

WORKING PAPER

Positive Deviance, Organizational Virtuousness, and Performance

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ABSTRACT

This study examines the relationships between organizational virtuousness and performance in organizations that recently downsized. Virtuousness in this investigation represents a positively deviant condition in which organizations were perceived to demonstrate high levels of forgiveness, optimism, compassion, integrity and trust. Empirically assessing virtuousness in a sample of organizations in 16 industries revealed that virtuousness and performance were positively related. Organizational performance was measured by profitability, productivity, innovation, customer retention, employee turnover and quality. Downsizing is usually associated with non-virtuous actions and negative performance outcomes, but the amplifying and buffering qualities of virtuousness help explain this contradictory result.

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Positive Deviance, Organizational Virtuousness, and Performance

In 1987 near Belfast, 63 people were wounded and 11 killed when an IRA bomb exploded at a Protestant gathering. Among those killed was Marie Wilson, the 22-year old daughter of Gordon Wilson. Her last words as she held her father's hand beneath the rubble were: "Daddy, I love you very much." From his hospital bed Wilson said: " I have lost a daughter, but I bear no grudge. Bitter talk is not going to bring Marie Wilson back to life. I shall pray, tonight and every night, that God will forgive them." After his physical healing, Gordon Wilson met with the IRA, forgave them, and asked them to lay down their weapons. "I know you have lost loved ones, just like me," he said. Subsequently, Protestant extremists, who had planned a retaliatory bombing, decided against vengeance because of Wilson's public display of mercy and love (Worthington, 2001).

Studying the effects of such virtuous actions, whether displayed by individuals or organizations, has remained largely beyond the purview of organizational science. The prevailing tradition has been that virtues are associated with social conservatism, religious dogmatism, or scientific irrelevance (Chapman & Galston, 1992; MacIntyre, 1984; Schimmel, 1997). As a result, they receive little credence in the face of economic pressures and stakeholder demands. Walsh (2002), for example, analyzed word usage in the *Wall Street Journal* from 1984 through 2000 and reported that the appearance of terms such as "win," "advantage," and "beat" had risen more than four-fold over that 17 year period in reference to business organizations. On the other hand, terms such as

“virtue,” “caring,” and “compassion” seldom appeared at all in reference to business. The use of these terms remained negligible across the same 17 year period of time.

This neglect is unfortunate since virtues motivate and epitomize some of humanity’s greatest deeds. Many virtuous actions demonstrated by organizations and individuals after the World Trade Center tragedies, for example, produced effective and inspiring outcomes.

“On the 11th, we went to donate blood and found long lines of people who were waiting to donate blood, but no one was actually available to draw blood from the donors. The Red Cross is now saying that they have enough blood in inventory . . . the problem has been that more people wanted to help than were needed. On the 12th someone told me there was a need for people to make sandwiches for the rescue workers. So my wife and I went to make sandwiches. By the time we got there, they already had too many workers. But I got there early enough on the 13th that they let me make sandwiches for one hour. Then they asked the first shift to leave so that another shift of sandwich-makers could start. On the 14th, we were allowed to help make 3000 sandwiches” (Baker, 2002:3).

Although virtuousness is recognized as a desirable characteristic, virtues have been replaced in organizational studies by more morally neutral terms such as corporate social responsibility, business ethics, prosocial behavior, and employee morale (McNeeley & Meglino, 1994; George, 1991; Piliavin & Charng, 1990). One result of this

neutralized language is that systematic investigations of virtues in organizations have been rare. Virtues have been considered a bit too “saccharine” to be taken seriously by organizational scholars.

Positive Organizational Scholarship

A few researchers, on the other hand, have recently begun to investigate dynamics in organizations centering on life-giving, elevating dynamics that are associated with human strength, resiliency, and virtuousness. This new emphasis in organizational studies has been labeled *positive organizational scholarship* (Cameron, Dutton, & Quinn, in press), and it parallels the new *positive psychology* movement that has shifted from the traditional emphases on illness and pathology toward a focus on human strengths and virtues (Seligman, 1999). In psychology the consideration of issues such as joy, happiness, hope, faith, and what makes life worth living represents a shift from reparative psychology to a psychology of positive experience (Seligman & Csikszentmihalyi, 2000).

“[Positive] psychology is not just the study of disease, weakness, and damage; it is also the study of strength and virtue. Treatment is not just fixing what is wrong; it is also building what is right. [It] is not just about illness or health; it is about work, education, insight, love, growth, and play” (Seligman, 2002:4).

The positive psychology movement has spawned a burgeoning set of empirical and experimental studies, and scholarly rigor has been characteristic of the emergence of this field (Snyder & Lopez, 2002; Seligman, 2002). The increasing attention paid to positive organizational scholarship has been much less research and theory-based, and most of the literature remains non-empirical to date (Cooperrider & Whitney, 1999; Barge & Oliver, in press; Dutton, Frost, Worline, Lilius, & Kanov, 2002). In both cases, however, the shift is away from deviance as a negative aberration from the norm and toward the recognition of positive deviance. The focus is on what is uplifting, flourishing, and exceptional in organizations. Positive deviance embraces what is ennobling, transcendent, and honorable about the human condition. One way to illustrate the idea of positive deviance is depicted in Figure 1. This figure presents a continuum ranging from negative deviance on the left to positive deviance on the right.

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At the individual level, the figure portrays a continuum ranging from negative deviance (i.e., physiological and psychological illness) on one end, to healthy functioning in the middle (i.e., the absence of illness), to positive deviance on the right side (i.e., Olympic physical fitness levels or psychological flow) (see Csikszentmihalyi, 1990; Fredrickson, 2001; Einsenberg, 1990). At the organizational level, the figure portrays conditions ranging from ineffective, inefficient, and error-prone performance on the left side, to effective, efficient, and reliable performance in the middle. On the right side is extraordinarily positive organizational performance and virtuous outcomes. Each point

on the continuum is qualitatively distinct from the other points; it is not merely a greater or lesser variant of the other conditions.

Most organizational and management research has been conducted on the left and middle points of this continuum (e.g., identifying the predictors and processes that account for effective performance [Cameron, 1986; Luthans, 2002]). Less is known about the right side of the continuum and the concepts that characterize positive deviance. The virtuousness represented by Gordon Wilson and the Protestant extremists exemplify behaviors that fit on the positive deviance end of the continuum, but they are not the common fare of organizational scholarship. Strength-building and virtuous attributes such as forgiveness, compassion, and courage are phenomena about which only a small amount of research has been conducted in organizational studies.

In response to this deficiency, this study investigates phenomena on the right side of the continuum. Virtuous behaviors are the focus of this investigation. In particular, this study examines empirical data concerning the relationships between organizational virtuousness and performance, especially under conditions of downsizing.

Downsizing

Downsizing typically leads to deterioration in organizational performance (Cameron, 1998; Cameron, Freeman, & Mishra, 1993; Cascio, Morris, and Young, 1997). Various

studies have reported that negative deviance, at both the individual and organizational level, is common in organizations that have recently downsized. For example, a variety of studies have reported findings indicating that: three quarters of senior managers in downsized companies indicate that morale, trust, and productivity suffered as a result of downsizing; a majority of organizations fail to achieve the desired results of their downsizing initiatives, and less than 10 percent report an improvement in quality, innovation, or organizational climate; among companies with similar growth rates, those that did not downsize consistently outperformed those that did in the 2001 recession; a large majority of firms lag the Standard and Poor's 500 index share price three years after having downsized; and firms that engage in both employment and asset downsizing decline in ROA after downsizing and do not recover enough to match non-downsizing firms three years later (Rigby, 2002; Morris, Cascio, & Young, 1999; Cameron, 1995; The Economist, 1994; Pearlstein, 1994; Henkoff, 1994; Bennett, 1991).

These negative outcomes are associated with a variety of internal problems created by downsizing. These include (1) the destruction of interpersonal relationships, shared values, trust and loyalty, and commonality in culture and values; (2) reduced information sharing and increased secrecy, deception, and duplicity; (3) increased formalization, rigidity, resistance to change, and conservatism; (4) increased conflict, anger, vindictiveness, and feelings victimization; and (5) increased selfishness and voluntary turnover, as well as deterioration in teamwork and cooperation (Cole, 1993; Cameron, Kim, & Whetten, 1987; Cameron, 1995; McKinley, Sanchez, & Schick, 1995).

Downsizing, in other words, leads to perceptions of injustice, life disruption, and

personal harm. The most likely responses are non-virtuous—blaming, holding grudges, seeking retribution, and displaying self-interest (Staw, Sandelands, & Dutton, 1981; Cameron, 1994). Organizational performance usually deteriorates as a result.

These consistent patterns among downsizing firms illustrate the potential importance of virtues in organizations. Since the performance losses associated with downsizing are related to non-virtuous dynamics, it might be expected that the presence of the opposite characteristics (i.e., virtuousness) will be associated with more effective performance. This study investigates the extent to which organizations that demonstrate and facilitate virtuousness mitigate the negative outcomes of downsizing, or, in other words, that a positive relationship can be observed between organizational virtues and performance.

Two hypotheses guide this study, each referring to a different kind of outcome in organizations—objective performance and perceived performance.

Hypothesis 1: After downsizing, organizational virtuousness is positively associated with higher levels of profitability.

Hypothesis 2: After downsizing, organizational virtuousness is positively associated with higher levels of perceived organizational performance.

Organizational Virtuousness

To understand why organizational virtuousness might mitigate the negative effects of downsizing and be associated with positive outcomes, it is necessary first to clarify what is meant by virtues. The concept of virtue has been defined in a variety of ways in the philosophical and psychological literature, but most often as a link to meaningful life purpose (Becker, 1992; Overholser, 1999) and as a transcendent principle that ennobles human beings (Eisenberg, 1990; Lipman-Blumen & Leavitt, 1999). Virtues possess cognitive, affective, volitional, and behavioral characteristics. They are *states* that can be developed and demonstrated rather than *attributes* that are inherent (Peterson & Seligman, 2000; Nodding, 1984; Doherty, 1995). Virtuousness, in other words, is manifested as behaviors and emotions that are rationally and freely selected (Sandage & Hill, 1999), and it represents a quality of psychological strength, “moral muscle,” or willpower that promotes stamina in the face of challenges (Emmons, 1999; Seligman, 1999; Baumeister & Exline, 1999, 2000). In early Greek culture, virtuousness was associated with personal health and flourishing (Nussbaum, 1994; Weiner, 1993), with health, happiness, transcendent meaning, and resilience in suffering (Ryff & Singer, 1998; Myers, 2000a,b), and with *eudaimonia*, or a flourishing state exceeding normal happiness and excellence that is akin to ecstasy (Aristotle, 1106a22-23).

In the original Greek, virtuousness (*arête*) was applied to both individuals and organizations in recognition of the fact that virtues can be demonstrated at the individual or the collective level (Schudt, 2000). In studies of aggregate virtuousness, virtues have been treated as embedded in communities, cultures, and organizations, so that being virtuous meant adopting and adhering to the highest qualities of the social system of

which one is a part (Jordan & Meara, 1990; Hillfarb, 1996; Roberts, 1988).

Virtuousness, in this sense, is the internalization of moral rules that produces social harmony (Baumeister & Exline, 1999). However, organizational virtuousness entails more than the mere socialization of members. It refers to the pursuit of the highest aspirations of the human condition (Peterson & Seligman, 2000). More specifically, *the study of organizational virtuousness is the study of the state, capacity, and reserve in organizations that facilitate the expression of positive deviance among organization members.*

Virtuous organizations foster the demonstration of virtues among members, and they legitimize the expression of virtues in on-going activities. They foster *eudaimonia* in the Aristotelian sense. They possess capabilities and demonstrate behaviors that extend beyond a consistent moral or ethical code. They possess more than a strong, values-based culture. They do more than perform effectively. They embrace more than a core competence. Each of these attributes may be typical of non-virtuous organizations. Virtuous organizations are unique, in other words, in their capacity to create positive deviance (Sandage & Hill, 2001; McCullough, 2000). Table 1 contrasts the concept of virtues with these other more frequently investigated terms in organizational studies.

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Virtuousness does not stand in opposition to concepts such as ethics or moral reasoning, but it extends beyond them. Whereas these other terms focus on what is

necessary, sufficient, or instrumental, virtues focus on the highest human potential (Peterson & Seligman, 2000; Sandage & Hill, 2001). The study of virtues in organizations is not so much an examination of extraordinary *outcomes* per se (e.g., Collins, 2001) as it is the study of extraordinary behaviors and capabilities within organizations that may be associated with positive outcomes (Dutton, et al., 2002). Thus, whereas it is possible to be virtuous without producing profit (e.g., Maudlen Mills), and to be profitable without being virtuous (e.g., Enron), there is reason to expect that a positive association is present between virtues and organizational performance, as is discussed below.

One additional distinction is pertinent. Virtuous organizations do more than participate in normatively prescribed corporate social responsibility, sponsor environmentally friendly programs, or utilize renewable resources (Bollier, 1996). Whereas some activities included in the corporate social responsibility domain may represent organizational virtue, they are typically explained in terms of its instrumental value or exchange relationships (Batson, Klein, Highberger, & Shaw, 1995; Fry, Keim, & Meiners, 1982; Moore & Richardson, 1988; Piliavin & Charng, 1990; Sanchez, 2000; Weiser & Zadek, 2000). Exchange and instrumental motives, however, are antithetical to virtue.

The motive for demonstrating virtues—individual or collective—is not instrumental or reciprocal (Aristotle, 1106a22-23). Forgiveness, compassion, or humility in search of recompense, for example, is not virtuous. Virtuousness is inherently its own reward and

is not oriented toward obtaining external recognition or benefit (Cawley, Martin, & Johnson, 2000). If being virtuous produced no personal or organizational advantage, it would still be desirable because of its intrinsic value.

Nonetheless, since virtuous is “the state which makes a man good and which makes him do his work well” (Aristotle, 1103b24-25), there is reason to believe that virtues may be associated with personal and social benefits. One reason is definitional. For example, Gergen (1999:153) asserted that virtuous organizations are inherently effective: “Organizations in which people care for each other, empathize, help, enjoy positive group spirit, and so on, are successful organizations.” A second reason is pragmatic. As pointed out by Jeffrey Schwartz, CEO of Timberland, Inc., in explaining his firm’s emphasis on virtues: “If we don’t make money, no amount of virtue will do our firm any good. Wall Street will ignore us, and we will soon be out of business. We must have bottom line performance for virtues to be taken seriously” (Schwartz, 2002).

An irony associated with organizational virtues, then, is that virtuousness in the pursuit of organizational benefit is not virtuous. Without demonstrated organizational benefits, however, virtuousness is often thwarted by instrumental pursuits. Hence, the study of organizational virtuousness is important not because of its association with instrumental outcomes, but because, in spite of its *disassociation* with instrumentality, positive outcomes may still be observed.

Research Procedures

The investigation relied on three different research steps. First, a survey of literature relating to selected virtues and their relationships to outcomes was conducted. Second, an interview study was conducted in two organizations identified in the public press as being especially virtuous. The intent was to determine if virtuousness could be detected, to identify what virtues, if any, were demonstrated in these organizations, and to explore possible relationships with desired outcomes. Third, a sample of companies was surveyed in order to empirically assess virtues across organizations and to examine their relationships with performance.

Literature Review

In the psychological literature, an extensive amount of evidence links virtuous behavior with positive physiological, emotional, and social health outcomes. In the organizational literature, a small amount of evidence is also available indicating that virtues may have positive performance benefits (Cameron & Caza, 2002; Cameron, Bright, & Caza, 2002; Turner, Barling, & Zacharatos, 2002).

For example, the research on downsizing and its performance effects led to a consideration of the role of *forgiveness* in post-downsizing effectiveness (Cameron, Freeman, & Mishra, 1993; Cameron, 1998). Because it is well established that most organizations deteriorate in performance after downsizing, examining the attributes of those that effectively recovered raised the possibility that forgiveness was one

differentiating factor (Cascio, Young, & Morris, 1997; Morris, Cascio, & Young, 1999). Some evidence suggests that letting go of grudges, foregoing retribution, forgiving organizational representatives for perceived injustices, and focusing, instead, on a positive and hopeful future seemed to explain why a few organizations performed better than the majority of downsizing organizations (Helmick & Peterson, 2001). An organization's capacity to foster forgiveness appeared to be one factor that explained recovery from the trauma of cutback (Cameron, Freeman, & Mishra, 1991).

Recent psychological literature on forgiveness also demonstrates positive social, behavioral, physiological, and mental health outcomes (Berry & Worthington, 2001; Berry, Worthington, O'Connor, & Wade, 2001; Worthington, 2001). These include broader and richer social relationships, higher satisfaction, greater feelings of empowerment, less physical illness, and faster recovery from disease and injury, and less depression and anxiety (McCullough, Pargament, & Thoreson 2000; Hope, 1987; Fitzgibbons, 1986; Enright & Fitzgibbons, 2000; Witvliet, et al., 2002). Given the wealth of demonstrated benefit to individuals, and some emerging evidence of positive associations with organizational effectiveness, forgiveness seemed to be a virtue with potential for positive relationships with organizational performance after downsizing.

Similarly, the *optimism* associated with effective recovery from downsizing (and other types of trauma) also makes this virtue a candidate for investigation. Optimism is a learned attribute (Seligman, 1991) that varies with social circumstances (Peterson, 2000). When fostered in organizational settings (McDermott & Snyder,

1999), it produces especially positive social outcomes such as goal achievement, empowerment, and agency (Snyder, 2000; Peterson, Maier, & Seligman, 1993). At the individual level, optimistic persons have better performance, more perseverance, and better moods at work (Peterson, 2000). Optimistic individuals have better social relationships in organizational settings, as well as higher levels of physical health, academic and athletic performance, recovery from illness and trauma, pain tolerance, self-efficacy, and flexibility in thinking (Peterson, 1991; Snyder, 2000; Snyder, Rand, & Sigmon, 2002; Curry, et al., 1997; Elliott, et al., 1991). More than 75 percent of the effects of antidepressant drugs, in fact, can be accounted for by their placebo nature, or by the presence of hopefulness and optimism in the recipient (Kirsch & Saperstein, 1998). Collective optimism, such as optimism in organizational settings, has an even more powerful effect on outcomes than individual optimism (Peterson, 1991).

The recent work of Dutton and her associates on *compassion* in organizations highlights another virtue with a potential association with organizational performance (Dutton et al, 2002; Frost, et al., 2000). These authors found that demonstrated compassion in organizations facilitates a sense of humanity, assists healing, and nurtures interpersonal connections. Restoring a sense of kindness, belonging, and life-giving relationships among people at work is a direct result of acts of compassion in organizations (Frost, 1999; Dutton, et al, in press). Nussbaum (1996) referred to compassion as “the basic social emotion” inasmuch as compassion involves empathetic concern for others and the predominance of other-regard compared to self-regard (Solomon, 1998), but it also extends beyond emotions to the demonstration of actions and behavioral interventions

on behalf of others (Kahn, 1993). Dutton, et al., (2002a) pointed out that organizations can develop the capacity for compassion in their structures, routines, leadership, and values, although compassion remains an unusual, positively deviant form of organizational behavior. At the individual level, compassionate persons demonstrate higher levels of helping behavior, moral reasoning, connectedness, and stronger interpersonal relationships, as well as less depression, reduced moodiness, and less mental illness (Bateman & Organ, 1983; Cassell, 2002; Blum, 1980; Chen, 1988; Mwamwenda, 1992).

A sizable literature has identified *trust* as an important virtue in organizations and in individuals. In this sense, trust refers to the expectation that no harm will result from being in a vulnerable position (Barber, 1983). It is based on perceptions of openness, caring, reliability, and competence (Mishra, 1992). In the virtuous sense, trust is not only an expectation that “you will not take unfair advantage of me” (McGregor, 1967: 163) but also that a sense of caring and positive regard is present (Kanter, 1977). That is, positive dynamics, not just the absence of negative dynamics, are associated with the virtue of trust. Trust allows individuals and organizations the freedom to operate independent of restraints, so that “Trusting environments allow individuals to unfold and flourish” (Golembiewski & McConkie, 1975: 134). Moreover, trust is associated with lower resistance to change and higher flexibility, collaborative decision making, learning, improvement, and innovation in organizations (Kotter & Schlesinger, 1979; Ouchi, 1981; Pascale, 1990; Mishra, 1992). Teamwork, transformational leadership, employee

flexibility, and resilience all have been related to the presence of organizational trust (Turner, Barling, & Zacharatos, 2002).

The fifth virtue selected for inclusion in this study was *integrity*. This virtue refers to the extent to which organizations keep their word, maintain consistent standards, are trustworthy, and display honesty (Harter, 2002). Consistency, reliability, and dependability are sometimes used as substitute terms in the organizational literature, and authenticity, congruency, and real-self are psychological constructs with similar meaning. Lerner (1993) made an important distinction between honesty (which may be an uncensored expression of negative thoughts or feelings) and integrity (which requires thought, timing, tact, and empathy in expressing the truth). With individuals, maintaining congruency among thoughts, feelings, actions, and communication is the highest form of integrity (Rogers, 1951). If what one is feeling and thinking matches what one says and does, integrity is present. Integrity in individuals has been associated with higher levels of self-esteem, intimacy, self-regard, and positive affect (Harter, et al., 1996; Harter, 2002). In organizations, when integrity is demonstrated in leadership, policies, and culture, a positive association has been found with productive interpersonal relationships, teamwork, effective decision making, participation, and positive climate (Harter, 2002; Gergen, 1999; Lerner, 1993).

Reviews of selected literature, then, suggested that these five virtues—*forgiveness, optimism, compassion, trust, and integrity*—might have a relationship with positive organizational performance. Again, whereas the *intent* of engaging in virtuous behavior

is not instrumental, the *effects* of virtuousness may nevertheless be instrumental to organizational performance.

Interview Study

Two organizations were selected for an interview study based on their reputations in the popular press as especially virtuous organizations. Both had also recently downsized. One organization is a relatively small regional hospital in the Northeast United States with approximately 800 employees. The second organization is an environmental and engineering consulting firm with headquarters in the western part of the United States and with offices throughout North America and on each continent. That firm employs about 10,000 people worldwide. Both organizations are currently candidates for the “Fortune Best 100 Companies to Work For,” both are privately owned, and both have recently won national awards for excellence in various aspects of their businesses. Both also experienced a recent financial turnaround after a downsizing, which was at least partly attributed to the institutionalization of virtues as a core part of their businesses.

Semi-structured interviews were conducted with a cross-section of employees at each organization with questions designed to understand how virtues might be manifest in the organizations, how virtues might be reinforced or facilitated, and how virtues might be assessed. Approximately 25 people participated in the interviews at the hospital, and approximately 50 individuals at three different locations participated at the

engineering and environmental firm. Employees represented a diagonal slice of their organizations, meaning across levels and across functions.

The Hospital. In the hospital, a crisis of leadership occurred in 1997 when the popular vice president of operations was forced to resign. Most employees viewed him as the most innovative and effective administrator in the hospital and as the chief exemplar of virtuousness. Upon his resignation, employees appealed to the board of directors to replace the current president and CEO with this ousted vice president. Their lobbying effort was effective in that the president and CEO resigned under pressure, and the popular vice president was hired back as president and CEO. Within six months of his return, however, the financial circumstances at the hospital led to an announced downsizing aimed at reducing the workforce by 82 positions (approximately 10 percent). The hospital faced millions of dollars in losses. Eliminating the jobs of some of the same people who supported his return was obviously difficult and challenging for the newly hired CEO. The most likely results of such an action were an escalation in the negative effects of downsizing--e.g., loss of loyalty and morale, perceptions of injustice and duplicity, blaming and accusations.

The story that emerged from the interviews, however, was of an organization, and a leader, that institutionalized forgiveness, optimism, compassion, trust, and integrity. Throughout the organization, stories of compassionate acts of kindness and virtue were almost daily fare. One typical example involved a nurse who was diagnosed with terminal cancer. Respondents reported that when word spread of the man's illness,

doctors and staff members from every area in the hospital donated vacation days and personal leave time so that he could continue to collect a salary even though he could not work. Ironically, the pool of days expired just before he died, so he was never terminated and received his salary right up to the last day.

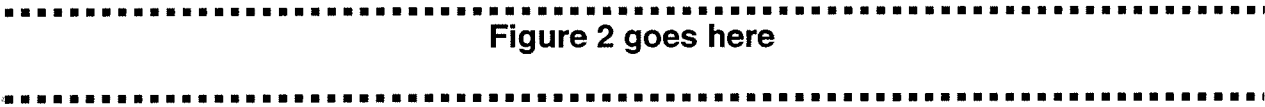
Respondents also reported that the personal and organizational damage done by the announced downsizing had been forgiven. The common language used throughout the organization included virtuous words such as love, hope, compassion, and humility, especially in reference to the leadership who announced the downsizing actions.

“We are in a very competitive health care market, so we have differentiated ourselves through our compassionate and caring culture . . . I know it sounds trite, but we really do love our patients . . . People love working here, and their family members love us too . . . Even when we downsized, [our leader] maintained the highest levels of integrity. He told the truth, and he shared everything. He got the support of everyone by his genuineness and personal concern . . . It wasn’t hard to forgive” (representative responses from a focus group interview of employees, 2002).

Even the redesigned physical architecture of the hospital reflected its culture, being designed to foster a more humane climate for patients and to communicate the virtuousness of the organization. For example, the maternity ward installed double beds (which didn’t previously exist) so husbands could sleep over; numerous communal

rooms were created for family and friend gatherings; hallways and floors were all carpeted; volunteer pets were brought in to comfort patients; original paintings on walls displayed optimistic and inspiring themes; nurses stations were all within eyesight of patient's beds; Jacuzzis were installed in the maternity ward; and so on. Content analyses of employee interviews revealed that virtuousness (i.e., language, actions, and processes) was a common theme throughout the hospital and an important part of employee's explanations for the organization's financial renewal.

Figure 2 illustrates the financial turnaround associated with the hospital's concentrated focus on virtues.



The Environmental and Engineering Firm. The CEO of the environmental and engineering firm had been in place for more than 12 years and had announced two major downsizing initiatives, one in 1993 and another at the end of 1998. The most recent downsizing had an especially strong possibility of producing negative organizational effects. One-time downsizing is usually less carcinogenic than repeated downsizings (Rigby, 2002). When unanticipated downsizing is repeated, trust is more likely to be destroyed, integrity is more likely to be called into question, culture is more likely to be damaged, rigidity and resistance are more likely to arise, and a sense of victimization and self-pity are more likely to appear (Cole, 1993; McKinley et al, 1995).

Interview respondents explained the resiliency of the firm in the face of the latest downsizing, as well as the subsequent growth of the firm (growing at about triple industry average), as based at least partly on a dedication to integrity—“We do what is right, regardless”—the personalized, compassionate culture of the firm—“Unlike my husband’s firm, our response to 9-11 showed true sensitivity and compassion. That’s why [this firm] is so special”—and the trust that was engendered by top leadership—“There is absolute trust in the capability and integrity of the top management team” (quotations from respondents). Just after the announced downsizing, the company launched programs aimed at whole-life development of employees, an “abundance” approach to work (i.e., an emphasis on positivity in problem solving) and the development of a leadership culture.

“There is no question that the downsizing was difficult. Some of our businesses were hurt badly. I had to learn how to forgive. We got past that by refocusing on who we are and what we stand for . . . This is a place with incredibly smart people who are genuine human beings, committed to doing what’s right and committed to helping each other . . . This notion of abundance describes our orientation very well—looking for what’s right and what’s good, even when facing big challenges . . . Our success since the downsizing is at least partly due to [the CEO] who genuinely loves the company and the people who work for it“ (representative responses from a focus group interview, 2002).

Despite its scientific and quantitative roots, a highly competitive industry, and a fast-moving and high demand business environment—conditions usually presumed to be incompatible with talk of virtuousness—interview respondents suggested that organizational virtuousness in this firm was an important aspect of its recent success. Figure 3 illustrates the financial results associated, at least partly, with this firm’s emphasis on virtuousness.

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These interviews did not provide evidence of an unequivocal association between organizational virtuousness and performance, of course, but they were suggestive. They raised the possibility that such a connection might be observed if virtuousness was assessed systematically in a broader sample of firms. As a result of these interviews, therefore, a survey instrument was administered that assessed organizational virtuousness in a larger sample of firms in order to explore empirically its relationship with performance.

Survey Methodology

To investigate the presence of organizational virtuousness, a survey instrument developed by Cameron, Bright, and Caza (2002) was distributed to respondents in a sample of organizations. The instrument is a questionnaire containing a series of items asking employees to rate the extent to which various behaviors and conditions are

typical of their organization. In all items, reference is made to perceptions of the organization as a collective rather than the respondent's personal attitudes or behaviors. Items are scored on a 6-point Likert scale ranging from "strongly agree" to "strongly disagree," and respondents rated the extent to which a given statement is characteristic of their organization.

In addition to measuring the five virtues—forgiveness, optimism, trust, compassion, and integrity—the survey also contains items relating to four measures of organizational performance. Respondents were asked to compare their own organization's performance on several factors to the (1) industry average, (2) best competitor, (3) improvement trend over the past three years, and (4) stated goals. This procedure was used because providing standards against which to rate organizational performance provides more reliable data than the more common strategy of asking for an assessment of the general level of performance (Cameron, 1978). In addition to survey data, an objective financial measure of profitability was gathered from publicly available sources on the public organizations in the sample.

Organizational Sample. Fifty-two organizations were invited to participate in the study by means of a personal contact with the CEO or company president. These firms represent a convenience sample of organizations, and most were invited because their headquarters were located in the Midwestern United States. No prior knowledge about organizational virtues guided the sample selection. Of these 52 organizations, 18 agreed to participate (a 36 percent response rate), representing 16 different industries.

The industries included retail, general manufacturing, steel, automotive, public relations, transportation, business consulting, health care, power generation, and social services. Two-thirds of the sample comprised publicly traded companies, and all but two of the organizations had downsized within the previous five years. Table 2 summarizes key characteristics of the organizational sample.

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Table 2 goes here
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Respondent Sample. In each of the 18 participating firms, a company liaison distributed surveys to a randomly selected sample of employees representing a diagonal slice across levels and functional areas. Most surveys were completed on-line with an e-mail message sent to respondents containing a link to the survey web page. Respondents entered their answers directly on-line and submitted them electronically. For respondents without access to the Internet, a paper-and-pencil survey was completed, and a machine-readable answer sheet was faxed back to the researchers. A total of 1437 surveys were distributed, and 804 usable responses were received, for a response rate of 56 percent. All individuals and their organizations were guaranteed anonymity.

Data Analyses. Exploring the relationships between organizational virtuousness and performance required that several statistical procedures be used. In particular, to assess for potential non-response bias in the organizational sample, a series of firm characteristics (e.g., sales per employee, return on equity) were collected for the six-

year period preceding the survey for all 38 publicly traded firms invited to participate in the study. Analyses of variance (ANOVAs) were conducted between the 11 publicly traded firms that participated in the study and the 26 that did not.

Also, to confirm that the instrument adequately measured the five virtues, confirmatory principal axis factor analysis (PAF) was used. PAF allows for others factors, in addition to the latent factor structure, to make unique contributions to observed scores (Rummel, 1970; Zillmer & Vuz, 1995). In this particular study, PAF allowed for random effects associated with individual perceptions. Respondent factor scores were calculated for use in further analyses.

Two analyses were conducted to examine the direct relationships specified in the two hypotheses. First, for the public firms (N=11), an objective measure of financial performance was obtained. It measures current year profitability as defined as net income relative to total sales. The purpose was to test the first hypothesis that virtuousness and profitability are related. Profitability was regressed on the five virtues of forgiveness, optimism, trust, compassion, and integrity. To allow for comparability among firms, each firm's financial values were standardized against their primary SIC average value. A dummy variable was included to control for industry (i.e., service versus manufacturing). A random effects hierarchical latent factor regression model was used, treating individual respondents' virtue ratings as repeated measurements of each (unobserved) organizational virtue.

Second, analyses examined the relationships between the perceived performance variables and virtuousness, as specified in the second hypothesis. Using perceived performance permitted the inclusion of an expanded organizational sample beyond the 11 publicly traded firms for which financial performance data were readily available. It also permitted a consideration of outcomes for which financial records are not informative (e.g., innovativeness). Of course, a perception bias may be present when associations are examined between perceived virtuousness and perceived outcomes. As a test for such a bias, average scores on four perceived performance scores (i.e., innovation, quality, employee turnover, and customer retention) were correlated with an objective profitability measure. A high correlation would provide some evidence that the perceived performance ratings could be treated as credible measures of organizational performance. Upon finding evidence of credibility (or concurrent validity), the perceived performance measures could then be regressed on the five virtue scores. To account for the lack of independence between same-firm respondents' scores, clustered regression was used in this analysis, and standard errors were calculated using the more robust and conservative White-Huber method (Neter, Kutner, Nachtsheim, & Wasserman, 1996; White, 1980). Dummy variables were introduced to control for industry, downsizing history (had versus had not), and ownership (public versus private).

Results of the Survey Analyses

No significant differences were found when comparing the 11 publicly traded firms that participated in the study with the 26 that declined to participate. A non-response bias, therefore, does not appear to be of concern. Table 3 reports the rotated coefficients of the confirmatory factor analyses in which 804 respondents' scores on 15 survey items were analyzed. Varimax rotation was used (KMO index sampling adequacy = 0.954). The factor structure was constrained to five factors, and the anticipated factors (i.e., forgiveness, optimism, trust, compassion, and integrity) were clearly interpretable. The five factors accounted for 71.6 percent of the observed variance, and Cronbach alpha coefficients ranged from 0.83 to 0.90 for the five scales.

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Table 3 goes here
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Table 4 reports the results of the hierarchical latent-factor regression analysis in which profitability was regressed on the five virtues, with industry as a control variable. The combined model is statistically significant, but most of the variance is accounted for by the firm's industry. Service organizations tend to have significantly higher profits than manufacturing firms. Integrity is the only virtue with a statistically significant relationship with profitability, indicating that organizations that are perceived to be trustworthy, reliable, and dependable are more profitable than other organizations. Forgiveness, optimism, compassion, and trust are not significantly associated with profitability. The first hypothesis, therefore, is only marginally supported.

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Table 4 goes here
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The composite measure of perceived performance ($\alpha = 0.685$), created by averaging across respondents' perceptions of the outcomes relative to industry average, provided evidence for the validity of the perceived performance measures. The composite score was significantly correlated with a six year average return on equity for these organizations. The correlation is $r = .793$ at the $p < .01$ significance level. This correlation provides support for using the perceived outcomes as credible measures of organizational performance.

As a result, each of the four perceived outcomes was regressed on the five virtues. Table 5 reports that the combined model is statistically significant for each of the outcome measures. Virtuousness and outcomes, in other words, are significantly associated with one another, supportive of the second hypothesis. Neither the industry in which the organization operates nor the public/private ownership has a significant effect on these outcomes, but downsizing has a significant negative relationship with innovation and customer retention. A significant relationship was not observed between downsizing and quality or voluntary employee turnover.

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Table 5 goes here
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Significant positive relationships exist between each of the virtues and at least one of the outcome measures. Innovation is associated with optimism, trust, integrity, and forgiveness. Quality is associated with optimism, trust, and integrity. Customer

retention is associated with optimism and trust, and marginally with integrity and forgiveness. Turnover is associated with trust and compassion. In other words, the higher the perceived level of organizational virtuousness, the greater the amount of innovation, quality, and customer retention, and the lower the amount of employee turnover in these organizations. Virtuousness and performance appear to be positively related, especially the virtues of trust (four of four significant relationships) and optimism (three of four significant relationships). The virtues with the fewest significant relationships with performance indicators are compassion (one of four significant relationships) and forgiveness (one of four significant relationships, with one more marginally significant).

Discussion

The results of the interview and survey data analyses are, of course, preliminary in the sense that they are based on new measurement instruments, a relatively small sample size (thus, greatly reducing the power and significance of any statistical tests), and concepts that have received little empirical investigation heretofore. Although marginal support was obtained for the first hypothesis and relatively strong support for the second hypothesis, the main intent of the investigation was to introduce the study of positive deviance and virtuousness to the field of organizational studies, and to highlight potentially fruitful directions for future research.

The results that emerged from these analyses, however, are neither without expectation nor explanation. More specifically, it is clear from these data that downsizing has a negative relationship with aspects of organizational performance. Financial outcomes

are affected negatively (e.g., short-term profitability) as well as innovation and customer retention. This is consistent with previous findings in the downsizing literature. In this sample, downsizing does not have a significant negative relationship with quality, however, nor with turnover. This may be explained by the fact that achieving high quality is usually a product of institutionalized processes and procedures in organizations rather than individual attitudes and behaviors (Deming, 1986; Juran, 1992; Green 1993), and so is less disrupted by downsizing. The absence of a significant relationship between downsizing and voluntary turnover may initially seem surprising since turnover often increases after downsizing. However, the recessionary times associated with the years 2001 and 2002 offer one explanation. Employees may have felt a need to hold on to current positions in order to weather the bad times, a very common response after downsizing. The predicted escalation in turnover may have been mitigated by the less than hospitable external employment market. Nevertheless, in total, it is clear that conditions of downsizing have negative performance implications.

Organizational virtuousness, however, appears to have a mitigating effect on those negative performance outcomes. Such an effect can be explained by two key attributes of virtuousness: an *amplifying* quality leading to positive consequences, and a *buffering* quality protecting against negative consequences (George, 1995; Hatch, 1999; Fredrickson & Joiner, in press; Dienstbier & Zillig, 2002; Masten & Reed, 2002; Seligman, Schulman, DeRubeis, & Hollon, 1999). When virtuousness is demonstrated in organizations, such as when leaders or exemplars manifest virtuous behaviors, those behaviors tend to become self-reinforcing and foster resiliency against negative and challenging obstacles.

Virtuousness provides an *amplifying* effect in that organizational members are positively influenced by the demonstration of virtuousness (George, 1995). Observing virtue creates a self-reinforcing inclination toward positive deviance. Fredrickson (1998) found that positivity in organizations—e.g., compassion, joy, attraction—creates upward spirals of positive dynamics. Joy begets joy, compassion begets gratitude, and witnessing good deeds leads to elevation, so observing virtuousness fosters even more virtuousness (Maslow, 1971; Hatch, 1999; Sethi & Nicholson, 2001). This amplifying quality produces the heliotropic effect—manifested in biological science as an inclination toward light and in social science as a tendency toward that which is positive and away from that which is negative (Cooperrider & Srivastava, 1987).

Several researchers have described the dynamics of groups and organizations that experience a positively deviant state of performance, flow, or virtuousness (e.g., Hatch, 1999; Eisenberg, 1990; Sethi & Nicholson, 2001; Leavitt, 1996; Quinn & Dutton, 2002). Under such conditions, members of an organization experience a compelling urge to build upon the contributions of others and to perpetuate the virtuous spiral (Fredrickson, 2001; in press). Moreover, “Group members tend to feel the rightness and wrongness of their mutual creation and try to adjust it toward ways that make it feel more right . . . (Quinn, 2002: 20). Observing virtuousness creates a self-reinforcing spiral toward positive deviance. As Nobel laureate Desmond Tutu asserted:

“The world is hungry for goodness and it recognizes it when it sees it--and has incredible responses to the good. There is something in all of us that hungers after the good and true, and when we glimpse it in people, we applaud them for

it. We long to be just like them. Their inspiration reminds us of the tenderness for life that we all can feel” (Tutu, 1999: 263).

Organizational members may be positively affected by observing virtuousness because it tends to build social capital and strengthen human attachments (Baker, 2000; Dutton, 2001). Because virtuous behaviors are attractive and self-reinforcing, they tend to reinforce and amplify positive emotions, reinforce interpersonal connections and social support networks, and, in turn, positively affect performance outcomes (Baker, 2000; Fredrickson, 2002).

Virtues also *buffer* the organization from the negative effects of threat and trauma by enhancing resiliency and solidarity (Staw, Sandelands, & Dutton, 1981; Seligman, 2000). Seligman & Csikszentmihalyi (2000) pointed out, for example, that the development of human virtues serves as a buffer against dysfunction and illness at the individual and group levels of analysis. They reported that virtues such as courage, hope and optimism, faith, honesty and integrity, forgiveness, and compassion all have been found to be prevention agents against psychological distress, addiction, and dysfunctional behavior. Learned optimism, for example, prevents depression and anxiety in children and adults, roughly halving their incidence over the subsequent two years (Seligman, 2002). Similarly, fostering human virtues helps create safeguards that buffer individuals from the negative consequences of personal trauma (Seligman, Schulman, DeRubeis, & Hollon, 1999).

At the group level, virtuousness serves to enhance resiliency and solidarity, which leads to high levels of performance in the face of threat and challenge (Weick, 2002).

Virtuousness in organizations also promotes hardiness and adaptive capacities which help organizations weather difficult times (Masten & Reed, 2002; Gittell & Cameron, 2002). Organizations are able to absorb misfortune and move past damage and harm, so that virtuousness serves as a source of resiliency, hardiness, and protection for organizations facing downsizing (Turner, Barling, & Zacharatos, 2002). This study's results suggest that this buffering effect is particularly relevant as a source of protection against the deteriorating performance associated with downsizing.

Downsizing produces negative outcomes because it destroys social capital and interpersonal connections, and it weakens the glue that binds individuals to one another and to the organization (Baker, 2000; Putnam, 2000). Virtuousness, by fostering reliance and social capital, is a potential antidote. This proposition is supported by the fact that the outcomes where downsizing has its most significant negative effect (i.e., innovation and customer retention) are also the only ones in which forgiveness has significant relationships. It appears that forgiveness is buffering against the damage of downsizing. That is, forgiving responses permit downsizing survivors to maintain internal and customer relationships, focus on the future, and let grudges go. One implication is that whereas the virtue of forgiveness is neither necessary nor organizationally demonstrated in routine organizational operations, it may be critically important in the context of downsizing. This argument reinforces others' propositions that forgiveness plays an important role in recovery from downsizing (e.g., Cameron &

Caza, 2002). In general, virtuousness in organizations, and forgiveness in particular, may mitigate some of the negative effects of downsizing.

By way of summary, the amplifying and buffering functions of virtues provide an explanation for why virtuousness is positively associated with organizational performance, especially under conditions where downsizing usually leads to dysfunctional and deteriorating performance. When virtuousness is expressed and fostered, it tends to amplify positive behaviors and buffer organizations from negative outcomes. However, despite this plausible explanation for these results, causal direction cannot be conclusively specified, of course. It could be as likely that financial success in organizations fosters virtuousness as it is that virtuousness leads to financial success.

Table 6 summarizes the relationships between the five virtues and the five outcomes measured in this study. Integrity, trust, and optimism tend to show the strongest and most frequent associations with performance outcomes. This is understandable since these three virtues are readily apparent and may be demonstrated in the short-term. Optimism is clearly noticeable and can have immediate impact on others. The extent to which individuals and organizations live up to their word—i.e., they maintain congruence in their behaviors and statements—is also relatively easy to detect. Observers can readily discern the extent to which these three virtues exist in organizations. Their amplifying and buffering qualities are more likely to be associated with short-term outcomes, therefore, than would be the case with compassion and forgiveness.

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Table 6 goes here
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Compassion and forgiveness, in contrast, appear only in response to negative occurrences, and they are not as easily demonstrated and detected in the short term. Compassionate actions often unfold over time (Dutton, et al., 2002), and forgiveness is seldom instantaneously and publicly granted (Worthington, Kurusu, Collins, Berry, Ripley, & Baier, 2000). Hence, strong relationships between compassion and forgiveness and short-term performance are less likely in organizations that have recently downsized.

It is also possible that the demonstration of forgiveness and compassion may help facilitate other virtues such as trust and optimism. That is, organizations may be better able to foster the latter two virtues when the former two virtues are also demonstrated. When forgiveness and compassion are expressed after an organizational trauma, one result may be the cultivation of increased trust in the organization and optimism for the future. One implication is that that whereas forgiveness and compassion appear to have relationships with only a limited number of organizational outcomes in this study, the relationships may be indirect. Forgiveness and compassion may be part of the foundation upon which other virtues are built, so that the amplifying and buffering effects of integrity, optimism, and trust are strengthened by the presence of forgiveness and compassion. Of course, such speculation requires additional investigation.

Conclusion

A primary intent of this study, to repeat, is to introduce positive deviance and virtuous phenomena to organizational studies and to encourage other scholars to assist in developing the empirical and theoretical foundation in this topic area. Thus far,

particularly in the organizational sciences, empirical researchers have neglected the idea of virtuousness, although some are now beginning to give it some consideration. The findings of this study indicate that despite the non-instrumental nature of virtuousness, desirable instrumental relationships with effective performance do exist. Especially in conditions in which most organizations demonstrate non-virtuous behavior and deteriorate in performance, the association between virtuousness and the recovery from the trauma of downsizing suggests a variety of interesting research possibilities.

For example, additional investigation is needed on an expanded number of virtues and organizational outcomes. Those investigated in this study resulted from evidence of positive outcomes from scholarly literature, but they represented a very limited number. Additional research is also needed on the directionality of the relationships between virtues and performance. Causality and mediated relationships could be investigated with longitudinal analyses and in-depth qualitative investigations, and it is important to understand more clearly the extent to which the amplifying and buffering dynamics of virtues operate in the way described here. The measurement of virtues is also in need of attention, and a robust set of indicators of virtuousness in organizations will be an important prerequisite for extended work. In addition, differences between individual and organizational virtues need to be clarified, as do the ways in which virtues are fostered and inhibited in organizations. Most previous work has examined virtuousness in individuals but not in organizations.

In light of the current environment in which deteriorating confidence in business and attributions of corruption and negative deviance are widespread, it may behoove organizational studies to extend its reach into an arena that represents the highest

human potential, ennobling qualities, and transcendent purposes. The rigorous investigation of virtuousness in organizations represents an important opportunity in that arena.

Table 1 Distinguishing Virtue from Other Similar Concepts

REPRESENTATIVE QUESTIONS

Similar Concepts

Virtues

Ethics: What is my obligation?
How can harm be avoided?

Virtue: What is ennobling?
How can good be produced?

Morality: What is right?
What is moral?

Virtue: What is best?
What is honorable?

Values: What are the underlying
assumptions, expectations, and
orientations?
What is normative and assumed?

Virtue: What is goodness?
What is life giving?

Effectiveness: Are we achieving our goals,
creating value, and performing
successfully?
Are we competing successfully?

Virtue: Are we fostering our finest?
Are we pursuing the highest
human potential?

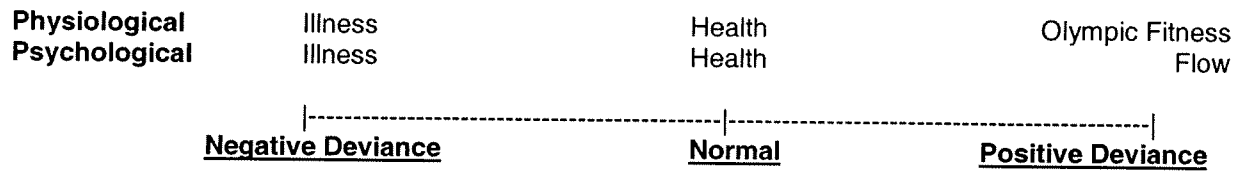
Core Competency: How can we achieve
our objectives?
Can we do better than others?
What is our uniqueness?

Virtue: Is there profound purpose in
what we do?
Can we cultivate strength in
others?

(SOURCES: Becker, 1992; Dent, 1984; Kohlberg, 1981; Overholser, 1999; Sandage & Hill, 2001; Walker & Pitts, 1998)

Figure 1 A Continuum Illustrating Positive Deviance

Individual:



Organizational:

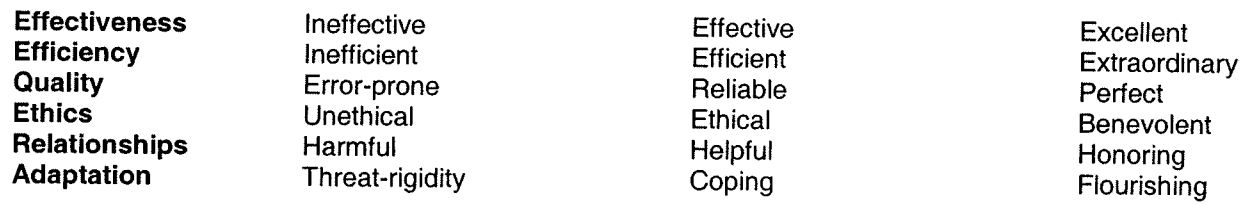


Figure 2 Financial Performance of a Hospital
(Net Income in 000s)

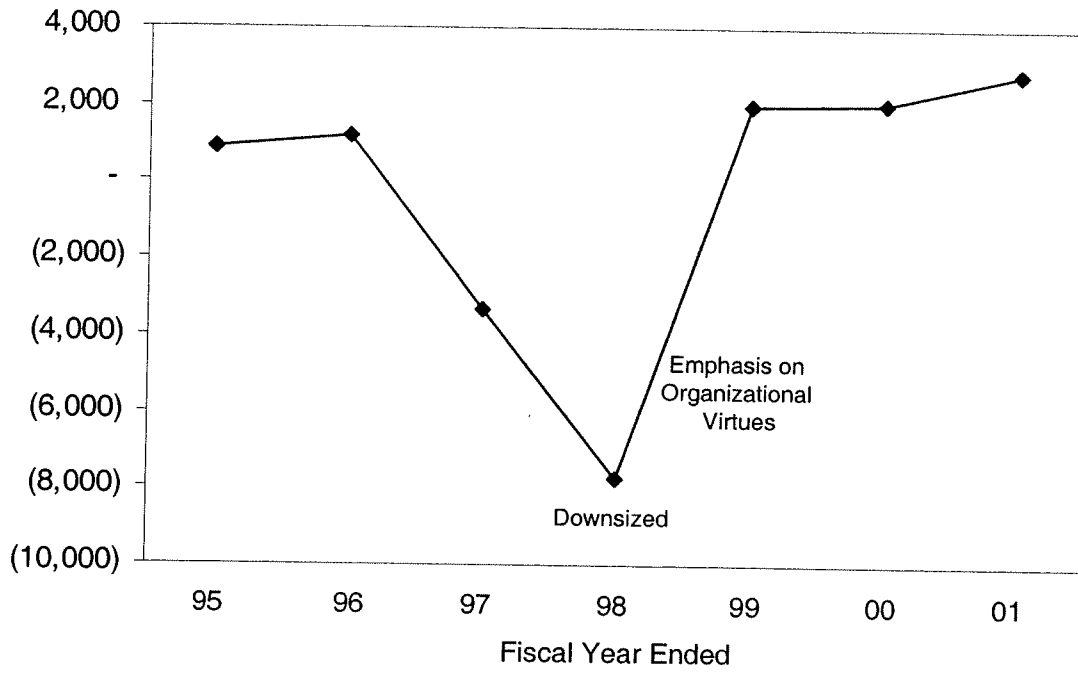


Figure 3 Financial Performance of an Environmental and Engineering Firm (Net Revenues in 000s)

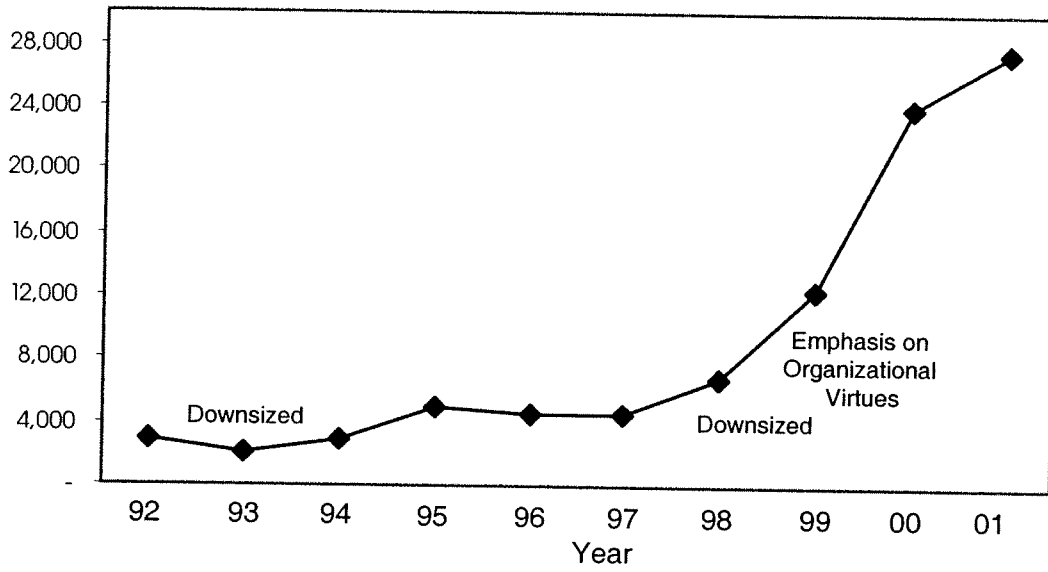


Table 2 **Characteristics of the Participating Organizations (N = 18)**

OWNERSHIP	INDUSTRY	DOWNSIZED	NOT DOWNSIZED
Private	Service	5	1
Private	Manufacturing	1	0
Public	Service	6	0
Public	Manufacturing	4	1

Table 3 Virtues Factor Item Loadings (with reliability coefficients)

	Optimism (alpha=0.837)	Trust (alpha=0.830)	Compassion (alpha=0.886)	Integrity (alpha=0.898)	Forgiveness (alpha=0.898)
A sense of profound purpose is associated with what we do here	.663				
In this organization we are dedicated to doing good in addition to doing well	.620				
We are optimistic that we will succeed, even when faced with major challenges	.599				
Employees trust one another in this organization		.741			
People are treated with courtesy, consideration, and respect in this organization		.675			
People trust the leadership of this organization		.600			
Acts of compassion are common here			.684		
This organization is characterized by many acts of concern and caring for other people			.631		
Many stories of compassion and concern circulate among organization members			.624		
Honesty and trustworthiness are hallmarks of this organization				.713	
This organization demonstrates the highest levels of integrity				.639	
This organization would be described as virtuous and honorable				.554	
We try to learn from our mistakes here, consequently missteps are quickly forgiven					.724
This is a forgiving, compassionate organization in which to work					.573
We have very high standards of performance, yet we forgive mistakes when they are acknowledged and corrected					.563

Table 4 Relationships Between Virtues and Objective Financial Outcomes

PREDICTOR VARIABLES		PROFIT MARGIN
Industry		-.159 ***
Optimism		-.001
Trust		-.001
Compassion		-.000
Integrity		.001 **
Forgiveness		-.000
Model X^2		14.25***
R^2 (between)		.152
***	p < .01	
**	p < .05	

Table 5 Relationships Between Virtues and Perceived Organizational Performance

PREDICTORS	INNOVATION	QUALITY	TURNOVER	CUSTOMER RETENTION
Industry	.003	.050	.187 *	-.039
Downsizing	-.432 ***	.009	-.181	-.339 ***
Ownership	.055	-.104	-.194	.205
Optimism	.396 ***	.278 ***	-.051	.268 ***
Trust	.275 ***	.303 ***	.127 **	.257 ***
Compassion	-.051	.028	.155 ***	.021
Integrity	.153 **	.175 **	.118	.152 *
Forgiveness	.178 **	.198	-.056	.127 *
Model X ²	51.08 ***	19.53 ***	4.96 ***	14.31 ***
R ²	.102	.106	.031	.072

*** p < .01
 ** p < .05
 * p < .10

Table 6 A Summary of Significant Relationships Between Virtues and Outcomes

OUTCOMES	OPTIMISM	TRUST	COMPASSION	INTEGRITY	FORGIVENESS
Profit Margin				Positive	
Innovation	Positive	Positive		Positive	Positive
Quality	Positive	Positive		Positive	
Employee Turnover		Positive	Positive		
Customer Retention	Positive	Positive		Positive	Positive

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