Key Findings

Some leaders create more energy, joy, productivity, and dedication in their subordinates than others. About these bosses, subordinates consistently say things like, “I loved working for her.” Leadership research has tried to explain this phenomenon but no model has adequately encompassed the range of leadership behaviors expressed by subordinates nor do the models examine the mental models that drive those behaviors. A new instrument and model determines where in a spectrum of abundance and scarcity mental models a leader operates. This research shows that abundance leaders have healthier organizations on 18 attributes, as measured by staff perceptions.

Mental Models - How we see is what we get

Mental models affect what is seen, how it is reacted to, and how information is interpreted. Mental models are the intellectual road maps we use to navigate our observed and felt environments, and, as maps, they highlight some elements of the environment and information while excluding others (Mathieu, Heffner, Goodwin, Cannon-Bowers, & Cannon-Bowers, 2000). For example, when I ask undergraduate students to draw a map between their home and college, the map is most detailed at the ends of the journey and usually has only one or two key sign posts along the way. Each student’s map of the college emphasizes a different element. For one student it is the parking lot, for another it is the student center.
Essentially, mental models are organized knowledge structures that allow individuals to interact with their environment. Specifically, mental models allow people to predict and explain the behavior of the world around them, to recognize and remember relationships among components of the environment, and to construct expectations for what is likely to occur next (Rouse & Morris, 1986). Furthermore, mental models allow people to draw inferences, make predictions, understand phenomena, decide which actions to take, and experience events vicariously (Johnson-Laird, 1983). Mental models serve three crucial purposes: They help people to describe, explain, and predict events in their environment. (Mathieu et al., 2000, p. 274)

Deeper mental models – the models that explain the world and dictate how we interact with it – arise out of both genetics and personality. We are each born with a distinct personality that is further molded by our environment. This blend of our innate and developed selves gives rise to our deepest mental models and beliefs (McCrae et al., 2000). Is the world a safe place or a dangerous place? Are people basically good at heart? Is rain a cause for celebration or whining? In this article we look at two deep mental models – abundance and scarcity – that dictate a range of leadership behaviors and why they matter to staff and organizations. This concept is based on recent research.

The research: what subordinates said about their boss’ mental models

The research on which this article is based was a mixed-methods study which developed an instrument and model for determining where in a spectrum of abundance and scarcity mental models a leader operates. The study examined the effect of a leader’s mental model on the perceived health of their organization.
The research was conducted in three phases: Phase one consisted of a qualitative exploration through online interviews of 16 experts that provided input for the design of the quantitative instrument. Phases Two and Three consisted of applying the quantitative instrument to measure a leader’s position on the abundance-scarcity spectrum, with a focus on the role of leaders as bosses. Phase Two had 192 participants and Phase Three had 102 participants. The data were analyzed through correlation and factor analysis. Phase Three was conducted to retest items that did not load well in the factor analysis in Phase Two.

**Demographic Characteristics of Survey Participants**

<table>
<thead>
<tr>
<th>Demographic</th>
<th>% of Respondents</th>
<th>Phase 3</th>
<th>Phase 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women</td>
<td></td>
<td>74.3%</td>
<td>59.8%</td>
</tr>
<tr>
<td>White</td>
<td></td>
<td>90.0%</td>
<td>91.0%</td>
</tr>
<tr>
<td>Top 3 of 6 levels of hierarchy</td>
<td></td>
<td>58.0%</td>
<td>65.6%</td>
</tr>
<tr>
<td>41-70 years old</td>
<td></td>
<td>75.0%</td>
<td>75.3%</td>
</tr>
<tr>
<td>Education industry*</td>
<td></td>
<td>44.0%</td>
<td>39.2%</td>
</tr>
</tbody>
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*Note. Additional details on participants’ industries can be found in Appendix L*

The results revealed that bosses with an abundance mental model – seeing the world as resource sufficient and power as shareable – are preferred over scarcity bosses. The subordinates of these bosses saw their organizations as healthier. Their organizations do better at conflict resolution, communication, and teamwork. However, too much abundance can be detrimental by dispersing energy and misplacing optimism.

Scarcity leaders work from fear and control. They often struggle with communication and have trouble delegating. They decrease energy instead of increasing it. Scarcity bosses are difficult to work for and negatively impact their organization’s
perceived health. The research showed that scarcity and abundance behaviors are more subtle than an on/off switch. Bosses fall along a spectrum and all behaviors must be examined to understand the abundance-scarcity mental model of a leader. This study created a new broader model for understanding effective leadership and its impact on the health of organizations.

Analysis of the participant demographics and answers to survey items produced the following results of interest, some of which need more data to confirm statistical significance:

- **57.7%** of men picked abundance leaders to rate while only **33.3%** of women did so. A slight majority of women (38.7%) picked “mix of models” leaders to rate. More data is needed to show whether this is a statistically significant finding.

- Male leaders had a lower scarcity average (2.6) than female leaders (3.0), and a higher abundance average (4.0) than female leaders (3.6) – in other words, men had a broader range of average scores than women.

- Male leaders were perceived to have healthier organizations than female leaders: 4.1 average health score for organizations run by men versus 3.6 for organizations run by women on the 6-point organizational health scale.

- Women survey participants rated their bosses higher on scarcity and lower on abundance items than men did, giving their bosses a narrow range of scores.

- **71.4%** of people lowest in the hierarchy (the lowest of six levels in the organizational hierarchy) picked a boss they saw as using the scarcity mental model. **62.5%** of
people at the highest level in the hierarchy selected abundance mental model bosses to rate.

- People lower in the organization see the organization as less healthy than those higher up (see Table 10).

Global context - leading locally for global good

Abundance and scarcity mental models affect behavior at all levels of a system: from the individual, to the leader, to the entire ecosystem. When a system is viewed as abundant, fear of scarcity decreases. Sharing increases. However if the system is seen as limitlessly abundant, waste and disregard occur. On the other hand, scarcity mental models produce hoarding and intra-system stress. If a system is viewed as excessively scarce, violence and intolerance occur.

All sciences and cultures have an underlying assumption about the extent of their resources. The orientation runs along a spectrum from one of scarcity (i.e., there are not enough resources to meet demand) to one of abundance (i.e., there are more than enough resources to meet demand), or myriad steps along the spectrum such as one of adequacy (i.e., there are just enough resources to meet demand). Individuals also have a parallel orientation of abundance or scarcity; they view their lives, organizations, budgets, or the world as inherently resource rich or inherently resource poor, or somewhere on this spectrum.

The scarcity-abundance spectrum is at play in other systems as well – from large, infinite systems to smaller, more bounded systems. For example, the universe and the mind are often viewed as infinite, abundant resources. The planet and its micro-ecosystems are often viewed as finite and prone to scarcity, but they do not necessarily
have to be viewed as such. Even smaller systems such as individual organizations can be framed as resource-abundant or resource-scarce systems, depending on many factors.

A mental model of scarcity assumes that the resource in question is part of a closed system with limited and insufficient non-renewable resources. For example, global energy, if viewed only from the perspective of oil reserves, could ultimately create a scarcity mental model as reserves run out if there are no alternative fuels. If viewed through the lens of wind and solar power, an abundance mental model is possible.

Another manifestation of the scarcity mentality is an assumption that even with abundant resources there are not enough for any particular individual. This is one of the basic human fears – not having enough resources to survive or reproduce. The definition of “enough” is problematic for sustainable systems.

“Enough” has different meanings to different people based on their experiences and situations. In the Cambodian refugee camp where I worked, on a daily basis the refugees consumed probably one half of the food and water that the Western staff did. To the Cambodians, after years of starvation under Pol Pot, the water and food was abundant. To the Western relief workers, it seemed impossibly insufficient.

Labeling of any system as either "resource scarce" or "resource abundant" depends greatly on the individual perceiver’s bias and assumptions. To build on an earlier example, if a person only focuses on oil as an energy source, then the planet is an energy "resource scarce" system. If a person focuses on renewable energy sources, the planet appears as energy abundant, as an almost "energy infinite" system. Where we focus affects our view. “Focusing only on oil means all the eggs are in one basket. Focusing on renewable energy means diversification. I think this diversification is key in the shift
Abundance Leaders in a Scarcity World
Freebairn-Smith

Abundance and scarcity orientations have significant implications for science, cultures, organizations, people, and the planet because they affect behavior. A review of the literature indicates that the scarcity-abundance spectrum has affected such disparate fields as economics, sustainability, philosophy, organizational behavior, and politics (Adams, 2000; Covey, 1999; Malthus, 1797/1993; Perry, Griggs, & Griggs, 1996; Rossatto, 2005). For our work as organizational development practitioners, these mental models affect leadership, organizational culture, and organizational outcomes.

The Case of the Abundant Vice President

“He’s just amazing. I can’t imagine working for anyone else ever again.” How does a leader get such accolades? Vice President John Spice was known for his accessibility and listening skills. When a staff member presented an issue, before rushing in with an answer, he would ask, “What more do you need to tell me? And what would you do in this situation?”

Walking through the hallways of his organization, he was known to stop and talk to the janitorial or cafeteria staff, or any staff member who stopped him. He would listen intently, take notes, and later get back to the person with what he had done as a result of his conversation with him or her.

VP Spice’s ability to make eye contact, seek out feedback, and be physically present created goodwill in all his staff.
Leadership behaviors - are you walking around enough?

Anecdotal evidence and research indicate that certain types of leaders are better to work for than others. Some leaders create more energy and joy, more productivity, more passion and dedication in those below them than others. About these bosses, subordinates consistently say things like, “He was a great boss.” “She made me feel that we could do anything.” Leadership research has tried to explain this phenomenon with numerous conceptual models. Is it the personality of the leader? Social stature? Training? Context? The research has evolved over time to explain great leaders as a mix of personality, experience, context, and serendipity (Burns, 1978). Leadership research is a robust field but it does not cover the impact of leaders’ mental models about resource scarcity or abundance on their subordinates’ experience.

This research revealed that bosses with an abundance mental model – seeing the world as resource sufficient and power as shareable – are preferred over scarcity bosses. The subordinates of these bosses saw their organizations as healthier. Their organizations do better at conflict resolution, communication, and teamwork. However, too much abundance can be detrimental by dispersing energy and misplacing optimism.

Abundance leadership behaviors, of which there are 26, include:

- Manages by walking around; is visible to staff
- Takes chances and gets overburdened too easily
- Focuses on the bottom line - is financially savvy
- Cares about social issues (e.g. justice, poverty, education, etc.)
- Cares about the natural environment (e.g. recycling, alternative energy, global warming, etc.)
• Has high cognitive or technical intelligence
• Lacks focus and can be recklessly optimistic

On the other end of the spectrum, there are scarcity leaders who work from fear and control. They often struggle with communication and have trouble delegating. They decrease energy instead of increasing it. Scarcity bosses are difficult to work for and negatively impact their organization’s perceived health. The research showed that scarcity and abundance behaviors are more subtle than an on/off switch. Bosses fall along a spectrum and all behaviors must be examined to understand the abundance-scarcity mental model of a leader.

Scarcity behaviors, of which there are 28, include:
• Has low emotional or social intelligence
• Escalates disagreements fast
• Tolerates sub-standard performance
• Doesn’t take time to celebrate successes
• Blames employees
“Signal” Behaviors

Out of the 54 behaviors, there are a few that are more powerful indicators to staff of a leader’s mental model than other behaviors. A “signal” abundance behavior is “walking around.” Bosses who walk around, have their door open, and make face-to-face contact with employees are more likely to be perceived as abundance leaders.

On the scarcity side, bosses who blame employees are more likely to be seen as scarcity leaders than other bosses.

Knowing the “signal behaviors” allows a leader to focus on a few key behaviors to improve his or her mental model and enhance organizational health.

Characteristics of healthy organizations - how's your organization's pulse?

The research from this study shows that organizational health correlates positively with abundance behaviors and negatively with scarcity behaviors in bosses. Abundance leaders have healthier organizations and staff who like to work for them, unlike scarcity leaders. Abundance and scarcity behaviors matter. If the behaviors had no impact on the organization, why bother? Given the direct correlation, bosses are well served to determine their scarcity/abundance tendencies and to work on managing those toward a more abundance model.

The research confirmed work from an earlier study that developed a "Health Measure" to assess an organization's health on 18 characteristics:

- Communication in the organization
- Conflict resolution - how well is conflict addressed?
- Sense of hierarchy - how appropriately hierarchical is the organization?
• Teamwork and camaraderie
• Timeliness of decision making
• Decision-making processes
• Supervision and management of employees
• Responsibility and accountability of people in the organization to their work and to each other
• Information flow - does information flow in a timely manner and is enough information shared
• Productivity - are people generally productive in the organization
• Promotion - are people promoted from within in a reasonable time frame
• Creativity - is the organization creative and does it encourage creativity in its staff
• Appropriate use of power: do people in the organization use their power appropriately without abusing it
• Leadership's energy: does the leadership have enthusiasm or energy (versus being burned out)
• Empowerment of lower level employees
• Dealing with failure in a positive, non-punitive way
• Morale - is morale in the organization high, with people feeling generally positive about work
• Development and support of employees

The Health Measure, a valid and reliable measure of organizational health, is particularly useful for leaders and consultants, pointing them to the areas in an organization that need attention. A healthy organization is often more effective whether
measured in profitability or service delivery, and is often an asset to the larger community by creating more satisfied and productive staff.

The Health Measure provides a meaningful and useful tool for practitioners to measure the perceived health of an organization. It can be combined with more quantitative measures such as data from balance sheets or income statements to see if perceived health and financial health co-exist.

**Making use of the instruments to increase executive effectiveness for a healthier organization**

Abundance leaders, by their very nature, are drawn to using the 360° feedback from the abundance/scarcity instrument. They want to know where their organization’s health is strong and where it needs attention, and, more importantly, how their abundance behaviors can be improved to achieve a greater level of health.

Scarcity leaders are inherently less likely to seek out feedback so use of the instrument is best done as part of a larger group so they do not feel singled out.

The instrument has been used in workshop settings, with groups of leaders from one organization and with groups of leaders from diverse organizations, to explore individual styles. The leaders receive individual reports based on feedback provided by their subordinates and peers before the workshop. The report, 24-pages in length with references and exercises, is explored in both the large group format as well as in pairs and quads. The exercises are designed to give leaders a chance to self-reflect as well as get guidance on concrete behavioral changes they can make to improve the health of their organization.
After the feedback is provided, along with the organizational health prognosis, OD practitioners can develop a variety of interventions from executive coaching to system-wide interventions. Often an organization that has had scarcity leaders for many decades has a scarcity culture that requires its own work to remove control paradigms and introduce strategic behavior and creativity. Interventions can move both the leader and the organization toward an abundance model.
References


