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Catalysts for Change: Disabled Workforce Actualizes Adaptive Leadership and Organizational Learning

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Abstract

In today's competitive, global and knowledge economy, executives are frequently turning to Human Resource Development professionals to increase employee adaptiveness. Our research team studied two Walgreens distribution centers, which are examples of complex adaptive systems employing disabled associates. Organizational learning with adaptive and complexity leadership lenses are applied to the original case study data. This study highlights the ways leaders at inclusive Walgreens distribution centers maximize organizational learning transfer to deliver amazing results, exceeding production standards in the midst of high employee complexity. The study sheds light on how an organization can set up the prerequisite leadership and organizational culture necessary to deal with high levels of employee complexity, which in turn deliver innovative, creative, and highly effective results. These findings culminated in five taxonomic models related to dimensions of adaptive leadership and organizational learning. The proposed taxonomies could be tested for developing adaptive leaders in other contexts that might include other types of catalysts for change such as: leading virtual teams, cross-cultural teams, or a multi-generational workforce.

Keywords: inclusive organizational culture, disabled employees as catalysts, adaptive leadership style

Catalysts for Change: Disabled Workforce Actualizes Adaptive Leadership and Organizational Learning

Increasingly executives are turning to Human Resource Development professionals to help them develop new ways to become more adaptive. Organizations must be capable of continually changing and innovating (Gilley, Shelton, & Gilley, 2011). Managers may rely on policies, rules, procedures, reporting structures, organizational hierarchies, or project deadlines to maintain organizational stability and to have predictable outcomes (Geer-Frazier, 2014). At the same time, organizational leaders are often required to develop innovative solutions to organizational issues outside the scope of organizational rules and procedures (Moore, Hanson, Maxey, & Kraemer, 2015). Furthering a culture of innovation requires a shift moving away from command and control (Beeson & Davis, 2000; O'Daniell, 1999, p. 22) toward partnership.

In response to shifting customer and employee needs, leadership flexibility is required to develop an agile organizational culture, to develop new organizational strategies, to develop new products, or to modify how work is done, more so when traditional rules and procedures may no longer apply. "Susan Moriconi of Hewlett Packard agreed that unless management practices in a company change, and unless the culture is supportive of flexibility, the best policies in the world will not work and nothing you do is going to stick" (Edelman, 1996, p. 1). For example, Eversole, Venneberg, and Crowder (2012, p. 299) assert that middle managers play a critical role adapting to multigenerational needs for work-life balance. If organizations are to attract and retain talented workers across generations, managers are to understand the employee needs and develop corresponding strategies for work schedules and job design. For instance, according to Eversole et al. (2012), some generations may value flexible work schedules, whereas other generations may value telecommuting more. Employees are still accountable for performance

results even though the traditional organizational rules on how the work gets done may not apply. Further, leaders must adapt their leadership styles and develop new performance management methods and metrics.

Complexity Leadership Theory

Organizational Adaptive Capacities

Complexity Leadership Theory seeks to understand how organizations adapt and even flourish in very complex and volatile environments. "Complexity theory is the study of the dynamic behaviors of complexly interacting, interdependent, and adaptive agents under conditions of internal and external pressure" (Marion, 2008, p. 3). Complexity Leadership Theory is built on the premise that leaders should be attuned to an ever-changing environment where learning and adaptability are required to make ongoing adjustments in strategy, structure, and processes. In part, leaders nurture conditions to enable collaborative problem solving, creativity, innovation, and organizational learning leading to non-predictive adaptive outcomes (Marion & Uhl-Bien 2001; Marion, 2008; Uhl-Bien, Marion, & McKelvey, 2007). Thus, new leadership approaches are essential for adaptation and alignment with environmental conditions (Geer-Frazier, 2014).

According to Hart and Quinn (1993), Complexity Theory analyzes systems collectively, and thus, this study examines leadership within the system as a whole. Extending beyond traditional leadership behavior theories that accentuate the individual leader's behaviors, Complexity Leadership Theory defines leadership as a process embedded in a series of interactions within a complex, dynamic context (Pierce & Newstrom, 2011; Uhl-Bien, Marion, & McKelvey, 2007). Leaders are not detached from the processes or context, but rather leaders are

participants in the process of continuous emerging changes where the outcomes are frequently uncertain (Jarvis, Gulati, McCririck, & Simpson, 2013; Marion & Uhl-Bien, 2001).

Complex, Adaptive Leadership

"Adaptive leadership is the activity of mobilizing people to tackle tough challenges and thrive (Heifetz, 2011, p. 26). Adaptive leadership does not apply to technical problems that can be solved using existing knowledge and how-to manuals. Adaptive learning calls for radical changes in thinking as changes are enacted, and deeply seated beliefs and values are transformed (Parks, 2005). Further, adaptive leaders must enable employees to identify organizational problems and share opposing points of view (Kennedy, Bathurst, & Carroll, 2015).

Consisting of an iterative three-step process, adaptive leadership involves "observing, interpreting, and intervening" (Heifetz, 2011, p. 29). During the "observation" phase, leaders collect data to define and diagnose problems. "Interpreting" involves noting the reactions of others involved (Heifetz, 2011) and assessing change readiness (Choi & Ruona, 2011). Before "intervening," leaders must carefully determine the appropriate course of action with consideration of whether the problem is an adaptive challenge or a technical problem.

Dimensions of Behavioral Complexity in Adaptive Leadership

"Behavioral complexity enables a manager to draw on a wider repertoire of behaviors to effectively meet competing demands" (Lawrence, Lenk, & Quinn, 2009, p. 4). Hart and Quinn (1993) referred to behaviorally complex leadership as the "mastery of paradoxical capabilities" (p. 544) where effective managers must be detail-oriented while also strategic, be reflective while also a quick decision-maker, and be balanced between production and relationships (Cameron & Quinn, 1988; Hart & Quinn, 1993). Denison et al. (1995) studied "paradoxical capabilities" of executives and found that seemingly contradictory characteristics, such as both

transactional and transformational leadership can complement one another to achieve higher performance than leaders without behavioral complexity. Additional research substantiated the "paradoxical" roles of adaptive leaders to maintain organizational stability and agility (Denison, Hoojberg, & Quinn, 1995; Geer-Frazier, 2014; Obolensky, 2014). Table 1 demonstrates the dimensions and measures of behaviorally complex, adaptive leadership.

Table 1
Measures of Behavioral Complexity in Adaptive Leadership Based on The Competing Values Framework

Authors	Definition	Measure	Outcomes
(Hart & Quinn, 1993)	Adaptive leadership classified as behaviorally complex leadership Scored high in four roles: vision setter, motivator, analyzer, task master "Effective managers not only think multi-dimensionally, but are able to act out of a cognitively complex strategy by playing multiple, even competing roles in a highly integrated and complementary way" (p. 544).	16-item self -report questionnaire	Financial Performance (Sales, asset base, profits) Business performance
(Denison et al., 1995)	"The test of a first-rate intelligence is the ability to hold two opposed ideas in the mind at the same time and still retain the ability to function," the test of a first-rate leader may be the ability to exhibit contrary or opposing behaviors (as appropriate or necessary) while still retaining some measure of integrity, credibility, and direction" (Denison et al., 1995, p. 526). "Within the definition of the leadership domain provided by the model, the implication is that leaders with a broad behavioral repertoire and the ability, as a part of that repertoire, to perform roles that include a degree of contradiction or	Confirmatory Multidimensional Scaling (MDS) to correlate Executive data with questionnaire data Subordinate questionnaire data on executives	Organizational (Stakeholder) effectiveness Success compared to peers Degree to which they have met performance standards Performance as role model

	paradox, will be the most effective" (Denison et al., 1995, p. 528).		Overall performance
(Hoojberg & Hunt, 1997)	"Address three problems of behavioral approaches to leadership: (1) impossibility of specifying the appropriate leadership role for all possible contingencies; (2) the implicit assumption that all followers are subordinates (3) the need for leaders, especially in organizational settings, to meet the expectations of stakeholders other than the followers…….. Consists of behavioral repertoire and behavioral differentiation (Hoojberg & Hunt, 1997, p. 387)	Self-assessments 360-degree feedback	Proposed the use of Leaerplex Model, 360-degree feedback, and self-assessments to be used in future empirical studies

Organizational Learning

Organizational learning definitions focused on building capacity, (Senge, 1990) emphasize the maturation and development of the organization, teams, and individuals. For instance, organizational learning can represent "changed organizational capacity for doing something new" (Watkins & Marsick, 1993, p. 152). Action learning promotes organizational learning and allows employees to engage in solving real-life problems (Watkins & Marsick, 1993). According to Marquardt and Revans (1999, p. 5), action learning consists of: "the problem, the group, the questioning and reflection process, the resolution, the commitment to learning, and the *facilitator*." The learning facilitator restates problems, provides feedback, and questions assumptions.

Adaptive, Complexity Leadership and Organizational Learning Capacity

Gilley et al. (2011) examine how developmental leadership in HRD can contribute to organizational innovation and creativity as outlined in Developmental Leadership Roles and

Practical Applications of Developmental Leadership Model. A portion of the model stems from organized learning and change emphasizing how the "*learning facilitator"* fosters collaborative problem solving. "L*earning facilitator"* is classified as adding structure to organizational learning, similar to a "*learning coach*" in action learning (Marquardt & Waddill, 2004). Another role of the *"learning facilitator"* is to create employee growth and development plans to sustain an organizational culture of learning through ongoing feedback (Gilley et al., 2011).

A key tenant of Complexity Leadership Theory is "to explain how information travels in a non-linear dynamic system through interactive agents" (R. Marion, personal communication, August 11, 2015). There are both formal and informal information networks throughout the organization representing constant interactions among leaders, teams, and other units. As a result of networks, there are more channels for information and knowledge to be shared, and potentially more avenues for organizational learning, organizational learning, transfer, and change to occur.

"There are three functions of leadership and corresponding behaviors that foster "learning, creativity, and adaptability under appropriate Complex Adaptive Systems (CAS) dynamics" (Uhl-Bien et al., 2007, p. 298) including: administrative, adaptive, and enabling leadership (Marion, 2008; Uhl-Bien et al., 2007). Administrative leaders tend to rely on control, whereas "enabling leaders "*structure"* and "*enable"* conditions such that CAS are able to optimally address creative problem solving, adaptability, and learning" (Uhl-Bien et al., 2007, p. 299). Leadership associated with "emergent change" is classified as adaptive leadership (Uhl-Bien et al., 2007).

Leaders initiate and enable the right conditions suitable for learning and creativity. (Uhl-Bien et al., 2007). Enabling adaptive leaders create conditions for learning and change to

emanate from anywhere in complex adaptive systems (CAS). Points of pressure and chaos are the ripest conditions for changes and creativity to occur (R. Marion, personal communication, August 11, 2015). Contrary to the traditional centralized top-down hierarchical structures, "complex adaptive systems" (CAS) are typified by "decentralized, team-based, and distributed power structures" (Geer-Frazier, 2014, p. 109). Instead of one central hierarchy, multiple hierarchies may exist and overlap with one another (Marion, 2008; Uhl-Bien et al., 2007), and as such, there are information networks connecting units throughout the organization requiring constant adaptation.

Research Purpose

The purpose of the study is to identify and describe the core dimensions of adaptive leadership capable of transforming organizational culture within complex environments. More specifically, this work expands taxonomy of adaptive and complexity leadership and organizational learning. In addition to relevant literature, we use data from an earlier study of two Walgreens distribution centers. These distribution centers are complex adaptive systems, where 38 percent of their employees are disabled. The practical implications of this study on adaptive leadership and organizational learning are fourfold.

First, the study will combine existing taxonomies of adaptive leadership to enumerate on how a catalyst for organizational change depends on adaptive leadership and changes in organizational culture.

Second, the findings will increase understanding of transitioning from a rules-based organizational culture to a sustainable culture of employee transformation focused on workforce development and inclusivity. The findings will reveal how the leaders in two distribution centers of Walgreens's have created a sustainable organizational culture of employee development and

transformation in the midst of chaos and complexity, based on the Complexity Leadership Model (Clarke, 2013).

Third, the findings will provide Human Resource Development professionals with insight into learning and developing adaptive leadership skills and strategies to bolster the transfer of organizational learning in complex, inclusive cultures. Adaptive leadership and organizational learning are precursors for innovation in inclusive organizational cultures. Leaders learn to sustain a culture of employee transformation to maximize innovation, adaptability, and performance at the individual, team, and organizational levels.

Fourth, the findings will reveal the transfer of organizational learning to build employee capacity. Expanding on adaptive leadership and organizational learning taxonomies, the findings will emphasize adaptive leadership dimensions for complex inclusive cultures.

Theoretically, this study will enhance recent taxonomies of adaptive leadership dimensions from systems and organizational learning transfer perspectives (Livingston & Lusin, 2009). The present study will further theory building through taxonomy expansion and enhancements (Bobko & Russell, 1992; Doty & Glick, 1994).

Research Questions

How do leaders learn adaptive leadership skills or strategies? Supporting questions are:

1. How do managers learn to adapt their leadership style, transitioning from a rules-focused to an employee-focused sustainable culture?
2. How do managers maximize organizational learning to exceed production standards through innovation?

Research Problem

Human Resource Development professionals in volatile environments, such as distribution centers, must continually learn to be more adaptive in response to rapid advancements in technology, new compliance with complex safety regulations, and changes in the composition of the workforce to meet, and even exceed production standards (Hanson et al., 2015). Accuracy, speed, safety, and employee development are of utmost importance. Traditionally, distribution center environments have been rules-based, with specified procedures and controls in place to maintain consistency and accuracy according to production standards. However, as the workforce becomes increasingly diverse, and the pressures to foster and maintain an inclusive culture increase, the role of leadership and managing work performance is being revolutionized.

Although taxonomies or typologies have been developed to describe certain adaptive leader behaviors, taxonomy expansions are essential to understand adaptive leadership within inclusive, complex adaptive systems. Clarke (2013) indicated the lack of studies examining adaptive leadership development as part of a larger system. According to Livingston and Lusin (2009, p. 104), "the complexity literature has little to say on how beneficial leadership characteristics increase the effectiveness of the leadership process." According to Pierce and Newstrom (2011), the leadership process consists of the leader(s), follower(s), the context, and the outcomes. Further this study will address organizational learning in inclusive complex adaptive systems, and the outcomes.

To date, there is a need to study the application of adaptive leadership dimensions, specifically complexity leadership, in organizations through case studies. Clarke (2013) asserted that empirical studies in complexity leadership development are in the early stages. Further,

common measures of adaptive leadership behaviors are not yet established (Lawrence et al., 2009; Zaccaro, 2001). An expanded taxonomy of adaptive leadership and organizational learning would establish a common descriptive language for consistently measuring and developing adaptive leadership dimensions and outcomes.

Little is known about how organization-wide catalysts for change depend on adaptive leadership skills or strategies and culture, particularly in organizations transitioning from a rules-based to an employee-focused culture. This study will examine the intersection of adaptive leadership and organizational learning to better understand how sustainable adaptive leadership bolsters employee capacity, specifically employee development within complex, inclusive cultures.

Theoretical Lens

We apply a model-building theory to construct our taxonomy. Lynham's General Method of Theory Building Research in Applied Disciplines (2002) serves as the framework for theory building with which to analyze data. Lynham's General Method of Theory-Building Research in Applied Disciplines (2002) sets forth the four phases of theory-building, which are helpful in conceptual development and the other phases of theory development that are outlined below in Figure 1.

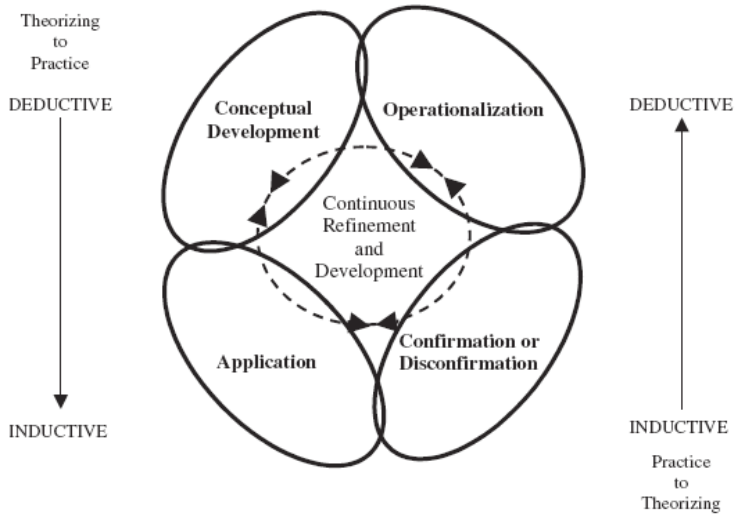

Figure 1. The General Method of Theory Building Research in Applied Disciplines (Lynham, 2002)

This section provides a discussion of how our taxonomy was constructed as it relates to Lynham's General Method of Theory Building Research in Applied Disciplines (2002). McLean (2011) explains that taxonomies are the underpinnings for constructing theories. Lynham's (2002) General Method of Theory Building Research in Applied Disciplines serves as the framework for establishing the "key elements of the theory," (p. 232) which is so important for organizing via taxonomies. The conceptual development phase is the foundation for the rest of theory-building. These phases of theory building are ripe for further development because more research is needed to provide an "initial explanation of their [key elements of the theory] interdependence, and the general limitations and conditions under which the theoretical framework can be expected to operate" (Lynham, 2002, p. 232).

Research Design & Methods

Our research design for this study uses a qualitative, case study method to compare theory and practice for continued HRD theory development (Dooley, 2002; Lynham, 2000) through constructing an expanded taxonomy of adaptive leadership and organizational learning. Often used to build or expand theory, the case study method addresses research questions of how and why (Eisenhardt, 1989; Eisenhardt & Graebner, 2007; Yin, 2003). Dooley (2002) noted that case study research is an excellent theory building process to complete one or all phases of Lynham's (2002) General Method of Theory Building in Applied Disciplines. In particular, our case study method uses a *descriptive* approach (Yin, 2003), to achieve the conceptual development phase of Lynham's (2002) General Method of Theory Building in Applied Disciplines through constructing taxonomic models.

As taxonomies represent an ordered classification of categories and collective meaning to particular phenomena, we embed our research within a *constructionis*t epistemological stance, where meaning is generated through communal interaction (Crotty, 2003). As such, assumptions are embedded within a theoretical perspective of *symbolic interaction* (a form of interpretivism), which involves the culture, language, communication and interrelationships of community that form a taxonomy (Crotty, 2003). Indeed, our qualitative data comes from an earlier study (Moore et al., 2015) that represents two forms of language in this study—verbal, collected through interviews with manager from two Walgreens distribution centers in the southeastern region of the United States, and written, collected through our literature review.

Interview questions asked what enables managers to adapt to employees with disabilities. For example, interviewers asked about managers' skills needed to lead employees with disabilities and the aspects of the organization to help them stay or become effective inclusive

managers, such as plans, policies, and training. Instrument questions can be found in the appendix.

The literature review included a search of Google Scholar, Business Search Premier, One Search, and the AHRD journals site using some of the following key words in various combinations: *adaptive leadership, behaviorally complex leadership, complexity leadership, adaptive leadership, taxonomy of complexity leadership, complexity leadership case study, models of behaviorally complex leadership, complexity leadership and organizational learning, adaptive leadership, organizational learning, organizational learning transfer, and employee capacity.*

Researchers included some conceptual models and taxonomies of adaptive leadership, classified as complex or behaviorally complex leadership from 1993 to 2013. Analysis of taxonomic literature on behaviorally complex leadership consisted of creating a matrix summarizing the models, dimensions, taxonomic categories, and purpose. Applying concepts outlined by Yin (2003), we bounded the case by the *process* of learning adaptive leadership skills and strategies. A descriptive qualitative case study is intended to "describe an intervention or phenomenon and the real-life context in which it occurred" (Yin, 2003, p. 13).

Data Collection Procedure

Data collection methods from a prior study (Moore et al., 2015) included observations and managerial interviews at two Walgreens distribution centers in the southeastern region of the United States. These distribution centers where 38 percent of the workforce is comprised of disabled employees, are located in the southeastern region of the United States and support 1200 retail stores. Observations took place during a tour of the distribution center and meetings with the job coach and Human Resources Director prior to conducting interviews. During the tour,

researchers observed the employees performing their jobs and noted modified workstations and job reengineering being prevalent. Researchers also observed the pre-hire training center to better understand demonstrated performance outcomes as a condition of hire.

Prior to conducting interviews, the four interviewers met at the distribution center to discuss the interview protocol and data collection process. Out of 40 full-time managers at the two distribution centers, 31 managers were interviewed. The four interviewers used an instrument with semi-structured, open-ended interview questions (Strauss & Corbin, 1990). Interviews lasted from 20 to 40 minutes and continued until reaching the point of data saturation with reoccurring themes.

Data Analysis

We used both axial, open coding, and selective coding to describe relationships among categories. We broke data into meaning units, sorted and resorted into representative categories, by asking questions of data and comparing their properties and dimensions. We discussed our coding notes, identified similar concepts, and revised categories thereby achieving higher levels of data abstractness. Finally, we pursued emerging themes for clarity and established categorical relationships creating a story line (Strauss & Corbin, 1990). The coding process took approximately six weeks.

Table 2 describes the overview of the emerging relationships found in the managerial responses to the interview questions from an earlier study. The data is broken into the sub-themes of differences in management styles, keys to success, leader challenges, and impact on managers.

Table 2

Emerging Relationships formed by Adaptive Managers (Moore et al., 2015, p. 10)

Themes	**Management styles**	**Keys to success**	**Challenges**	**Impact**
Sub themes	Focus on *metrics* vs. Focus on *employees*	***Humility***: decreasing pride & decreasing fear	***Performance***	Job grows into a ***passion*** and new family.
		Authentic relationship: friendship (respect, communicate, empathize, team as family), coaching (be positive, motivate, be patient, celebrate small successes), correction (accountable)	***Human struggle***: Employee physical challenge to be resolved, employee mental / cognitive challenge to be resolved, manager frustration.	
		Innovative and adaptive problem solver: performance standards, innovative out of the box solutions, adaptive, structure.	***Overcoming struggle***: manager transformation, counseling and guidance, adaptation.	***Manager self-development & moral development.***

Table 3 provides the emerging themes from the data with regard to adaptive leadership. Themes of learning enablers and organizational learning were clearly present.

Table 3

Emerging Themes and Representative Quotes Between Adaptive Leadership and Organizational Learning

Theme Adaptive Leadership	Organizational Learning Enablers: Representative Quotes
Teaching	"Learn different ways to communicate and teach tasks to autistic employees."
Coaching & adapting	"Recognize that every day is a challenge and managers must focus on adapting to guide employees."
On-the-job training	"Learning to adjust job design."
Innovative communication strategies	"Learn how to communicate with disabled employees using pictures to demonstrate how a job is to be performed."
	"Learn sign language to communicate with deaf employees."
	"Learning how to communicate through writing down what has to be done and how the job is to be performed."
Collaborative culture	"Learn to flex management style according to each disabled employees' needs."
Culture of openness	"Interact with employees so employees are comfortable in expressing themselves to increase value of employee contribution."
"Manage in the grey; no hard and fast rules"	"Develop your own strategies for managing disabled employees; "no cookie cutter approach"
Innovative management strategies	

Taxonomy Description

This research project has described five taxonomies to help explain the organizational learning and adaptive leadership that transformed the entire organization of the distribution centers studied. First, we analyze a taxonomy to highlight the recent literature and connections with behaviorally complex behavior. Second, we use Quinn's (2007) Managerial Leadership Role Model and apply it to the inclusive culture of our case study. Third, we apply the Complexity Leadership Model (Clarke, 2013) to the inclusive culture of our case study. Fourth, we examine the Complexity Leadership Model from a macro view of the organization to understand how complexity leadership and organizational learning occurs. Finally, we specifically examine how the managers incorporate complexity leadership at the distribution centers.

The first taxonomy we describe is that of Behaviorally Complex Leadership Behavior, found in Table 4. It provides a summary of recent taxonomies included in the literature to construct the expanded taxonomy. We provide a further description of the taxonomic categories and dimensions of behaviorally complex behavior related to the expanded taxonomy.

Table 4
Literature Taxonomy of Dimensions of Behaviorally Complex, Adaptive Leadership Behavior

Model	Dimensions	Taxonomic Categories	Taxonomic Purpose
Quinn's Model of **Leadership** Roles (Denison et al., 1995)	Flexibility & Stability	Innovator Broker Producer Director Coordinator Monitor Facilitator Mentor	Establish a framework to explain contradictions in leader functions and behaviors to address paradoxes. The leader roles and behaviors are defined and classified into four quadrants.
Model of **Complexity** Leadership Development (Clarke, 2013)	System & Individual	Network conditions Shared leadership ***Organizational learning*** Leadership behaviors Leader behaviors Autocatalysis Tension Adaptation	Describe complexity leadership from a systemic perspective to further adaptation to change and innovation in dynamic environments.
Leadership functions, **Complexity** mechanisms, and organizational outcomes (Hazy & Uhl-Bien, 2013)	Complexity mechanisms Organizational outcomes	***Administrative*** ***Enabling*** Community-building Information Gathering Information Using	Describe five essential leader/ manager functions and illustrative practices that enable the organization to perform and adapt.
Prescriptive Model of Leadership: **Complexity** Leadership Theory & Authentic Leadership Theory (Livingston & Lusin, 2009)	Innovation Commitment Efficiency Performance	Vision Setter Motivator Analyzer Task Master	Integrate trait and behavior theories with complexity in conjunction with the definition of authentic leadership roles.
Three Stages of Learning the **Inclusive** Management Style (Moore et al., 2015)	Relationship based leadership	Humility, Authentic relationship building, Innovative & adaptive problem solving.	Explain the three stages (process) of learning the effective inclusive management style that facilitate an employee centric culture.

The second taxonomy compares the inclusive culture to the Competing Values Framework (Cameron & Quinn, 1988; Quinn & Rohrbaugh, 1983; Hart & Quinn, 1993; Quinn, 2007), used in organizations for over a quarter of a century, to understand organizational dynamics. Figure 2 of our taxonomic model consists of high and low inclusive cultures based on whether the leaders are more control oriented or flexible based on the Competing Values Framework. Sustaining a culture where employees lead is possible in a high inclusive culture if the leaders incorporate followers in the problem solving, and high performance follows. Consequently, a control-focused leadership is incompatible with a highly inclusive culture and results in divisiveness and a splitting of competing cultures.

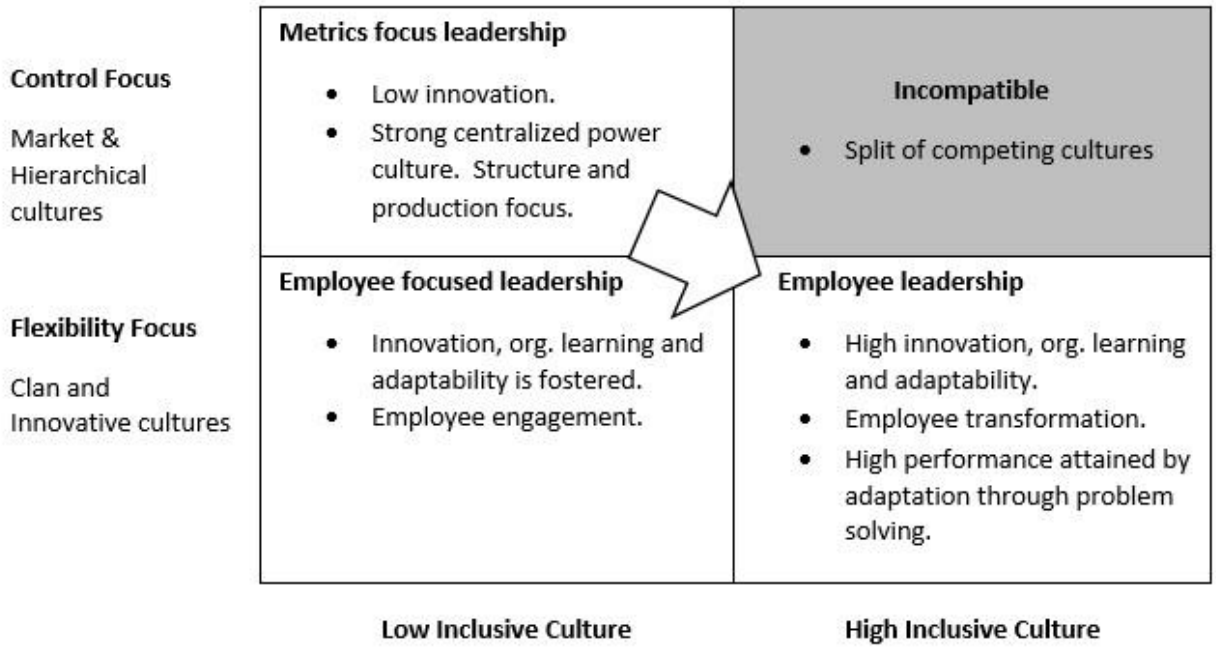

Figure 2. **Competing values framework and high inclusive cultures.**

Our third taxonomy found in Figure 3 is organized according to criteria used for classifying the dimensions of complexity leadership and high inclusive cultures. Each quadrant represents the extent to which complexity leadership is enacted and whether a high inclusive culture exists. Culture clash and performance failure result from the incompatibility between low complexity leadership and a high inclusive culture. On the contrary, high complexity leadership in a highly inclusive environment is characterized as having minimal rules and a reliance on principles, which translate into high innovation, learning, and adaptability. Furthermore, the bottom right quadrant typifies sustainable adaptive leadership.

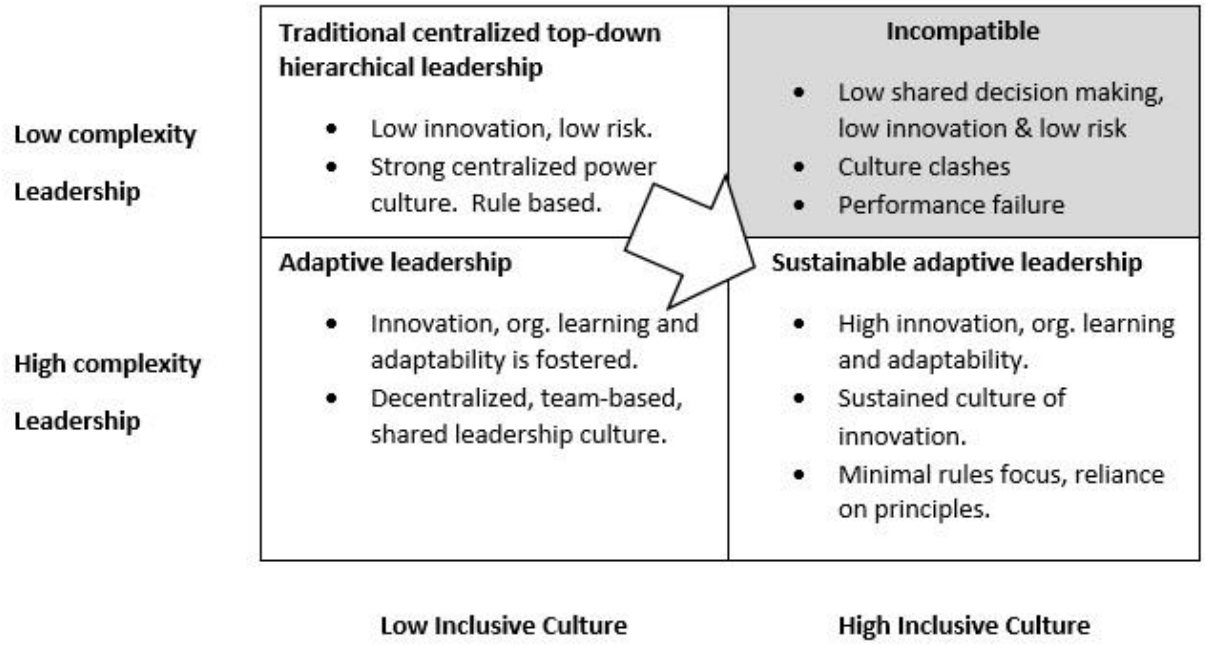

Figure 3. **Complexity leadership and high inclusive cultures.**

The fourth taxonomy in Figure 4 presents an expanded taxonomic model of learning the dimensions of adaptive leadership skills or strategies that enable continuous organizational learning and innovation at the organizational, team, and individual levels. Figure 4 demonstrates

the relationship among the units of the complexity dynamics at each level, and the corresponding outcomes of increased innovation and performance.

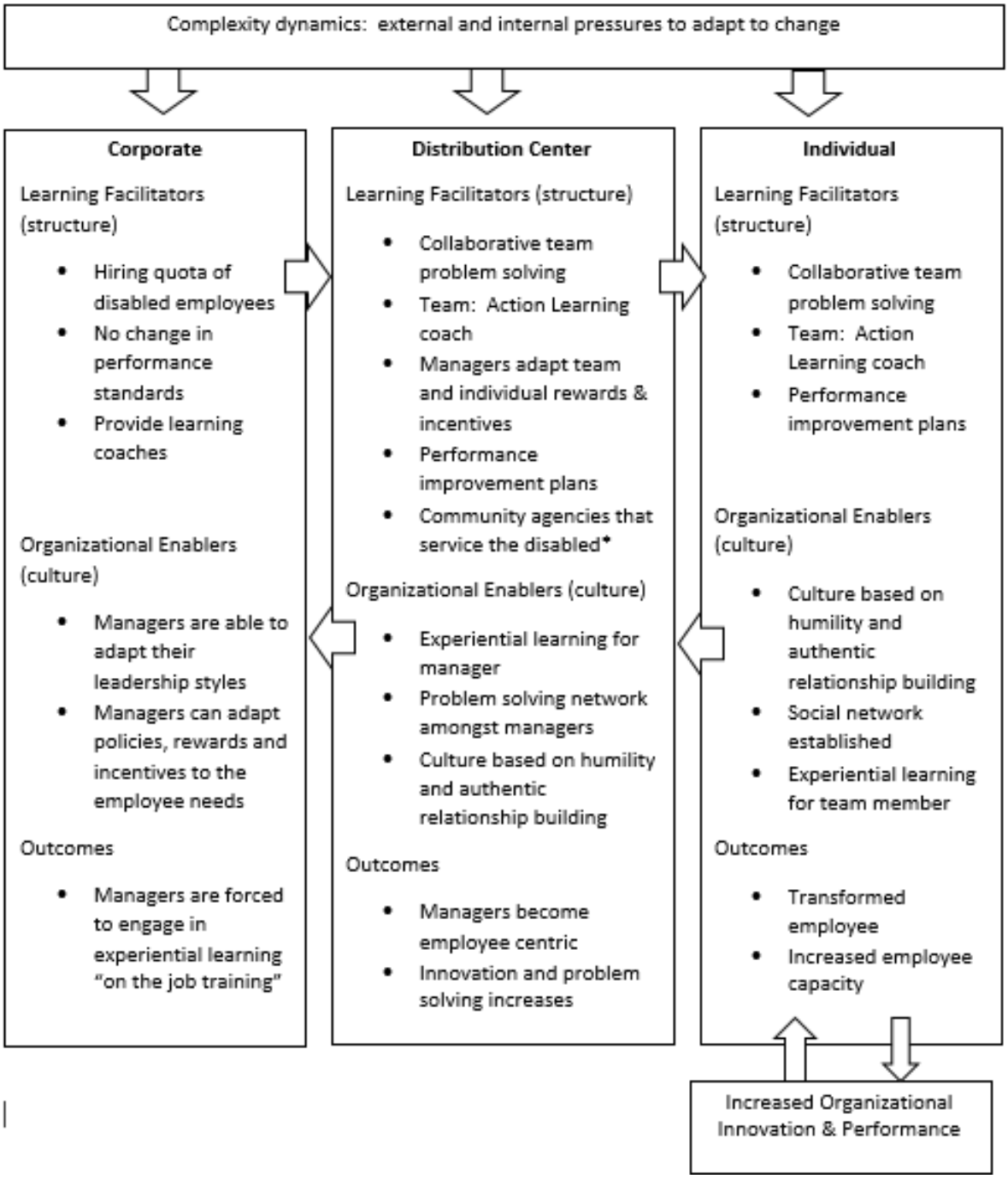

Figure 4. **Dimensions of adaptive leadership and organizational learning in an inclusive environment.**

The aim of our expanded taxonomy, Table 5, is to depict the dimensions of adaptive leadership strategies and skills related to a sustained culture of organizational learning.

Table 5
Taxonomy Expansion of Adaptive Leadership Dimensions and Organizational Learning in an Inclusive Environment

Inclusive Management Process	Three Functions of Behaviorally Complex Adaptive Leadership	Organizational Learning Constraints or Enablers
Humility	Enabling	Learning Facilitator (Structure that enables learning) Experiential learning for both team member and manager (Flexibility) Performance Improvement plans (Structure that enables learning) Constraint: Prideful self-serving leaders
Authentic Relationships	Administrative	Organizational: Executive sets hiring quota for disabled employees (top-down) Individual, Team, Organizational: Rewards & incentives for performance (Structure involving control to enable learning and performance) Constraint: Exclusive structure and production focus
Adaptive	Adaptive	Team & Organizational: Social Network (Flexibility-Emergent change) Control vs. flexibility Constraint: Traditional centralized top-down hierarchical leadership

Complexity Leadership Theory highlights three functions of leaders including: administrative, adaptive, and enabling leadership, which were integrated into the taxonomy. Marion (Uhl-Bien et al., 2007) was the first to propose complexity leadership theory, and outline

the three functions. Based on our case study, adaptive leadership was shown to be the prominent outcome related to organizational learning as confirmed in some of the literature (Clarke, 2013; Hazy & Uhl-Bien, 2013). Hence, adaptive leadership was classified as a "*learning enabler*" in an inclusive environment corresponding with the *enabling* function of complexity leadership.

Each taxonomic model represents an evolutionary progression of learning adaptive leadership. Pride was identified as a constraint in our case study. Other elements of Table 4 are derived from Clarke's (2013) Model of Complexity Leadership Development. Clarke's model was unique in that it addressed both the *individual* and *system* consisting of: "(1) network conditions (2) shared leadership (3) organizational learning" (Clarke, 2013, p. 138). Network conditions are referred to as the suitable setting for knowledge sharing to occur. Social networks are depicted in the interactions at each organizational level (Clarke, 2013). Organizational learning was one of the key themes from our case study (Moore et al., 2015).

Hazy and Uhl-Bien (2013) developed a taxonomy of five functions of complexity leadership articulating how organizational mechanisms produce specified outcomes from a *systems* perspective. The organizational learning and system elements, administrative and leadership functions, and social networks were incorporated into our taxonomy. Social networks were classified as organizational learning "enablers."

Findings

Our findings further describe how managers used organizational learning to increase employee capacity. The first finding describes how a manager changes from being rules-focused to employee-focused. The second finding is how managers maximize organizational learning to exceed production standards. The third finding is how the manager learns adaptive leadership skills through experiential learning. Researchers developed taxonomies based on two prior case

studies in Walgreens distribution centers (Moore et al., 2015), and a supplementary literature review of relevant HRD research for theory building (Bobko & Russell, 1992; Doty & Glick, 1994). Incorporating further analysis of secondary case data (Moore et al., 2015), the present study compared theory and practice for continued HRD theory development (Dooley, 2002; Lynham, 2000, 2002).

Finding 1: How leaders transform a culture from a rules-focused to an employee-focused culture

As depicted in Figure 3, culture clashes and performance failure result from managers who maintain a traditional, centralized top-down hierarchical leadership. The incompatibility between low complexity leadership and a high inclusive culture is evident. Collaborative problem solving is hampered in an organizational culture represented by strong centralized power based on rules. Managerial decision-making based solely on policies and rules is incompatible in an inclusive environment because of the high degree of unpredictability in managing disabled employees with unique needs. For example, managers must maintain flexibility to quickly respond to needed changes in job design, methods of communication, and motivation methods. Managers indicated that the flexible leaders and culture facilitated learning one's communication strategies in working with disabled employees.

On the other hand, high complexity leadership in a highly inclusive culture is characterized as having minimal rules and a reliance on principles, which translates into high innovation, learning, and adaptability. Our taxonomy shown in Figure 3 typifies the characteristics of high complexity leadership based on the adaptive leadership dimension in a high inclusive culture with the aim of sustaining an "employee centric" culture (Moore et al., 2015).

Finding 2: How leaders maximize organizational learning to exceed production standards through innovation

Analysis of the managerial interviews revealed that adaptive leadership is one of the top managerial skills or strategies essential in effectively leading disabled employees (Moore et al., 2015). Table 3 establishes the nexus between the role of adaptive leadership and organizational learning and provides representative quotes on how adaptive leaders promote organizational learning. As depicted, adaptive leadership promotes organizational learning through teaching, coaching, on-the-job training, and innovative communication. Innovative communication strategies were shown to be vital aspects of organizational learning. In particular, leaders learn how to communicate with each disabled employee. For example, managers commented on "using pictures to demonstrate how a job is to be performed." In effect, innovative and adaptive problem solving skills and strategies were predominant learning outcomes.

Both adaptive and high complexity leadership in an inclusive culture enable the distribution center to exceed their production standards through organizational learning and resulting innovation (Hanson et al., 2015). A supportive culture consisting of authentic and adaptive leadership enables the continuous exchange of ideas of ideas among employees on the frontlines. For instance, managers and employees participate in collaborative ad-hoc problem solving to develop ways to perform jobs better and to exceed production standards.

Hanson et al. (2015) examined the factors enabling innovation and creative problem solving among employees in the distribution center environment. Managers and employees alike learn through "the One Team-Village" (Hanson et al., 2015, p. 15). The "village" concept describes the team-oriented culture where everyone works together to problem-solve, innovate,

and change. In the aforementioned culture, there is high inclusivity, and no distinction is made between disabled and non-disabled.

Organizational learning occurs among peers, between managers and employees, as well as among job coaches, managers, and employees. For example, to motivate employees to learn might require the use of stickers, colored lights indicating performance levels, or posting of production rates for all employees to view. Employees who were previously limited by their disabilities are now accomplishing the unthinkable in terms of operating forklifts and other machinery through innovative job design, job aids, and teamwork to achieve production standards. In the distribution center, the performance rates were 20 percent higher than other distribution centers in the U.S., based on internal organizational metrics (Hanson et al., 2015, p. 20).

Finding 3: How leaders learn adaptive leadership skills or strategies

Our findings confirmed research (Livingston & Lusin, 2009) demonstrating that authentic relationships between management and employees are core dimensions of adaptive and complexity leadership. One of the primary enablers to learning adaptive leadership is "humbleness." Managers have to be open and willing to learn. Conversely, pride and self-serving leaders are a major constraint to learning adaptive leadership.

In order for managers to learn to enact adaptive leadership skills and strategies, and for disabled employees to share performance struggles (Hanson et al., 2015), managers must address issues of humility and pride to build a community of trust. This finding further supports HRD research on applying adaptive leadership through allowing differing views to be presented for the purpose of enabling change (Kennedy et al., 2015). At the distribution centers, managers and employees regularly meet to discuss operations, lean manufacturing, and performance (Hanson

et al., 2015). Due to the adaptive leadership practices, employees can freely express any performance concerns.

Since adaptive leadership requires continual changes in thinking and doing (Denison et al., 1995; Heifetz, 2011; Quinn & Rohrbaugh, 1983), sharing performance struggles must be permitted to expose any differing assumptions (Kennedy et al., 2015). For example, as shown in Table 3, managers commented on "interacting with employees so employees are comfortable in expressing themselves to increase value of employee contribution." Otherwise, unspoken struggles inhibit the ability for reaching a shared understanding (Kennedy et al., 2015) of adaptive problems (Heifetz, 2011) and identifying adaptive solutions for disabled employees to meet production standards.

Finding 4: How organizational learning transfer affects employee capacity

Disabled individuals are given the unique opportunity for training, coaching, job rotations, and leadership development to become employable and to learn lifelong skills that transcend the workplace. "Employee potential is maximized" (Wilson et al., 2000, p. 86). The team environment in the distribution centers necessitates frequent interactions with others, and as result, social etiquette and conflict resolution skills are a must. Everyone eats together in the on-site cafeteria. Work teams get together outside of working hours. Managers work closely with community partners and employees become more engaged with community organizations and functions. Individuals also learn to manage money and decide how to spend paychecks and vacation time.

As shown in Figure 4, leaders create the distribution center environment for employees to succeed. Wilson et al. (2000) underscored the significance of providing employees with the "knowledge, tools, and environment necessary for high performance" (p. 73). Adaptive and

complexity leadership require structure, yet, also, allow for flexibility in systems, networks, and processes for organizational learning and change to occur. Disabled employees are given opportunities for cross training, job coaching, job transfer, and advancement. Regarding structure, corporate leaders provide a hiring quota for disabled employees and require disabled employees to meet production standards. Yet, corporate level leaders allow for flexibility in policies, rewards, and incentives to meet individual employee needs.

As illustrated in Table 5 of our taxonomy, learning facilitators are one of the primary organizational learning enablers (Gilley et al., 2011). The job coach utilizes tools to ascertain whether an employee needs a job coach, and what the managers need to do to make the employees successful. The job coach assesses needed changes in employee behavior due to job performance assessments. For instance, a manager recommends the following: "Recognize that every day is a challenge and managers must focus on adapting to *guide* employees." .

As adaptive leaders mature, managers provide increasing employee latitude and tailor resources and procedures to sustain the employee-centric culture. They relinquish control, and employees are empowered to think autonomously (Hanson et al., 2015). Both managers and employees are transformed during the adaptive learning process. Through training the trainer sessions, managers train disabled employees to lead work teams. Managers and employees alike tend to become more engaged to become change champions as they learn to adapt and lead change initiatives.

Implications for Practice

Senior management endorsement of an inclusive environment is essential, not only as a passing fad, but as a permanent organizational core value. Implementing an inclusive environment will result in a managerial transformation. Most all managers are able to adapt to a

people centric style, and the cultural norms now act as reinforcement. Hence, an extensive managerial training program is unnecessary, if expectations are made clear to each manager regarding the style of management that is required. Managers are selected carefully, and only those who can adapt to a change in style from an enforcement policy driven approach to an individual centered style are selected. There are other traits as well that are used to screen potential managers during the selection process.

Implications for Future Research

Some considerations for future research could include studying leader adaptation and the specific dimensions of conceptual model before, during, and after culture change in other organizations, such as mergers and acquisitions and cross-cultural teams. The proposed taxonomies could be tested for developing adaptive leaders in other contexts that might include other types of catalysts for change such as: leading virtual teams, cross-cultural teams, or a multi-generational workforce. Since the taxonomies depict an organization where a sustainable culture of adaptive leadership thrives within a highly inclusive, flexible culture based on two case studies, the taxonomy should be tested collectively among leaders in other contexts. The proposed taxonomies are valuable for testing adaptive complex environments that might include: managing virtual teams, cross-cultural teams, disabled employees, or a multi-generational workforce.

Conclusion

The present study contributes "concrete case studies of how complexity theory has been successfully applied within HRD contexts" (Clarke, 2013, p. 145). Our research team studied two Walgreens distribution centers in the southeast region of the U.S., which are examples of complex adaptive systems with disabled employees (Moore, Hanson, Maxey, & Kraemer, 2015).

The study portrays how an organization can set up the prerequisite leadership and organizational culture necessary to deal with high levels of employee complexity, which in turn deliver innovative, creative, and highly effective results. The findings begin with a macro view of the organization and how complexity leadership and organizational learning occurs. Finally, we dissect how the managers apply adaptive and complexity leadership in this company.

Adaptive and complexity leadership impacts organizational innovation, learning, and performance. Our first finding reveals that a catalyst for change, disabled employees, is predicated upon leadership and organizational cultural changes. Cultural compatibility and high performance is evident in environments with minimal rules and a reliance on principles to focus on employee transformation. Our second finding demonstrates how adaptive leadership promotes organizational learning through teaching, coaching, on-the-job training, and innovative communication.

Managers must create an environment for employees to share performance struggles. Our five taxonomies demonstrate that the distribution centers employ both complexity and adaptive leadership strategies to achieve a sustainable inclusive organizational culture. The managers have adapted their leadership style and have implemented, technologically creative and pragmatic work station adaptations to meet the highly diverse needs of employees in order to meet and exceed standards. In the inclusive team environment employees and managers alike have role in learning, leading, and adapting to change.

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APPENDIX

Research Instrument

- Gender? Age?
- What position as manager? How long in current position? How long at Walgreens?
- Do you manage people with disabilities? (list of disabilities to check those that apply)
- How many years have you managed an inclusive team?
- Do you or someone in your family have a disability?

1. Define the 3 top skills essential in leading employees with disabilities. Why?

2. What advice, training or skill helped you adapt to leading employees with disabilities?

3. What things (plan, policies, training,) in the organization help you stay/become an effective inclusive manager?

4. Describe a management inclusive challenge that you experienced and how did it got resolved? (Define disability).

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