. New York: Free Press.
- Jones, E. E. (1990). *Interpersonal perception*. San Francisco: W. H. Freeman.
- Kearns-Goodwin, D. (1976). *Lyndon Johnson and the American dream*. New York: New American Library.
- Kramer, R. M. (1995). In dubious battle: Heightened accountability, dysphoric cognition and self-defeating bargaining behavior. In R. M. Kramer & D. M. Messick (Eds.), *Negotiation as a social process* (pp. 95-120). Thousand Oaks, CA: Sage Publications.
- Kramer, R. M. (1998). Revisiting the Bay of Pigs and Vietnam decisions 25 years later: How well has the groupthink hypothesis stood the test of time? *Organizational Behavior and Human Decision Processes*, 73, 236-271.
- Kramer, R. M. (2003). The imperatives of identity: The role of identity in leader judgment and decision making. In D. van Knippenberg & M. A. Hogg (Eds.), *Leadership and power* (pp. 184-196). Thousand Oaks, CA: Sage.
- Leary, M. R. (1989). Self-presentational processes in leadership emergence and effectiveness. In R. A. Giacalone & P. Rosenfeld (Eds.), *Impression management in the organization* (pp. 363-374). Mahwah, NJ: Erlbaum.

- Leary, M. R. (1995). *Self-presentation: Impression management and interpersonal behavior*. Boulder, CO: Westview.
- March, J. G. (1994). *A primer on decision making*. New York: Free Press.
- Neustadt, R. E. (1990). *Presidential power and the modern presidents*. New York: Free Press.
- Noonan, P. (1995). Ronald Reagan, 1981–1989. In R. Wilson (Ed.), *Character above all: Ten presidents from FDR to George Bush* (pp. 202–223). New York: Simon & Shuster.
- Pfeffer, J. (1981). Management as symbolic action. In L. L. Cummings & B. M. Staw (Eds.), *Research in organizational behavior* (Vol. 3, pp. 1–52). Greenwich, CT: JAI Press.
- Pfeffer, J. (1992). *Managing with power*. Cambridge, MA: Harvard Business School Press.
- Runkel, P. J., & McGrath, J. E. (1974). *Research on human behavior: A systematic guide to method*. New York: Holt, Rinehart, & Winston.
- Salancik, G. R. & Meindl, J. R. (1984). Corporate attributions as strategic illusions of management control. *Administrative Science Quarterly*, 29, 238–254.
- Schlenker, B. (2003). Self-presentation. In M. R. Leary & J. P. Tangney (Eds.), *Handbook of self and identity* (pp. 492–518). New York: Guilford Press.
- Staw, B. M. (1976). Knee-deep in the big muddy: A study of escalating commitment to a chosen course of action. *Organizational Behavior and Human Performance*, 16, 27–44.
- Steele, C. M. (1988). The psychology of self-affirmation: Sustaining the integrity of the self. In L. Berkowitz (Ed.), *Advances in experimental social psychology* (Vol. 21, pp. 261–302). New York: Academic Press.
- Sutton, R. I., & Galunic, D. C. (1996). Consequences of public scrutiny for leaders and their organizations. In B. M. Staw & L. L. Cummings (Eds.), *Research in organizational behavior* (Vol. 18, pp. 201–250). Greenwich, CT: JAI Press.
- Sutton, R. I., & Kramer, R. M. (1990). Transforming failure into success: Spin control in the Iceland arms control talks. In R. L. Kahn & M. Zald (Eds.), *Organizations and nation-states: New perspectives on conflict and cooperation* (pp. 221–248). San Francisco: Jossey-Bass.
- Tedeschi, J. T. (1981). *Impression management theory and social psychological research*. New York: Academic Press.
- Tetlock, P. E. (1992). The impact of accountability on judgment and choice: Toward a social contingency model. In L. Berkowitz (Ed.), *Advances in experimental social psychology* (Vol. 25, pp. 331–376). New York: Academic Press.
- Useem, M. (1998). *The leadership moment*. Times Business Books.
- Valenti, J. (1977). *A very human president*. New York: W. W. Norton.
- Wood, J. V., & Wilson, A. E. (2003). How important is social comparison? In M. R. Leary & J. P. Tangney (Eds.), *Handbook of self and identity* (pp. 344–366). New York: Guilford Press.