

Commentary **An impression management perspective on job design: The case of corporate directors**

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Summary In this essay I introduce a sociopolitical perspective on job design. In particular, I suggest how job design may be the subject of impression management, and illustrate this idea in the context of a specific corporate role that has received little attention in the job design literature, namely the role of corporate director. Copyright © 2010 John Wiley & Sons, Ltd.

Introduction

Although job design has long been a central topic in the academic literature on organizations, theoretical perspectives on job design are rooted primarily in organizational psychology, and have only recently begun to draw from sociological theory. Moreover, extant sociological perspectives have focused largely on cross-cultural differences in the perception of job characteristics and the effect of social structure on job design (e.g., Spreitzer, 1996; Perlow & Weeks, 2002; Gelfand, Erez, & Aycan, 2007). While this literature has yielded important insights by examining how features of the macro-social context could influence job design, it has given little consideration to how individual agency or sociopolitical factors could moderate these effects. In this essay, I suggest one possible approach to developing a sociopolitical perspective on job design. In particular, I suggest how job design may be the subject of impression management, and illustrate this idea in the context of a specific corporate role that has received little attention in the job design literature, namely the role of corporate director.

Sociological perspectives on impression management suggest that organizational actors enhance or perpetuate their power and influence by presenting themselves (and the groups and organizations to which they belong) in ways that conform to prevailing “institutional logics,” or the normative expectations of powerful constituents for organizational behavior (Elsbach, 1994; Westphal & Zajac, 1994; Zott & Huy, 2007; Westphal & Graebner, 2009). Impression management may be strictly verbal or rhetorical, but it may also involve concrete actions (e.g., a change in policy, structure, or leadership) that give the appearance of conforming to constituent expectations and/or serving their interests. From a sociological perspective, this impression management—whether verbal claims or concrete actions—may be “decoupled” (or separated from) the reality of actual behavior in organizations (Meyer & Rowan, 1977; Pfeffer, 1981; Westphal & Zajac, 1994; Westphal & Graebner, 2009).

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Job design is one potentially important subject of impression management activity in organizations. Organizational actors may describe characteristics of their job (or jobs for which they are responsible) in ways that conform to the normative expectations and interests of powerful constituents, in order to enhance the legitimacy of the position with those constituents, and thus secure access to resources for themselves, their group or organization. Impression management is often particularly effective when it entails *symbolic* rhetoric or action, i.e., verbal framings or concrete actions that connect the subject (in this case the job) with culturally sanctioned norms, purposes, or agendas (Pfeffer, 1981; Elsbach, 1994; Westphal & Zajac, 1994). Such influence attempts may take a variety of forms and occur in a variety of contexts, including verbal descriptions of the job in formal presentations or informal conversations with powerful constituents, written job descriptions provided to constituents, or descriptions of viable candidates for the position. Moreover, a variety of individuals may seek to manage impressions about a particular job, including not only job occupants, but also individuals who supervise or manage the job, and even friends and relations of the job occupants (hereafter I refer to individuals who seek to manage impressions about a job as “job advocates”).

There are also a variety of potential targets of such impression management, and descriptions of a given job are likely to vary depending on the normative expectations and interests of the particular constituents to which the description is targeted. Possible targets include actors inside or outside the organization who control access to valuable resources for the job. If the target is a powerful internal constituent (e.g., a higher level manager), the job description might be framed in terms of the norms, traditions, or strategic intent of the particular firm (i.e., a firm-level institutional logic (Elsbach, 2002)). If the target is a powerful external constituent, then the job description may be framed in terms of the cultural values that prevail in the constituent’s community (e.g., the financial community if the constituent is a financial analyst, the local community if the constituent is a local politician, etc.). Moreover, to the extent that the expectations and interests of constituents diverge from those of the job advocate, the job description as presented to constituents may be decoupled—at least partially—from actual characteristics of the job as experienced by occupants. By way of illustration, I consider how an impression management perspective on job design might be applied to a particular corporate role, that of corporate outside director.

Impression Management About Job Characteristics: The Case of Outside Directors

Firm leaders actively seek to manage impressions of firm constituents about the role of outside director. Some constituents are internal to the firm (e.g., union leaders), and many are external to the firm (e.g., security analysts, journalists, large investors, legislators, regulators, and director candidates). In communicating with these internal and external constituents, firm leaders and their spokespersons (e.g., top managers, PR staff, and directors themselves) couch their description of the outside director role in terms that appeal to the constituent’s specific interests and normative expectations. In describing the outside director role to security analysts, institutional investors, and other members of the financial community, corporate leaders highlight the critical role of outside directors in corporate control. In particular, directors are said to exercise independent control over top management on behalf of shareholders (Westphal & Graebner, 2009). Such rhetoric frames the corporate director role in terms of the agency logic of governance, which has become normatively accepted or “institutionalized” within the financial community. According to the agency logic, top managers are motivated to pursue strategic agendas that satisfy their own personal interests at the expense of shareholders (e.g., pursuing empire-building acquisitions), and outside directors can help

avoid such “agency costs” by exercising independent control over management decision making and behavior. As one top manager told me, “When I talk to analysts about what our outside directors do, I use words like ‘independent control’ and ‘shareholder value’...that’s what they understand, that’s what they want to hear.”¹

In describing the outside director role to external constituents outside the financial community, such as legislators or journalists of publications with a broad readership, corporate leaders routinely describe the outside director role as representing the interests of all corporate *stakeholders* (i.e., as opposed to strictly shareholders), including the general public. As an outside director told me, “How do I describe the role of outside directors at our company to a journalist at say Time Magazine? I talk about how directors help make sure our policies serve the public interest—make sure we [managers] consider the impact our policies will have on public health, the environment, and so forth. If I’m describing the [outside] director role to [a large institutional investor], I will emphasize that directors protect shareholder interests.” Moreover, leaders commonly characterize the outside director role as highly complex, time consuming and demanding, and as requiring either extensive, specialized expertise in a particular domain of corporate strategy, extensive general management experience, or both. Spokespersons also often remind constituents that directors are accountable for their performance, referring to performance-contingent compensation plans and peer evaluation systems for directors. Many firms have formal (i.e., written) documents that describe the responsibilities of outside directors and the performance evaluation policies that assure director accountability, and these documents are routinely provided to analysts, journalists, and other key constituents.

These various descriptions of the outside director role provided to key constituents of the firm are at odds with the descriptions typically provided to director candidates. In seeking to recruit individuals for open board positions, top managers, incumbent directors, and headhunters often portray the outside director role at the particular firm as having a variety of attributes that are likely to be attractive to aspiring corporate leaders. Whereas the outside director is characterized as an independent controller and agent of shareholders in communications with security analysts and investors, the director is often characterized to recruits as a close partner and trusted adviser of management. Moreover, in describing characteristics of the outside director position to potential recruits, top managers, and incumbent directors often invoke the concepts and/or terminology of classic job design theory (Hackman & Lawler, 1971; Hackman & Oldham, 1975). The position may be characterized as having considerable “variety,” as candidates are told they have opportunities to become involved in a range of policy and strategy issues. Candidates are also sometimes assured that they will be involved in all phases of policy making, from the initial consideration of strategic alternatives to the final implementation of decisions, referred to as “task identity” in classic job design theory. Moreover, they are routinely assured that they will have a significant influence on the strategic direction of the firm (task “significance”), discretion over which aspects of policy and strategy they become involved in (“autonomy”), and plentiful opportunities to interact socially with other directors and senior managers outside meetings (one of the social job characteristics included in more recent job design frameworks (e.g., Morgeson & Humphrey, 2006; for a review, see Grant, Fried, & Juillerat, 2009)). In short, the outside director role is routinely characterized to recruits as stimulating and rewarding, a valuable learning opportunity, and an opportunity to make valuable contacts.

Our large-sample survey research indicates, however, that the outside director position *as experienced by occupants* is frequently decoupled to some extent from the verbal or written descriptions of the position that are typically provided to firm constituents or director candidates themselves. Rather than exercising independent control over managers on behalf of shareholders (as

¹Quotes are drawn from interviews with over 50 directors from large, U.S. public companies for studies on corporate boards conducted between 1995 and 2007.

members of the financial community are told), or ensuring that management policies serve the public interest (as non-financial stakeholders are told), or working closely with managers as an equal partner throughout the decision-making process (as recruits are told), outside directors often simply vote on proposals put forth by management, and/or provide limited input in response to specific questions posed by management (Westphal, 1998; Westphal & Khanna, 2003). Moreover, outside directors often provide fairly general input on narrowly defined strategic issues about which they already have extensive knowledge from their prior experience (e.g., a director might be asked about their overall judgment regarding the marketing capabilities of a particular acquisition candidate if he/she has worked for the company previously). In effect, outside directors are often “pigeonholed” by managers, in that their input is sought on a limited set of issues about which they have prior knowledge, and their involvement in decision making is typically ad hoc; directors are usually not involved in all phases of the decision-making process. As a result, the outside director’s job is often less complex, time consuming, or demanding than portrayed to firm constituents. It is also often characterized by less variety, “task identity,” autonomy, learning opportunities, and overall significance than portrayed to director recruits. Although the opportunity to make contacts is an important benefit from serving on boards, directors often remark that they have fewer opportunities than they expected to interact with top managers outside formal meetings. Moreover, despite assurances to analysts and investors that directors are accountable for their performance, director peer evaluation is often ceremonial and seldom tied to compensation decisions, and the only widely used form of performance-contingent compensation for directors is stock options, which have high upside payout potential with limited downside risk. Overall, therefore, in the context of corporate boards the rhetoric of job design often does not reflect the reality.

There has long been a prominent normative dimension to job design theory, perhaps originating in the classic job characteristics model of Hackman, Oldham, Lawler and colleagues, and in one sense the impression management perspective on job design validates and extends that approach. The characteristics of the outside director role as portrayed to firm constituents and director candidates reflect to a considerable degree the criteria of enriched job design contained in the job characteristics model and later frameworks that have elaborated and extended the basic model including task variety, identity, autonomy, significance, complexity, and feedback. Thus, classic models of job design may provide a reasonable approximation of the normative beliefs of corporate leaders (and presumably the constituents whom they seek to influence) about how job characteristics affect individual satisfaction, motivation, and performance. That is, the job characteristics emphasized by traditional job design theory can be considered normative in a different sense; rather than (or in addition to) suggesting how jobs *should* be designed to ensure employee satisfaction, motivation, and performance, the theory can be used to describe the normative *beliefs and/or assumptions* of corporate leaders about how job characteristics affect such outcomes.

The impression management perspective on job design shares a common heritage with social information processing theory (SIP; Salancik & Pfeffer, 1978). Both perspectives suggest how job attitudes can be socially influenced. But SIP considers social influences on the attitudes of job holders, whereas the impression management perspective considers social influences on the attitudes of constituents (i.e., those who are in a position to provide resources that would support the job holder, or facilitate resource provision). Moreover, SIP is under-politicized, and fails to address the role of self-interest and agency in social influence. In the impression management perspective, social influence is an agentic political process that reflects the interests of job holders (or those who supervise, manage, or otherwise depend on the job).

The impression management perspective is also consistent with recent theorizing that views organization members as agents who are able to proactively shape the content of their jobs (e.g., Wrzesniewski and Dutton, 2001; Grant, 2007; Grant & Ashford, 2008). For example, its perspective

complements Wrzesniewski and Dutton's (2001) notion of job crafting, which suggests not only how individuals actively alter objective features of their job (e.g., the tasks and social interactions that comprise the job), but also how they alter their subjective perception of the job. The impression management perspective suggests how job holders or other interested parties may seek to alter the subjective perceptions of *constituents* about the job. Moreover, the potential for decoupling in job design raises the possibility that under certain circumstances objective features of the job as crafted by job holders may not only reflect their political or normative preferences, but may also be distinct from the job as perceived by constituents (i.e., to the extent that the political and normative preferences of job holders differ from those of constituents with respect to features of the job, and information asymmetry between job holders and constituents allows the gap between rhetoric and reality of job design to persist).

Impression management is more likely to be successful to the extent that the job advocate is a high-status actor who has credibility with constituents (Westphal & Bednar, 2008). Successful impression management also requires information asymmetry between the job advocate and the constituent (Meyer & Rowan, 1977; Westphal & Graebner, 2009). In general, impression management about the outside director role satisfies these requirements: CEOs and directors have the status and credibility to be effective spokespersons for the outside director role, and there is typically considerable information asymmetry between the impression managers and the constituents who they are seeking to influence about what directors actually do on a particular board (Westphal & Graebner, 2009). Impression management is also particularly effective when there are multiple sources (i.e., multiple advocates, or multiple channels through which the message is delivered), and those sources are at least partially independent (or appear so to the constituent) (Westphal & Bednar, 2008). In this case, there are often multiple advocates of the outside director role (e.g., top managers and directors), though the sources may not appear independent to constituents. However, in a recent study we have found evidence that top managers sometime engage in *cooperative* impression management, wherein they manage impressions that key constituents hold about the leaders of other firms (e.g., when they are connected by social network ties to those other leaders) (McDonald et al., 2009). To the extent that the social network ties that motivate such behavior are not visible or salient to constituents, such sources are likely to appear relatively independent, and thus may be especially effective sources of impression management.

Although it appears that cooperative impression management tends to occur in the corporate elite, in other contexts a more *competitive* kind of impression management may occur. To the extent that managers vie with each other for resources to support the jobs under their control, politically inclined individuals may be tempted to engage in negative impression management about the jobs of others with whom they compete for resources. Division managers may not only portray jobs under their control as critical to top managers' strategic plans, they may also—explicitly or implicitly—characterize jobs in other divisions as having comparatively less strategic significance. The influence of social structure on impression management about job characteristics could be a fruitful topic for future research, one that could make important contributions to the larger literature on social influence, as well as the literature on job design.

Jobs are often designed at the group level, and accordingly impression management about jobs may occur at the group level as well. In describing their board to firm constituents, for example, managers and directors sometimes highlight the diversity and complementary of roles played by outside directors. As one director put it, "when I describe the board to a reporter or an analyst, I try to make it clear we have all the bases covered. . . some directors are expected to give input on legal matters, some are responsible for focusing on key international markets, and so on. I'm basically saying the whole is more than the sum of its parts." Again, the group-level attributes of job design described to constituents may reflect normative expectations for group behavior rather than actual group behavior. The vision of diversity and complementarity of director roles articulated to constituents often does not reflect actual

board behavior. Prior research on director selection indicates that CEOs and other incumbent board members tend to favor director candidates who have similar backgrounds, experiences, and credentials (Westphal & Zajac, 1995), thus minimizing board-level diversity and reducing the potential for complementarity of board roles. Board-level homogeneity and redundancy of director contributions also reduces the opportunities for learning that are frequently promised to director recruits. As one director told me, “When they [members of the nominating committee] were recruiting me, they told me how they look for people with different backgrounds and how this creates spirited debates and everyone learning from each other. . .in fact this turned out to be the exception. What I found was other [directors] who were a lot like me and had very similar perspectives. I don’t remember a lot of debate.”

The Consequences of Impression Management about Job Characteristics

Impression management about job characteristics may have a variety of consequences, some intended and some unintended. Impression management can obviously enhance the legitimacy of the job and the status of the job holder, thus bolstering the resource claims of both. But it can also indirectly benefit other actors who depend on the job or the job holder, including those who supervise or manage the job. At the same time, it may have unintended negative consequences for the targets of impression management and the larger social system. Impression management may distort the allocation of resources to jobs, reducing allocative efficiency of the social system. For instance, impression management by division managers toward top managers about the strategic value and requirements of their position and the positions under their control may reduce the efficiency with which resources are allocated to divisions by top managers. Moreover, to the extent that the job characteristics portrayed by impression managers are decoupled from the actual characteristics experienced by occupants, impression management directed at potential job candidates can reduce person–job fit, thus reducing the ultimate satisfaction and performance of the job holder, and increasing turnover (given evidence that (un)realistic job previews increase the likelihood of turnover (Breugh, 2008; Phillips, 1998)). In effect, impression management may reduce the allocative efficiency of labor markets (i.e., the efficiency with which human capital is allocated to jobs), as well as reducing the allocative efficiency of internal capital markets (i.e., the efficiency with which financial capital is allocated to jobs or units within the firm). Thus, an impression management perspective suggests broader consequences of job design than have not been examined in prior research.

Explaining Variation in Impression Management and Decoupling

Aside from examining the consequences of impression management about job characteristics, future research could also examine sources of variation in the level, content, targets, and forms of impression management, as well as variation in the degree of decoupling between normatively expected job characteristics and actual characteristics experienced by job holders. On the latter question, for instance, the degree of decoupling may depend in part on the power and status of the job holder. High-status individuals may be accorded more attractive job characteristics. To the extent that the preferences of job holders regarding job design diverge from the normative expectations of constituents, the degree of decoupling between job characteristics as described to constituents and the

job characteristics actually experienced by occupants may be more pronounced for high-status job holders. Moreover, the degree of decoupling between job characteristics as portrayed to *potential recruits* and the job experienced by occupants may be *less* pronounced for high-status individuals. In the case of corporate boards, for example, high-status directors may be more likely to work with top managers as equal partners in all phases of the strategic decision-making process. They likely have more discretion over which aspects of policy and strategy they become involved in, and the opportunity to provide input on a wider variety of strategic issues, as well as more plentiful opportunities to interact socially with other directors and senior managers outside formal meetings (Westphal & Milton, 2000). At the same time, high-status directors may be less accountable for firm performance, given evidence that lower status corporate leaders tend to be scapegoated for disappointing performance outcomes (Boeker, 1992). In effect, high-status directors may be better able to negotiate or craft an idiosyncratic role on the board (*cf.* Rousseau, Ho, & Greenberg, 2006) that satisfies their personal preferences.

Moreover, decoupling depends on the persistence of information asymmetry between job holders (or job advocates) and constituents, which in turn depends on the cost to constituents of obtaining information about features of the job and their motivation to obtain the information (Meyer & Rowan, 1977). For example, decoupling between objective features of the director role and the normative expectations of key constituents such as financial analysts can persist because (i) it is difficult (*i.e.*, costly) for analysts to obtain unbiased information from directors about what they do (Westphal & Graebner, 2009), and (ii) it is not clear that they have a particularly strong incentive to uncover the “truth” in any case. So long as analysts collectively accept the rationalized myth of independent board control over management and investors accept analysts’ assessments of corporate governance, all parties can benefit together by endorsing a firm’s governance analysts can boost the stock price, benefiting their clients, and helping to retain them (Westphal & Graebner, 2009). Thus, analysts and investors may not be particularly motivated to incur the costs required to ascertain the actual features of directors’ jobs. Moreover, constituents are biased toward accepting the normative rhetoric (*e.g.*, stakeholders want to believe that CEOs are being held accountable). These ideas can be generalized to other jobs in organizations to predict the degree of decoupling between objective features of a job and the normative assumptions about the job held by constituents. The costs of obtaining information about job features obviously depends on whether the job is directly readily visible to constituents, but it also depends on whether they have social network ties to other actors who are proximate to the job (*e.g.*, supervisors or former job holders). The motivation of constituents to ascertain objective job features depends not only on whether they have material incentives to influence the job (*e.g.*, because their compensation is affected by the performance of job holders), but also whether they hold relatively strong assumptions or convictions about the normative content of the job.

Overall, an impression management perspective suggests a fertile new direction for research on job design. Such a perspective is inherently inter-disciplinary, as it draws from institutional sociology, the social psychology of interpersonal influence, and theory and research on power and politics in organizations. It is also cross-level, as it considers how organizational actors adapt politically to constraints imposed by the macro-social context. Thus, an impression management perspective could ultimately lead to a broader understanding of the determinants and consequences of job design.

Author biography

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