



# Organizational Laundering: A Case Study of Pseudo-Transformational Leadership

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## Abstract

The literature on positive effective leadership is abundant, but little exists on the negative styles of leadership. The current research seeks to build upon the literature. The article is an exploratory case study investigating how leadership is perceived in a mid-size organization, and the observed organizational changes made by the perceived leadership style. Through a mixed method approach, the research utilized adopted leadership vignettes, structured open-ended questionnaires, and the literature of pseudo-transformational leadership. Introduced is the term “organizational laundering,” which results from employing a pseudo-transformational leadership style to attempt to be innovative and make organizational change. Examined in this research is the linkage the between pseudo-transformational leadership and organizational change. Lastly, the study identified organizational symptoms that are present within the pseudo-transformational leadership change process. Further research is

recommended over various organizations to expand and validate the organizational symptoms.

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Organizations of all types constantly change their direction, leaders and administration. As new leaders are chosen and seek to establish themselves, the assumption might be that organizational change needs to occur. However, these new leaders are entering the organization during a time when the organization and its culture may be vulnerable. Often attributed to Roman author Petronius Arbiter, though its authenticity has not been verified, he is believed to have claimed

We trained hard, but it seemed that every time we were beginning to form up into teams we were reorganized. I was to learn later in life that we tend to meet any new situation by reorganizing, and what a wonderful method it can be for creating the illusion of progress while actually producing confusion, inefficiency, and demoralization. (Townsend, 1970, p. 162)

Such a notion continues today within all types and sizes of organizations. It is in the process of negative

change that Hughes and Harris (2015) suggest symptoms emerge that people being affected by such change fail to recognize. When researching organizational decision-making Irving Janis (1972) developed his concept of “groupthink.” Like Janis, the findings of this research revealed that there are similar symptoms that develop from negative organizational change.

This current article examines a new leader who promotes change and the leadership style that individual uses as it relates to the organizational change process. As with any new leader, he or she must be cautious not to make change simply for the sake of changing. In his research, Kets de Vries (1994) asserts leaders must not ignore their own irrational side for if they do they will face many obstacles they cannot see hidden within the organization. “Leaders who fail to take their irrational side into account, however, are like captains who blindly plow their ships into a field of icebergs; the greatest danger is hidden below the surface” (p. 88).

The current study acknowledges change can often take five to ten years to occur. The research focused on the first year a new leader had been in place and the culture that had been created. The current case was based on a small to midsize organization (100-150 employees) located in the Mid-Atlantic region of the United States. Much

of the literature related to positive organizational change has transformational leadership as the style most often utilized in creating those changes. It was in his 1998 research that Bernard Bass coined the term “pseudo-transformational leadership” and defined it as a leader who is tyrannical and exploitive, consumed in their own self-interest, very power hungry, and acts with distorted moral values. However, the literature is sparse regarding pseudo-transformational leadership and the impact that people who practice it have on organizations. The concept was mentioned in some of the literature but it was not the focus of the study. Pseudo-transformational leadership and studies that focus on it more as a model are still in their infancy (Barling, Christie, & Turner, 2007; Christie, Barling, & Turner, 2011). A gap in the literature indicates that many studies focusing on negative leadership explore the personality traits of the leader or the relationship between the leader and followers. No studies have been completed attempting to expand on and identify symptoms related to negative organizational change as a result of a pseudo-transformational leader. There also exists a void in the literature identifying the organizational changes followers can observe to alert them of negative leadership that may be governing them as a result of the leader’s observed behaviors and actions. As Bass and Steidlmeier (1999) made the connection

by stating, “Pseudo-transformational leaders may create the impression that they are doing the right things, but will secretly fail to do so when doing the right things conflict with their own narcissistic interests” (p. 189). Given that Bass (1998, 1999, & 2006) is a theorist of transformational leadership, the connection of narcissism being associated with pseudo-transformational leadership was one worth further inquiry.

While newly appointed leaders often make positive change for the good of their organization, there are also newly appointed leaders who make change simply for themselves. As Abrahamson and Park (1994) noted “when shareholders, or those acting on their behalf, lack the motivation or ability to verify whose interests corporate officers are serving, officers tend to favor their own interests over shareholders” (p. 1302). Thus, followers of newly appointed leaders being able to identify certain organizational changes because of the leader’s behaviors may be able to recognize if their leader is transformational or pseudo-transformational. The purpose of this article is to explore perceived organizational changes that occurred within a leader’s first year as a result of the perceived actions of new leadership. The current research further introduced the term “organizational laundering.” Organizational laundering is a result of the employment of the pseudo-transformational

leadership style when making, or attempting to make, organizational change. The current study defined laundering not through the lens related to illegal activity such as money laundering, but like money laundering, organizational laundering is when a pseudo-transformational leader attempts to make immoral or power wielding personal gains appear to be legitimate gains of the organization. The research presented here investigated (a) how do employees at a midsize organization perceive their current leadership? (b) What organizational changes have they observed since the new leader took over in their new role?

The research began with an examination and discussion of the literature on pseudo-transformational leadership. All terms relating to pseudo-transformational leadership were defined using definitions from the literature. For example, organizational concepts that have been developed such as structural discrimination (Adams et al., 2000) and groupthink (Janis, 1972) can sometimes be difficult to recognize when occurring within organizations with new leadership. The article concludes with a discussion identifying examples within the change process often experienced by individuals within organizations that may help followers recognize the type of leadership they are experiencing. It is here the current study defines the symptoms and term of “organizational laundering.”

It is important to note that the current research realizes there is a difference between a leader (an individual) and leadership (process). While the focus of the current research was centered on organizational actions, there also needed to be some short discussion on the behavioral aspects of the leader.

### **Background**

When an individual gets his or her opportunity at being the leader, it can be a moment they define, or it defines them. What constitutes a successful leader is often debated and defined subjectively. For some individuals, this is accomplished intangibly by influencing human lives, and for others it is accomplished by creating a tangible impact such as the erecting of a building, an increase in revenue, or the redesigning of an organizational structure.

Historically leadership literature has focused on areas such as the traits of positive leadership, the different styles of leadership and the psychological aspects of positive leaders to name a few. More recently, business magazines and pop culture have been filled with stories of leaders who focus on themselves and the perpetuation of their own agendas. In recent years, the mainstream business research has taken a shift toward identifying and defining the lies, loopholes, and privilege organizational leaders use in a negative fashion. As previously mentioned, this research examined a

particular definition, one that has been referred to by researchers as pseudo-transformational leadership (Bass, 1998; Howell & Avoilo, 1993; Sankowsky, 1995; Bass & Riggio, 2006; Northouse, 2010). Understanding the background of this style of exhibited leadership will help identify how it can negatively affect change within an organization.

### **Pseudo-Transformational Leadership**

As the literature was explored, the word pseudo-transformational is usually a sub-term often associated with transformational/transactional, ethical leadership, authentic leadership, and charismatic leadership. Those who have studied the evolution of leadership theory understand how closely related each of the aforementioned have been historically—because each has been associated with the style of leadership effecting positive change within an organization. Burns (1978), Bass (1998), and others who have studied transformational leadership agree that transformational leaders have charisma. There is with every positive side a dark side. Sankowsky (1995) called it the dark side of charisma or the “narcissistic charismatic leader” (p. 64). It is here where the bridge between transformational and pseudo-transformational leadership is made. Sankowsky (1995) asserts that narcissistic charismatic leaders are “particularly likely to promote visions that reflect their own sense of grandiosity (more than they reflect reality)

and sweep up followers along the way (because of their charisma)” (p. 65). However, the literature is sparse regarding research on the negative styles, or pseudo-transformational leadership and the organizational changes he or she makes. Donahue (2013) suggested that an individual who is a pseudo-transformational possesses certain characteristics. Donahue asserts that these types of leaders care only for self-advancement. He or she does what is best for him or herself. Such individuals often lack ethics either consciously or unconsciously when making decisions. Alternatively, they could be psychological egoists seeking to fulfill their own needs. The tangible goal is all that matters and relationships have little or no meaning. In addition, everything from trust to compliance can be bought (Donahue, 2013). Often a leader’s charisma camouflages their true inner self. Recently, however, there have been two studies focused particularly on pseudo-transformational leadership. Barling, Christie, and Turner (2007) began research toward the creating a model of pseudo-transformational leadership. The model focused on the unethical behaviors leaders may exhibit on a daily basis based on the model on leaders thought of to be charismatic or inspirational. The findings identified the negative effects of the leader follower relationship. Christie, Barling, and Turner (2011) expanded on their previous work but now tested the outcomes

of their model. Their research again focused on the leader behaviors exhibited and affecting the leader follower relationship. Through four separate experiments, support was gained for their model and pseudo-transformational leaders had negative outcomes as well, being negatively related to outcomes considered to be positive in nature.

### **Romance of Leadership**

Organizations experiencing a leadership change may find it difficult to see narcissistic leader behavior of a pseudo-transformational leader due to change happening so rapidly, in addition to a cultural bias to not oppose new leadership to survive an organizational change. Through no fault of their own, employees are caught up in the romance like in the early stages of a new relationship. He or she may be witnessing changes the leader is making, but not particularly realizing if they are bad or good changes, as well as asking themselves why such changes are being made. In their research Gray and Densten (2007) suggest that “leaders utilize social desirability biases to influence followers so that followers will attribute organizational successes to their leadership” (p. 559). It is during this period where the followers may develop a false bias regarding the leadership he or she is perceiving. Meindl, Ehrlich, and Dukerich (1985) conducted research related to defining of romance of leadership through social constructivist

theory. In their study, Meindl et al. (1985) argued during the phase of a new leadership transition followers attempt to make sense of the things they are experiencing within the organization; however, “leadership has assumed a romanticized, larger-than-life role perception” (p. 79). Schyns, Felfe, and Blank (2007) further the research on the topic of the romance of leadership contending, beyond making sense out of a phenomenon that organizations experience when going through a change in leadership, that there is a period that could be labeled the romance of leadership. In their study, Schyns et al. (2007) explored the relationship between the romance of leadership phase and the perception of transformational leadership being exhibited.

This current study supports that it is during this romantic phase of the leadership/follower relationship, that organizational laundering is possible by the leader employing a pseudo-transformational leadership style. In their article, Schyns et al. (2007) suggest during the romance of leadership, followers can cloud their perception of the leaders by focusing on the leader’s successes and failures. This current research goes a step further by suggesting that followers caught up in the romance of leadership are doing so because what they are really experiencing is pseudo-transformational leadership. Researchers have also identified the psychological

attributes or behaviors the pseudo-transformational leaders may possess. Bass and Steidlmeier (1999) claim that “pseudo-transformational leadership endorses perverse modal values such as favoritism, victimization, and special interests and end values such as racial superiority, submission, and Social Darwinism (Carey, 1992; Solomon, 1996). It can invent fictitious obstacles, imaginary enemies, and visions that are chimeras” (p.192).

### **Method**

A qualitative approach was used for this research, as this method allows complex issues such as branding to be investigated in depth (Yin, 2003). A single case study mixed method was selected for this research. A case study was used since the article is only introducing the term organizational laundering, with the understanding further research will be needed to solidify the term. Specifically, one organization, a mid-sized organization located in the Mid-Atlantic region of the United States was selected. According to Creswell (2006), qualitative case studies may also employ theory in different ways. Theories might be absent from the study with a focus on a description of the case and its issues; theories can guide the study in the explanatory way; or theories can be employed toward the end of the study (Creswell, 2006). This current research does just what Creswell suggests by starting with theoretical perspectives and

components of pseudo-transformational leadership and acting as a framework to aid with informing the study. It is important to note this research did not intend to generalize to the population at large, but rather to gain insight into a particular organization. At this early point in the research, findings are not transferable, but pose a starting point to expand into future more in depth research on the topic. Further research would be needed to increase the overall external validity of the subject.

### **Research Design**

The current study began with theoretical perspectives and components of pseudo-transformational leadership. The vignette method coupled with the open-ended question was used due to the sensitive topic of describing the leadership style he or she is experiencing within their organization. When using the vignette method, Braun and Clarke (2013) suggest for medium size projects the researcher gather between “40-100 participants.” (p.3) As an extension of the 2011 work of Christie, Barling, and Turner, the current study here adapted and modified three vignettes utilized in their study of pseudo-transformational leadership. The three vignettes depict the same message communicated by a fictitious transformational, pseudo-transformational, and laissez faire leader. The three vignettes used are located in Appendix A. The participants read each vignette separately,

and then choose the one they perceived they were experiencing within their organization and its current leadership. The second portion had the participants reflect and describe any organizational changes they have experienced and or observed over the last year. To increase participation and anonymity, vignettes and structured interview questions were distributed in hardcopy and not electronically. The researcher interviewed each participant and explained all aspects of the study. All participants were notified that no demographic identifiers would be required or utilized in the study to further protect anonymity. After the initial interview, participants read the vignettes on their own and made a selection. In the second part of the study, they were then given an open-ended structured question via hard copy. These open-ended responses were analyzed using the Nvivo 10 software for further coding, and to generate a Kappa Coefficient for each theme. However, the Kappa Coefficient is used to measure inter rater reliability. This current research sought if there was agreement between the observations of the participants about the thematically coded observations they had regarding organizational changes.

### **Participant Group**

Following the recommendations of Yin (2003), data for this study was collected voluntarily from individuals representing all departments

within the organization. Top administrators and officials were not included in the data due to their direct impact on organizational decision-making and leadership culture. The aim of the research was to minimize self-reporting data, especially when the focus is leadership. However, other mid-level administrators were included in the study. In total, the organization had 124 current total full time employees. As previously discussed, five senior administrators as well as the nine board of director members were not asked to participate due to their close interaction and impact on decision-making as it pertains to organizational change. By eliminating the aforementioned individuals, the total organizational population available for the study was 110 people. Forty employees voluntarily and actively participated in this case study for a response rate of 33.6 % of the organizations population.

### Results

When using the vignette method, Braun and Clarke (2013) suggest for medium size projects the researcher gather between “40-100 participants”

(p. 3). Forty employees voluntarily and actively participated in the current case study for a response rate of 33.6% of the organizations population. The current research having 40 participants also met the minimum criteria suggested by Braun and Clarke.

The current research sought to explore and answer two overall questions. First, how do the employees perceive their current leadership of their organization? Simple descriptive statistics were calculated to identify what number of participants chose which vignette. Table 1 shows those results with the total number of persons choosing between transformational, pseudo-transformational, or laissez-faire leadership styles.

As shown in Table 1, of the 40 total participants, 8.0% of the participants chose the transformational leadership vignette. Of those same 40 individuals, 80% of the participants, chose the pseudo-transformational leadership vignette. Finally, 18.9% of the participants chose the laissez-faire leadership vignette.

The second research question explored

Table 1

*Participant's choice between the three styles*

Leadership Style	Transformational leadership vignette	Pseudo-Transformational leadership vignette	Laissez-Faire leadership vignette
Number of participants	3	30	7
Percentage of participants	8.0%	81.0%	18.9%

was what organizational changes made over the last year by leadership have employees identified and described? Since this was an open-ended question, themes were established by developing nodes and codes from the aggregate responses of the participants. Utilizing the software program Nvivo 10, all participant answers were input into the program. Nvivo, a qualitative data analysis software program, aids the researcher in categorizing data according to themes, organizing sources and helps elicit significant patterns in the data (Patton, 2005), the program then created themes as well as provided a Kappa Coefficient for each theme. Vera and Garrett (2005) suggest, “studies that measure the agreement between two or more observers should include a statistic that takes into account the fact that observers will sometimes agree or disagree simply by chance” (p. 360). It could also be said that the chi square could also perform the same analysis. However, the Kappa Coefficient is used to measure inter rater reliability. Vera and Garrett further state, “Interobserver variation can be measured in any situation in which two or more independent observers are evaluating the same thing” (p. 361). A total of 24 subthemes were identified from the Kappa coefficient analysis portion. Table 2 shows the full coefficient results of those 24 subthemes. Using manual thematic analysis, the 24 themes were further manually recoded and reduced to five

themes. It should be noted that a sixth potential theme emerged as participants explained there was a lack of transparency in the organization, however; when analyzed further cronyism and partisanship were the cause of transparency related concerns.

### **Manual Thematic Analysis**

Resulting from the post Nvivo 10 coding the following five themes were identified:

1. *Too much negative change*
2. *Deteriorating morale*
3. *Excessive and unnecessary spending*
4. *Lack of familiarity and understanding of the institution*
5. *Partisanship, favoritism, cronyism*

The manual recoding identified symptoms of negative changes (as observed by the research participants) included an administrator who made unnecessary restructuring changes. The administrator also created new positions deemed bureaucratic rather than substantive changes and made decisions lacking data to support the changes. The researchers also found evidence of a deteriorating morale caused by a lack of transparency, increased cronyism and promotions that participants believed were based on favoritism and nepotism. Data revealed evidence of excessive and unnecessary spending on new infrastructure. This included the creation of newly formed higher-level positions and costly infrastructure technology

Table 2  
Kappa Coefficients for Themes

Themes	Kappa
Change of institution structure	0.96****
Morale declination	0.97****
Staff restructuring	1.00****
International services	0.96****
Advantages of organizational processes	1.00****
Too much change with time contrast	0.93****
Economic advantages of leadership	1.00****
Work overload	1.00****
Perceived negative outcomes of leadership change	0.79***
Economical negative outcomes and disadvantages	0.65***
Service quality reduction	0.86****
Spending on new infrastructure	0.85****
Some issues with spending	0.75***
Familiarization with the new processes	1.00****
Issues managing a different class than they are used to	0.74***
Lack of transparency	0.80****
Lack of familiarity between staff and administration	0.88****
Leadership knowledge keepers	0.97****
Another jurisdiction	1.00****
Power struggle within leadership initiatives	0.83****
Need for networking by leadership and cabinet	1.00****
Partisanship	0.70****
Attrition of leadership structure	0.93****
Institutional viability	0.93****
Successful transition of leadership	0.90****

*Note.* Kappa=0.01-0.20 slight; \*0.21-0.40 fair; \*\*0.41-0.60 moderate; \*\*\*0.61-0.80 substantial; \*\*\*\*0.81-1.00 almost perfect, according to Yin (2009). Unless otherwise specified, each coefficient has a slight level of agreement.

advancements. Many changes made were contrary to organizational mission, and may have violated existing intuitional policies and procedures. Identified was widespread partisanship and cronyism evidenced by administrators who created roles for family members made title changes that increased organizational power for close allies.

Welsh (2012) noted that a combination of both manual and computer assisted methods is likely to achieve the best results in qualitative data analysis. When analyzing the themes, the argument could be made that some themes could be considered very closely related. For example, change in institution structure can be related or perceived as

staff restructuring. Another example would be some issues with spending and institutional viability. The point could be made that if too much spending occurs it may have a direct impact on the institutions overall viability. The thematic correlation of these themes provided the impetus for manual recoding after use of Nvivo 10. Aside of these observations there was one particular observation that deserves attention. It is important to note that all themes generated had either a substantial or almost perfect level of agreement by those who participated within the study.

### **Discussion**

The results of organizational laundering can be catastrophic to an organization, and actually digress an organization years of progress. The findings of Schyns and Schilling (2013) asserted that a destructive style of leadership has a direct impact on employee commitment and turnover or what they termed “organization-related concepts” (p. 143). Ket de Vries (1994) echoes the previous statement by asserting,

At the head of a “neurotic” organization (especially one in which power is highly centralized) one is likely to find a top executive whose rigid neurotic style is strongly mirrored in the nature of inappropriate strategies, structures, and organizational cultures of his or her firm. If

this situation continues for too long, the organization may self-destruct. (p. 86)

During organization laundering, organizations observe a fast rate of turnover which has a tremendous impact on institutional knowledge lost. This may be attributed mistakenly to normal turnover due to leadership change. However, those leaving will seldom provide a true reason for leaving often attributed to the leadership culture created.

Branham (2005) identifies seven key areas of why employees leave organizations. Among them, Branham claims employees having no level of trust or confidence in the leader. Branham claims this stems from the employees feeling that their leader is greedy and shows little care for the needs and concerns for others. People report leaving organizations due to the lack of positive leadership, they experience. Organizational commitment also decreases from those still employed within the organizations. A loss of focus toward a true organizational goal (i.e. strategic direction) may result because change is at a rapid pace without an explanation why the changes must occur.

In true organizational transformations, communication is a key to establishing the legitimacy of the changes and ensuring that the employees feel no breach of the psychological contract (Rousseau, 1995). Due to the leadership being more self-serving, the organizational communications on

such changes lacks supported data or information and is often delivered as a personal goal, rather than one that benefits the organization. It is important to listen actively to the wording of the message. The hiring of family members, friends, and other close acquaintances to the leader is done to create organizational insulation at best, and to create a core of lower level managers who are loyal only to the leader—at worst. Doing so allows no challenges to decision making to occur, thus personal goals are masqueraded as organizational goals. It also represents what Janis (1972) would consider groupthink. While it is understood, and can be debated, that this restructuring is not always the case, it is important for followers to research on their own the background of newly sought or surprisingly appointed individuals to provide a clarity regarding the person and their role. This research does not suggest that employees and followers should train to be psychoanalysts. It suggests followers use simple observation skills of what is occurring around them during such a leadership change and evaluate how loyalty, mission, values and culture change with the arrival of a new leader. It is understood that each of these symptoms alone does not suggest laundering is occurring. However, it is suggested through the literature, that when several of the symptoms are present, there is a strong chance the organization is experiencing “laundering,” which is a result of the

leader’s employment of pseudo-transformational leadership while the organization undertakes leadership change.

The themes produced in this current study support the symptoms Hughes and Harris (2015) suggested:

### **Symptoms of organizational laundering**

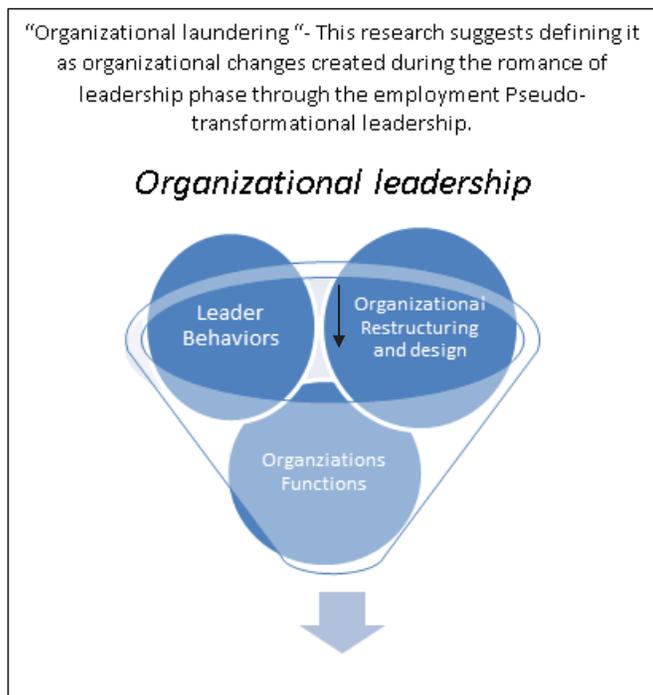
1. Nepotistic hiring activities
2. Decisions that are made quickly, lack correct data, and are justified frequently
3. The importance of tangible (buildings) overrides the intangible (cultural)
4. Organizational changes lack connectivity to the institutions mission, policies and procedures.
5. Promotions, and unnecessary restructuring with new positions
6. Increased number of title changes and creation
7. Organizational communications of the leader is singular “I, me, my”
8. In-groups and out-groups are formed
9. The perception of employee engagement in decisions is created
10. The leader will seek opportunities for self-promoting communications. (p. 67)

### **Conclusion**

It is important to note that not every

decision a new leader makes is a poor one, but in the presence of pseudo-transformational leadership, followers should reflect on such decisions and how the change affects the organizational culture. However, it is the “romance of leadership” that may help provide clarity to this. Schyns et al. (2007)

*Figure 1. Organizational Laundering conceptualization*



reminded us that in the 2007 study by Felfe and Petersen the researchers found that the romance of leadership influenced managerial decision making that led to overestimating a leader’s capabilities and neglecting other factors. In his 1994 study, Ket De Vries explains that many leaders prefer to remain blind and deaf to what is happening around them and need to understand the extent to which their organizations are influenced by their decision-

making. Such a notion can be particularly present during the early stages of a change in leadership where those new leaders are making many changes to the organization.

Assessing the presence of a pseudo-transformational leader during the romance of leadership phase presented an opening for the authors to introduce the organizational laundering term. Opportunities exist for future research to examine additional non-profit, governmental or educational organizations providing further insight into organizational laundering in these organizations. The absence of an organizational laundering assessment tool presents opportunities for scholars to develop an instrument to measure organizational laundering and to advance scholarship in pseudo-transformational leadership. Prospects exist to introduce organizational laundering more broadly within the Organizational Development literature. Identifying the symptoms of organizational laundering early within the change process may prevent the organization from adopting the leadership style and personality of the organizational launderer, preventing organizations seeking change from negatively modifying the organizational culture. As Beckhard (1969) asserted, individuals who will be affected by change must be allowed to have active participation in the planning of the change in order to create a sense of ownership

within them. Lastly, in attempting to avoid such a negative process of leadership from occurring, it is suggested here for organizations to allow those in organizational development departments, or those educated on organizational development, to be involved in the leadership change process. Allowing input from such individuals would provide valuable information such as an evaluation on current organizational climates, feedback on what changes followers believe are necessary, thus properly aligning the new leadership with the culture and increasing employee commitment to the change that is occurring or may occur.



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## Appendix A

### Vignettes

#### **Scenario #1 (Transformational)**

I come to you today with a great challenge. Unfortunately, due the economic climate, institutions everywhere are facing many challenging issues. Over the next couple of months, we will need to restructure. We, as the administration, are

completely committed exploring all alternatives and making the right decision for the institution and not simply focusing on the short-term solutions.

We value your opinion up until now, and the quality suggestions and input have been invaluable and vital to our success. Right now, we really seek and want your ideas. I ask you to please come to us with any ideas and suggestions you have regarding us moving forward as an institution.

I am available to any of you for as long as you need, to listen, answer your questions, about our future, the current process, or any concerns you have.

I truly believe we can take this institution to the next level together, overcoming any challenges we may face.

### **Scenario #2 (Pseudo-transformational)**

I come to you today with a great challenge. Unfortunately, due the economic climate, institutions everywhere are facing financial difficulties and challenging issues. Over the next couple of months, we will need to restructure. We, as the administration, are completely committed devising the best solution by any means, and making moving forward as soon as possible.

My ideas, and opinion up until now, and the quality suggestions and input have been invaluable and vital to our success. Right now, we really need good ideas, like the ones I have suggested over the past few months. I ask you to please get on board with the ideas and suggestions and get us moving forward as an institution.

I am available following this meeting to any of you, for as long as time will permit due to my schedule, to listen, answer your questions, about our future, the current process, or any concerns you have.

I truly believe this institution can get to the next level, better than ever, and overcome any challenges it may face.

### **Scenario #3 (Laissez-faire)**

Today, I come to you with a great challenge. Unfortunately, due the economic climate, institutions everywhere are facing financial difficulties and challenging issues. As an institution, we have not avoided being affected. Over the next couple of months, we will need to restructure. We, as the administration, are completely committed to making us more cost effective by any means, and

making moving forward as soon as possible.

I've valued the management team's ideas and opinions up until now, and their quality suggestions and input have allowed this institution to survive. Right now, we really need their good ideas to keep flowing. I ask you to please get on board with the ideas and suggestions and get us moving forward as an institution.

I am only briefly available following this meeting to answer one or two of your most important questions, about our future.

My hope is that this institution can get to the next level, and remain viable during these challenging times.

Adapted from: Christie, A., Barling, J., & Turner, N. (2011). Pseudo-transformational leadership: Model specifications and outcomes. *Journal of Applied Social Psychology, 12*, 2943-2984.

