ENABLED AND CONSTRAINED:
CULTURE, ETHICS AND STRUCTURATION IN AN ADVERTISING AGENCY

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DEDICATION

This paper is dedicated to my grandmothers for their gifts of unconditional love.

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ABSTRACT

Understanding the complexity of advertising ethics mandates an organizational approach to empirical research. Organizational culture affords attention to not only the advertising practitioner's perspectives of ethics, but also to the organizational context in that ethical decision-making takes place. This ethnography examines the relationship between organizational culture and advertising ethics at an advertising agency from the theoretical perspective of Giddens' structuration. Forty-five days of fieldwork and one-on-one interviews with 45 agency practitioners examined shared perceptions and divided views of organizational values, goals, challenges, and aspects of leadership; as well as perceptions of ethical problems in advertising. Members' ethical perceptions fell along a continuum from moral myopia to acute ethical awareness. Organizational values enabling ethical awareness and decision-making include integrity and respect for others. Also, the hands-on work characteristic of leaders sets an ethical example for others. A founder of the agency suggested ethics was not an intention for starting the agency. Furthermore, the agency does not espouse explicit ethical values or code. Therefore, the perceptions categorizing moral myopia suggest ways in which ethical awareness is simultaneously constrained. The concept of amorality is presented as the organizational perspective for understanding, and as a constraint upon, ethical intentions for an agency.

1. Introduction

The answer to Cunningham's (1999) rhetorical question is no; Advertising ethics is not an oxymoron.¹ Advertising practitioners engage in acts of social responsibility (Rotzoll, Haefner & Hall, 1996), can articulate the ethical problems of advertising (Drumwright & Murphy, 2004; Hunt & Chonko, 1987) and suggest that an industry-wide moral deliberation is in order (Crain, 2010). Advertising ethics describes the determination of what is right or good in advertising (Cunningham, 1999), picks up where legality leaves off (Preston, 2010) and is a process for decision-making when moral values conflict (Patterson & Wilkins, 2008).

Yet problems in and of advertising continue to exist. Often times, reasonable persons will disagree on what ought to be done (Drumwright and Murphy, 2004). As a result, there are the same problems in advertising today as there were yesterday. While many of these problems remain the same, new technology and shifts in cultural norms create new problems. For example, interactive platforms that allow information to be exchanged between company and consumer have created privacy and security issues. And changes in public health have made advertising certain products such as tobacco and alcohol controversial. These are problems of message ethics, or those related to the advertisement. Business ethics are concerned with the practices of advertising and continue in type but increase in degree as pressures of the industry increase (Drumwright and Murphy, 2009). The problems become more complicated as holding companies get bigger, merge, and take on more agencies with more, and at times conflicting, client accounts (Pollack, 2013). Therefore, from a business ethic perspective, practitioners are faced with pressures not only from within an advertising agency, but also from external relationships with clients, holding and sister companies, and vendors.

¹ Cunningham, P. H. (1999). Ethics of advertising: Oxymoron or good business practice? In J. P. Jones (Ed.), *The*

As the producers of the most visible aspect of the industry, the advertisement, advertising practitioners are often those held accountable for the problems of advertising. These individuals, therefore, provide valuable insight into the study of advertising ethics. Yet analysis should go beyond the individual practitioner. A practitioner is one individual, within an organization, situated within a larger context. In part, how advertising practitioners perceive ethical situations, and the subsequent decisions they make, is a reflection of organizational culture. Organizational culture is understood as the deepest level of feelings, attitudes and values (Keyton, 2005; Schein, 1999). Culture has guided the study of advertising ethics research (e.g., Krueger, 1998) and has been acknowledged as an influence on ethical behavior (e.g., Drumwright & Murphy, 2004). However, as a focus, the relationship between culture and ethics has yet to be explored in the advertising ethics literature.

The shifting issues in advertising and long-standing criticisms of the industry suggest the need for new approaches to studying advertising ethics. Baker and Martinson (2001) argued that problems continue to exist because focus is at the micro-level, on the problem itself, versus the macro-level, which asks why the problem continues to exist. To dig deeper, Drumwright (2007) proposed a meso-level approach. This organizational approach acknowledges an individual's actions and perceptions situated within organizational culture, which is important for understanding ethical behavior (Drumwright & Murphy, 2004; Keyton, 2005). Therefore, the organizational level can shed new light onto why the problems of advertising ethics remain.

Guided by an organizational approach, the purpose of this study is threefold: first, to examine organizational culture, second, to examine perceptions of advertising ethics, and third, to understand how culture facilitates ethical awareness and how the structures of culture simultaneously constrain ethical awareness. Culture is described as shared meaning, including

values, goals, challenges and aspects of leadership. Schein (2010) suggested three sources for shared beliefs, values and assumptions of culture. First, culture comes from founders. Second, members learn culture as the organization evolves. Third, new members and leaders introduce new aspects of culture. It's important to also understand divided views when studying organizational culture. While shared values might exist, differences in beliefs and values do as well (Keyton, 2005).

Structuration theory acknowledges that advertising practitioners have agency to act as well as acknowledges the unintended consequences that emerge as a result of action. The theory further proposes a duality between agents and structures, structures that are made up of the rules and resources that both enable and constrain individuals to act (Giddens, 1984). Based upon the structuration perspective, we can understand that members act in a duality with their culture; neither the structures, such as values and philosophies of leadership, nor members of an environment are responsible for influencing the other, but both work together in a relationship. The relationship between structure and action constitute the duality. Giddens' (1994) structuration theory provides an enlightening perspective for studying the complexity of an advertising organization, both what is intended and unintended, what is shared and divided, and the duality between culture and organizational members.

The advertising industry and its members are historically misunderstood. When asked what industries the public trust, advertising is ranked last to close to last time and again. Trust is important considering that advertising today tries to create a relationship between brands and consumers (Elowitz, 2013). Yet advertising and promotions pervade our lives. Developing a better understanding of the environment where we "do advertising," offers the opportunity to explore the dilemmas practitioners face, examine practitioners' perceptions, and observe the

ethical decision-making process. It is hoped that this will illuminate problems, opportunities, and solutions for ethical problems in advertising.

A traditional, full-service advertising agency was the site for the current study, which represents an integral component of the advertising industry yesterday, today and tomorrow. The traditional advertising agency provides a useful context for exploring culture's relationship with ethics, and for applying the elements of structuration, which is a theory of organization, organizational members and structure. Participant observation including daily observation, one-on-one interviews, and the collection of artifacts were used to examine how culture might enable and/or simultaneously constrain advertising ethics.

In the following sections of this paper include a review of the literature, followed by a description of the method, then a presentation of the findings, and finally a discussion including a summary, implications for theory and practice, and suggestions for future research.

2. Literature Review

A. Criticisms of Advertising

The ethical issues in advertising are the same issues for which advertising is criticized. For example, a question faced by practitioners is how to define and create honest advertising. On the flip side, some consumers criticize advertising for being misleading and deceptive and for encouraging unnecessary consumption. Several criticisms of advertising follow.

Targeting, or advertising intentionally to reach vulnerable segments, is a criticism of advertising. Bonifield and Cole (2007) suggest that consumers become vulnerable due to conditions beyond their control and those related to physical, cognitive, motivational or social characteristics. Vulnerable segments include older adults, children and teenagers (Bonifield & Cole, 2007). Advertising may also reach vulnerable segments unintentionally such as alcoholic beverage billboard advertising that teenagers are exposed to before reaching a legal drinking age. Advertising also reaches across nations and cultures. Advertising created in one country may reach, either intentionally or unintentionally, other nations and cultures with different views, tastes, values and behaviors. As a result, advertising that reaches other cultures may be ineffective or inappropriate (Douglas & Craig, 2007).

As time passes and advertising practices change, new criticisms emerge. Behavioral targeting on the Internet illustrates an example. Behavioral targeting gathers information on an individual consumer through online activity tracking that can then be directed back out to that very individual in the form of tailored advertising (Gilbert, 2008). In addition, some marketers gather information based upon a consumer's purchasing behavior online, including contact information, which is then compiled and sold to other marketers. This information is used to

predict likely purchase prospects for goods and services (Laczniak & Murphy, 2006). From an ethical perspective, these practices are often criticized based upon issues of privacy and harm to the consumer.

Ethical problems in advertising have been characterized as message ethics and business ethics (Drumwright & Murphy, 2009). According to the authors, message ethics are considered with the advertisement, including the creation and delivery of the ad. Message ethics, Drumwright and Murphy (2009) proposed, have changed through the years based upon new technology and new communication platforms, such as mobile devices and social media websites. The previous example of behavioral targeting illustrates new problems based upon new technology. So while honesty and what makes for an honest message, which will be discussed in more detail below, are still problems faced in creating advertising today, issues of privacy and transparency on the internet, for example, create similar but new problems in advertising.

Business ethics are concerned with the operations of a firm such as an advertising agency. Advertising agencies first filled the role of a media agency and offered their clients discounted rates for space in newspapers (McDonald & Scott, 2007). Media services are still offered today, along with creative services, research, and account planning. Business ethics, related to day-to-day operations, have not changed in type but in degree, according to Drumwright and Murphy (2009). They suggest that the change has occurred, in part, due to 1) media holding companies taking over agencies and demanding a profit and 2) pressure to participate in corporate social responsibility, which include recruiting and employing underrepresented segments and participating in pro bono work. Social responsibility can be thought of as the concern for a wider public interest and common good, not merely self-interest,

or profit (Baker & Martinson, 2001).² And, as noted in message ethics, technology plays a role in business ethics as well. As technology advances and the advertising industry keeps pace, each new technology has the capability to transform society and, as a result, may have unintended consequences that need to be addressed ethically (Christians & Cooper, 2009). From an advertising agency's perspective, technology affects the cost of doing business as well as communication with the client.

While message ethics and business ethics have been identified as two categories of ethical problems in advertising, it's important to understand how the two are related. Truth and deception in advertising continue to stay at the forefront of criticism, as previously mentioned (Cunningham, 1999; Drumwright, 2007; O'Barr, 2007; O'Guinn, Allen & Semenik, 2009). The concepts of truth, truthfulness and deception are most often attached to the copy of the advertisement, which is an issue of message ethics. If evaluated along a continuum, an ad would be either truthful or deceptive. Truth in advertising refers to being sincere in action and utterance; truthfulness refers to being void of deception (Baker & Martinson, 2001). Furthermore, to be deceptive means to take away the freedom of response that an audience should be allowed in a mutually respectful process of communication. However, advertising has also been criticized for being one-sided, supporting a cause in accordance with the advertiser, and seeking out the individual consumer rather than allowing for the consumer to seek out advertising (Christians, Rotzoll, & Fackler, 1991). These criticisms assume advertising is not a mutually respectful process of communication, but a self-serving, one-way path of communication. One-sided and one-way communication allows for deception.

² For more on social responsibility, see Journal of Advertising's special issue on responsibility in advertising, Summer 2007.

The law continues to change in an effort to adapt to new methods of advertising and to protect consumers against deception (Richards & Petty, 2007). Issues of deception relate to how to provide full disclosure of a product's attributes, how to avoid ambiguous phrases which mislead audiences, and how to avoid disguising advertisements as news, which are all criticisms of advertising messages (O'Barr, 2007). The law would resolve problems of action, or business ethics, and as a result, influence what messages are produced and placed for audience exposure. Therefore, we can see that problems in advertising do not stand in isolation from one another, which means that business practices have an effect on the messages produced.

The advertising function involves a multitude of players each contributing to the advertising function and, therefore, complicating the practices of advertising. The business practices of advertising involve many people who have an influence on the processes. An agency, comprised of members who are both advertising executives and consumers, contributes to an industry of other agencies, clients, media organizations, and vendors who work together to create a commercial message. Furthermore, an agency is not working with one but many clients to maintain, and ideally strengthen, the financial success of the agency.

These complications can be seen, for example, when advertising controversial, yet legal, products such as tobacco and alcohol. Murphy (1998) contends that there are so many players involved in the advertising function, including the advertising agency, the client and the media, that no one individual party takes responsibility over the questionable practice. Patterson and Wilkins (2008) agree that there are multiple players involved in the controversial practices of advertising. In addition to the responsibility held by an agency, the client and the media, respectively, the authors propose that a consumer assumes as a potential buyer also holds a level of responsibility.

While many other people are involved, the producers of advertisements are often those held accountable for the questionable practices of advertising. Ads are the most visible aspect of the industry that most all people are exposed to and aware of and, therefore, the most visible aspect to criticize. Critics hold the advertising industry responsible for taking advantage of helpless consumers and for encouraging harmful behaviors (Kirkpatrick, 1994). For example, advertising is criticized for encouraging underage drinking since alcohol advertising reaches both legal age and under age adults. Previously, in a list of 26 professions, advertising practitioners were ranked by consumers second to last on trustworthiness, just above car salesmen (O'Toole, 1990; Steel, 1998). More recently, advertising practitioners have gained trust, moving above car salesmen and telemarketers (O'Barr, 2006).

Patterson and Wilkins (2008) contend that to move up in the rankings in trustworthiness, ethics needs to become an active process in the advertising function. Being trusted is also important for attracting new members to the industry. When potential new members were asked to consider working for an advertising agency, the ethical principles of peers and managers was a significant influence on the comfort level of new members (Keith, Pettijohn & Burnett, 2003). When new members were presented with scenarios of high ethics, they indicated more comfort in working for the agency than when presented with scenarios of low ethics (Keith et al., 2003). Attracting new members and maintaining a positive reputation among them and other audiences are necessary for not only the success but also the sustainability of the advertising industry.

Acts of social responsibility are taken to sustain the success of the industry. Social responsibility is closely related to concepts of regulation and self-regulation of advertising, which are used as guides for determining the negative social impact caused by advertising (Thorson & Duffy, 2011). Social responsibility acts are both voluntary and enforced. Rotzoll,

Haefner and Hall (1996) describe enforced social responsibility as the actions mandated by the FTC, the FDA and state's attorneys. The FTC regulates deceptive advertising, although it has been argued that there is room for improving their proactive measures (Kinneer & Root, 1988). Voluntary social responsibility includes the codes and principles set by the industry, which come from the media, advertising agencies, clients, and nonprofit organizations such as the Ad Council. As a voluntary measure, advertising practitioners can evaluate the ethical worthiness of advertisements by answering a set of questions called the TARES test (Baker & Martinson, 2001). Based upon this voluntary test, advertising creators should ask and answer the questions, "are the advertising claims truthful, are the claims authentic, does the advertisement treat the receiver with respect, is there equity between the sender and the receiver, and is the ad socially responsible?"

O'Toole suggested that the advertising industry is only as good as its inventory, which is an inventory of people (1980). A business that makes widgets is evaluated based upon the quality of the widgets. By comparison, an advertising agency is in the business of producing creative ideas. Therefore, an agency is evaluated based upon the production of that idea, the ad, as well as the producer, the ad executive. Therefore, advertising practitioners must be aware of and responsive to criticism. More important, practitioners need tools for responding to ethical challenges. Practitioners that make up the advertising industry include those who work for the advertiser, or businesses that have a product and service to sell; those who work for an advertising agency, or an organization that plans, creates, and places advertising for their client; and those who work for media organizations, such as in an advertising department of a newspaper or radio station. Leading up to this point, the many people involved and held

responsible have been discussed. When you consider the many people involved, it becomes clear that conflicting opinions, beliefs, and perspectives will arise.

Reasonable persons will disagree on their beliefs toward a specific function of the industry, such as how to create an honest advertisement. For example, what constitutes honesty is debatable when you consider complexities such as how much information should be disclosed for the ad to be considered truthful. O'Toole (1980) provides the example of advertising lemons. If we advertise lemons, we would tell our audience that fresh lemons taste better than lemon juice. However, need we also say that fresh lemons go bad quicker than lemon juice? A guide to problem solving is needed because reasonable persons will disagree on this and similar ethical problems in advertising. Patterson & Wilkins (2008) suggested ethics provides these necessary problem-solving tools.

Assuming reasonable people disagree on what problems are faced, what problems are ethical in nature, and what tools are best for solving ethical problems, we need to understand more as to why they disagree. Organizational culture can provide this perspective. However, before introducing culture and what relationship it may or may not share with ethics, we must first understand how practitioners perceive ethics. Therefore, the first research question is,

RQ 1: What do organizational members characterize as ethics?

B. Advertising Ethics

Advertising ethics has been characterized extensively. Drumwright and Murphy (2009) suggested two empirical research streams of advertising ethics: perceptions that consumers have of the industry, including perceptions of the practices and advertisements produced (e.g., LaTour & Henthorne, 1994; Tinkham & Waver-Larisay, 1994; Treise, Weigold, Conna & Garrison, 1994), and perceptions held by practitioners from within the industry (e.g., Drumwright &

Murphy, 2004, 2009; Krueger, 1998). Advertising ethics research from the practitioners' perspectives has explored the problems faced when conducting the advertising function. Ethical concerns include the content of advertising messages and the relationship agencies share with their clients (Rotzoll & Christians, 1980). In addition, ethical problems that advertising practitioners have reported include treating clients fairly (28%), creating honest ads (24%), treating employees fairly (5%) and treating other agencies fairly (2%) (Hunt & Chonko, 1987).

However, ethics is not always a top priority for practitioners. When practitioners were asked what they think about and matters they consider when making advertising-related decisions, Davis (1994) found that the largest influence was legality (48%), followed by ethics as an aspect of morality and rightness (28%), then matters as they affected the agency's or clients business (15%). When compared with students, advertising practitioners were less likely to identify an ethical scenario as wrong from a duty-based, or deontological, standpoint (James, Pratt & Smith, 1994). Practitioners were also less likely to agree that agencies do not lie to clients. However, the authors speculate that students are more naïve to the ethical complexities and the realities of advertising practices (James, Pratt & Smith, 1994).

The current study is concerned with practitioners' perceptions of advertising ethics. In addition, and as it was introduced earlier, the current study seeks to understand the process of ethical decision-making within an organizational context. Advertising ethics is a normative process, which has been defined as "what is right or good in the conduct of the advertising function. It is concerned with questions of what *ought* to be done, not just with what legally must be done" (Cunningham, 1999, p. 500; emphasis in original). According to Cunningham's definition, what ought to be done in advertising includes the ethical judgments that go beyond

legal regulations (Drumwright, 2007; Preston, 2010). Ethics start where the law ends; yet, there is often overlap in what people consider ethical with what is legal.

As a normative process, Patterson & Wilkins (2008) describe ethics as the tools used by practitioners to evaluate problems and guide decision-making when morals conflict and where the law ends. The normative process extends beyond the law and into evaluations of rightness or wrongness. Normative theory is action guiding, or a process for determining how one ought to act in a conflicting situation. How one ought to act might be determined by moral virtues, or duty to act as two illustrations (Hill, 2006). For example, role models in advertising with the virtues of humility, truth, transparency, respect, care authenticity, equity and social responsibility can navigate dilemmas and guide other advertising practitioners during decision-making (Baker, 2008). Aristotle's ethic explains virtue flanked by two opposing vices, which represent an excess and defect of the virtue (Aristotle, 1998). By comparison, Baker (2008) proposes that public relations practitioners move along a continuum between virtue, such as honesty, and vice, such as deceit.

As another example of normative theory, Kantian ethics is a deontological theory that determines rightness of action by one's duties. Kant was concerned with good will. While one might hold good character of intelligence, wit, etc., if the will is not good then these qualities can become bad (Pojman, 1993). Kantian's universal law, or categorical imperative, suggests that a person act only in a way that the fundamental principle of that action should become a universal law for everyone (Hill, 2006). For Immanuel Kant, a person's duty was to always tell the truth. According to advertising practitioners, agencies lacked the policies to deal with situations such as gift giving to clients, lying to clients, seeking confidential information on competing client accounts, and using outdated yet favorable research to inform advertising development (Pratt &

James, 1994). Pratt and James (1994) referenced these problems as situation-based versus duty-based. Duties in advertising such as honesty may be taught to students but impractical in practice when considering the complexity of the day-to-day work in advertising.

Normativity has been applied to models proposed for guiding action. Based upon the narrative paradigm, which affords power to storytelling in learning about morality, Bush, Harris and Bush (1997) proposed ethical decision-making be evaluated upon three criteria. To apply the normative model to an advertising agency, one would first determine if the performance of the agency is consistent with the client's expectations of the agency. Second, one would determine if the morals of the agency parallel the moral character of the client. And third, one would determine if ethical boundaries have been installed to help deal with consequences. This model is normative because it identifies how a person ought to act by identifying the moral qualities of service and then evaluating the extent to which these qualities align with the client's expectations.

Inherent in normative action, or in determining how one ought to act, is an ability to identify principles of moral quality, evaluate those qualities and act in a seemingly right way. Assigning a moral quality, whether good or bad, is the reflection of an individual making a moral judgment of him or herself, of others, or of the social environment (Blasi, 1994). Similarly, Habermas' (1984) theory of communicative action presents the idea that an ethic should maximize the participation of all competing voices into a dialogue and that all utterances of speech contain claims of truth, rightness and sincerity. Therefore, all utterances are judged on their rightness, so to speak. As it pertains to advertising, Drumwright and Murphy (2004) found that individuals who discussed ethical issues were part of an agency culture that encouraged "moral seeing and talking" (p. 15). These practitioners discussed ethical issues openly with

clients and with one another. The open discussion of ethics is a reflection, in part, of organizational culture (Drumwright & Murphy, 2004). Responses of their study suggested how culture was expressed through widely held norms on ethical behavior and the clear articulation of these norms among agency members.

From the perspective of the advertising practitioner, there is confusion on determining what is right or good in the advertising function, which is perhaps a reflection of an inability to ascertain moral qualities. The inability to define or spot morality in advertising problems has been described as moral myopia (Drumwright & Murphy, 2004). Coming from a normative position, assuming ethical issues do arise in advertising, moral myopia is the inability of advertising practitioners to identify a problem as ethical or to express the problem in terms of morality. Drumwright and Murphy defined moral myopia as “a distortion of moral vision, ranging from shortsightedness to near blindness, which affects an individual’s perception of an ethical dilemma (2004, p. 11).³ The authors proposed that moral myopia also explains moral muteness. Moral muteness, a concept the authors borrowed from Bird and Waters (1989), suggests practitioners’ lack of ethical discourse. Bird (1996) suggested that a businessperson exhibiting moral muteness, while faced with ethical concerns, will not voice the issue in terms of morality or instead will express the issue in a way that masks moral beliefs.

Instead of expressing a problem as ethical, practitioners might shift responsibility. For example, a practitioner perception representing moral myopia is that the consumer is smart (Drumwright & Murphy, 2004). Since advertising cannot mislead consumers, advertisements need not be morally evaluated these practitioners suggested. Drumwright and Murphy (2004) dubbed the shift in responsibility as “passing the buck,” which is in reference to the many parties

³ Moral myopia has received little attention in advertising ethics research aside from Drumwright and Murphy’s research with practitioners in 2004.

involved including the household audience, media, the entertainment industry, and clients (p.12). Murphy (1998) referred to this deflection as the unholy trinity, for which none of the many players involved takes responsibility. Those that he suggested to be involved are client organizations, advertising agencies, and media. It's important to note the potential effect that taking responsibility has on an agency's viability. Polonsky and Hyman (2007) propose a multi-stakeholder approach where all responsible parties benefit from taking action. The authors suggested that responsible advertising occurs when all stakeholders (e.g., client firms; regulatory bodies; intermediaries, which the authors implicitly refer to agency, media, and vendors; and consumer audiences) are considered for their involvement and the effects of involvement.

While advertising ethics is not synonymous with the law, as Cunningham (1999) and others have suggested, the law still influences decisions that advertising practitioners make when confronted with problems, at least when describing the problems faced. Davis (1994) found that the law guided advertising practitioners in decision-making more so than ethics, which was previously noted. Similarly, advertising practitioners have suggested that the First Amendment protects their business practices and that what is legal is also moral (Drumwright & Murphy, 2004). Interpreting problems as legality, buffers the moral qualities inherent within the ethical problems in advertising.

The industry has also developed codes of ethics to help guide decision-making. For example, the 4A's (an international organization for advertising professionals and agencies), suggests the following "Standards of Practice" (4A's, 1924). Standards include a responsibility to various publics, a creative code to uphold the law and avoid false or misleading messages, and the recognition that multiple interpretations will arise. Furthermore, codes such as the

aforementioned are voluntarily adopted and utilized, which leaves their application up to the organization and/or the individual practitioner.

Rather than understanding an individual a practitioner's perspective of ethics, Hackley (1999) suggests that ethics could be better understood as socially constructed. Social interaction, including how advertising practitioners communicate with one another and with clients, contributes to and is influenced by culture, which, in turn, impacts ethical perceptions, ethical awareness and ethical decision-making.

New approaches to studying advertising ethics are important for getting at a deeper level of meaning. It has been argued that problems in advertising may continue to exist because the previous approaches to advertising ethics often look at the problems, or the micro-level, instead of the cause of problems, or the macro-level (Baker & Martinson, 2001). Drumwright (2007) suggested the importance of understanding the organizational level of analysis, which acknowledges the role of organizational culture on ethical decision-making among practitioners. This level of analysis, of culture and organization, is proposed as the meso-level of advertising ethics versus the macro- and micro-levels, which focus on advertising's effects on society and the individual consumer, respectively (Drumwright, 2007).

Therefore, the current study proposes to understand the meso-level of the advertising agency in which ethical challenges are faced. Organizational culture is the proposed context, which situates and shares a relationship with advertising ethics, including the challenges faced and problem-solving tools applied to these challenges. As a result, advertising ethics affects and is affected by the organizational environment in which the process takes place. While there are many organizations that contribute to the advertising industry, an advertising agency has primarily provided the services of planning for and creating advertisements. Therefore, an

advertising agency is an ideal, although not the only, site for an organizational approach to advertising ethics.

C. The Advertising Organization

The first US advertising agency started in 1841 to serve as a liaison between service providers and advertisers by offering discounted rates on media time and space and printing services (McDonald & Scott, 2007). An agency became “full service” when it provided expertise on how to *do* advertising, provided a “consumer perspective,” and provided a creative service to advertisers with a product or service to sell (McDonald & Scott, 2007, p. 28). The consumer perspective can be understood as a service of research. For example, the service of account planning is one form of research that agencies employ, although its practice is debated (Feldwick, 2007). An industry definition suggested that an account planner “ensures that an understanding of consumer attitudes and reactions is brought to bear at every stage of advertising development” (APG, 1986, ¶ 3). In an updated version of this definition, the understanding that an account planner is the voice of a consumer still stands (APG, 2011).

Since the early days, the full-service advertising agency has become “an organization of professionals who provide creative and business services to clients related to planning, preparing and placing advertisements” (O’Guinn, Allen & Semenik, 1998, p. 39; 2009, p. 55). An advertising agency, defined as an organization, is “a dynamic system of organizational members, influenced by external stakeholders, who communicate within and across organizational structures in a purposeful and ordered way to achieve a superordinate goal” (Keyton, 2005, p. 10). A superordinate goal is something so time consuming and so complex that no one person can achieve this goal on his or her own. In advertising, the superordinate goal is to create, plan for and place advertising in an effort to influence the sale of their clients’ products and services.

Employees of an advertising agency provide creative services including copywriting, graphic design, layout, and art direction; strategic services including strategic planning and research; media services including media planning and media buying; and account management services (Shimp, 2010). External stakeholders that have an influence on the agency include the other organizations of the industry. These organizations include the advertisers, or the clients of an advertising agency, which are businesses and organizations with a product or service to sell and/or information to share. Media companies include newspapers, television stations, radio stations, outdoor/billboard companies, and internet companies, which sell the space and the time for advertisements to run. And suppliers and vendors include printers, paper suppliers, and photographers, to name a few, who assist advertising agencies, advertisers, and media companies with specialized products and services. Universities are included within the advertising industry because of their involvement in recruiting and training the practitioners of tomorrow. Once accepted and enrolled into the program, students of journalism, advertising, public relations, mass communications, strategic communications, business, marketing, etc., become the new advertisers, agency account executives, and media producers of tomorrow.

Internal and external influences on the superordinate goal of advertising come from the organizations that constitute the advertising industry. It has been argued that the advertising industry, and its many organizations, is in the midst of radical transformation to its organizational, geographical and technological aspects (Drumwright & Murphy, 2009). Advertising agencies must keep pace with their clients' demands, product innovations, technological advancements and changes in the marketplace. Agencies expect new members to keep pace with innovations by acknowledging that graduates of advertising programs without digital knowledge are "deal breakers" as potential employees (Book et al., 2012). As a result of

these technological advancements, some advertising agencies have transformed from full-service to niche service providers, such as creative boutiques offering only digital communication services, back to full-service. Other transformations include the merging of advertising agencies into large conglomerates and moving agency headquarters overseas (Thorson & Duffy, 2011). Some agencies have expanded into unique collaborative organizations that share ideas as opposed to compete against other agencies (Keeley, 2011). And still other agencies are competing with clients by developing and marketing their own products (Boon, 2011). The organizational structures of each agency may be different based upon the current climate and needs of the industry; however, the functions of advertising remain the same.

The advertising agency was structured upon two functions, which are still observable today. First, an agency serves as a liaison between service providers (e.g., media organizations and printers) and their client. And second, an agency creates persuasive communication to sell their client's products and services. Advertising practitioners do not only create persuasive communication to sell an audience their client's product, but also must persuade their clients to find the value in their work (Alvesson, 1994). While the industry may be in "*constant transition*," the fundamental processes of advertising and its persuasive role remain the same (O'Guinn, Allen & Semenik, 2009, p. 44, emphasis in original).

The transition and changes seen in advertising are at the surface level where we can observe the internal and external members that contribute to the industry, services offered and tasks performed by organizational members. These are the organizational structures of advertising. Behind these changes in advertising, there is meaning below the surface that is not as easily recognizable, which is a reflection of organizational culture. Organizational culture provides a deeper understanding of advertising and contributes to the observable structural

elements aforementioned. While the structural elements of the industry may change based upon the demands of the industry, the foundation remains the same and contributes to the issues and problems that advertising practitioners face. Furthermore, advertising ethics is a variable field, which means to understand advertising ethics, one must borrow theory (Drumwright, 2012).

Drumwright (2012) proposed that theories might be borrowed from sociology, management, and organizational studies. Understanding organizational culture, therefore, provides a necessary context for studying advertising ethics.

D. Organizational Culture

While professionals of an industry learn to use similar resources for completing their work, and tasks across organizations within an industry tend to look similar, each individual employee contributes differently to an organization, resulting in a unique culture (Keyton, 2005). The culture of an advertising agency, therefore, is unique from any other organization, including from other agencies. Culture defines an “agency’s style, sense of values, ethical principles, atmosphere, and standing in the business community, as well as the (stated or unstated) norms of behavior that an agency expects of its employees” (Jones , 1999, p. 135). Ethics was introduced in previous sections, and therefore will not be the focus here. The focus here is on the shared values, goals, assumptions, and divided views of culture, which Jones (1999) referred to as the stated and unstated norms. A formal definition of culture and discussion of values and goals follows, which will include the meaning of divided views. Furthermore, what is expected of employees relates to processes for sharing and learning culture, such as from leadership and through socialization. Socialization will be explained as the process for sharing and learning culture, while facing challenges influenced, in part, by working with external members. The

purpose of the current section is to outline elements of organizational culture, and to elaborate upon each of these aspects of culture.

Organizational culture tells us several things about the environment where the preparation and creation of persuasive messages takes place. First, organizational culture tells us what it means to be an organization or to engage in the act of organizing. An organization was defined previously as members working in an ordered way to achieve a goal. Goals relate to the organization's mission or "reason to be" (Schein, 2010, p. 74). Schein explains these reasons as economic survival and growth, and the maintenance of relationships with internal and external stakeholders (from employees to customers). Seminal works proposed goals as dynamic versus static, and as recurrent problems the organization faces (Thompson & McEwen, 1958). Goals are, therefore, understood as changing. Furthermore, goals and challenges are sometimes considered the same organizational culture phenomenon. More on challenges follows shortly.

Second, organizational culture tells us who is involved in and who influences these acts of organizing. These are the members internal and external to an organization. These members were introduced above including external members (e.g., clients, and vendors) and internal members such as creative, account service, media and research executives. Third, organizational culture gets below the surface to expose a deeper meaning behind acts of organizing, which includes shared perceptions, values, and assumptions.

Organizational culture also tells us who is involved in the purposeful and ordered actions of the preparation of advertisements. These people are internal and external to the advertising agency and make up the advertising industry by working for advertisers, advertising agencies, media companies, suppliers and vendors, and even universities. It is important to note that Keyton (2005) acknowledges the influence external members have on acts of organizing.

Organizations, interrelated within any industry, draw on one another for resources to accomplish goals (Putnam & Nicotera, 2009). Advertising agencies work with advertisers, with media companies and other service providers to plan for, develop, and place paid announcements. And while external to an advertising agency, these members help with the development of advertisements and, therefore, have an influence on the purposeful and ordered actions of organization.

Organizational culture is deeply held (Keyton, 2005; Schein, 1990; 1992; 2010) and shared (Alvesson, 2002). Schein's level of assumptions sheds light on the meaning of culture as deeply held. Formally, culture is defined as follows,

The culture of a group can now be defined as a pattern of shared basic assumptions learned by a group as it solved its problems of external adaptation and internal integration, which has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems (Schein, 2010, p. 18).

Furthermore, Schein (1992; 2010) and Keyton (2005) suggest that culture is understood through organizational artifacts, values and assumptions. Together, and interrelated, these describe culture. Artifacts are easily observable and include the physical aspects of an organizational setting such as the building, a logo, or a mission statement. Values are collective ideas that are espoused among members and include "strategies, goals, principles, or qualities that are considered ideal, worthwhile, or desirable, and, as a result, create guidelines for organizational behavior" (Keyton, 2005, p. 24). Assumptions are deeply held, difficult to change and often taken for granted, which is represented through the lack of their formal discussion.

Schwartz (1992, p. 4) defines values as the "concepts or beliefs that pertain to desirable end states or behaviors, that transcend specific situations, and guide selection or evaluation of behavior and events." As values become strongly held and known, but lack cognitive support

such as understanding their meaning when under attack, a value becomes a truism (Van Rekom, Van Riel & Wierenga, 2006). Pulling from Schwartz' definition, a shared organizational value is more than simply known, but is evident in guiding and shaping specific situations and events, similar to Schein's definition of underlying assumptions. Together, the two aforementioned views show the connectedness of the three levels, which together comprise culture.

The shared basic assumptions, values and beliefs that comprise culture are those that work well enough and are, therefore, considered valid (Schein, 1992; 2010), as noted previously. Culture gives organizational members a frame of reference through shared beliefs, values, and expressive symbols (Alvesson, 2002). Organizational culture, as it's shared, determines feelings, attitudes, espoused values and behaviors within the group (Schein, 1990). Organizational culture is what allows members to make sense of their environment and experiences and to share their experiences, feelings and thoughts with others (Gabriel, 2000).

Socialization is the process for teaching new members of a group the correct way to think and feel. Furthermore, socialization is what Gabriel (1999) describes as the connection between the individual and an organization. The technique of storytelling is one means to teach new members about the organization and organizational culture (Gabriel, 1999). New members of an advertising agency are taught a philosophy of advertising, for example, and, as a result, the correct way to solve clients' advertising problems. A leader might share with his new employee the story of how the agency landed its first client. The story involved late nights and long weekends until the pitch was made and the client account was won. Paired with a philosophy of hard work pays off, the new employee becomes socialized into a culture of late nights. As the example suggest, this process begins with the leaders of an agency. New employees also learn from other interpersonal relationships, such as from coworkers, and from non-interpersonal

encounters, such as observations and written documents (Feldman, 1976; Ostroff & Kozlowski, 1992).

The founder of an advertising agency is the first member of the organization and, therefore, the first person challenged with solving the organization's problems as well as the first person to teach new members how to solve problems. In effect, the leader is teaching new members the correct way to think and feel. If a creative direction teaches a copywriter that advertising is meant to be two-way, interactive communication, then the copywriter begins to learn that consumer research is an appropriate step in the advertising process. In another agency, where the creative idea is valued more than research, a copywriter may develop ads without the consumer in mind.

Leaders serve various roles and meet various responsibilities in an organization (Keyton, 2005). For example, a leader might be a manager with financial and coordinating duties. Leaders also oversee the future plans of an organization, which translates into an organization's vision. A vision, espoused most often as a vision statement, is a "statement that describes the value of what is to be achieved," which turns into an organization's mission, "where specifically the organization wants to go" (Keyton, 2005, p. 137).

Schein (2010) argues that the beliefs, values and assumptions of leadership, or the founder(s) of an organization, play a crucial role in sourcing organizational culture. Specifically, the original visions of an advertising agency's founder can drive the agency's culture (Thorson & Duffy, 2011). Furthermore, Keyton (2005) suggests that members of an organization are more likely to behave in accordance with organizational values when those values are known. Within a small advertising agency, run by a Catholic CEO, practitioners were able to articulate clear operative values at work within their agency. These values were "strongly shaped" by their CEO

who translated his personal moral values into the agency's philosophy of advertising, by not only serving the client's needs but also advancing the moral values of the agency (Krueger, 1998, p. 12). However, one practitioner expressed a level of discomfort with the moral-laden convictions of the CEO and found that the CEO's morals conflicted with the agency's duty: to create ads that sell products.

The aforementioned indicates a consensus or shared view. However, organizational culture is not only shared. There is also a divided view of culture, in which members of an organization differentiate into subcultures (Keyton, 2005). Differentiation is relative to an inconsistent interpretation (Martin, 2002). Therefore, Keyton (2005) suggests two additional perspectives to organizational culture: differentiation and fragmentation. Differentiated patterns can occur along any of the dimensions that organizational members use to identify with others. For example, differentiation might be along the lines of compensation, thus creating a division between managers who make more money than their employees. As a result, organizational values are viewed differently among these subcultures. Subcultures may also view inconsistencies between values that are espoused versus enacted. The last perspective proposed by Keyton is a fragmented view where ambiguity exists. When there are many interpretations and views, therefore constraining consensus throughout the organization, subgroups or fragmentation is seen.

Keyton (2005) suggests culture is both process and product. As a process, culture is not static. Acknowledging culture as dynamic opposed to static acknowledges the opportunity for divergence and change. For example, Keyton (2005) suggests that organizational culture is not something that is created for organizational members, by a leader for example, but created by organizational members through daily interactions and social encounters. So, while the leader of

an organization may establish the culture in the beginning, future activity and interaction can reproduce a new culture. Therefore, Keyton (2005) describes leadership as a social process. Furthermore, she pulls from Alvesson (2002) to describe the process of leadership as both an influence on culture as well as a manifestation of culture.

Furthermore, change may include significant departures from existing practices or subtle variations and changes in new ways of doing things. For example, the leader of an advertising agency held religious values that influenced his agency's philosophy of advertising: to creating socially responsible messages (Krueger, 1998). However, not all employees agreed with this philosophy. Within this agency, there was a divided view on using advertising to promote a common good versus a means to sell products on behalf of a client. Therefore, while leadership may be the first creators of culture, employees socialized into this culture are active participants capable of influencing change (Kunda, 1992).

While new members are socialized into an organization and into an organizational culture, a new member may reject this culture thus creating a division from the shared meaning held. In addition, both the consensus view and divided views can exist in an organization. Gabriel (1999) suggests that a member may simultaneously accept culture (projected in external manifestations of behavior and talk that are conforming) and reject culture (internally struggle and disagree with the consensus view). Martin (2002) suggests that understanding how values and beliefs are differently and similarly held will reveal the most complete view of organizational culture.

Therefore, it's important to examine the perceptions that are shared and those that are divided when studying organizational culture. Research question 2 asks, what is organizational culture? The supporting research questions on organizational culture are,

RQ 2a: What are the organizational values,⁴ shared and divided?

RQ 2b: What are the organizational goals, shared and divided?

RQ 2c: What are the perceptions of organizational leaderships, shared and divided?

In summary, an organization and its culture emerge as members solve problems and work to achieve a superordinate goal. In solving problems, an organization is influenced by both internal and external factors. These factors and problems pose challenges that the agency must solve. Therefore, understanding challenges is important to understanding culture. In addition, understanding challenges will aid in understanding ethics. The next research question is,

RQ 2d: What are the organizational challenges faced?

E. Culture & Ethics

Organizational culture provides a perspective for understanding ethical behavior (Keyton, 2005; Krueger, 1998; Trevino, 1986), and more research is needed. Previous studies have suggested a cause and effect relationship. For example, both personal and professional values situated within an organizational context can explain, in part, ethical evaluations made (Akaah & Lund, 1994). However, neither ethics nor culture can be reduced to a single artifact. For example, some organizations develop a code of ethics. And, in some contexts, unethical behavior has been suggested to be less prevalent when organizations adopt a corporate code of ethics (Somers, 2001). Other times, a code of ethics does not have a significant influence on decisions made regarding questionable practices in advertising (Nwachukwu & Vitell, 1997). Due to this complexity and contrast in findings, there has been acknowledgement of a cultural complexity in need of further examination (Nwachukwu & Vitell, 1997). Drumwright and Murphy (2004) suggest the importance of understanding culture, but their research also illuminated the

⁴ As was previously noted, artifacts, espoused values and deeply held assumptions together define an agency's culture. For the purposes of the current study, the term "values" will be used for simplification.

complexity of the issue based upon time, changes in the industry, as well as methodological influences on practitioners' responses to ethics. Attentive to potential biases as they pertain to practitioner's perception of advertising ethics, Maciejewski (2005) supplemented surveys with interviews. Furthermore, Drumwright and Murphy's (2004) earlier research illuminated the need for studying advertising in context, which, as previously noted, Drumwright later supports with the suggestion for a meso-level of analysis (2007).

A review of advertising ethics research exposes a focus on topics relative to the message versus practitioners' assessments, and it's been suggested that theoretical approaches are lacking (Nooh, 2012). Topics of research include deceptive advertising, subliminal advertising, stereotypes, celebrity endorsement, regulation, and advertisements directed to children. Krueger's (1998) work is one of the few empirical studies that provide a thick description of agency culture as it relates to advertising ethics.

Limited research, contradictory findings, and subsequent recommendations mandate the need for further examination. Advertising ethics must be studied in context, in depth, and in a relationship with culture. Ethics situated within an organizational culture both influences and is influenced by its context. The theory of moral ecology provides an explanation for a more complex situation and suggested relationship. Moral ecology posits that the situational influences exerted by an organization and by the organizational environment simultaneously shape and is shaped by organizational actors (Donnelly, 1995; Huff, Barnard & Frey, 2008). Moral ecology encourages consideration of the complexity of relationships and influences, as well as the influential factors at various points in time (Huff, Barnard & Frey, 2008). Moral ecology, is therefore, quite similar to Keyton's view of organizational culture as both a process and product. Through these perspectives, we can begin to see the dynamic relationship between culture and

ethics. Members of an advertising agency produce their cultural environment (product) and, in turn, this culture shapes the members (process).

Acknowledging that organizational members shape an organization, in part, supports the perspective that ethics is socially constructed. Structuration theory provides the perspective for understanding this construct as well as the relationship between culture and ethics.

F. Structuration Theory

Structuration is a social theory of the production and reproduction of social systems based upon the duality between, versus primacy of, structure and agency (Giddens, 1984). Duality is an important focus of the theory, which suggests that neither structure nor agency mandates power, or in structuration terms heightens enablement or constraint. Giddens' theory rejects the objectivist social theories of structuralism (e.g., Runciman, 1970; Saussure, 2001), functionalism (e.g., Giddens, 1979), and determinism (e.g., Claudio, 2011) that suggest structure controls action. He further rejects the opposing subjectivist social theory (e.g., Albano, Masion & Maggi, 2010), which suggests that agency creates structure.

Therefore, structuration theory provides a perspective for understanding the dynamic relationships of human agents influenced by and influencing their environments. The human agent, with agency to act, is both enabled and constrained by the rules and resources of her environment. Rules and resources comprise structure, which the agent both produces and reproduces as a result of taking action (Giddens, 1984). Furthermore, structures serve as both “medium and outcome of the practices they recursively organize” (Giddens, 1984, p. 25). As constraining and enabling, structures serve as medium and the production and reproduction of structures serve as outcome. Within this duality, an agent creates the environment in which she acts and the structures of that environment recreate her.

The theory of structuration encompasses issues surrounding the nature of human action, how action and interaction should be conceptualized as it relates to institutions, and how to approach the practical connotations of social analysis (Giddens, 1984). Giddens identified three common themes in social theories that are applicable to structuration. First, human action is reflexive and not the result of forces beyond an agent's control or comprehension. More on the reflexive and conscious state of human action follows below. Second, language serves a fundamental role and is embedded in day-to-day activities of life. Third, natural sciences must take into account the phenomena, which drive social science, specifically those of language, interpretation and meaning.

Human action is a social process. People do not act in isolation but in relationship with and to one another. The presence and co-presence of social actors is essential to the existence of social systems and organization, which “only exist in and through the continuity of social practices” as sustained by encounters (Giddens, 1984, p. 83). Giddens pulls on Goffman (1963) to explain encounters and co-presence. Encounters are understood as the situated interaction with others who are physically co-present, as well as mediated forms of encounters that allow for some of the “intimacies” of co-presence (Giddens, 1984, p. 68). There are two important features related to social encounters to keep in mind. First, situated interactions are not a set of discrete acts, but rather a continuous process. And second, the communication of social actors cannot be reduced to intent or what the actor means to say and do (Giddens, 1984). Avoiding the reduction of encounters to intention should not discredit the intentional process of communication, specifically the rhetoric used to create and shape shared perspectives. Instead, it should be considered that both intent and the qualities of interaction share a duality, which is reproduced

over time (Giddens, 1984). Therefore, it is important to examine the features of social encounters within their natural environment to capture the qualities of interaction.

Human action is also a reflection of conscious knowledge. Giddens (1984) contends that human agents are knowledgeable and conscious and, as a result, reflexive. According to Giddens, “Structure has no existence independent of the knowledge that agents have about what they do in their day-to-day activity” (1984, p. 26). If you asked an agent, she could describe her actions and the expected actions of others. Furthermore, agency to act implies power; an agent has the capability to act, regardless of intentions, and the capability to act differently at any point in time (Giddens, 1984). However, this does not assume that an agent will act differently and as a result unintended consequences, also referred to as contradictions, can emerge. Canary (2010) defines contradiction as an oppositional tension within social contexts. As an example in the construction of policy knowledge, he found that what a policy required and the resources available to enact the policy were at odds with one another as well as the control versus autonomy allowed by the policy. In another study, in-home day care providers reported feelings of tension due to both stress and lack of appreciation from parents, which were the unintended consequences of their own organizing structures and policies (Butler & Modaff, 2008). Creating a structure that allowed in-home day care providers to stay at home with their own children produced these unintended consequences. Furthermore, their actions reinforced a contradiction of ideological differences providers had with parents (Butler & Modaff, 2008). Providers valued staying at home with children, hence their decision to offer day care services. While the providers had the capacity to change their action based upon knowledge of the environment they created, they instead continued to offer services to working mothers, thus reinforcing the

differences with which they disagreed. Therefore, as this case illustrates, agency does not simply refer to intentions, which Giddens stressed.

Rules and resources are the structure of structuration theory (Giddens, 1984). Rules and resources refer to the properties, which allow for the recurrence of social practices over time and space and, therefore, the reproduction of social systems. The rules and resources drawn upon for social action are the means for reproduction, both object and outcome. As object, rules and resources might be the policy of a home daycare provider (e.g., Butler & Modaff, 2008) that guides the provider's intended action and as outcome, the resource guided future action is the unintended outcome of tension and stress, thus influencing a new policy.

While action is conscious and articulated, over time, structures can also emerge as a result of action that becomes routine. Routines provide ontological security (Moore, 2005) as they become expected. Through our actions and routine behavior, we may produce an identity within an organization. Scott, Corman and Cheney (1998) found that organizational identification is the maintenance of whom we are, which is enacted, in large part, by routine. For advertising agency practitioners, the rituals of communication and symbols used in these rituals recreated cultural structures and the social reality of agency members (Rosen, 1985; 1988). These rituals were enacted at an annual business breakfast and included the food served, how and by whom it was served, the speeches given and the content of speeches given. At this event, the structure recreated was one of hegemony and bureaucracy. And as a result of rituals, or the reproduction of organizational conditions, routines come to feel normal and left unquestioned. While, on one hand, agents have agency to act, on the other hand, structuration acknowledges the constraining nature of structure and routines.

Giddens (1984) pulls from Goffman's (1963) work to define the elements of talk, reflexivity, presence, and co-presence, which are essential to the theory of structuration. Reflexivity, or the self-monitoring of action as discussed above, is purposive and can be seen in the attributes of talk, bodily posture, gesture and even apparel. While reflexive action is purposive, unintended consequences do arise as was noted previously.

Communication is both verbal (talk) and nonverbal (gesture and apparel). Therefore, agency is not afforded by nonhuman structures. Goffman (1963, p. 80) elaborates on the structure of language by stating,

Bodily idiom, then, is conventionalized discourse. We must see that it is, in addition, a normative one. That is, there is typically an obligation to convey certain information when in the presence of others and an obligation not to convey other impressions ... although an individual can stop talking, he cannot stop communicating through bodily idiom.

An individual may wish to refrain from conveying certain socially acceptable impressions but still be confined to act as other persons expect him to act in social situations, which is the constraining nature of structure.

The enabling and constraining nature of culture, such as the rules and resources of leadership or ethical discourse, has yet to be extended into advertising ethics research. The enabling and constraining nature describes culture as a medium for facilitating ethical awareness. A structuration perspective would suggest that the features of consciousness used by an agent to communicate ethics, such as the organizational values espoused by leaders, are the same features that both enable and constrain ethical decision-making.

Furthermore, structuration theory provides a perspective for interpreting ethics as medium and outcome, enabling and constraining, while within and in relationship to a unique cultural environment. A structuration perspective would consider the duality between agents and

structures within a cultural context. The duality between structure and agent has been applied to studies of power relationships (e.g., Garner, 2006), organizing structures of work (e.g., Butler & Modaff, 2008), organizational change (e.g., Albano, Masion & Maggi, 2010; Ranson, Hinings & Greenwood, 1980) and of policy knowledge (e.g., Canary, 2010), and proposed in models for understanding organizational identification (e.g., Scott, Corman & Cheney, 1998) and group decision-making (e.g., Poole, Seibold & McPhee, 1985). Berkenkotten and Huckins (1993) suggested four attributes of structuration, which translate to the study of advertising ethics in relationship with culture. First, advertising ethics are dynamic (i.e., ethics develop from situations and serve to provide meaning to these situations). Ethics are situated, which suggests that a person's knowledge of ethics is derived from and embedded within communicative activities of personal and professional life and that which continues to evolve through continuous participation within an organizational culture. Ethics serve in a duality with structure (i.e., as we draw upon ethics to guide professional activity, we constitute and reproduce the structures of that professional and organizational context). And finally, ethics are communal, symbolizing shared convention and norms.

Therefore, guided by structuration theory, we can now ask, (RQ 3) what is the relationship between organizational culture, organizational members, and advertising ethics?

More specifically,

RQ 3a: How does organizational culture, if at all, enable members' ethical awareness?

RQ 3b: How does organizational culture, if at all, constrain members' ethical awareness?

3. Method

This study utilized participant observation, a form of ethnography. The fieldwork of participant observation allows the researcher to understand other people's social reality by experiencing their environment first-hand (Van Maanen, 1988). This first-hand experience is garnered through participation in the events of the environment and by observation of organizational members engaged in these same events. Furthermore, ethnography is used to “decode, translate, and interpret the behaviors and attached meaning systems of those occupying and creating the social system being studied” (Rosen, 1991, p. 12). In the current study, the social system is an organization, specifically an advertising agency. A description of the advertising agency and a brief historical summary will follow under *The Site* below.

Participant observation was used to reveal the processes of advertising ethics in an organizational environment. Fieldwork was guided by theories of organizational culture to qualitatively capture organizational members' experiences and perceptions of those experiences, as well as to experience the organization first-hand through day-to-day interactions with its members. It's important to note that participant observation, while empirical and rigorous, is not intended to present replicable, social scientific results that aim for objectivity.

Giddens (1984) suggested the importance for ethnographic methods to maintain the integrity of phenomena observed while fitting into the elements of structuration theory, to observe action and get at the deeper meaning behind action. Structuration theory provides the perspective for interpreting the relationship between culture and advertising ethics, and, as a result, mandates certain methodological requirements. Applying structuration theory mandates a focus on “*both* observable action *and* the deeper structures that guide action;” therefore,

structuration theory mandates recognition of the dynamic relationship between observable action and deeper meaning behind the action (Heracleous & Hendry, 2000, p. 1260, emphasis in original). Implications for structuration research include that 1) the descriptions of observed phenomena should maintain their own integrity while fitting into the elements of structuration, and that 2) a multitude of methods can be applied as long as the conceptual integrity of the theory is maintained (Banks & Riley, 1993).

The methods of the present study included observation, one-on-one interviews with organizational members, informal or impromptu interviews with organizational members, and the collection of organizational artifacts. Interviews and observation (e.g., Silva & Sias, 2010; Olufowote, 2009), and textual analysis (e.g., Olufowote, 2008) have provided thick description of organizations from a structuration perspective. In addition, advertising ethics studies eliciting the perspectives of advertising practitioners have utilized interviews (e.g., Drumwright & Murphy, 2004; Krueger, 1998), as well as the combined ethnographic methods of observations, interviews and document reviews (e.g., Alvesson, 1994). Ethnography, including participation, observation, interviewing and document collection, has also been used to study the social processes and culture of advertising agencies (e.g., Rosen, 1985; 1988).

As previously stated, ethnography is a means to understand the social reality of others, which, in the present study, includes members of an advertising agency. The meaning of an organization is defined, in part, by organizational members' involvement in goal-oriented activities (Rosen, 1991). Members involved in goal-oriented activities are the organizational actors who are internal and external to the advertising agency. Both internal and external members create meaning within the social system. Internal organization members include the founders and previous owners of the agency and the agency's employees; external members

included anyone working with the agency on goal-oriented activities including, but not limited to, the agency's clients and service providers, a holding company of the agency, etc.

Meaning is created and shared, but it should be acknowledged that divided views also exist. Organizational members create and hold many different belief systems (Keyton, 2005). Furthermore, Keyton suggests that members can seek out others with similar characteristics and interests, which suggests that subcultures are consciously formed. What's important to note for the current study is that methods of ethnography should capture cultural meaning, which can then be analyzed as shared versus divergent meaning based upon the themes that emerge.

In addition to fieldwork, ethnography also refers to the written representation of the social reality of others. Van Maanen (1988) refers to ethnographic writing as the tale. The tale is one of four elements that ethnography brings together. The four elements include "1) the assumed relationship between culture and behavior (the observed), 2) the experiences of the fieldworker (the observer), 3) the representational style selected to join the observer and the observed (the tale), and 4) the role of the reader engaged in the active reconstruction of the tale (the audience)" (Van Maanen, 1988, p. xi). According to Van Maanen, the researcher must anticipate the audience and write accordingly (1988).

The firsthand experiences of fieldwork, descriptions of the environment, problems, language, rituals and social relations of a specific group of people, are brought to life for a reader in a realist, impressionist or confessional tale. According to Van Maanen, the realist tale is an author's most authentic description of the social events lived. The description comes from the perspective of the social actors studied, versus from the researcher. The realist tale is what Van Maanen labels the "real one," supported by factual knowledge and without room for ambiguity (p. 64). However, in ethnographic writing, the concept of reality is debatable. The observer

cannot capture all that others said or enacted within a social environment (Fine, 1993), neither can the author share, in its entirety, these firsthand experiences. Conquergood (1991) calls this the critical rethinking of ethnography and agrees with Rosaldo's (1989, p. 37) assessment of the field: "The once dominant ideal of a detached observer using neutral language to explain 'raw' data has been displaced by an alternative project that attempts to understand human conduct as it unfolds through time and in relation to its meanings for the actors." What is experienced by the participant observer, and not captured, is context versus reality. Capturing reality, an ethnography lie debunked by Fine (1993), assumes a reality exists.

Participant observation is concerned instead with a balance between the objectivist and subjectivist view, which suggests that social reality is experienced. The experience is a context dependent, thick description (Geertz, 1973) of the organizational environment lived and experienced, influenced by and influencing the researcher as participant. Reconciling the concerns of capturing "reality" are the impressionist and confessional tales. An impressionist tale is figurative writing based upon what is seen by the researcher in a certain moment of time or from a position in space (Van Maanen, 1998). Therefore, juxtaposed to the realist tale, which is supported by the social actors, the impressionist tale depicts the researcher's subjective interpretation. For example, in his study of an organization, Kunda openly criticized his influences by positing, "How is one to break through the vicious cycles of one's own interests, distortions, and misperceptions?" (1992, p. 230). Kunda reconciled his concerns by constructing a tale based on observation of the social actors' experiences interspersed with his own interpretations. This multiple perspective approach allows for a plausible reading of the observed experiences while still remaining open to the reader's interpretation of the tale. Kunda ended the tale with his own personal confession. Van Maanen's confessional tale is the author's outlet to

express personal thoughts, reflections, experiences, etc. in an attempt to show some of the techniques from the field (1988). The confessional tale is the researcher's opportunity to explain her/his role as a social actor in the field of study.

For the current study, findings in response to research question 1 and questions 2a-d will be written in a traditional format of research question asked and answered. This format best fits Van Maanen's realist tale with the goal of sharing authentic, yet context-dependent, descriptions of the experiences lived and observed. The member's responses during interviews, fieldwork, and the themes that emerged from both help validate what is authentic agency culture. In response to research questions 3a-b, fieldnotes and interview responses are also woven throughout to provide examples and explanations for the relationship between culture and ethics. These writings can best be described as a combination of realist and impressionist tales (Van Maanen, 1988). The purpose of this presentation is to illuminate culture from the perspective of field experiences along with members' perceptions. Field experiences are used to support perceived meaning of culture shared by participants. As a participant, an external member accepted into the agency who was invited to participate in meetings, meet clients, and observe the production of commercials as just a few examples, the researcher has an important and illuminating perspective that should be shared.

Several mechanisms of the current study support qualitative research validity. Directly following the method is a confessional tale. The confessional tale is the researcher's presentation of her active role in the field, which illustrates the methodological procedures in tandem with findings. The confessional tale contributes to the triangulation of findings, together with participant observation and interviews. Atkinson and Coffey (2002) explained triangulation as

the opportunity to capitalize on methodological strengths and offset weakness. Furthermore, triangulation of data promotes qualitative research validity (Johnson, 1997).

The presentation of the researcher in the confessional tale illustrates reflexivity. Reflexivity also promotes qualitative research validity (Johnson, 1997). Reflexivity acknowledges the role of the researcher as participant and observer and the methods used to describe the environment as, to some degree, constitutive of the field studied and described (Atkinson & Coffey, 2002). The researcher is not a passive observer, but an active participant. Therefore, an ethnographic researcher must acknowledge, as part of his or her role, his or her place and involvement in the social events that are described. Reflexivity, as presented by Atkinson and Coffey (2002), acknowledges the methods and role of the researcher within a new social environment as influential without overstating or minimizing that role. Alvesson (2002) also proposed that researchers of culture are more reflective, which suggests a more thoughtful and learning-oriented way of critical thinking. Goodall (1994) argues that organizational research, from a cultural perspective, should be conducted as an extension of self and identity, which Bruyn (1966) refers to as the inner perspective of participant observation. Methods of ethnography mandate a balance between participation and observation, which a confessional tale will identify. In summary, reflexive methods intend to capture the organizational researcher's most plausible depiction of the organization and of the organization's culture as shared by organizational members and as experienced by the researcher.

Following is a presentation of the methods employed by the researcher including participant observation and procedures for fieldwork, interviews and the collection of artifacts. Descriptions of the organizational members contributing to these procedures and procedures of

confidentiality will also be presented. Lastly, procedures for analysis and writing will be presented.

A. Recruitment

Participant observation was conducted in a full-service advertising agency. A full-service advertising agency is “an organization of professionals who provide creative and business services to clients related to planning, preparing and placing advertisements” (O’Guinn, Allen & Semenik, 2009, p. 55). The agency was selected as the research site for several reasons. First, the agency provides a range of services including account management, account planning, media planning and buying, creative writing and design, direct marketing, interactive planning and design, and web analytics. The agency has a client roster including local non-profit organizations as well as nationally recognized brands. Second, the agency is medium to large in size employing approximately 75 employees, which affords a range of members’ perspectives. Third, the agency has been in business for 15 years and was recently acquired by a media holding company, which suggests the agency is both successful but experiencing change.

During the recruitment process I contacted three agencies in total including 1) an agency that I contacted directly, whose CEO declined to participate; 2) an agency that I contacted indirectly via a professional contact, which did not return contact and 3) an agency that I contacted directly after a professional referral was made, which became the site. After receiving approval from my professional referral to contact the agency, I personally forwarded a recruitment email to the founders of the agency, the Chief Executive Officer and the Chief Creative Officer (hereto after referred to as CEO and CCO respectively) on January 23rd, 2012. After confirmed receipt of my email, the CEO and Director of Human Resources (DHR)

requested a meeting. Access to the agency was granted during that initial meeting, which was held at the agency on January 31st. A description of the agency follows.

B. The Site: A Full-Service Advertising Agency

AdCompany⁵ began in 1996 when two seasoned advertising executives decided to start a creative retreat from the large, corporate agency. The impetus for starting the agency exists as part of their cultural mantra today. From its inception, AdCompany has grown from two founders to over 125 employees at its largest and over 70 employees today.

In 2006, the privately held agency sold to a media holding company. Under the holding company,⁶ the agency became a member of an international parent company and gained hundreds of sister partners within the holding network. Due to the merge, AdCompany has gained access to global advertising brands, national advertising agencies, media services, public relations firms, specialty communication services, and customer relationship management. The agency retained its name and two principals, the founding CEO and CCO. As part of the merge, AdCompany can use its parent's name for new business and current business purposes, which can be applied to the agency's name, employee titles, email addresses/domain names, etc.

AdCompany is located in one of the top 20 major metropolitan cities of the United States. In 2006, the agency moved locations within the city and into a historic building, which was bought and refurbished by the agency's founders. Additional space in the building is leased to other business tenants.

⁵ Name omitted for confidentiality. Proper reference is "AdCompany" and common is "the agency."

⁶ A parent company services as a figure head for a group of related media companies who work together by combining services such as media, creative, advertising, and public relations. Members under a parent company are referred to as sister agencies.

C. Participants

During the time of the study, the AdCompany employed approximately 70 to 75 people.⁷ Participants in the study were defined as follows: Any individual, either internal or external to the agency, with whom I met, sat in on meetings, exchanged introductions with, conversed with, went to lunch with, or with whom I conducted a formal interview. Overall, I formally or informally met about 60 employees including the employees who participated in one-on-one interviews.⁸ Participants observed were primarily those individuals internal to the organization including account service, creative, media, account planning, administrative, financial, and executive level staff. In addition to these employees, I met individuals external to the agency including vendors (e.g., photography studio producer, director, etc.), clients, and new business prospects. A formal interview was also conducted by phone with an executive of AdCompany's parent company.⁹ See the appendix for further description of participants by age, gender, and agency function (title and department). Following is an explanation of confidentiality for individual participants and the agency.

D. Confidentiality

Confidentiality was granted to AdCompany so as to protect the identity of the organization as well as granted to each individual participant, which helped to establish trust. I was also asked to sign the agency's non-disclosure agreement (NDA), which stated that I must not 1) divulge any client or agency confidential information, 2) divert business away from any

⁷ The Agency made a few hires, several layoffs, and two employees quit during my time in the field.

⁸ Up until field day 42 of 45, I was still meeting agency employees. I was never formally introduced nor introduced myself to every member of the agency.

⁹ Contact with an executive of an affiliate company within the holding group was made via a mutual connection. The interview was conducted in the hopes of contributing to the current study by learning about the agency's culture and ethics from an external perspective. While insightful and rich in detail, the findings were for his personal ethic and the ethic he created as a leader and passed down to the employees of his organization versus at the agency under study. Therefore, his interview was excluded from analysis. Since his interview was included in the lineup of other one-on-one interviews, his interview was assigned a unique participation number, which reflects a total of 46, versus 45 interview participation numbers. However, only 45 of the 46 interviews were used resulting in an n of 45.

client or the agency, 3) solicit employees away from the agency, nor 4) use the name of the agency, clients or employees within any written report. AdCompany and individual participants were informed that the study was for academic purposes and would result in a dissertation as well as conference papers and journal submissions. Treatment of participants, data collection and storage were in accord with IRB regulations.

E. Fieldwork and Fieldnotes

A total of 45 days and 332 hours were spent in the field.¹⁰ Days in the field spanned five months starting January 31st and ending May 31st, 2012. The time period spent in the field was to gain a “critical threshold of interpretive competence” (Lindlof & Taylor, 2002, p. 129). When information obtained was redundant or peripheral adding little to what was already known, time in the field had been exhausted (Weiss, 1994). Redundancies were noted in fieldnotes and interview transcripts. For example, interview participant’s comments on Day 31 were linked to observations made on Day 5, etc. While an infinite amount of time could have been spent in the field, five months proved exhaustive to answering the research questions of the study.

Several tactics for capturing fieldnotes were used. When it was appropriate, a notepad was taken into meetings or kept at my desk to write jottings. Jottings are a brief written record capturing the events that occurred, what was said and by whom, and the impressions of the researcher (Emerson, Fretz & Shaw, 1995). At other times, jottings were typed into electronic files such as when I was working on my laptop and sitting at the desk I was provided. When I was without a notepad or without my laptop but had to capture notes quickly, I would find a scrap piece of paper or napkin to write a quick jotting, making sure, at the very least, I kept a pen on hand. On a couple of occasions, I was invited into the agency on short notice to attend a meeting or to an after-hours event and because I was commuting and quickly getting back on the

¹⁰ For a list and descriptions of days spent in the field, see the Appendix.

road, jottings were audio recorded opposed to written or typed. Comprehensive fieldnotes were typed within 24 hours based upon the jottings, recordings and from memory. A total of 175 single-spaced pages of fieldnotes were typed.¹¹

Days in the field began with the first visit to AdCompany, which was, what I thought at the time, for recruitment. When I arrived at the office and first met with CEO and DHR, it soon became clear that my efforts to recruit, or persuade, the agency into participating was not necessary. Instead, the conversation revolved around confidentiality, the final written product, and the kinds of events to which I would and would not have access. Thereafter, fieldwork primarily took place inside the advertising agency, which is where I was provided an access key to the building, given a desk, laptop, phone, and an email account with access to company-wide emails. In addition, time was spent at a partnering production studio, dining venues, entertainment venues, a city park and a nearby park.

How and what time was spent in the field was dependent upon my availability and access granted by agency employees. My intention was to begin fieldwork in March or April of 2012. This was based, in part, upon academic obligations that I had including conferences and teaching duty on Fridays. However, after the recruitment meeting, I was invited to several meetings and events in February, which I couldn't pass up and arrived back at the agency for two days later. The first three invitations were to AdCompany's monthly meeting where I was introduced to the staff, followed by an industry creative panel the agency hosted that same day, and an award show later in the week.

Access to these and other events were provided on a per event basis. At the recruitment meeting, the CEO told me that I could ask to participate in any meeting or event I saw or heard

¹¹ Fieldnotes were formatted as Times New Roman, 12 pt., 1" margins, single spaced.

about. He invited me to ask for permission to attend and explained that the worst that would happen is that someone would tell me no, which did happen on several occasions.

How my time was spent in the field can be described by one of five categories: 1) working on personal tasks, 2) working on agency tasks, 3) attending impromptu events, 4) attending events by invitation, and 5) conducting interviews. A description for each category follows.

1) Personal work was either done by obligation or as part of observation. At times, I had professional tasks related to teaching or preparing for academic conferences. This time was spent writing, sending emails and other activities that I could complete at the desk to which I assigned. While sitting at my desk, I was exposed to conversations around me occurring at neighboring workspaces, had view of hallways, and, therefore traffic flow, view of the kitchen, as well as of conference rooms. My goal was to be unobtrusive, and both give off and experience the impression of fitting in as I observed so as not to suppress or trigger out-of-the-ordinary behaviors.

2) AdCompany work included reviewing agency documents, proofreading agency documents to assist employees, reading agency emails, and reading the agency's website and blog posts. At times, I would hear of an agency document and request to see it, such as the employee handbook, which was provided to me. Other times, agency documents were offered to me, including industry trade journals, creative presentations, new business presentations, and creative portfolios.

3) I also attended AdCompany events by invitation. Often times, I was approached at my desk or acknowledged in a communal location like the kitchen or hallways. The most frequent question or statement that was directed to me was in regard to my research and my business at

the agency. From the first day at AdCompany up until the last, someone was interested in how long I was staying, what my study was about, what theories I was using and hypotheses generating, how the interviews were going, if I had my findings yet, etc. I used these opportunities to suggest my involvement in any upcoming activities, which often did result in invitations to meetings, client presentations, even observation of a production shoot during the first several days of fieldwork.

4) Impromptu events included the activities I noticed going on in a surrounding area or that involved someone with whom I wanted to speak. I approached the activity of several people or an individual person in an attempt to participate in the activity or engage in a one-on-one conversation. At times, I would explicitly ask to participate, while other times I would put myself in the position of observing by taking on another activity such as grabbing a drink from the kitchen.

5) The final category of how my time was spent includes formal interviews, which is discussed in detail below.

F. Interviews

A total of 45 interviews were conducted with AdCompany employees.¹² Forty-four interviews were conducted face-to-face in AdCompany's conference rooms behind closed doors or out in the open such as in the kitchen area and one interview was conducted over the phone. All but one interview were audio recorded.¹³ Interviews totaled 43 hours and 21 minutes with an average length of 58 minutes. Interviews ranged in time from the shortest interview lasting 20

¹² The interview with parent company executive is excluded from the current study.

¹³ A notepad versus a recorder was used when interviewing the receptionist due to the traffic and noise at the front desk, which is where the interview was conducted.

minutes to the longest interview lasting 2 hours and 37 minutes. Each interview was assigned a unique participation number, which will be used to identify participants within the findings.¹⁴

According to Weiss (1994), interview subjects should be selected because they have expertise in a subject area or regarding an event. In the present study, interview participants were experts on the organizational culture as active organizational members. According to one school of thought, interviews are conducted to capture the reliable and accurate responses of interview participants (Whyte, 1982). The participant and the interviewer have their own distinct roles. The current study follows the theory of the active interview (Holstein & Gubrium, 1995). The theory of the active interview suggests that interviews are an interactional and social process in which the interviewer and interviewee each play a contributing role. Furthermore, the theory of the active interview suggests that what is said is just as important as how the interview is conducted. Holstein and Gubrium (1995) call this the linkage between the *whats* (substantive) and *hows* (interactional) of an interview. While interviews are active and performed, it can still be noted that there is a need for direction in the interview process so that the participant stays on topic. However, the interview process is not as harsh or rigid as “checking” the interview participant back into responding accurately (Gans, 1982).

An interview guide was used. An interview guide is a more flexible and informal option to an interview schedule¹⁵ (Lindlof & Taylor, 2002). The interview guide is a list of topics and potential questions to ask each interview participant, which allows for unplanned activity. Three interview guides were developed. One guide was used for the parent company executive, one guide for the two founders of AdCompany serving as the agency leaders, and another guide for

¹⁴ An interview with an external member was conducted and included in the assignment of unique participation numbers (ID #12). However, this interview was excluded from analysis and the report of findings. Therefore, interviews are labeled one to 46, with the exclusion of 12, resulting in an n of 45

¹⁵ An interview schedule is a list of interview questions to be asked of every participant.

employees of AdCompany. The interview guides were developed based upon the aforementioned research questions regarding organizational culture, including shared values, shared goals and aspects of leadership as well as challenges faced including ethical challenges faced. In addition, the interview guides were developed after spending several days in the field so that aspects of learned experiences could be incorporated into the guide.¹⁶

The researcher transcribed all interviews. Transcriptions totaled 464 single-spaced pages.¹⁷ Interviews were transcribed verbatim when the recorded content pertained to interview questions and research questions. When the interviews took a personal direction, including tangents of shared connections in the industry or when a participant expressed an interest in my educational and professional backgrounds, summaries were transcribed. As interviews were transcribed, preliminary memos were written. Transcribing, therefore, contributed to the first phase of analysis, which will be elaborated upon below.

G. Organizational Artifacts

Several types of cultural artifacts were collected. According to Keyton (2005) and Schein (1990) a cultural artifact is something that is visible and tangible, from the organization's dress code to company records and statements of philosophy. For the purposes of the current study, an organizational artifact will be used to describe something that was produced by a member of AdCompany for the purpose of carrying out the advertising function. Organizational artifacts collected during the current study include emails, employee handbook, business letters, presentation handouts, creative work samples, blog posts, Facebook posts, phone directories, and survey results.¹⁸

¹⁶ See the Appendix for a list of interview questions.

¹⁷ Interview transcripts were formatted as Times New Roman, 12 pt., 1" margins, single spaced.

¹⁸ For a complete list of organizational artifacts and their descriptions, see the appendix.

Artifacts were collected based upon access. For example, my AdCompany email account provided access to a daily, morning news email, meeting announcements, and other agency related news. As emails were received, and based upon their fit to research questions, they were copied and saved. In addition, organizational documents were offered to the researcher, such as a recent survey completed by AdCompany's employees. The employee handbook was also provided. During a one-on-one interview, the agency's Facebook page was mentioned. Based upon information shared during this interview, content from the site was copied and saved.

H. Analysis and Writing

There are two units of analysis, which changed depending upon the research question answered. The units of analysis include the organization and the processes of organizational members. Artifacts for analysis included aforementioned fieldnotes, interview transcripts and organizational artifacts.

Analysis began in the field. Analyzing data as they are collected is common for participant observation (Bruyn, 1963). As days of data collection numbered, artifacts for analysis increased. Therefore, redundancies began to emerge and comparisons could be made, resulting in an initial interpretation of findings.

Analysis occurred in several stages thereafter. As previously mentioned, the first look at data and the first stage of analysis included the documentation of fieldnotes and transcription of interviews. The second stage of analysis involved writing memos (Emerson, Fretz & Shaw, 1995). Memos are the researcher's notes such as an initial interpretation of data, which are written into fieldnotes, interview transcripts and organizational artifacts. Memos can identify themes and, as with the current study, link together redundancies and commonalities within the data. The third stage of analysis was open coding. Emerson, Fretz & Shaw (1995) define open

coding as the line-by-line analysis of fieldnotes to identify themes. During the open coding phase, fieldnotes and interview transcripts were read line by line. The fourth stage of analysis is referred to as focused coding. After themes were identified and marked by memos, a focused reading on the identified themes, or the reduced and organized data, was conducted. During focused coding, findings are beginning to emerge and are written into draft form. Thereafter, writing ensues.

Van Maanen (1988), Emerson, Fretz and Shaw (1995), Goodall (2000) and Yanow (2009) acknowledge the role of active writing in the social construction of reality. Active writing (Emerson, Fretz & Shaw, 1995) should not be separated from the involvement or participation and time spent in the field (Yanow, 2009). Writing is considered active because as we write, within and upon leaving the field, we are still analyzing, interpreting and developing our thesis (Emerson, Fretz & Shaw, 1995). Therefore, active writing represents the final stage of analysis.

4. A Reflexive Confession: I Drank the Coffee, but Didn't Eat the Cupcakes¹⁹

I drank the coffee every morning, made pots of coffee when I was the one responsible for pouring the last cup, I even had a donut once, but the day I saw the delicious frosted cupcakes left out on the kitchen table, which meant they were free for the taking, I just knew, or thought I knew, that they were off limits. Gaining knowledge in the field reflects a balance between what it means to be a participant, free to indulge in ever-flowing coffee and the occasional donut just like other members, versus to be an unobtrusive observer. This balance can best be described by the methodological concept of reflexivity. The tale presented here intends to describe the meaning of reflexivity along with its associated challenges.

Reflexivity is an acknowledgment of my role in the field and what being there means as well as what my presence contributes to the field, if anything. As Atkinson and Coffey (2002) proposed, reflexivity is the balance of knowing your place, without either over or understating your role and influence. What was garnered from the current study is that there is a balance to learning how much of yourself to put into the environment. On one hand, you want the members to get to know and trust you, but, simultaneously, you don't want to interject too much of yourself so as not to influence the direction of a conversation or discredit your reputation as an unbiased observer. As a result, reflexivity is about finding the appropriate balance to carry out your research, analyze and then present the findings. It's a process that, if balanced well enough, will result in the validation of your findings.

Reflexive balance is weighted by the researcher, her personality, maybe a sense of humor, as well as her interaction with others, and a reflection of self in these interactions,

¹⁹ The following tale most closely aligns with Van Maanen's (1988) confessional tale. Furthermore, the confessional tale is one of firsthand experiences. The confessional allows the researcher to interject his/her perspectives. Therefore, the first person voice is used throughout the following tale.

including her reactions, thoughts and feelings while in the field. The balance is weighted by the proposed research and the methodological outline complete with research questions. Yet intentions for research are still influenced by new questions that arise daily as you participate in an organization. Participants are social beings, and this social activity influences your research intentions. For example, participants are engaged in their normal day-to-day activities, but also want to get to know you as a person, and others want to understand your motivations for being there within their environment. As you respond to their inquiries, research tactics, such as who you interview and how you ask interview questions, begin to change.

While a professional environment, an organization is still very much a personal space. The organizational members know one another, but you, the researcher, are an outsider, an intruder. These members let you into personal conversations and into professional meetings, expose you to sensitive, proprietary information about the organization and their clients. You hear discussions, disagreements and arguments. Doors are opened and doors are closed around you, inviting you in and shutting you out of certain conversations. The associated challenges are those of gaining knowledge and comfort. Comfort or, more appropriately, discomfort comes from asking to join a meeting or conversation while feeling awkward doing so, because you know you're intruding. Despite experiencing comfort or discomfort, knowledge still must be gained.

As a participant, I was welcomed into AdCompany. Almost daily, most definitely weekly, I was asked what my research project was about, if I had research questions, hypotheses and theories, when I would be done, what the outcome of my research would be, and if they would be able to read my work when it was done. Participants gave me advice for and asked me questions about my teaching. I formed friendships with some of the participants whom I shared

common interests with and whom I found myself talking about personal hobbies with, such as what we'll do over the weekend. Therefore, I found myself more comfortable with certain members. In part, my background as an account executive, which attracted me to other account executives, influenced my comfort level (more on discomfort to follow shortly).

Members also included me in their work. The CEO and ECD were especially gracious in including me. ECD, for example, shared the agency's creative work with me during a new business pitch and asked for my thoughts in return. After sitting in on an internal or client meeting, CEO would frequently ask what I thought about what I just saw and heard. While, at times, this made me incredibly uncomfortable, these events contributed to my sense of feeling welcomed into the agency and involved, which is a goal of conducting participant observation.

Similar to determining whether or not I should eat the donut, I learned when to participate and how to request to participate. In part, this depicts a process of socialization into the organizational culture. I knew from day one, when I met with the CEO, that I was welcome to participate in meetings. I was told that all I had to do was ask to attend any meeting I saw going on or heard about. And, I was told, that the worst that could happen would be that someone says no.

Throughout fieldwork, CEO remembered my presence and took the initiative her/himself to invite me into meetings. S/he would either plan ahead by telling me the day before a meeting or send me an email letting me know what was going on. S/he would also pull me into a meeting if s/he saw me walking past the conference room, which occurred my first full day at the office. Because of these previous experiences and interactions with CEO, I assumed that having not been invited ahead of time and not been pulled in the day of, as a meeting was underway, that my presence wasn't welcome. My assumptions were not entirely accurate. Later on, the CEO

acknowledged that s/he forgets about my presence. This indicates both an aspect of my knowledge and of my participation. On one hand, what I thought I knew was flawed. On the other hand, I had blended into AdCompany and over time become included enough to be ignored.

While on one hand I started to blend into my environment, on the other hand, I found myself on several occasions feeling uncomfortable. The discomfort I felt illustrates the role of an outsider, an observer trying to become a participant in the agency events and conversations. For example, ECD shared creative work with me on several occasions as noted earlier. On one occasion in particular I caught several typos. The creative work was going out to a prospective client. As a person independent from the research, I wanted to share my discovery. I'm a writer, academic, and teacher, and helping others is important to me. As a participant, I thought that sharing would be appreciated, because AdCompany values communication and collaboration. The very fact that ECD sent me creative work time and again validates these values. However, the researcher in me was uncomfortable. If I gave feedback on a piece of work that AdCompany was involved in winning, I would shape that new business process. This acknowledges my presence but overstates my influence at the same time, as Atkinson and Coffey (2002) noted.

The discomfort I experienced at times also relates to the requests I made, or didn't make. I particularly noted my discomfort regarding the following meeting.

I noticed the client meeting going on and the other meetings throughout the agency. The number of meetings going on is not new, but I realized how I am not invited to everything, which is expected. Earlier in the morning, I saw a meeting that I thought may be new biz and instead of asking to join, like I had been instructed to do, [I] passed by since I saw the CEO in the meeting and felt intimidated to request to join. (FN 15)

This excerpt from fieldnotes depicts two themes. One is the overwhelming feeling related to balance. I struggled to find my balance in the field between participant and observer. Each day I

was faced with challenges and opportunities to join in conversations and meetings, or step back and watch activity from an unobtrusive vantage point such as my desk. On one hand, I was both participating and observing by staying out of the way. Not everyone was invited to this meeting, or the other meetings that occur daily. I was simply one of the uninvited. So, that allowed me to observe the activities of the agency at large, versus the specific activity of that one meeting. Determining what to be involved in and how to be involved was a daily struggle. My struggles illustrate some of the challenges associated with fieldwork. These challenges follow.

A. Challenges of Fieldwork

Organizational ethnography is challenging. Challenges include the time and tasks involved to capture a thick description of culture. However, deciding what is realistically captured and what is realistically known introduces additional challenges.

I. No time like the present. Ethnography is exhausting. Not only do you spend five, six, eight hours in the field, participating in meetings, talking to employees, listening to conversations, observing activities, and writing notes, you then must capture and represent your time spent in the field. Writing fieldnotes can occur, in part, while in the field through jottings on a notepad or, in my case, in a notebook, on a notepad, on paper towels, on scraps of paper, and typed on my computer. However, not everything can be captured in the field due to your involvement and participation and, therefore, ethnography only begins with time spent in the field. Work continues with reflection and writing fieldnotes. Fieldnotes are written that night, the next day, and, sometimes, into the next week.

Typing fieldnotes is overtime for your mind. Most often I would make jottings in a small notebook or on a legal-sized notepad.²⁰ I wrote notes to depict as much detail as possible. I wrote about the events, such as a new business meeting; as well as how I became involved, such

²⁰ See Method for full description of fieldwork and fieldnotes.

as by invitation or request; my reactions, feelings, thoughts, etc.; who was there, what they wore, and what they said. These notes were sometimes verbatim quotes, or elaborate descriptions, and other times cryptic. Cryptic notes, resulting from paranoia, were written in the rare chance my notebook would be stolen, forgotten at my desk when I left for the day, or, heaven forbidden, all together lost. Elaborate notes often come from a discovery, or a more thoughtful analysis, rather than a verbatim representation of what happened. However notes were originally written, all fieldnotes were reviewed as they were transferred into a digital file by the end of the day or week.

Extending beyond the fieldwork and fieldnotes are the ongoing thought processes, and interpretation of data. Therefore, ethnography is also exhausting because of the thinking or, at times in my case, the over thinking involved in the methodology. In every moment spent in the field you can have an interpretation, reaction, or perspective of what is being experienced, observed and heard. Links between data are being made. Previous fieldnotes are consulted. Comparisons are made in an ongoing habit of listening to interview recordings, making memos, forming an interpretation, and analyzing. For me, overthinking came with the territory of ethnography and supports the conscious involvement of the researcher as reflexive. As a research instrument (Conquergood, 1991) you become critical to analysis; analyzing not just the data collected, but yourself also. How to conduct an interview was something I was continually conscious of and striving to perfect. However, overthinking has a place in ethnography. It's the researcher's reaction to the field, both to method and data. And, therefore it's a process of analysis.

However, overthinking, or analyzing in the field, affects the ability to live in the moment. While you engage in one event, your mind wanders to a previous conversation, a previous day in

the field or interview that was conducted. This occurs because of the nature of ethnography, which includes the ongoing analysis. But this may also occur due to the nature of the organization and events of that organization, which was true for the current study. As I finished one meeting in a rush to attend the next, I found my mind lingering on the previous conversation and was therefore distracted from living in the moment. As a result, what I came to know in the field was arguably compromised. The last challenge relates to knowing.

II. Do they know that I know what they know? Knowing my place was a challenge. Over time, invitations to attend meetings became less frequent. At times, I interpreted the invitations as superficial. For example, as I transcribed interviews I noticed time and again that participants asked, have you seen this document or attended this meeting? To which I would answer, no, and then be invited to attend the next meeting or told the document would be sent. Neither the documents nor the invitations typically come thereafter. However, I didn't always follow up either. I wondered, 'was this me becoming lazy in my fieldwork or was this because of my schedule that only afforded me up to four days a week at AdCompany?' Or, I wondered, 'Are they getting used to me, and, therefore, not seeing me as an outsider in need of an invitation? Do they expect me to just show up?' The following fieldnotes capture some of my thoughts as I came to understand my place.

After the meeting ended, there was some lingering conversation going on so I stayed in the room and as they stood up I did as well still lingering. (What is my place in these situations? I purposefully hung around to get more exposure to conversation, but they wanted to talk in private.) As the conversation started to pause for longer periods and voices became more hushed, I took it as my cue to leave. (FN 20)

In this situation, I picked upon on cues to know my place. While the members accepted me in to the new business meeting (to which the above excerpt is in reference), I was not accepted into a

private conversation thereafter. Determining what was what - acceptance, exclusion, politeness or laziness - was challenging.

Developing knowledge was a challenge. Often times, I assumed I was not getting a full or accurate story. For example, I wrote the following, “Wondering what comments are for my benefit ... have I primed responses to my presence. I first noticed comments on “culture” this is our “culture.” (FN 16) Various times throughout fieldwork someone would acknowledge my presence stating, you can write that in your notebook, or someone would tease the CEO by asking if s/he was on her/his best behavior for my benefit. These situations made me feel both included as a participant, and simultaneously isolated as an observer, and, therefore, questioning what knowledge I was realistically capturing.

In conclusion, knowing my place and determining what is realistically known is challenging. The following events best summarize reflexivity and the associated challenges. While in the field, I occupied my time with various tasks.²¹ On day 26, I was working on a paper about an organizational approach to studying advertising ethics. In my paper, I was typing Atkinson & Coffey’s presentation of reflexivity, to not overstate your role as researcher or to minimize your role as influential. A heated conversation ensued around me, captured via fieldnotes.

Talk about irony ... as I sit here typing this sentence [on Atkinson & Coffey], in the field of my very own participant observation, two agency employees walk past sharing a joke. One took the other’s pen and upon returning the pen, states, “here’s your “effing” pen back. You get an f-bomb.” The reply is “f-bombs are part of our culture.” “No they’re not,” the first employee states while pointing at me indicating that that comment doesn’t go in my study. (FN 26)

²¹ For a complete list, see the section on Fieldwork and Fieldnotes in the Method chapter.

Time and again, members acknowledged my presence. While I was presumably accepted into AdCompany, given a desk, and invited to meetings, my role as observer stayed intact. My role as a researcher, who was documenting events for a study, arose daily in member interactions.

The balance of participation with observation allowed for the triangulation of data. Later, DHR invited me into her/his office to hear the whole story behind the pen argument. The backstory relates to a conflict with a neighboring agency, and being in the wrong place at the wrong time. But the backstory is not important to the purpose of sharing this excerpt. The purpose of this excerpt is to illustrate that coming to know is best understood as a process of balancing your role as participant with your role as observer, with consultation from members thus completing the third point of triangulation. As a participant you experience events first hand. Your thoughts, feelings, and reactions to the environment and events are as real as your physical presence. As an observer, you capture what others are saying and how they are behaving. And through follow-up, whether via a formal interview or informal conversation like the one I had with DHR, validation is granted.

5. Organizational Culture Findings

A. A Brief Explanation of Findings

The current study examined the structuration of organizational culture and advertising ethics. Chapter 5 presents findings on the organizational context, which includes organizational aspects of values, goals, challenges, and leadership. Chapter 6 presents findings on advertising practitioners' characterizations of ethics. Finally, chapter 7 presents the relationship of organizational culture and ethics as the rules and resources of culture that both enable and constrain ethical awareness.

Participant observation was guided by concepts of organizational culture and ethics to qualitatively capture organizational members' experiences and their perceptions. Participant observation also allows for a first-hand experience of the organization through day-to-day interaction with its members. First-hand experiences were captured through fieldnotes, and perceptions were captured through formal, one-on-one interviews with organizational members as well as through informal conversations with members in the field. The findings presented in the following chapters are the researcher's most plausible depiction of the organization, the organization's culture, and advertising ethics shared by organizational members and experienced by the researcher.

There are several identifiers for these findings that require clarification. Throughout the findings, footnotes are used. Footnotes provide clarification and connect themes that appear within multiple chapters. For example, the organizational values of honesty and integrity are related to characterizations of ethics. These connections are themselves findings that will be

expanded upon in the structuration chapter, which presents the relationship between culture and ethics.

Interviews and fieldnotes excerpts are included throughout the findings. The label “FN” and an accompanying field day identify fieldnote excerpts (e.g., “FN 1” identifies that the excerpt is from field day 1). An interview participant number, a unique number assigned to each participant during the course of fieldwork, identifies interview transcript excerpts (e.g., “1” identifies interview participant number 1). Quotation marks are used to indicate excerpts are verbatim transcriptions. To protect the confidentiality of an individual participant, individuals will be identified as s/he, and her/him, regardless of gender. When necessary to illustrate a point, and while not breaching confidentiality, titles may be used but participant IDs will be excluded. Finally, and as previously mentioned, to protect the confidentiality of the company, the agency will be referred to as AdCompany.

Findings are presented as themes within chapters 5B (culture) and 6 (ethics). These themes are the result of a multistep analysis. To briefly recap the steps of analysis described in the method chapter, they included writing fieldnotes, transcribing interviews, memoing, open coding, focused coding, and active writing. The unit of analysis is the organization.²²

Collectively, members share a view of organizational values, goals, leadership, challenges, and ethics. However, divided views did emerge for the current study, which illuminate an alternate meaning of the organizational culture.²³ Under divided views of culture, the unit of analysis is the view of an organizational value, goal, etc., that is supported by one or more members.

²² Findings represented by additional units of analysis will be noted when applicable.

²³ As it was presented under organizational culture above, Keyton (2005) suggested that members of an organization will differentiate into subcultures. The current study examined the inconsistent interpretation of meaning, which Martin (2002) proposed differentiation to mean.

As an analysis of organizational members' perceptions, the themes reflect one of three things. First, the themes represent organizational member-labeled terms. For example, the shared value of "open communication" is a verbatim translation of the value shared. Second, organizational members shared similar perceptions, but used different terminology for the value. For example, some members explicitly said that AdCompany values "people." Other members talked about the value of putting employees' families first, respecting others' time, etc. Together, these related values constitute the people value presented in the findings below. And finally, some themes come from literature, such as the term business ethics from Drumwright and Murphy's research, which will be cited accordingly. Finally, themes will be labeled with the number of interview participants supporting each theme, written as "n=X."

Following is a presentation of organizational culture (5B), advertising ethics (6), and structuration (7).

B. Organizational Culture

Research question 2 asked, what is the organizational culture of the advertising agency? Specifically, what are the organizational values (I) and goals (II), what challenges does the agency face and do the members solve (III), and what do members think of leadership (IV)?

Organizational culture sets the foundation for the present study. To understand ethics, we must first understand culture as the context for where values are formed, goals set, and challenges faced. Leaders are often times the first members faced with these challenges, and, therefore, are identified as the first ones who establish culture. Currently, AdCompany is working to win new business. AdCompany has also recently laid off employees as a result of a lost client account. The two founders of AdCompany are still seen as the leaders today, even

after they sold the agency to a holding company. However, the extent to which both contribute equally to upholding AdCompany's culture is a divided view.

Organizational culture, while shared, also acknowledges that differences in views exist. Differences in views include alternative perceptions and contradictions of organizational values, goals, etc. Divided views help us understand organizational culture in more depth and detail since not all beliefs are shared. Divided views^{24,25} were captured and are introduced within each section of organizational culture, to which they pertain.

I. Organizational values. Research question 2a asked, what are the agency's organizational values? Culture is represented, in part, by the values shared among organizational members. Values shared are those that members believe to be important at AdCompany, and are those values for which there is agreement. Values are taught by leaders and learned from others at AdCompany. The shared values of the organization include a) four formal values, b) people, c) the work, d) collaboration, e) open communication, f) honesty and integrity, g) equality, and h) the client. Some members have a different understanding of these values. These alternative perceptions of organizational values are presented as i) divided views.

The formal values for AdCompany are referred to as ICCE, which stands for integrity, creativity, collaboration, and equality. These four formal values stand together as designed by the leaders, but are also perceived as independent values. This means that a participant suggested creativity was a value but not as part of the ICCE model.

²⁴ Divided views reflect disagreement and, at times, weaknesses of organizational culture. Therefore, when necessary to protect confidentiality, participation ID numbers are omitted.

²⁵ The unit of analysis for culture (and each respective aspect) is the organization as previously noted. For example, a value or goal is the unit for which an organizational view is shared. Divided views are opposing, and at times contradictory, views of the shared value, goal, etc. Therefore, under divided views, the unit of analysis is the view that might be supported by one or several members.

Other values include people, the work, collaboration, open communication, and honesty, which is closely related to integrity, equality, and the client. Members value their fellow co-workers and believe leaders respect and value the work of their employees. One way this value was supported is the provision of a flexible work schedule. For example, members take advantage of leaving work early to attend their children's sporting events. Members also see the agency as a family who come together during difficult times. A tragedy, presented later under challenges, was introduced to support this belief. The work is valued two ways. First, hiring and retaining hard-working employees is valued. And, second, the agency values creativity: the product of hard-working people. AdCompany values the act of collaboration, which is perceived as teamwork internally as well as having partnerships with clients and vendors. Open communication is evident by information shared during monthly meetings, as just one example, and is both appreciated and expected. Sharing information openly *and* honestly is valued at the agency. Therefore, honesty is a value and was often associated with the member term, integrity: one of the four formal values. The value of equality relates to the fair treatment of employees, and to the effort applied equally to all client accounts, big or small. Equality is also a formal value. And, finally, the client is valued. AdCompany and its clients work together in a mutually trusting partnership to achieve the goal of producing good work.

Before elaborating further upon the shared values of the organization, it's important to address from where organizational members perceive culture to emerge and how values are learned. The following perceptions describe a process of socialization. Socialization of individuals into a group, such as new employees hired into an organization, involves teaching new members culture (Gabriel, 1999). Schein suggests that culture is passed down from leaders (1990, 2010). For AdCompany, culture is learned from 1) leadership, 2) it is shared by leaders

and learned from others during events, 3) it is understood by comparing current practices to previous work experiences, and it is 4) understood by a person's fit within the culture.

First, AdCompany's values were created and are maintained by leaders (n=8).²⁶ AdCompany leaders live the values of equality, integrity, and open communication, according to members (9, 29). The leaders espoused these values when they founded the agency (18), which has since formed the cultural foundation for the agency (30). As one participant points out, "It's hard to talk about culture, the agency, without talking about the founders. They created it." (30). A value shared, which will be elaborated upon below, is integrity. Integrity has "trickled" down from the CEO and CCO. "It's a pretty high integrity shop I think. I think that definitely trickles down from [CEO] and [CCO]. I've always said, and I don't mean this as an insult, but I work for nice [people].²⁷ I think [CEO] and [CCO] are two of the nicest [people] I've come across in the business." (24).

Second, leaders teach values, and social events help to maintain culture (n=5). Events observed during fieldwork included an award show, a Valentine's Day shuffleboard tournament, a softball game, a wedding shower, and happy hours. Agency events that have happened in the past and those that occur presently help to shape culture. One participant reduced culture down to the social aspects of the agency by stating, "People talk about [AdCompany] culture and I don't know because I'm not on the party circuit. I don't go to the afterhours things ..." (43). Other members referenced the yearly events that take place (28); and others noted an upsurge in activities, such as the recent shuffleboard tournament for Valentine's Day (40). When responding to what is culture, a member shared stories of what s/he used to be able to get away with at the agency. The following fieldnotes illustrate a member's memories.

²⁶ Findings for leadership, an aspect of organizational culture, will be presented below under section B. IV.

²⁷ Participant later clarifies that this is a joke.

Times back then were different. [S/he] was interviewing and out of the agency, which [s/he] would take advantage of for long lunches and other excursions with co-workers ... [S/he] talked about one time that the three went to lunch splitting three bottles of wine ... And stumbling back to work, [s/he] was driving, to drop off the other two who had cars parked here. [S/he] remembers [a co-worker] sitting outside on a bench waiting to be picked up [it was the end of the work day by the time they made it back], which was her example of getting caught. (FN 43)

The excerpt illustrates not only the social scene in which s/he was engaged, but also a relaxed nature of the agency.

In the past, AdCompany hosted a scavenger hunt, golf tournaments, and a trip with Habitat for Humanity as their annual spring event (FN 15). The annual spring event was planned to occur this year, yet other activities were viewed as decreasing in quantity. Speculations to why the decrease in activities include an increase in workload (18); a decrease in people, which means you aren't "crammed" together and by default no longer bonded with your fellow employees (18); a decrease in younger employees, which contributes to the social energy of the agency (18); and financial restraints placed by the holding company (41).

Third, AdCompany members shared previous work experiences to illustrate how the agency is different, and specifically why the values of AdCompany stand out (n= 10). Respondents compared organizational values with previous work experiences, including their agreement or disagreement with AdCompany's values. Members also compared aspects of leadership, such as strengths of leaders at AdCompany versus weaknesses of their previous bosses. Together, these experiences from the past were used for comparison and for understanding the agency's culture.

A unique aspect of AdCompany is that the agency outsources employees to client companies. There are three employees who either 1) work from the client's office a specified period each month, or 2) are contracted through the agency as a client employee. For the latter,

an employee's paycheck is cut from AdCompany, but day-to-day operations are for the client. When this contracted employee meets with the agency, it is to represent the client. The employee works full-time from the client's office and the client pays AdCompany for the contracted employee. This position allows these employees to contrast organizational cultures. S/he states in reference to the openness and collaboration values, "What I value about [this agency is] supported by seeing what happens at [client]. I truly understand why I appreciate that stuff so much about the agency." (4) This finding suggests that culture is known by making comparisons with other cultures. Similar to a process of socialization (Gabriel, 1999), here, culture is learned by comparisons made across organizations versus within a single organization.

Fourth, culture is maintained by fit and acceptance. Members expressed characteristics of people who fit and those who don't fit in at AdCompany (n=17). "Fit" was a term explicitly used by members (1, 6, 7, 13, 16). New hires learn culture by learning what it means to fit in at AdCompany. The process can occur by accepting new hires into the culture and therefore learning of your fit from others, or, as a new member, accepting to be a part of the culture, and learning what values and goals you appreciate and accept.

Not all new hires accept the culture, stating that, you just know when it's not a fit for you.²⁸ As a leader states, "people who don't fit in [at AdCompany] stand out right away" (13). Employees agree that a new hire "thinking differently" (15) won't work out as a lasting relationship at the agency (15, 16). This lasting relationship is important to the value of people, and subtheme loyalty, to be discussed later. In addition, the process of fitting the right person into the agency is factored into the hiring process. Employees believe that the leaders do a good job hiring the right people at AdCompany (4, 8, 17, 34, 38).²⁹

²⁸ Interview participant number omitted to protect confidentiality.

²⁹ More on leadership follows in section B. IV.

The labels used to describe what it means to be accepted into the culture include “fit[ting] in culturally” (1), or simply “fit in” (6, 7, 13), and those that “get it” (5). Characteristics of people that don’t fit in at AdCompany include selfishness (1, 7, 43, 46), introversion (1), and egotism (9, 38). By comparison, characteristics that do fit in well with the culture are those of teamwork (7), honesty (21), strong work ethic (25, 43), leadership (38), decisiveness (38), and experience (38). To elaborate upon the fit, a person that would be accepted into the agency is a hard worker that could be a leader in whatever role s/he was assigned. Ideally, this person would come with experience, although it is debatable as to whether or not the agency still hires “senior” level executives today. S/he would be a hard worker and “straightforward” with others (21). The title of the assignment doesn’t matter, along with hierarchy, and an ego. All of these would be happily checked at the agency door. In other words, a good fit would not be a “diva” (7) or a “prima donna” (46).

Following is a presentation of the organizational values in further detail. Each value will be elaborated upon and supported with exemplar quotes from interviews and fieldnotes. While there was agreement on the values that are shared, some members suggested ways in which organizational values were not supported. Divided views will follow and a summary will conclude the section on organizational values.

a) Formal values. Agency members indicated that four formal values exist: Integrity, collaboration, creativity, and equality (n=13). The formal values for the agency were also referred to as ICCE, pronounced ice (16, 22). A few distinctions make these values formal. First, the leaders instituted these values. Second, they are still taught today as the four values of the agency. And third, the values appear on a rotating screen in the lobby of the agency. The following was noted, “The TV was playing in the lobby again (I noticed it on Day 1) but with a

different graphic. I saw slides on Philosophy and Purpose which were 1) integrity, 2) creativity, 3) collaboration, 4) equality, 5) personality.” (FN 2)

Not all members who shared that formal values exist for the agency could recite what they are. The following exchange between interviewer (I) and participant (9) illustrates this forgetfulness.

- (I) Can you talk a little bit about the agency's values?
- (9) [Laughs] you wanna know what they actually are? The real thing? Or what they ...
- (I) Are there real values?
- (9) Uh. Yeah. I really do think there are. And I think they've come down from the top. If you asked [CEO] and [CCO] what the values are that they put forward, creativity, equality. Uh. Figuring out what the other ones are officially named. (9)

As the values were introduced by leaders and subsequently forgotten by their employees, and as the remnants were suggested during interviews, members asked for the concealment of their forgetfulness. They joked, “Don’t tell [CCO]” (27), and “I should know all of them by heart. Don’t tell [CEO] that I don’t.” (1) Another employee knows the agency has four, which s/he calls the “four pillars,” and does her/his best to recite them. After sharing only one, integrity, s/he states, “[CEO would] probably kill me because I can’t even name them all off the top of my head” (3). What these members did remember is that there *are* values, that the leaders instituted them, and that these values are important to the leaders. In addition to being introduced as the four formal values of the agency, each value came up separately. Therefore, the individual values that comprise the formal values will appear again below. Next is a presentation of the people value.

b) People. People are valued at AdCompany (n=25). The people value acknowledges that a person is more than an employee contributing to the work of the agency. An employee is part of the agency family, with a family, and is respected and trusted human being with personal needs.

Simply put, when asked what is valued at the agency, the response was “people” (2). There is a shared understanding among organizational members that people are the main asset to the leaders (11) and that the leaders invest in their employees (20). Leaders invest in employees by acknowledging and responding to their needs. One leader illustrates this understanding by suggesting the ways in which they pay attention to employees’ needs.

It’s a people oriented value that we have always exercised in terms of ... attention to employee needs that go beyond [a] corporate HR benefit list. For example, if someone needs to be out longer for a death in the family or a honeymoon or an extenuating circumstance, we tend to be pretty lenient about that kind of stuff. When people say, I have to be out of here this afternoon for my kid’s soccer game, we don’t get in the way of that stuff. We look for ways to help people live their other life too. (14)

On the second to last field day, an eve to a holiday, the following scenario took place, which further illustrates the people value, via attention to employee needs.

At lunch, [a] designer mentioned something about leaving early and hoping [the leader] announces an early close today. [S/he] said [s/he] would never or has never said anything to [the leaders] about asking off early. Back at my desk, I see that [the leader] emailed the agency as follows: “Staying sensitive to the needs of clients and colleagues who might need you here (that should come first), please feel free to get a jump on the weekend starting at 3:30 today. Have a very safe holiday weekend. Thank you all. (FN 44)

While this email states that putting the client comes first, a shared value that will be elaborated upon below, it also illustrates the attention awarded to employee needs. For example, one participant shared that her/his three weeks of vacation time shows that the leaders value her/him as well as her/him time (4). In fact originally, the agency started with no set number of vacation days (32).

The people value embraces several subthemes including i) family first, ii) flexibility, iii) respect, and iv) the agency as a family. Family life is valued above the work. In addition, members of the agency treat one another like family. People treat each other with respect, and as a family they help each other through good and bad times. They are welcoming and friendly to each other as well as to their clients and vendors, and as a result there is a sense of comfort at the agency.

i) Family first. AdCompany understands that your life goes beyond the confines of the office walls and that family is important, whether that means taking your children to a ball game or visiting your siblings (n=9.) Leaders and employees share this value. Employees who put their families first, appreciate the value set by leadership and appreciate the flexibility that leadership allows. “My family is important to me and that was important to be able to have someone. There’s flexibility when you need it. They understand. They know that I’m going to make it up, that I’m going to get work done.” (17)

As evidence of this value, the agency has instituted Family Day³⁰ in honor of the death of an employee. Every employee is entitled to take Family Day once a year. The only stipulation is that they spend the time with family in remembrance of the employee lost.

ii) Flexibility. The value of flexibility allows employees to have balance between their personal and professional life (n=10). A flexible work schedule is an option leadership offers to its employees, such as the above excerpt illustrates. Some employees have a shortened workweek, while others are able to work from home to be able to spend time at home with their children, for example. Balance also relates to the ability to relax at work, play games, and distress, which is a part of the creative process (4, 11).

³⁰ The name of the day has been changed to mask the employee’s identity, which the day is named after.

Along with the flexibility to balance work with family, comes the expectation of respect for your co-workers' time (1, 4, 17). An employee acknowledges that everyone has needs and "thinks that their projects are important and you try to be respectful of that, of course" (17). Respect for other's time must be reciprocated, which is better understood when it's not. For example, the following scenario was shared: Creatives are allowed to work around the clock (based upon the understanding that creativity doesn't have a schedule). However, there is a need for others to keep schedules, such as account executives who meet with clients. So if a creative is not getting in until late morning, because s/he was up late working on a creative project, it makes getting work done difficult for others (1).

iii) Respect. Respect goes further than having consideration for other people's time; respect is shown toward the individual (n=6). The members of the agency respect one another (18, 30, 39), believe they are respected, and, specifically, feel respected by leaders (31). From leadership, respect is felt by being treated like an adult and trusted to do the work you were hired to do (31). A leader confirms by sharing some of her/his philosophy of leadership³¹ and origins of the agency.

Goes back to when we started the agency and hired more senior people than junior people ... there's nobody here, [her/his partner] and myself included, who cared about being a manager or a businessperson. We wanted to be advertising people. I wanted to write ads, [and her/his partner] wanted to build client relationships and solve client problems. So way down the list of things that bring us any kind of joy is being perceived as getting in the way of other people's relationships with their clients and their work ... I just don't have the interest in sitting down with somebody who I respect and playing cop around the decisions they're making. (14)

Respect in this example is understood by the type of people hired into the agency, and as a result, allows for those individuals to do their work without micromanaging. In part, leaders avoid

³¹ Leadership will be discussed in more depth under section B. IV.

interfering with the work others do, because they understand the satisfaction their work brings to them.

Respect is an aspect of a non-competitive environment where work can get done. For example, respect shown toward others is understood through a non-competitive environment (18), and being able to be open and collaborate with others (40). People are “pretty-well respected by each other,” and by example, “there’s not much shit talking behind your back” (18). Another employee explains the culture built on respect as follows,

Never scared to go talk to somebody because I'm afraid they're gonna shut me down. Just this wide-open, mutual-respect environment ... I trust everyone else's gonna get their stuff done, they trust I'm going to get my stuff done, and if anyone ever asks questions of me, I'm always going to answer it, and I expect I should be like that regardless, but it's definitely boosted by the fact everyone else here is like that too ... It's just part of our culture. (40)

The above illustrates respect that is illustrated by how the work is done. Because of the fit of the agency employees, explained above as “acceptance” and “fit” into the culture, everyone shares a similar work ethic. This ethic is encouraged by an open communication, collaborative environment that can happen when mutual respect is present. More on open communication and collaboration values will be discussed shortly.

iv) Agency as family. At AdCompany, you are treated like one big family (n=15).

However, this doesn’t mean you have to have kids. Instead, agency as family is about the treatment of others inside the agency. “I say family ... because it’s a smaller place. That’s what it feels like. ... Whether you’re a single brother or a married sister, it’s the same type of thing.” (18) Part of the family feeling is based upon the actions of employees working together to help one another. “Just like a family, shit happens. There are bad times and good times and you just gotta work through them.” (18) The bad times, specifically, are what bond you together (33). “I’ve seen when this agency has been down and out; the whole agency comes back together.”

(42) While the challenges of the agency will be discussed later in section III, two tragedies help to illustrate the value of bonding together like a family: an employee death³² and the death of a leader's close family member.

... [The agency] actually dedicated a day to this employee. Called [Name] because that was his last name. And I think that was rough. That along with [the death of a Leader's close relative]. Going through adversity like that. Having so many people come together to work on how to handle the sad times, I think that shows a lot of leadership and just camaraderie and willingness to do whatever is needed of you at a time like that. (41)

Others agreed that there is "camaraderie" (21) and just a "great group of people" at the agency (23). However, helping out one another isn't always as heavy on the heart as the above excerpt illustrates. Employees simply become bonded over time, and as friends help each other out with day-to-day tasks. The following scenario, which took place during a one-on-one interview with the receptionist, illustrates this camaraderie.

[Leader] came up to the desk asking about a client meeting and [the receptionist] asked, 'Did you take your medicine?' 'I will now,' [s/he] replied. I asked [the receptionist], 'Are you seriously reminding [her/him] to take [her/his] medicine?' 'Yes.' [The receptionist] said in addition, 'Sometimes you're their [spouse] too. Their [spouses] don't mind.' (FN 10)

As a result of the bonds developed over time, employees respect one another (31). In addition, when new members join into this family, they feel welcomed.³³ For a new hire, when deciding to work at AdCompany, it was based upon the decision to get different experience, exposing her/him to "a ton of things that [s/he'd] never done before." But because of "a great team upstairs" and their efforts to make her/him "not feel stupid" s/he feels welcomed here (7). Therefore, the benefits of taking the job went beyond the work and into the value of family.

The people of the agency put in hard work at the agency. The work of the agency is also valued and shares a close relationship with the value of people. The work value is presented next.

³² This tragedy was noted above as an example used to illustrate the meaning of Agency as family.

³³ The extent to which AdCompany is welcoming is a divided view and will be presented under section B. I. i).

c) Work. AdCompany is hired by a client to create great advertising. Therefore, hard work and creativity are valued at the agency, which is summarized by the value of “work.” This value is supported two ways. First, (i) hard-working people are valued, which includes who does the work, how work is completed, and having loyalty to the agency (n=25). Second, (ii) creativity is valued, evidenced by the belief that the agency values and produces good, creative work (n=24). The two go hand in hand. To get the best work, you must put in hard work. It should be noted that creativity serves as one of the four formal values of the agency.

i) Hard-working people. Hard work is valued and is a characteristic of having a fit to the agency. Various characteristics were used to describe the hard-working employee. Hard work is an expectation, supported by other aspects of the agency’s culture, such as the value of collaboration. If all employees work hard and work together, great things will be accomplished. The result is a sense of accountability between members. Finally, hard work is perceived as a sign of loyalty to the agency.

The type of employee who fits in at the agency is “strong” versus “passive” (25), “hard working” (18, 21, 25), “smart” (4, 8, 11, 14, 15), “passionate” (4, 18), “good” (11, 15), and “senior” in experience (14, 29, 39, 43), or considered an “expert” (3, 5).³⁴ In the early days of the agency, the expectation was that the leaders would hire those with more experience versus “people right out of school who didn’t have experience” (38).

Hard work is expected, which is evidenced by the level of work given to interns (5, 10, 33), and the ability of new hires to jump into the work right away (3). For all employees, the expectation is that you’ll complete any task that needs to be done including making copies or sending faxes (46). These expectations are set upfront during the interview process. And for a few employees, work began without training (6, 7). Therefore, being a hard worker, and taking

³⁴ The extent to which AdCompany still hires senior level executives is a divided view.

an active role in getting started, versus passively awaiting direction, would be necessary to “jump into the deep end” (3). The expectation of hard work has negative connotations. One member explains the culture of hard work as “sink or swim” culture (5). As a result of expectations set, a sense of accountability is fostered. Accountability is about not letting others down (1), “pleasing” the leaders (35), and pulling your own weight of the work (6). An employee explains accountability as follows.

I think that what I was talking about with the work ethic and holding yourself to a high standard, I think that's pretty critical and I value that a lot and I feel like it's valued everywhere that idea of I'm going to do the best that I can, hold myself to a really high standard and I expect you to do the same. I'm not going to expect you do more where I'm just going to sit back and do nothing and expect you to do all the work that everyone here ... I'm going to get as much done as I can and if you do the same ... just imagine what we're going to be able to accomplish. (40)

As s/he explains, accountability is about working hard and expecting others will do the same. By doing so, by working hard together, s/he and others believe that great work will be accomplished.

The expectation is to work hard for the agency and in return, the leaders will support employee growth. Growth leads to tenure with the agency that is atypical to the industry, according to an agency executive. This longevity with the agency is perceived as loyalty. When asked what the agency values, and when “hard work” was provided as the answer, elaboration for what this meant included “honesty and loyalty” (10). “Loyalty,” as a value of the agency, is defined by the longevity or years of employment with the agency. An employee states, “People seem to stay here longer than a lot of agencies because a lot of people have been here for like five years, ten years or more” (20). As s/he elaborates, the explanation as to why surfaces, “And I think that can only happen when [the founders] invest in their employees ... they want to make it good for people” (20). Here, values of hard work and people come together. The agency values

people, and “make[s] [the agency] good for people.” In return, these same people show their loyalty by staying with the agency, and continuing to work hard for years to come.

A leader confirms her/his appreciation for the people who have been with the agency for a long time and for those who work hard. “We have a soft spot for people who’ve been here for a long time and I think beyond that it’s people who really not just that they’ve been here it’s what are they putting in? Did they get involved in things beyond their assignments?” (13) The relationship between hard work, loyalty, and people can be explained as follows. The type of person that will fit in at the agency is a hard worker. People, in general, and hard workers specifically, are valued, and, therefore, are treated well at the agency. As a result of the fit and fair treatment from leadership, this person will stay with the agency for what is believed to be a longer tenure than expected for the industry. This tenure is then viewed as loyalty.

Hard work also relates to managers acting as workers (29, 35).³⁵ “Nobody is simply a supervisor. Everybody also does the work.” (29) This leadership characteristic poses challenges for those in management positions. A manager explains,

Basically how it works you do the very best you can to get your work done during the day while you’re managing and answering questions and helping and keeping everybody else, keeping the train on the tracks and then you stay later to finish your work to make sure it’s caught up (she laughs). That’s how it works. You have to figure out a way to get it done and since that can’t really be done in what ... what anybody else would say is an 8-hour workday, you just simply do it in some fashion. Just how it is. (29)

The belief is that, whether you’re hiring a manager or an employee, you hire good people to get the job done (11), without a lot of micro managing. The job done, and presumably a good job, is also valued, which is discussed next.

ii) Creativity. Creativity is understood independent from the formal values, and describes the process of work as well as the outcome of hard work: a great, creative product the agency

³⁵ A characteristic of leadership is hands-on, which further described the working culture of the agency. This characteristic will be discussed in more detail under leadership, section B. IV.

strives to accomplish. The good work done by the agency is a creative product, whether an ad, a website, or a campaign. In addition, the process leading to creative output should also be approached creatively, such as the content and tactics of a client presentation. “[The leaders’] philosophy was hire good people and let ‘em do their job, and you’ll get good work out of them, and they’ll take care of the clients. And that’s been the case, I think.” (11)

The agency shares a commitment to the work produced, and a belief that the work produced is good, top-quality work (13, 14, 20, 21, 22, 23, 33, 39, 40, 45). Both founders of the agency have a high standard for the work, as one founder illustrates here:

So it's not like we came up with something out of left field ... it's always very well thought through strategically and we, we really push, push, push, push to get things as good as [they] possibly can be. We don't stop. We keep pushing until the last second if we think it can be better. (13)

Employees agree by suggesting that they too share this dedication to the work (20, 21) and come prepared to work hard by bringing ideas to the table, so to speak. In addition, there is a shared belief that creativity can come from anywhere, and that creativity can be applied to all jobs (16, 20, 21, 22, 28, 34, 38).

Creative output is obviously a shared value here. That is. We produce creative and that that output is a ... value that is always top of mind for everyone. Whether it be from the account group and working with the clients all the way to the creative process. That value is ... instilled across platform[s]. (22)

Coming to the table prepared to share ideas, and contributing to producing the best, creative work, can further be explained by the value of collaboration.

d) Collaboration. Collaboration also contributed to the four formal values of the agency. Collaboration, independent from the four formal values, is a shared value that can best be defined as teamwork, which helps produce the best, creative work (n=17). Collaboration pertains to the work shared between internal members, but also pertains to processes for working with

external members including clients (33) and vendors (23). With external members, the agency believes in partnerships. For example, a client is an equal partner in the creative process who, as a partner, has the right to love the advertising created.³⁶

According to members, working together is viewed as an atypical industry process, albeit a process valued at the agency. For example, media executives, those planning for and placing ads on radio and television (as two examples), do not typically sit face to face with a client, whereas an account executive and, possibly, a creative director do. However, at AdCompany, media executive do get “face time” (17) with the client, which contributes to the collaborative value.

As previously mentioned, producing the best creative work is also a value shared at the agency. Teamwork contributes to creating the best work (16). The agency believes that good work comes from not one but many people working together (3, 5, 16, 23, 26, 28, 38). Simply put, collaborating makes the work better. An executive elaborates,

So [collaboration is] making sure that you work well with the people around you and involve the right people at the right time to get the work done so that it's not one person isn't [*sic*] responsible for getting the job out the door. And if it ever is one person then it's probably not very good. The idea's that everyone can improve upon someone else's work. (16)

The value of collaboration is based upon the belief that if “you’ve got other eyes on it it’s going to be better; period” (16). The value of collaboration, therefore, utilizes the value of hardworking people, who are the right people to make the project at hand the best it can be. Collaboration also utilizes open communication to make the work better.

I always hear other people that talk about other agencies where the art director writer teams would keep secrets from the other teams so they wouldn’t see what they were doing and wouldn’t steal their ideas. Here it’s just like, ‘aw that’s a great idea; can I do something with that?’ By being more open that helps particularly with the art directors, that helps me work because if I can get in early [on a project] I can make suggestions on

³⁶ The client value is a value shared and will be presented below under section B. I. h).

how we can make this better. As opposed to going okay here's the layout and just fix whatever needs fixing. I always felt I've been trusted to say I'm going to do this to make this better and I just do that. (38)

The agency values and expects open communication and collaboration. Collaboration means that members share their ideas and work processes versus keeping secrets, as other agencies are known to do. However, part of working together is contributing one's own individual strengths to making another person's work even better. In both sharing ideas and contributing to the work, trust becomes important. Trust will be elaborated upon further below.

Working together allows members to feel like they're part of a group (7, 17, 20, 32).

Furthermore, being part of a group, and contributing to the creation of good advertising uplifts the morale of the agency.

... I don't think I've ever asked anyone for help with something who wasn't willing to help. Or give me an answer. Make me feel bad about something ... It's really nice. And that's the kind of environment that I thrive in. I like feeling like I'm a part of something and feeling like we're doing good things collectively. (7)

Working together has become engrained into the agency's culture. When new members are hired into the agency, the best fit is someone who possesses collaborative traits of sorts and who will thrive within an environment of teamwork. The output of collaboration is valued as much as the process. The output is a sense of purpose beyond producing "just work" (1). A member explained that working together at AdCompany makes the process feel like contributing to a bigger cause.

Collaboration represents an aspect of culture, via shared values. In addition, collaboration represents an intentional design for the agency. The agency was designed to have an open layout that would inspire teamwork and communication, both of which contribute to collaboration. The value of open communication, shared at the agency, is presented next.

e) Open communication. Open communication is best summarized as a process of sharing information openly and honestly, which is made possible, in part, based upon an intentional accessibility to others (n=22). Organizational members used the term “communication” as one of the four formal values of the agency. In addition, members discussed the ways in which they communication in terms of “openness” (1, 4, 5, 26, 37, 38, 40, 41). Members’ perspectives of this shared value will be shared following a brief description of the value experienced first-hand.

Openness to the agency was experienced during the first day of fieldwork, during the recruitment meeting. Openness was experienced two ways. The first way that openness was experienced was based upon an observation of the agency’s layout. One of the first architectural aspects noticed were the glass-walled conference rooms. The second way that openness was experienced was by the welcoming nature of the Director of Human Resources and Chief Executive Officer.

Open communication is represented by the intentional layout of the agency. Besides a few conference rooms with walls, a combination of drywall and glass, the office space was designed with an open layout. Employees’ cubicles were viewable from various points throughout the office. For example, upon entering the agency, exiting from the elevators, you immediately come upon a reception’s desk and could view a few glass-faced conference rooms along with two main clusters of workspace. The workspaces were desks arranged in clusters of three or four, with cubicle walls extend no higher than mid-waist to chest when standing.

The recruitment meeting took place inside one of the glass-walled conference rooms. Being inside one of these conference rooms was documented as follows,

[The Director of HR] took me and we sat down in another office ... this office or conference room also had glass walls. We sat in the room with the door open ... [S/he]

was receptive and interested in my study by stating that it [a study of culture] was something they would very much like to learn about their agency ... The CEO came in later ... When [CEO] came into the room, [s/he] shut the door. The room turned from feeling open to feeling like a jar since the closed door created a vacuum sound to our conversation ... [They] mentioned dates for which I could attend meetings. This is when I realized I had the approval ... they also talked about the space I would occupy ... this also confirmed by 'in,' but more so just made me feel welcomed. (FN 1)

The glass-walled conference room was one of the first encounters with an organizational artifact and symbol that represented the value of openness. This symbol was further supported by the nature of the conversation with the Director and the CEO. A meeting that was planned, from the researcher's perspective, as a hard sell of the research to be conducted, instead represented what the research would illuminate: the value of openness. Openness in this setting was symbolized by members' willingness and interest in participating in my research. Later, in a one-on-one interview with one of the leaders, s/he validated openness by stating, "We've got nothing to hide. So if you learn from this, that's great. And you're going to see some things that we do really well and other things that we don't."

Throughout the remainder of the study, members supported the agency's openness by participating in conversations, inviting me into meetings, and sharing their perspectives about the agency in one-on-one interviews. Their perspectives on open communication follow.

Open communication is based upon the members' understanding of having access to others, having an open discussion, and being honest. Open communication is possible based upon access to others. Access is both symbolic and physical. From a physical perspective, access is designed into the layout of the agency. The open layout was intended by the leaders to create a forum for conversation among agency members. The layout is also symbolic relative to leaders. Members share the belief that the owners are available for a conversation, to answer a question, etc. (6, 17, 21, 23). While the owners' names are on the building, employees understand they are

still approachable (21). Having a desk out in the open, like everyone else in the agency, symbolizes accessibility that seems contrary to what you'd expect of a CEO. This symbol of access and physical aspect of an open floor plan maintain a flat organization, where hierarchy is unimportant and leaders are just as approachable and employees. The symbolism of a flat organization will resurface under the equality value below.

There is an open dialogue at AdCompany (40, 41, 44), where members are encouraged to share (1), where others feel they have a voice in the operations of the agency (35), and are making a contribution by sharing (38). Discussions are viewed as good activities at the agency (14), which make the work better (38). This relates to the value of contribution discussed previously. To make the work good, agency members must work together, share opinions openly and honestly with one another and with the client.

To illustrate the meaning of the value, members shared several examples of open communication. Examples of open communication shared by agency members include the content discussed, or the purpose of open discussions, and when discussions happened. Information that is shared might be about the client (41) or personal feedback on performance (6) as two examples. In addition, the discussions happening today are believed to be different than those of the past, which can be explained by the holding company buyout. An employee suggests that the holding company influences what can and cannot be shared by the CEO and CCO (11). For example, an employee explains that whether or not you're going to get laid off is not information s/he's privy to having. S/he continues that while some information cannot be shared, s/he understands that some things s/he just "[doesn't] even need to know" because if the agency knew layoffs were coming "they're gonna be racing for the elevators" (11). Timing of a discussion might be dependent upon the issue at hand (15). For example, AdCompany

experienced several layoffs and was fired by a client during the period of fieldwork. An agency meeting was held soon after the leaders heard from the client (15).

Another example of open communication is where discussions take place. Informally, it's known that you can approach anyone, including a leader of the agency, to have a discussion (23). Formal discussions take place during meetings (1, 14), during monthly meetings lead by the leaders (15, 41), and during anniversary lunches (1, 13, 15, 32, 41). In fact, the anniversary lunches was created b leadership to give "a small group of employees an opportunity to voice issues" (15). The anniversary lunch is supposed to occur once a month, but the agency has gotten behind from time to time (15). Any person that started to work for the agency during the month of September, for example, would attend the September anniversary lunch. So some attendees will have worked at the agency for one year and another for five. At the anniversary lunch every attendee is required to say one good thing and one bad thing about the agency. For example, during the anniversary lunch observed, a member suggested the agency could do a better job prioritizing deadlines. Another member similarly suggested that response times to new business projects could improve. Positive feedback included an increase in agency efficiency, albeit as a result of recent layoffs. Another member brought up her/his past job where communication was a problem. At AdCompany, s/he appreciates the meetings and being informed (FN 23).

Not only is the lunch an opportunity to "voice issues" but also to see change. An employee states, "We try to address [the issues] if we can, if it's issues people have, we try to address them" (15). Another confirms, "And they don't just take that down, they discuss during the lunch what's going on, what the real issue is and generally they aren't quick solves, but if

they are they try to address it right then.” (16) Regarding meetings overall, there is a divided view³⁷ on whether or not all, and the quantity, are seen as good.

Open communication is a value of sharing information openly and honestly in formal meetings and in conversations held within the open workspaces of the agency. The process is encouraged, and in part expected, as a good process for the work produced. Being honest was given as an example of how the agency engaged in open communication (13, 17, 18, 19, 40, 44). Honesty and integrity is also a shared value, and is presented next.

f) Honesty & Integrity. Honesty and integrity constitute a shared value (n=17). Together, honesty and integrity refer to doing the right thing, and behaving consistently over time. Integrity was introduced by members as one of the four formal values of the agency. And, as previously mentioned, honesty relates to the value of open communication.

Integrity is believed to be an irreducible value (and a characteristic of leadership³⁸). If asked the one value the agency upholds, it would be integrity. When integrity was explained further, it was represented as upholding beliefs and values of culture by unwavering action. By unwavering action, the leaders of AdCompany uphold integrity. This consistency of action allows employees to never doubt the leaders’ integrity (9). Unwavering action can be explained by sticking up for what they believe, according to an employee’s beliefs about management (6). However, as suggested below, two people’s unwavering beliefs may cause conflict. For example, there is an ongoing debate as to the goals of the agency. The debate is between winning awards, to uphold AdCompany’s creative reputation, versus making money. S/he elaborates,

Honestly, that awards making money thing has been one of the sayings that people will say honestly ... like [a Creative Director] will say if we’re not doing stuff that would win us awards then fuck this place, I’m going to leave and then [another Director] will say if we don’t do stuff that makes money ... whether or not it wins awards you won’t have a

³⁷ The divided view of open communication will be presented under section B. I. i)

³⁸ Leadership, as an aspect of culture, will be presented under section B. IV.

job anyway. People can say exactly what they think, I think ... and people also make light of it ... I think if you are honest and respectful of the other person, honesty is really welcomed. (6)

In the above scenario, integrity is maintained by being honest during a debate of how the agency should maintain its success.³⁹ Furthermore, according to this member, integrity involves respect (6), or thinking of the other person (14). In the above excerpt, honesty with a co-worker shows consideration for internal members. External members are also shown respect.

Integrity is also about being honest (3, 5, 6, 13, 16, 21, 22, 25, 27, 28, 29, 33) such as with clients. The value comes into play when working with a client, billing the client, and when reporting errors that occur on the client's projects. As two leaders explained, integrity is about being honest and upfront with the client (13) while maintaining consistency of this behavior (14). By comparison, other agencies don't represent the same level of integrity that this agency has.

I think that the agency itself and a lot of agencies that do survive are based on that that level of client relationship. The ones that are kind of the fly by night ones are the ones that, 'oh yea we can do that.' They're milking profit somewhere in the production process or something like that. Those are the ones that the clients don't stick around too long ... the other side is the ones that seem to talk a great game but don't seem to actually come to fruition with everything they promised. (22)

This excerpt illustrates what other agencies are perceived to do, which is the wrong approach. By contrast, AdCompany is honest with the client about services offered. Therefore, integrity means promising the client only what can be delivered (22). Furthermore, AdCompany maintains a reputation with its clients after years of service and years of keeping promises versus letting the client down, according to another member (14). Another member believes the leaders of the agency stand for integrity with clients, and, therefore, would never lead a client "down a wrong path" (5). Another employee agrees that integrity is about bringing issues to the client and taking responsibility for errors, even when the errors are not the agency's fault (3). For example, a

³⁹ Goals and values are similar in nature, per members' responses. Goals are presented next under organizational culture, section B. II.

major error occurred on a recent project where 12,000 customers received a gift card they weren't supposed to receive. This error resulted in hundreds of thousands of dollars in costs. S/he explains, "... we told the client everything. This is how it happened. This is what we're doing now to correct it. These are the steps we're doing going forward to make sure it doesn't happen again." (3) The result is trust, which is what one employee articulates integrity to mean (34). In being honest with a client time and again, they in turn will learn to trust the agency.

Integrity can be upheld because members believe and appreciate the value (1, 7, 9, 16, 25). Integrity, and how it facilitates an honest client-agency relationship, is what one employee "loves" about AdCompany (16). S/he explains,

So integrity being everything from being totally transparent to our clients in everything. If there's something that's gone wrong in a project, if it's something about the budget, how the dollars are being spent, all of that just needs to be as open and honest with our clients as soon as we know that [something] isn't as it should be. Being upfront with them or with a colleague [and] being upfront with a colleague right away. And that's the value that I love about this agency. It goes all the way down to production costs. We don't mark up. And in this business there are a lot of agencies that make a large margin on marking up other [vendor]'s costs. We don't have that. And it makes it so much easier to have a conversation with the client to say here're your costs ... (16)

Integrity is about being honest with a client *and* setting policies, such as no markup (16, 25), so that honesty can be maintained.⁴⁰ Maintenance of this policy is just another example of the unwavering action of integrity. Another member agrees. S/he finds confidence in and appreciation for the value of integrity and subsequent policies. S/he explains, "Integrity, which is great, [means you] never feel like you have to hide anything. [You] just need to be honest about everything and that's a very good thing. Makes you feel good about working with your clients." (7)

g) Equality. Equality was listed above as one of the four formal values of AdCompany. Equality refers to the fair and equal treatment of employees and to the fair and equally

⁴⁰ Markup will be presented again under organizational challenges, section B. III. a) v).

distributed effort applied to the work. Therefore, the value is broken out two ways. First, i) there is equality between employees (n=14). The perceived equality between employees translates all the way down to interns. Second, ii) there is equality of work and effort applied toward every client project (n=8). Each aspect of equality will be discussed and supported below.

i) Equality between employees. AdCompany members explained equality between employees in several ways. The support offered was tangible, symbolic, and value-oriented. Tangible aspects of equality could be seen through the physical attributes of the agency (1, 13, 23). These same aspects also served as a symbol. The workspace represented a non-hierarchical structure with equal distribution of work tasks, meaning tasks were neither too big nor too small for the leader down to the intern.⁴¹ Finally, equality was supported by having respect for others (14), being fair (21), and by the shared organizational values of open communication (1) and collaboration (13).

Equality is evident by the physical attributes of the office. For example, the individual workspaces are set up equally for all employees including for the two leaders of AdCompany. The workspace is defined by an open layout, cubicles with half-walls versus offices with doors, and the same laptop and phone for all employees. The equal distribution of workspace disregards two obvious exceptions; “All you gotta do is look around you even at the way we’re setup. Nobody is in an office, aside from [the Chief Financial Office] and [the Director of Human Resources] obviously.” (1) It was implied that these two employees’ work tasks mandated confidentiality. S/he continues by juxtaposing the two employees in need of privacy to those who would be expected to have private workspaces, but that do not. “[Our CEO] and [CCO] have the same exact setup as the rest of us do.” One leader expands upon the importance of “liv[ing]” the equality value. S/he explains, “... it’s one thing to say it, but as you know, I’ve got the same stuff

⁴¹ A divided view to this value will be discussed later under section B. I. i).

as everyone else does ... everybody's out in the open ... so I think that we live those things we don't just say them. Plenty of people say it, but it's another thing to actually do it." (13)

The workspace is a symbol of a "non-hierarchical" agency that members believe to exist (3, 10, 34). Another label shared was the agency as a "flat organization" (9, 22, 30). The flatness was explained in the following exchange between participant (9) and interviewer (I).

(9) ... when I was hired, I sat between [the CEO] and [an Executive Director]
...

(I) How intimidating, if at all, was that?

(9) (S/he laughs) Maybe it should've been more intimidating. But they really, that's the way it was intended to be, you know?

Equality puts lower-level employees, such as this new-hire at the time, at ease with the senior-level executives of the agency. In this non-hierarchical agency, everyone's role is important (3). No task is too small, which is understood by the examples set by leaders.⁴² An employee shares, "There's nothing that [s/he's] too good to do. [S/he] makes the coffee just like [s/he'd] expect anybody else to make the coffee if the coffee pot's empty. That's [his/her] philosophy. Don't ever ask anyone to do anything you wouldn't be willing to do, which is fantastic." (15) S/he also suggests that there is little competition between employees (15), which would support a non-hierarchical environment. Where all tasks are valued equally, there would be little motivation to move up in the preverbal ranks; ranks don't exist.⁴³

Equality relates to two additional shared organizational values of AdCompany: open communication and collaboration. As an employee suggests, a "sense of equality" resulting from having the same stuff, "creates an open dialogue" at the agency (1). Stated earlier, open

⁴² More on leaders setting examples, as part of hands-on characteristic, will follow under the section on organizational leadership, B. IV.

⁴³ Below, under divided views, section B. I. i), the view of inequality as it relates to non-hierarchy will be presented. In addition, the section on organizational leadership will suggest a divided view toward titles, a symbol of hierarchy.

communication is based, in part, upon an intentional accessibility to others. This accessibility is an attribute of equality. Two employees stated accessibility as an attribute of equality as follows. First, non-hierarchical does not imply leaders don't exist, because they clearly do at AdCompany. Instead, non-hierarchical is a symbol of accessibility, which is not prohibited by leadership titles, according to a member (34). Second, leaders don't separate themselves (40). "No one in a leadership position separates themselves from everybody else that's here ... No one's going to be like, 'why are you talking to me?' It just doesn't exist and I see that." (40) Openness, which is made possible by accessibility to others including the leaders, is not constrained by the few titles at the agency, thus maintaining the sense of a flat organization. By architectural design, the open floor plan of the agency was intended to "mix everything together," contributing to collaboration in the work, and a sense of equality (13).

ii) Equality toward the client. The value of equality is also understood as the fair and equal treatment of all client accounts and/or projects. Equality is evidenced by the equal application of time and effort to all projects, the casting aside of budgetary concerns, and having respect for the client.

For some members, equality is about treating every job the same, versus the client per say (4, 16, 20, 28). All projects should receive "110%" (16). Projects range from large television commercial productions to small videos that would appear online. Not all projects are recognized as having the potential to be "award-winning." However, an employee acknowledged that "it wouldn't be fair to just cast those off and not give them the attention they're due" (20). Another employee shared her/his experience with creative executives working on a video project. "It's a two or three minute video for [product] but boy they treat that like it's, it's as important as anything else they've got on their plate" (4).

For other members, equality is understood as having respect for all clients (7, 9, 14, 29).

As one employee explained, all clients are the same big and small and all deserve the same respect (7). Another member related equality to the client's budget.

The equality sort of comes from the sense of okay here's the direct mail program which has maybe got a \$2000 budget or something silly. We'll put the creative thought and appropriate attention behind that even maybe more so than it's worth to get the best product, the best creative product out there. They'll never consider a small project, okay this is just one of those ones to just get done, let's just get it done. For the most part, they really do give it the attention, the thought that they need, and if it's strategic or creative, the time that they need to make the most of a small opportunity. So some of the examples of that that you'll probably see are a lot of the pro bono stuff that we work for. Ideas that could have just been okay here's that ad that you asked for instead became, 'well we can do that ad that you requested, but what if you printed off your old posters, and had them in storefronts, and extended this into that?' Really it doesn't cost [the client] more but it's the thought and intention of going above and beyond expectations. That's really prevalent. (9)

Equality is about giving all projects equal attention via agency services, whether those services are research and strategy, creativity, or production. In the above excerpt, neither the client's budget, nor the agency's profit is driving the work done. In applying attention equally to every client project, great or small, the agency upholds its creativity value by producing the best work. A discussion of how the client is valued follows.

h) The Client. When asked what the agency's values are, a shared, explicit response was simply, "the client" (n=11). AdCompany works with clients in a mutually respectful partnership to produce the best creative work. The client is valued as a partner in the agency-client relationship, shown respect and trusted, therefore, reciprocating trust for the agency. This trust leads to a long-term relationship, which is atypical to the industry according to a few members (13, 23, 34). Furthermore, AdCompany extends the organizational value of honesty to suggest how long-term relationships are established with clients.

The client value was supported in various ways, and in one unique way in particular. An aspect that makes AdCompany a distinctive service provider is the fact that a few employees are contracted out of the agency as client employees.⁴⁴ Two employees⁴⁵ work out of the client's office and are employed first and foremost to represent the client. While it is similar to an account executive's position whose role is to represent the client as a client liaison within the agency, the client contractor is a client but salaried by AdCompany. The client pays AdCompany and in turn AdCompany pays the employee. One employee saw the unique work opportunity as a benefit to the client. S/he stated, "number one, it was an opportunity to help out our client" (4). Valuing the client means doing what is necessary, including going over to the "dark side," the client side, so to speak (4).

Members suggested what was important was "pleasing the client" (2) and working in the client's best interests (25, 26). The client's best interests could be serviced by being honest (26, 34, 46), and producing good creative work that they will like (14, 26, 33). The goal or outcome of the value was to serve in a partnership with the client that would, ideally, last many years (23, 32, 33). This partnership means that the client is "appreciated and trusted" (14) and in turn, trusts the agency (46). For example, the client is seen as smart (13). This view allows AdCompany to involve the client in the creation process. Because of the purpose of the client-agency relationship, and because the agency understands its role in the relationship, the shared value incorporates an understanding that the client has a right to love their advertising (13, 33).

Another employee explains the belief as follows, "As much as we stand behind the creative

⁴⁴ This unique aspect of AdCompany was mentioned previously to describe one way members come to know culture, i.e., by comparison to other work experiences.

⁴⁵ A third employee works out of the client's office a couple weeks out of the month, but is titled an Account Director. Therefore s/he is an agency employee who shares her/his time between the agency and client offices.

work, we don't ever want to produce something that the clients don't like or aren't happy with" (33).

However, others introduced honesty as it relates to serving the clients' needs. While the agency strives to do the best work for its client, they still must be honest when the client is wrong, for example, when the client dislikes an ad produced (26). It is understood that a client hires an agency for creative ideas and promotional services. A member explains it as follows,

One of the things clients need from us, it's just enough understanding to demonstrate enough understanding of their business but to bring a perspective that they would never come up with on their own ... We always want to bring clients what we ultimately recommend they do and that's what they pay us for. But there is a culture of partnership with our clients that ultimately, if they don't buy that or they buy a modified version of that, but that's okay. (34)

The client has a right to like the work produced, that's what the client paid for, but the client also pays for the agency's expertise. What the agency recommends can be at odds with what the client likes and approves. Therefore, the value of the client is viewed as being supported by and simultaneously at odds with the value of creativity, or the value of the work. AdCompany believes in both creating the best advertising and maintaining the client relationship. However, while the agency first determines what the best creative work is, creativity is ultimately either supported or rejected by a client. And since the client is valued, seen as a partner, respected, and given the right to love their advertising, what the agency views as the best creative work might not be loved by the client.

More on this topic will be presented later under organizational challenges.⁴⁶ Also, the contradiction of this value and, more importantly, how it constrains ethics will be better discussed in the chapter on structuration.⁴⁷

⁴⁶ See section B. III. b) of this chapter for the client relationship challenge.

⁴⁷ See chapter 7, section A. I. for Moral myopia: enabled by AdCompany's foundations.

i) Divided views. The above findings illustrate the collective meaning of the organization's shared values. In addition to the shared beliefs of values, alternative interpretations of five values arose. The divided views of the following values will follow: i) communication (poor communication), ii) collaboration (siloed), iii) creativity (creativity comes from creative), iv) equality (inequality), and v) people are welcoming (unwelcoming).

i) Poor communication. The value of open communication is a process of sharing information openly and honestly made possible, in part, based upon accessibility to others. This accessibility, we saw above, is contradicted by the belief that work and people are siloed from one another. In addition, several other perceptions were shared, which contribute to divided views on open communication.

Members understand that not all topics are open for discussion (6, 11, 21, 28). Information regarding layoffs before they occur and holding company information were two examples of information withheld. One member shared that the founders don't know of her/his moral objections to client accounts. Whether s/he was uncomfortable or fearful of sharing this information was unclear.

Members suggested that what cannot be shared are dissenting views that would challenge leadership or challenge co-workers, as two examples. Two other members suggested that leaders are simply not open to non-leaders contributions; they stated that it's hard to get your voice heard. When voices are heard, not all information is acted upon as was previously suggested. Under the organizational value of open communication it was suggested that changes would take place when concerns were raised. While this might be the case for most, one member suggested it wasn't so for her/him. The second example is challenging co-workers as a new employee. What's interesting about this perception is the contradiction that it poses. When joining an

organization, a new employee is challenged with learning the culture and fitting in, a process of socialization. In this case, instead of sharing her/his beliefs that others might find challenging, which would easily fall under the shared organizational value of being open and honest, s/he choose not to share, which was this new members solution for fitting in. In addition, there are sensitivities toward other people's feelings, which restrict what information can be shared with others (3).

These could be considered divided views of open communication. While there is a shared meaning for the value, there are few opposing interpretations as to what the value means. Or, these could simply be conditions of the organizational value. The conditions for openly communicating are knowing what topics are open for discussion, and knowing how to broach the discussion with consideration for others' feelings.

However, other information should be shared for purposes of efficiency, if not to simply uphold the values of collaboration and communication. Not everyone feels included in the conversation nor knows what's going on at AdCompany, as it relates to the work (7, 22, 23, 25, 41, 42). An employee explained that s/he is out of the client project loop and, as a result, has "anchored" her/himself to a manager from whom s/he can receive necessary information to complete her/his work tasks (22).

ii) Silos. Collaboration is the shared organizational value, and one of the four formal values, which means that AdCompany members work together as a team to produce the best creative product. The divided views are that cliques have formed, and work is siloed versus collaborative (n=18). Silos refer to the work, such as work by departments; the physical layout of the agency; and a lack of communication.

Similar personalities bonding and relationships forming in an organizational setting are a reasonable expectation. I found myself gravitating to certain people at AdCompany, whether it was based upon someone's outgoing personality or sense of humor that meshed with my own, or because we shared interests outside of work. Members indicated that AdCompany does have cliques and groups of people that form bonds (5, 6, 19, 25, 37, 43). A clique by definition is a group of people that interact with each other more regularly than with others. Therefore, a divided view is that the agency isn't one big team but a network of smaller teams. Another view is that just the AdCompany team has dissolved. A member suggested that the united front of the agency has collapsed over the years, despite the fact that some employees have been with the agency since the beginning (18).

Related to the work, some members believe that if you need to get something done, you do it yourself (1, 3). In part, this is the result of disappointment when someone doesn't pull his or her own weight. For example, others are left completing a task because others fail to contribute (42).

The member term "silos" was shared and illustrates another aspect to the divided view of collaboration (1, 7, 25, 33, 37). The term silo was used as a metaphor to describe the belief that people are segregated in their work versus working as a team. The term was used one of three ways. First, the belief of being segregated relates to segregation by groups, or by the work (1, 6, 7, 24, 45). Second, segregation occurs due to the physical layout of the office (8, 9, 19, 27). The intentional design of the agency allows for accessibility and interaction. However, this intention has been affected by growth. The agency, at the start of the study, occupied three floors of an office building. For example, one member feels disconnected from her/his co-workers based upon where s/he sits (27). Another suggested that s/he has little interaction with the people on

other floors (8). Finally, silos symbolize a lack of communication (7, 19, 25, 33, 40). In part, this happens because the work is segregated. One member suggested that s/he doesn't know what others are doing because s/he's not working in the creative department (19). Others would like to know more about the work AdCompany is involved in, which they get in part at the monthly meetings, but not in full, which makes them feel disconnected (7, 33, 40).

iii) Creativity comes from creative. Under the shared value of the work, was the supporting belief that creativity can come from anywhere. Six members suggested division to this value. As it was previously introduced, the meaning of the creativity values implied that all disciplines are important to the advertising function. However, creativity, in reference to the creative department, was often referred to as the “glamorous” side of advertising (23, 29) versus other departments that are less exciting (32). Even within the creative department, some disciplines got more “hype” than others. For example, “[Mass media] is really the glamorous place where they produce the commercials and the print ads and the billboards and that's what really gets all of the hype ... excitement," an employee shared (23). Another employee agreed that traditional, mass media advertising is valued more, specifically by a founder.

A founder clarified that creativity can be applied to any and all efforts in the advertising process. However, s/he further clarified that the value of creativity can come from anywhere does not mean that a media executive should be coming up with creative ideas for an ad. All members did not know this clarification. For example, an employee shared, “We say a good idea can come from anywhere. And I don't think we live that. In our culture good ideas can only come from creative. Account service I think might tell you the same thing. I just know not to say anything.” Another member suggested that creative leader doesn't like creative ideas challenged, which might limit another member's contribution to creative ideas. The difference in

interpretation influences other values such as collaboration. If the value means creativity can come from anywhere, but this value is perceived to be unsupported, faith in the value of collaboration might be weakened. The idea that creativity can come from anywhere assumes all members contribute, or collaborate, on creativity. However, as the founder clarified, this is not her/his intended meaning of the value. Therefore, clarification is needed.

iv) Inequality. When a founder explained the value of equality, s/he stated, “I have the same stuff as everyone else,” meaning the same desk in an open floor plan, the same computer and phone, etc. There was consensus on this general understanding of the definition. Employees valued this about AdCompany, and later explained (under characteristics of leaders) that leaders contribute equally as well to the working culture of the agency.

However, some members shared ways in which equality is not supported (n=7). One relates to the “stuff.” While employees are intended to have the same equipment (e.g., computer, phones, etc.), a member suggested that this is not the case. What s/he has is different than what a new hire has because the new hire negotiated added perks, such as the reimbursement of a monthly phone plan. Others had suggested reimbursement was offered to everyone (FN 31).

Another relates to a hierarchical versus a flat organization. The agency is viewed as top heavy, with lots of senior management. On the opposing end are those at the “bottom of the totem pole.” Together, these members’ views suggest the agency does in fact have a hierarchy (2, 20, 25, 39, 42). The structure of the agency was suggested to have changed with the introduction of titles (17).⁴⁸ However, the extent to which hierarchy is a negative aspect of AdCompany was not shared. There are those in charge and those getting work done. Where it becomes bothersome for one employee is the lack of recognition for a job well done.

⁴⁸ Titles, and the opposing views of titles, are discussed further under organizational leadership, section B. IV.

A difference in view of what equality means was also observed. On Day 14, the humorous sign, “the rules are different for the king” was observed on the reverse wall of a founder’s cubicle, hung for others to see. That same day, I was meeting with an account executive to talk about AdCompany’s new business efforts. I joined her/him in a conference room that others had previously explained to me. This conference room, situated next to one of the founder’s workspace, was everyone’s room, just like all the conference rooms. It was explicitly shared by an employee, that this is not the [founder’s] room (FN 27). On another floor, the other founder had a similar setup. S/he has a workspace just like all the other employees, out in the open, but situated next to a conference room with a sliding door. The day of the meeting, the founder who needed to use the room interrupted our conversation. S/he stated, that this is “not the people’s room” (FN 14). An employee explained that the CEO and CCO had respective offices, when they need a closed door (FN 3). The founders do have resource needs, such as an office for privacy, which are those you’d expect for executives in chief positions. I also interpreted the founder’s reaction to her/his room the day I and another person were occupying it, along with her/his cubicle sign as a sense of humor toward these resources. However, as it is situated within the shared organizational culture, these findings illuminated divided interpretations for the value of equality and extension of organizational beliefs.

v) *Unwelcoming*. A divided view of organizational values is that some members did not feel welcomed into the agency when they were first hired (n=4). Some do not feel welcomed still today. Some members perceived others to be unfriendly (n=3). A member shared the following, and questioned how I, as a researcher and new member at the agency, might be able to relate to the welcoming, or unwelcoming nature of the agency.

People have definitely left over the years because they come in and realize this isn’t the place for them. It’s an interesting culture to fit into. I don’t know how you feel since

you're not truly integrated [inaudible]. But I imagine you'll talk to plenty of people who say it's not overwhelmingly welcoming to walk in the doors.⁴⁹

This difference in belief is at odds with a few aspects of organizational values. First, people are valued, they are treated fairly and with respect, and AdCompany is perceived to come together like a family. The family-feel means that agency members feel supported in good and bad times. However, this is not the case for all employees, as the above excerpt illustrates.

Another value at odds with being unfriendly is integrity. By treating members unfairly, or by being unfriendly, a member suggested that the agency does not uphold integrity.

There's one little one⁵⁰ and I would say. It's not even little. I would say there are people here that treat other people here very, very poorly and they get away with it. And it is. It would be next to impossible or I feel it would be career suicide to bring that up.

Specifically, s/he suggested that the leaders are deficient in integrity.⁵¹ How some members treat others, as the above illustrates, as well as how leaders treats employees who leave and clients who terminate relationships with the agency all influence a deficit of integrity.

Finally, this division of beliefs could have an effect on collaboration. However, members suggested this is not the case. The possible scenario is as follows. Since the agency values teamwork, and to work together as a team, members must be accessible to one another. Therefore, a member's personality as friendly or unfriendly comes into play. If a person is perceived to be unfriendly, they won't necessarily be approached. On the other hand, members explained how unfriendly personalities do not currently have this effect. One explained,

I think that's hard on any culture when it's according [to] a group of people who work day in and day out and nights and weekends. You're building a team and you see success and all the sudden these outsiders come in and they want to be a part of that and it's like, 'well hang on here. We're the ones who grew this to where we are today.' And that's just life. But it is hard and I've heard other people have that same sense. Everybody wants

⁴⁹ Interview participant ID numbers will be omitted in this section, and only an N will be included, to protect the confidentiality of these sensitive findings.

⁵⁰ This response was given in reference to ethical challenges. One little one refers to one ethical challenge.

⁵¹ The divided view of leaders having integrity is also presented under the leadership findings section.

something different out of the job and it depends a lot on your age. So for me I don't come to work to find friends and to go out at night with those people and socialize and so there's a little bit of this, probably for me, people may feel from me I'm a little standoffish even though it's not intentional. What I want is to come in and do great work and work with people and have fun while I'm here but at the end of the day I want to go home to my family.

The situation at hand is bigger than an unfriendly personality. The situation is about a growing agency and a changing culture. Many of the executives, including the two founders, who started the agency and/or worked from the first few years, are still with AdCompany today. They feel connected to the growth of AdCompany and have seen many new members, like the executive who presented the quote above, join at times of success for which they had no involvement. New employees are hired when the agency is experiencing growth, not decline. However, s/he further explains that while these feelings of attachment and pride are understandable, it cannot get in the way of the work. And, for her/him, it doesn't.

As a new member, I experienced both a welcoming and unwelcoming feeling into the agency depending upon the individual. Overall, as an organization, supported by leadership, my interaction with leaders, the examples they set, and interaction with a majority of the other members, I felt welcomed. For example, from day one, I was welcomed into AdCompany to complete my research, given a desk and phone, and told to request to attend any meeting I saw taking place. During the first monthly meeting, I was introduced to the agency and a leader asked everyone to participate in my study (FN 2). Thereafter, over half of the employees sat down with me one-on-one for an interview and many others to talk casually. However, I noted several times during fieldwork my feelings of being ignored or given a cold shoulder (FN 12, FN 44). The extent to which this reflects a divided view of culture is hard to support having not been a fully integrated member of AdCompany.

j) Summary. Members were able to clearly articulate the agency's values, and several were shared. First, it's important to note from where these values come. Values are learned from leadership who share the values as early as the interview process and set examples for what the values look like in action. Values are also learned during organizational events, such as during agency monthly meetings, during new hire breakfasts and during anniversary lunches. Values are understood by comparison to previous work experiences and by the individual's fit (or lack thereof) into the agency's culture.

The shared values of the organization include formal values known as ICCE, which stands for integrity, creativity, collaboration, and equality, though several members could not recite the four. Other values include the people, the work, collaboration, open communication, honesty and integrity, equality, and the client.

Members value people and believe that leaders value people. Family is important to the agency, and the agency is perceived as a family that comes together during difficult times. The value of people is supported by a flexible work schedule, which presupposes employees are trusted to complete the work with which they've been tasked. Members also show respect for one another by upholding this expectation. For example, members take advantage of leaving work early to attend their children's sporting events, but show respect to their peers by making sure not to be delinquent on their contribution to collaborative projects.

Work and collaboration are two closely related values. The agency intends to hire and retain hard working people. The agency also values creativity, which is the product of hard working people. Work cannot be completed without teamwork. Therefore, the agency values collaboration. In addition to working internally as a team, collaboration relates to the agency's partnerships with clients and vendors.

Open communication is a value, which is evidenced by what, when and how information is shared. Sharing information openly and honestly is valued at AdCompany. Honesty is a value and was often associated with the member term, integrity: a formal value. Integrity also means that the leaders do no waiver on their beliefs and policies such as no markup, as one example.

The value of equality relates to the fair treatment between employees, and to the effort applied equally to all client accounts, big or small. Therefore, the client is valued. The agency and client work together in a mutually trusting partnership to achieve the goal of producing good work.

Finally, differences of meaning arose for five values, which suggest a divided view of organizational values. Divided views were suggested for communication, collaboration, creativity, equality and the people as welcoming. Opposed to being open, several members indicated ways in which the agency illustrated processes of poor communication. Opposed to collaboration on the work, members suggested that certain tasks and departments were isolated into what they called “silos.” Opposed to a creative idea coming from anyone, some members suggested that special attention is given to the creative department, and more specifically those working on mass media. Under shared values, AdCompany was suggested to be flat organization where all employees were valued and supported equally. However, members suggested ways this value was not supported. And finally, it was suggested that AdCompany is not the most welcoming organization, which is opposed to the people value of agency as family.

II. Organizational goals. Research question 2b asked, what are the agency’s organizational goals? The goals for the agency were categorized three primary ways. First, members shared a) business goals. Business goals included i) growth of accounts by acquiring new clients as well as by billing new projects for current clients, ii) profit, and iii) recognition for

the agency. Second, members implicitly suggested goals are the same as b) organizational values. For example, a goal is to do good work, which was introduced previously as the organizational value of “creativity” falling under the value of “the work.” And, third, for some, goals are c) non-existent, meaning the agency has no goals, or the goals are simply not known.

a) *Business goals.* Business goals include i) growth from new business, and growth within current client accounts. Two additional business-related goals include ii) profit for, and iii) recognition of the agency. Growth will be presented first.

i) Growth of accounts. The goal of growth is defined two ways. First, growth can be achieved by bringing in new clients, referred to as new business. Second, sustaining and growing current accounts can achieve growth.

New business is a goal for AdCompany (n=14). New business is the process of acquiring new client accounts that are not currently with the agency. An employee explains that a potential client might ask the agency to complete a RFP, because they found out and learned about the agency. Or the agency might find a client they’d like to pursue because it’s situated within a particular industry of interest to the CEO and CCO. For example recently, the agency was pursuing consumer beverages. And, finally, new business can derive from relationships. An employee explained, “There’s just the relationships, if we happen to know somebody, somewhere, where they might need something or they got a referral” (6).

New accounts for the agency include those that would provide opportunities for creative work (1), for making a profit (3), and for attaining quality client accounts (8). These reasons provide a purpose and direction for attaining new business. However, new business, and the purpose for acquiring new business, is currently being challenged. AdCompany is currently

learning what new accounts are best for the agency, meaning those that would bring in the most money, according to an employee (24). Another elaborated,

There is certainly the, 'we'll take anybody's money, whoever's money it is and whatever they want from us.' That would be a perfectly legitimate line of thinking. We lost a big account; we need to replace that; we need to get more work in ... Juxtaposed to 'is this the kind of client where we can do the work that will be satisfying to the people who work here? That will be satisfying or fulfilling from an intellectual challenge, creative challenge, and financially rewarding?' How do you balance that? How do you pursue them? If somebody comes to us that we know is not going to be a big client, we know isn't going to do great work ... do we take it because we need it? ... Whatever the negative might be ... Well why would I not take that when I have people who I need to pay? (34)

Determining what new business to go after further complicates the organizational goal. This decision is influenced by the financial and creative needs of the agency, all situated within a challenging economic time. Regarding the above excerpt, the loss of a client of 7 years brought on the challenge of growth by acquiring new business. New business and a new profit stream must be brought in to cover the previous. However, a reason given for the new business challenge, and the loss of the client, was the economy (30). Because of the economy, the agency is going after accounts they wouldn't have before (30). For example, the agency is open to attaining project-based work (44), versus attaining a client account on retainer, which is the more desirable of the two options.⁵² Another member suggests that the agency is going after as many new accounts as possible (27). Ultimately, the goal for members is survival of the agency.

Purposes for new business are to bring in the best creative opportunities, work with quality clients, etc. However, the primary purpose, or larger objective behind the new business goal, is survival. An employee explains,

I think this change to a more prosperous 'go get it, go do anything you want, to kind of a survival mode, how do we get by?' I mean the goal is always to get new business and do good work but the reality is that. I think we still do great work. The opportunities have become less and less, so I think it becomes hold on to what we have, and, if we can and

⁵² <http://adage.com/article/small-agency-diary/remembering-days-monthly-retainers/111297/>

we are trying to grow more business, just grab onto what we can and hold onto it as tight as we can. (18)

As the excerpt illustrates, new business is important, but is affected by the limited or decrease in opportunities. Therefore, growth can also be achieved with current accounts, versus relying on bringing in new client accounts.

Growing current client accounts was a goal shared by several members (1, 22, 31, 34). An agency grows its business one of two ways. New business is one, which was discussed above, and “build[ing] your business with your existing clients” is another (34). For example, if the agency is currently handling its client’s television advertising, can they also handle direct marketing? Another example of growing current accounts is by extending services offered to current clients beyond marketing and advertising projects (34).

The previous excerpt (18) suggests the success of the agency balances on the maintenance of client relationships currently held. Furthermore, new business shouldn’t interfere with the maintenance of current client accounts. “Hold[ing] on” is most important for the agency. The challenge then becomes pursuing new accounts while trying to manage current relationship.

ii) Profit. Profit is another business goal for the agency (n=8). When bringing in new accounts, it’s important to ask what client accounts and projects can generate money for the agency. The agency must make a profit so as not to close its doors (6). This sentiment is part of a survival mode discussed earlier.

An intern⁵³ shared the goal of making a profit. Do to her/his position in the agency, this finding is interesting to note. On one hand, an intern is in a temporary position and new to the agency, and is typically young in age compared to senior level staff. Therefore, it might be assumed that an intern is unconcerned with business goals of profit and growth. However, an

⁵³ Participant identification number omitted to protect confidentiality.

intern who is looking to get hired on full time would be interested in bringing in money, which could be applied to a new position, ideally his/her full time position.

iii) Recognition. Finally, AdCompany has a business goal to be recognized by others in the industry (n=5). Recognition can happen within the local industry (3), or nationally (3, 17, 30). Recognition comes from the work produced (17, 30), and winning awards (27, 36).

Recognition has a relationship with growth. Recognition, specifically through awards one, is evidence of success, which can then be shared with potential clients. An employee suggested that if they are able to “show that [they’re] able to do bigger and better things” they could grow the business (17). Therefore, if an agency gains recognition, advertisers will learn about the agency’s creative body of work, services offered, and, ideally, a reputation as a good agency, which will aid in attracting new client accounts.

It’s important to single out the “survival” theme that was illustrated above (18). Survival is a process of evolution, and occurs in response to the challenging economic times. Goals for the agency “have evolved as the economy has evolved” (36). Survival is important for the agency, so as “not to close” and “not [to] have to lay people off” (6). Survival is about “keep[ing] the ship going,” which means proposing services and budgets that they wouldn’t have proposed or set previously (30). Survival is also about competing for limited resources to keep the ship going, which are client accounts. When asked about long-term goals for the agency, an employee responded,

But it does come down to survival of fittest. And not only against ourselves, but other agencies in the local area, and not even local[ly], nationally at this point in time. It makes it difficult to try to, to try to see the future when everything has been so grim of late. It makes it hard. Especially trying to find a goal. Not even a long-term one, a short-term [one too]. (42)

Survival mode has altered a sense of what the agency's goals are, both long- and short-term. Focus is directed toward keeping the agency afloat, which means competing against other agencies. Furthermore, the goal of survival influences the direction for achieving other goals, such as direction for new business efforts. However, it was suggested that the agency is taking efforts toward new business without direction. S/he suggested that there is no perceived "plan" for new business. S/he articulated the belief as follows, "... it's kind of act and react type of thing rather than following a defined plan" (18). In part, this challenge relates to a divided view of leadership, which is the lack of direction and vision. This finding will be presented below under leadership.

In summary, bringing in new accounts, continuing to service current clients by doing good work, and making a profit can all accomplish survival. The agency shared a goal of doing good work, which was understood to keep current clients content thus keeping their business with the agency versus leaving for a competing agency. Therefore, additional goals for the agency were related to organizational values previously discussed, including the value of doing good work. These values, from a goal perspective, will be elaborated upon next.

b) Organizational values. Organizational members reintroduced some of the organizational values presented earlier as goals. These goals include i) doing good work, ii) maintaining positive client relationships, iii) maintaining a good work environment with good people, and iv) achieving all four formal values of the agency. Each goal will be defined and its relationship to organizational value(s) will be presented.

i) Good work. Doing "good work" that was good for the client, achieved recognition, and that won awards was a goal put forth by several members (n=14). Simply stated, the goal is to "do the best work possible" (20). "Work" translates to the "best creative output" (22). This goal

is similar to the organizational value formally known as creativity and presented under the work value. The organizational belief is that good, creative work is valued and produced by the agency. As a goal, it's what the agency members strive to achieve, and since it's believed to currently exist, it's what members also strive to maintain.

Producing the best creative work was a goal intended when founding the agency. Stated another way, a leader suggested the goals for the agency were broadly set *so that* they could be open to work, and to taking on a vast array of creative projects. Casting the goals wide, meant the agency could be open to taking on client accounts, which are seen as creative opportunities. This openness would ideally result in producing good creative work. S/he stated,

... One thing that we've always done is allow our goals to remain flexible with our realities; meeting our resources, and our employees, and our opportunities. So from the very beginning when people asked us, 'what's your mission, how do you want to be positioned' ... we wanted to do among the best work in the country. We want to work for clients that have a good reputation, or are known, but beyond that, we don't have size goals or income goals ... and it's been that way for a long time and I'd say that's still the case. We want to do among the best work in the country and work for reputable clients that people know and trust ... (14)

The goals were not restricted to business goals, therefore, such as reaching a specific profit margin or size. Instead, the goals were broadly set as doing good work that would attract good clients. In doing so, in maintaining a level of work and representing quality clients, the agency would subsequently gain a good reputation. Goals were also not restricted to the type of work the agency would service. For example,

[Previous ECD] said I don't want to do direct mail. But we said, 'there's a need for it and [Employee] is great at that.' And his response was, 'I never see direct mail that's good creatively. I don't want to do that.' We had [Employee] and [we] said that's another way in [to] the clients and we'll do as well as we can. So if our vision in the beginning had been we'll be a mass media only place we would've been self-limiting ourselves. Now, thank goodness [it's] a big part of interactive, one-to-one. It's a huge part of our existence. (14)

S/he continues by stating that, of course, you need accounts, which bring in money. However, making lots of money was never the purpose, or vision for the agency. The vision was always doing the “best work” and having “great clients” (14). While money is important, and s/he validates the goals of money and profit as foundational to doing the work, money was not the impetus for starting the agency then, nor is it seen as a main goal for maintaining the agency’s reputation now.

ii) Positive client relationships. Pleasing the client was another goal of the agency, which closely relates to the work (n=8). Producing “great work” is a goal, if not the “main goal,” but it’s more about the client versus the work itself (4, 15, 23, 29, 41, 42). An example of creating great work for the client is “communicat[ing] their products [in] the best way” the agency can (23). The good work of the agency brings the client’s vision to life. “Our main goal would have to be that the client comes first and that what the client is wanting is what we give them as far as what ads they want and what they want it to look like. Their vision comes to life through our ad.” (42) The client’s vision is led by the two founders, the executive explains, who have from the beginning agreed to put the client’s interests first, which is supported by doing great work. Another member agreed by suggesting that doing good work and making the client successful was always the goal for the agency (29). The result of producing “great work” is making “clients happy” (23). Another employee shared,

... To treat each client to the best of [the creative staff’s] ability with openness and letting the client dictate whatever they, you know, [*sic*] working with them, [*sic*] whether there is one change or how[ever] many changes they come up with. That they’re willing to work with them and do whatever it is they want. That’s what I believe the goals to be. (41)

It’s understood that what the client wants, the agency gives (41, 42), at least what the creative members give to clients (41).

The work the agency produces has a reciprocal relationship with the type of client the agency pursues. Other aspects of the client-relationship goal include working with clients that have good reputations (14), which was previously mentioned, and establishing partnerships with clients (22). When pitching potential clients, an agency learns about the client's business just as much as the client learns about the agency. A member suggested that, good advertising is dependent upon the client; "... bad work is often the result of the client" (14). Therefore, finding the best brands to work with contributes to the creative output, and, therefore, the client's satisfaction of the good work done. When the client makes a profit so too does the agency. So, in turn from doing good work for the client, and helping to maintain positive client relationships, the agency's success is maintained (29).

Establishing a partnership with the client allows the agency to be trusted in their services and expertise. Those clients sharing the same values of creativity, including when creative risks need to be taken, are those most desirable to the agency. An employee explained what makes an agency successful. "The ones who kind of partner with [the client], really understand the business and then are true consultants to them and the business. Tell them straight up this is what works. This is what doesn't work. Those are the ones that seem to last." (22) An agency must be trusted to create ads that sell and, therefore, will last in the industry.

iii) Good people. It's important to the agency to foster and maintain a positive work environment populated by good people that will stay on staff (n=5). The goal of doing good work supports the goal of creating a positive working environment. Doing good work also helps retain good employees.

The organizational values presented early, which relate to this goal, include the work value: hardworking people and creativity, and the people value. The agency strives to attract and

retain hardworking people to the agency, people that will contribute to producing the best creative product, and people that make the agency comfortable, flexible and like a family. An employee explained the retention of employees as a byproduct to doing good work as follows.

If you're growing the business and people are feeling good about the quality of the creative product, a byproduct of that is that people like working on the account. Obviously, in this business we retain employees ... It's very costly when you lose employees ... When an account is grown that's good for the CFO ... But when you think about the agency as a whole, there's also motivation by, does the client buy good work, do we get to produce good work? And that becomes another major motivator if we have both of those going in the right direction then you're going to have a lot of people that are really excited to work in the business ... (34)

While positive client relationships are valued, as was previously presented, and producing money is important for the agency, not just the CFO, an important byproduct of both goals is employee retention. A successful client in terms of employee retention would be those client opportunities that present intellectual and creative challenges. Retention of good people, hardworking people, is necessary in the service business; "Losing people is a huge impact on any service-based business" (34). If you don't have hardworking people to produce the work, you don't have good work. And without solid creative output, you cannot win new business accounts.

iv) Formal values. Finally, when asked what goals does the agency have, one participant answered, the leaders have four goals (15). This participant was referring to the four formal values of integrity, creativity, collaboration, and equality, which s/he believes the agency continues to achieve as mandated by leadership.

In summary, a few organizational values presented earlier resurfaced as goals. These included goals of producing good creative work, developing and maintain positive client relationships, and retaining good employees. These goals shared reciprocity with one another. Good client relationships are those that allow for creative opportunities, and, that in turn, help to

retain good creative executives. Not all members were able to articulate or were aware of the agency's goals. Their perceptions follow.

c) No Goals. Several participants suggested that there were no goals for the agency, or that they simply didn't know what the goals were (n= 8). This number is in contrast to over half of the interview participants who suggested that the agency has one or more goals from generating new business to creating the best work (n=25).⁵⁴ For example, when asked what the agency's goals are, a participant responded, "I have no idea" (6). However, when probed, six of the eight participants suggested what the goals might be (4, 15, 16, 23, 26, 41). Suggestions included the goals are the four formal values set forth by the leaders (15), and to keep the client happy (41). Others, however, could not propose what the goals might be. A reason proposed as to why goals are not known, is because they are not communicated internally. A participant suggested s/he isn't aware of the agency's goals, because s/he doesn't "recall that goals have necessarily been shared as a key message lately" (16). These responses suggest a divided view of organizational goals as to whether or not goals exist and/or are shared by leadership.

d) Vision. Interview participants were asked if the agency had a vision, or a long-term goal, or if they knew of a mission statement for the agency. The responses were mixed from there are neither a vision (31), nor long-term goals (42), nor a mission statement (23), to a recital of the four formal, organizational values as the organization's vision (22).

e) Summary. In summary, the organizational goals for the agency include business goals. The agency would like to grow in accounts, profit and recognition. Some members perceived goals to be what were previously introduced as organizational values. For example, members believed goals were to produce good work, have positive client relationships, work with good

⁵⁴ N does not equal 45. Most participants were asked directly, "What are the agency's goals?" Some participants broached the subject without questioning. Others said there are no goals, but subsequently suggested what they might be. And, finally, others were neither asked, nor did they bring up goals.

people, and support the formal values of the agency espoused as integrity, creativity, collaboration and equality. Finally, while a majority of members recognized organizational goals, several members were unaware of any agency goals, and there was disagreement as to whether or not the agency has a vision.

The presentation of goals leads into the agency's challenges. Goals are achieved while solving the agency's problems (Keyton, 2005). The problems that arise in the day-to-day activities of the agency can be understood as organizational challenges. Challenges are presented next.

III. Organizational challenges. Research question 2d asked what members perceive as organizational challenges. Members shared several challenges AdCompany faces. These challenges relate to issues of agency a) growth and decline, b) client relationship, c) the creative process, and d) people. e) Divided views on these challenges also emerged.

Aspects of the a) growth and decline challenge further include i) new business, ii) future direction for the agency, iii) the effects of decline, which include iv) layoffs, and, finally, v) financial challenges. The challenge of b) client relationships involved the stages of the i) relationship as well as ii) perceptions held for the client. The challenge of c) the creative process primarily dealt with decisions of killing creative ideas with sensitivity toward the person who created the idea. Similarly, the challenge of d) people involved sensitivity around how and when to fire an employee. Two tragedies were also experienced at the agency, which will be shared. Finally, e) divided views of challenges emerged and will be introduced throughout the findings, as well as summarized at the end of this section.

a) Growth and decline. Challenges related to the agency's growth and decline are the most prevalent challenges shared by members (n=24). AdCompany's CEO noted that during the

time of fieldwork, the agency was in a state of change with ups and downs (FN 45). One aspect of growth is acquiring new clients, which is the challenge of i) new business. Related to the challenge of growth and decline is the ii) direction the agency seeks to take in acquiring new business. Direction relates to the services offered, and positioning the agency to potential clients. The agency must not only decide what services to offer to current and potential clients but how to package or position these services to clients. Decisions on the best procedures for the agency, such as how to bill clients, also influence the agency's direction. These will be discussed as v) financial challenges. Finally, while the agency tries to grow business by acquiring new accounts, not all potential accounts are won. In addition, current accounts, while intended to be maintained, are also lost. Therefore, the challenge also relates to decline and the iii) effects of decline including employee iv) layoffs.

i) New business. Gaining new business is a challenge currently faced by AdCompany. New business efforts are currently underway at the agency, which is an exciting time for the agency (FN 30). Leadership has been praised for their recent new business efforts (29, 39, FN 23). While this is a positive time at the agency, there are also associated frustrations. During the time of the study, the agency was involved in three new business pitches, two of which were confirmed lost (FN 25). An employee explains the challenge and frustration,

New business is a key challenge. It is what it is. You go out and pound the pavement and make something as much as you can of every opportunity you're either given, or find, or scrounge up, or [have] a connection, or whatever. [You] do everything you can do ... I don't think we're doing anything wrong. We just need one to break. (45)

New business takes a lot of effort and when a new account is not gained as a result, this employee is left questioning why.⁵⁵

⁵⁵ During fieldwork, various efforts were put into new business including conducting internal meetings and conference calls, creative development, production of client gifts, and pitches. During a monthly agency meeting,

ii) Future direction. The challenge of growth and decline relates to AdCompany's future direction. The agency must position the services that they offer to current and future clients in a compelling way so as to grow, if not at the least sustain, the business. The challenge is not only about acquiring new business and sustaining current accounts, but also agreeing on the best approach and position for the agency to go about the process.

More recently, the agency went from a private agency, owned by the two founders, to a publically held agency, owned by one of the big four global advertising holding companies. There is disagreement as to why the buy-out happened. One member explains that a client forced the leaders to sell. The client, a large multi-nationally recognized company, wanted to work with similarly recognized agencies. By selling to Holding, and acquiring the holding company's name, Agency received the recognition needed to suffice this client's need (16, 29).

The agency's name is only one factor of the direction challenge. A member explained that the agency "struggles with defining who they are" (31). Defining the agency includes the services offered and how to sell the services offered (6). The challenge revolves around not only what is being offered currently but also about what should be offered long-term. The consideration is a long-term positioning strategy for the agency. The agency must decide collectively what services would be best for new business moving forward. An employee questioned what the company wants to be "moving forward," indicating that they are in a "weird" spot (6). Therefore, there is disagreement on the processes for new business and positioning the agency (31, 35, 37).

Part of the disagreement is based on a divided view of whether the agency should maintain its historical service offering of mass media or adopt new media, such as digital and

the CEO introduced approximately five new business projects currently underway (FN 2) and several other accounts the agency was pursuing were referenced during new business meetings attended thereafter.

interactive media. On one side, there are members of the agency who are trying to help reposition the agency, but suggest some of the associated challenges. Repositioning the agency is difficult when one considers who they are versus what some members want the agency to be. The agency was founded on traditional, mass media services. Some would argue that foundation might be hard to change (31, 37). According to a member, the agency receives 90% of its revenue from a client account that is serviced by direct marketing (31). Trying to reposition the agency as offering digital services is, therefore, a conflict against a currently profitable enterprise. The challenge is keeping up with consumer changes on one hand (37), versus what has previously been successful on the other.

The challenge of determining the direction for new business is part substance and part process. On the substance side, it's determining what services to offer. The members debate whether the agency should be positioned as a traditional, mass media agency or as a new media, digital agency. On the process side, it's about, regardless of substance, what steps and procedures are in place for approaching new business. One member talks about getting back to the agency's roots of simplicity, and, as a result, efficiency. S/he explains,

You forget how simple it used to be. How you didn't overcomplicate it. You got the assignment one day [and] you are working on it that night. Often times you are showing the client two days later. A lot of times the process that we set up now, sometimes, it takes over a week to even get back to the client, even a prospect, with that first scope, for that first estimate. So if it takes over a week to get back with them with the first piece of communication [that] already sent them a signal. [The client might think] maybe those guys are too big to give me the attention I need. (24)

In the beginning, there were only a handful of employees, nothing close to the nearly one hundred employees today. The agency was founded on a working culture, one in which leaders take on the same work tasks as their employees. Barriers then were diminished as a result of this non-hierarchical culture, barriers that translate from the internal issues of power between

employees, for example, to the external, which would affect processes for client relationships as well as new business processes. The extent to which these barriers no longer exist today is being questioned.

The new business process used to involve taking risks. In an interview with the CEO, when describing her/his perspectives on starting an agency, s/he explained it's all about taking risks. S/he explains that when starting the agency, they never intended to be an agency specializing in direct marketing. Today, the agency is pursuing digital services. Overall, s/he explains, they've never been afraid to change. Taking on direct mail then and digital now is evidence of their fearlessness. Regarding the new business challenges, challenges of growing the agency in the midst of decline happening all around, risks are a luxury the agency might have to sacrifice. At least for one member, s/he sees the current challenge as a shift in mentality from "passion" to "survival," which s/he describes further as an agency "not willing to take as many risks," specifically as they relate to the client (18). In addition, s/he sees the opportunity to take risks restricted by the holding company that places financial restraints on the agency (18, 30, 41). Due to the many non-billable hours that can be spent on new business, which is an investment without a guarantee of return, s/he suggests out of fear of Holding's reaction, opportunities are passed (18).

A way to describe this safe, versus risky, approach is in settling for accounts. Two members described settling. The first described settling as going after business because of the economy, and not necessarily the accounts the agency would have pursued before (30). And the second described it as taking income wherever they can (13, 34) "when things are tight" (13).

Leadership has a role in the challenge of growth and decline, specifically as it relates to the direction for AdCompany. Direction for the agency must be provided, if not supported, by

leadership. Currently, the agency is in a state of leadership flux. On the creative side, a new leader has been chosen and will be transitioned into the role the CCO currently serves. On the account side, a replacement for the CEO has not been selected (28). The leadership transition is one of role as well as vision. As the agency plans to grow and faces the challenge of determining what direction this growth should take, the new and old leadership will either agree or disagree on this direction. Regardless, there must be vision and new ideas for growth (37).

Finally, it was noted that as part of the new business challenge, it's important to not lose sight of the agency's culture and values. One member suggested what not to do in the new business process, which is not to be a "vulture" (34). The member explained that a vulture implies going after opportunities for the agency's gain without recognition or respect for the client. For example, the agency must consider the client's other agency relationships and that pursuing client projects that another agency handles might backfire onto how the agency is perceived. S/he further explains that before communication technology that now allows business to be conducted remotely with clients around the nation, the agency more frequently visited the client's office. These local visits offered opportunities to meet new people within the client company, who would present additional work opportunities for the agency. For example, with a large client account, the agency might work with a representative from the advertising department, but meet another executive working in the marketing department with a unique set of communication problems that AdCompany could offer to solve. Now, s/he explained further, the agency is part of an email chain and it's harder to make new connections, or harder if you don't want to be a vulture. However, this doesn't mean the agency won't pursue clients with current agencies. Participation in a new business meeting, where a potential account was introduced, suggested otherwise. The prospective client was currently serviced by another

agency but was referred to AdCompany's creative director. In the meeting, CD contemplated how to contact the agency. While it was decided that the agency would contact the client, the reference was left out of the process so as not to get "political" (FN 22).

iii) Decline and its effects. The challenge of growth and decline relating to AdCompany's future direction has two sides. The first includes challenges related to growth, including processes for new business and determining the direction for the agency. These challenges were summarized above. The second relates to decline. Decline can come from pursuing and subsequently losing new business accounts, which happened recently at AdCompany. When new business is lost, there are associated outcomes including frustration as well as perceived opportunity. In addition, AdCompany lost a long-standing client relationship. Therefore, the maintenance and termination of client relationships is a challenge of decline.

During fieldwork and observation, several new business opportunities were pursued. While many were still underway when fieldwork ended, or the agency was waiting to hear back from the potential client, knowledge was gained of two accounts lost. An employee shared her/his frustration. "I just don't know what the issue is. I don't know if people locally don't see us as a local agency anymore because we're part of this big conglomerate and that's why we don't get new business. I just really. I'm shocked at the opportunities we go after and we aren't successful [in acquiring]." (43) Another outlook is to see a lost account as an opportunity. An executive explains,

We might grumble every now and again, but I think losing the [client] might have. [*sic*] Obviously it wasn't a good thing at all but it might have been a little. [*sic*] There was a silver lining in that it opened up the doors to maybe pursue other clients ... We could leverage our experience in that market and get a client that maybe wants to take a few more creative risks. (20)

As this example suggests, the challenge of growth and decline is not on just one level. The challenge is about quantity, such as agency growth by number of clients, but also it's about quality, which is seen here as creative opportunities for which client accounts allow.

Agencies and their clients go through relationship stages (Wethey, 2007). These include initiation, which is where new business falls, and once a client is gained, there are stages of development, maintenance and, if the relationship goes poorly, termination. A member noted challenges of developing and maintaining the client relationship. In developing client relationships, trust between client and agency must be nurtured (24). In addition, client termination is a challenge (21, 33, 34). A long-held and financially important client account was lost during time in the field (FN 9).⁵⁶ The client account was with the agency for seven years. The loss of a client not only has the obvious effect of putting a financial strain on the agency (34), but also influences the interpersonal relationships of the agency's members. One member explains that losing a client account puts a strain on the account services and creative relationship (21). To bring the two departments together, in this situation, both parties "have to agree the client sucks" (21).

iv) Layoffs. Layoffs are another aspect to the challenge of growth and decline. Specifically, layoffs happen at a time of decline. As clients are lost and new accounts are not gained, employees become anxious about their job security. The challenge comes from the perspectives of the ones doing the firing and those in fear of losing their jobs.

Layoffs have been occurring at AdCompany since 2007. Also, one round of layoffs was observed during fieldwork. Sitting across from the human resource office made unusual activity of hushed tones, sobbing, and a closed door when the door was usually kept open noticeable the

⁵⁶ During the writing stage of analysis, the researcher was in touch with a founder of agency and learned that a client account, which was lost during fieldwork, was regained.

day of the layoff (FN 16), followed by the news of the laying off of three employees the following day at the monthly agency meeting (FN 17). Following the meeting, I learned about the agency's recent history of layoffs. There were several rounds of layoffs starting in 2007 up until 2011 and the most recent during the time of the study (FN 17). One member attributed the layoffs to the profitability percentages set by the holding company.

Others described the challenge of layoffs per the effect they had on the agency as well as in relation to personal effects. Effects on the agency include reduction in size, increase in efficiency, reduction in resources, and lowered morale. The agency, during the time of the study, was described as "pretty lean" (1) with about 70 to 75 employees.⁵⁷ At its peak, about 5 or 6 years ago, the agency employed about 150 people and occupied three floors (FN 12). One member explained that it was "sad" to see the empty desks around the agency (43). AdCompany recently consolidated workspaces onto two of the three floors the agency had previously occupied. In addition to fewer employees, a lean agency refers to the lack of resources. When you have to downsize due to lost accounts, it means you have less resources as well (11). Money is also a resource and if others are getting laid off, new employees cannot be hired. One member suggested that the young hires of the past uplifted energy in the agency and now, due to the economy, morale is down (18). From a positive perspective, the layoffs contributed to a new sense of efficiency (1, 13, FN 23) and collaboration (42). Therefore, hard times as a result of layoffs were suggested to bring the agency together as a team.

From the leaders' perspectives, the ones in charge of making the tough decision to let someone go, layoffs were also a challenge (14, 29, 35, 44). Letting employees go relates to the challenge of people, which will be expanded upon below. As it relates to the challenge of growth

⁵⁷ The number of employees fluctuated during the study due to the layoffs, a few employees who quit and others who were hired. This was observed via company-wide emails and the phone directory, which was updated each month.

and decline, layoffs are an inevitable effect of financial loss. Whereas, in the past, when the agency was privately owned the founders might have decided to keep an employee. However, currently, Holding plays a role in determining when layoffs are needed.

Finally, layoffs are a challenge from a personal perspective. As current clients and new business opportunities are lost, employees are concerned about keeping their job. From interns to loyal employees with the agency for several years, members indicated fear of job security (23, 33, 42, FN 9).

The complication of this challenge is the relationship each aspect shares. New business is related to the resources available to pursue new accounts, or the lack thereof. These resources include time, such as less time when the staff is lean, limited money, and lack of support from leadership. Furthermore, there is a relationship between new business and the personal fear of being laid off. With fear of losing your job, comes an incentive to pitch new business. When the client account of 7 years was lost, several executives were directly affected. One executive who was working on bringing in new business indicated the challenges associated. When business is on the decline, resources are limited. S/he further indicated that if the agency is not able to provide the materials and support needed to pitch new business, there is always a risk of job loss (FN 30).

v) *Financial challenges.* Resources were briefly introduced above. One important resource is money. The financial aspects related to the challenge of growth and decline include billing decisions; determining what new accounts to bring in based upon profitability; reduced budgets set by clients; and employee compensation.

An important and steadfast billing decision is AdCompany's no markup policy. While other agencies charge commission on the outside costs incurred, such as production costs of

printing or media costs such as space purchased, AdCompany does not. This policy was presented relative to the value of integrity, and is generally viewed positively (15, 16, 31). In addition, it makes financial explanations to the client easy, such as in response to billing inquiries. However, one employee suggested no markup was related to the agency's current challenges. S/he explained, "A lot of our fights these days are about money in terms of, we may need to be more traditional greedy bastards like everybody else" (25). S/he went on to explain that the policy is valued and because of the CEO's integrity in maintaining this value while other agencies choose to mark-up, the CEO would "be the last person you'd expect to see on CNN, Wall Street shenanigans" (25).

Money influences a few other aspects of the agency, which further explains the financial challenge. First, money poses a challenge on developing the position or new business direction of the agency. Members suggested the agency is settling for new accounts that they might not have pursued when the agency was financially healthy (30, 34). A potential account might be judged against its ability to bring in a certain profit margin, as the challenge presents, or against creative criteria. A member explained the conflict,

There is certainly the, 'We'll take anybody's money. Whoever's money it is, and whatever they want from us.' That would be a perfectly legitimate line of thinking. We lost a big account. We need to replace that. We need to get more work in ... Juxtaposed to, 'Is this the kind of client where we can do the work that will be satisfying to the people who work here? That will be satisfying or fulfilling from an intellectual challenge, creative challenge, and financially rewarding?' How do you balance that? Whatever the negative might be ... Well why would I not take that when I have people who I need to pay? (34)

Potential accounts must be thoughtfully considered from various aspects. What account is brought in to the agency has an influence on the work that's done and how that work may or may not satisfy employee preferences. And, of course, without competent employees able to solve

these client challenges, a client account cannot be won. Therefore, s/he reduces the decision down to what might be most critical at a time of financial decline for the agency, compensation.

Compensation is the final aspect of the financial challenge. Both the agency and its employees must be financially compensated. However in times of economic distress, clients take away advertising budgets (41). One result is the employee layoffs previously presented.

b) Client relationships. Members suggested that client relationships are organizational challenges (n=10). While the client serves a role in AdCompany's growth and decline, the challenge of client relationship focuses on the relationship and interaction between client and agency, versus outcomes such as financial growth. Two primary aspects constitute this challenge. They include the i) relationship, how it developed and maintained, and the ii) agency's perception of the client.

i) Relationship. An agency is in the business of solving marketing and advertising problems, and proposing creative solutions. A marketer, the client, has a product or service to promote and sell to a consumer audience, and an agency is hired to assist the client in this process. Challenges arise of how to develop and maintain the client relationship, how to sell the client on an idea, and how to balance the client's and the agency's contribution to the relationship.

A relationship with the client must be built and managed over time. During the new business process, how the client treats the agency can influence the relationship. During new business, all prospective agencies are requested to submit work and/or proposals of work. This might include research, strategy, creative ideas, and executions to the client during the pitch process. The potential client can share this work with the competing agencies involved in the pitch, a leader shared (13). Regarding client accounts versus prospective new business accounts,

the agency is engaged in the practice of sharing work early with the client. It's a process to "make sure [the agency is] going in a direction [the client] like[s] rather than waiting until the end and surprising them" (13). However, this can backfire in a new business pitch where the relationship has yet to form. The challenge is knowing when to present information and thus helping to build a relationship versus protecting the agency's best interest by refraining from the pitch process. However, the best interest of the agency, in a time of growth and decline, would be to win the new business pitch.

After an account is won, a client relationship must be maintained. An executive articulated an organizational challenge as "managing the client" (33). The process involves deciding what work to show the client, selling the work or getting the client "on board," listening to and using the client's input, and then responding (33). AdCompany never wants to produce any work with which the client is not happy (33). Later, a discussion on why this is a divided view will be presented. However, it's important to note that managing client relationships is a challenge, which the above example illustrates.

From the client's perspective, an agency can be fired from a project or from the entire account, which has obvious effects. As was presented in the challenge of growth and decline (a), a current challenge is growing the client's business while simultaneously facing decline from the loss of client accounts. Related to the relationship, one executive mentioned a challenge faced is the client deciding to split up advertising projects. Any one client can have one to dozens of advertising agencies servicing their account. S/he explained this challenge is not unique to AdCompany (34). The resulting challenge is the effect this split might have on furthering the client relationship, s/he suggests. Furthermore, the challenge could be perceived as challenge of trust, although it was not explicitly referred to in this way. Trust is necessary for a successful

client-agency partnership, which AdCompany values. Also, a positive client relationship is an agency goal for which trust becomes a factor. Therefore, when business is taken from the agency, lack of trust could be the cause, as well as a resulting perception held by the agency toward the client.

Another aspect of the client relationship challenge is selling the client on an idea. How this is different than the new business challenge is that the relationship and aspects thereof are most important. The agency has to offer services and provide expertise, as well as have the persuasive leverage to sell its services and expertise. An executive explained,

So challenges, I think the challenges are more, for me, if I step back and really think about it, is more trying to get the client to do what's right. Trying to get the client to take this step and go beyond the expected. So for [client], over the years it's been print, very safe and radio is very safe. How do we push them into the digital medium and even go beyond just the expected simple banner. It's more how we position our work. The challenge would be how we creatively sell ... [the client on] the opportunities so that they'll buy them. (16)

S/he calls the selling process, “building the story” supported by data and examples of previous agency work. The client’s role in the relationship is to buy in to what the agency is proposing based upon AdCompany’s expertise and having the client’s best interest in mind.

To buy in to what the agency is offering, the client too has to have knowledge. Another challenge is working with a client company that is so large that the internal departments of that company don’t necessarily transmit information to one another (FN 6, FN 16). A large client might have marketing, advertising, and digital departments that independently don’t know what the others are doing. AdCompany, however, does have some of the necessarily knowledge, “Because we've done business with them for so long we've got the benefit of knowing their processes pretty well,” S/he explained (16). Typically, the agency complements the client’s marketing and product knowledge with strategic, advertising, and creative knowledge. In this

employee's view, this typical knowledge is supplemented with client knowledge based upon AdCompany's longevity of experience with the client.

Based on the above example, the executive suggested further that the challenge is about getting the client to "do what's right and push creative boundaries" (16). In part, this exemplifies an unbalanced relationship. The challenge can, therefore, further be explained by a relationship that is not a partnership. In the above example, the agency holds the power, albeit creative power, by knowing what is or is not right for the client. The client must be educated and sold on the idea of what is right. However, in contrast, this is justified by the expected client-agency relationship. A client hires an agency to supply advertising expertise and execute creative ideas based upon this expertise, which members explained repeatedly.

Two examples help to further illustrate the suggested imbalance in the client-agency relationship. The first one is an example of rules that the client doesn't follow. The second example is rules the client recently set and that the agency must follow.

When talent is hired for a project, the agency, as a signatory to various unions, must follow union agreements. Otherwise, "[AdCompany] can get into a lot of trouble. And SAG will go after you. They'll go after us as signatories." (8) A fine could be the resulting penalty. But, s/he goes on to explain that the client doesn't always understand the agreements. While it's her/his job to know the union agreement, it is still a shared responsibility that the agency and client together must follow them. For this to work, the client must work with and trust the agency to know and supply the rules. Still, "The clients [doesn't] understand it all the time so they'll take their TV spot and throw it on the internet or video on Youtube or whatever." In the event that this happens, the client will owe and pay the fine. As it relates to the relationship, the client breaches the partnership by not consulting the agency's expertise before making a decision.

The second example also relates to rules, but in this case the rules are set by the client and followed by the agency. Recently, an important client changed their preferred vendor list, which influences how AdCompany is able to conduct business on behalf of the client. In general, agencies work with vendors such as printers and direct mail houses, which are two specific examples to AdCompany. Ideally, the agency decides what vendors to work with, based upon job specifications, the vendors' quality of work, and relationships that subsequently form with vendors over time. Other times, a client will mandate with whom work should be outsourced. In the recent case, an employee explained a recent change from the client as follows,

Mostly I work on [client] ... and the biggest challenge that we're having lately is, or over the last several years really, is that they ... now have preferred vendors. Where we have to go through these certain vendors. Sometimes I don't feel like their vendors are all up to snuff. We're surprised that they work with certain vendors because they aren't up to our quality standards. And we have pretty high quality standards. And we have good relationships with local vendors and other vendors around the country that we've worked with for the past umpteen years that we've been working with [on this specific client account]. And now we're being told, well, you can't work with them anymore, now you need to work with the vendors that we say you need to work with. And that's been a challenge ... Although I know it's business ... but you develop relationships with these vendors that you've worked with, and then now, out of no fault of their own, they didn't do anything wrong, or make a mistake, or anything like that, you have to tell them, 'Well the business isn't yours anymore. I've been told I have to use this vendor.' And I know that's business. But that's still a challenge. Especially when your job is so much based on relationships. (23)

Working from the client's new preferred vendor list affects the relationship the agency has developed with its own set of vendors. This change penalizes vendors through no fault of the vendor. Yet, while it's just business, it still bothers her/him because of the importance relationships have on the business. The effect of this challenge is an imbalance in the perceived partnership the agency has with the client. A compromise would be met in a true partnership, whereas, in the above scenario, the agency had to sacrifice vendor relationships to maintain the client relationship.

Part of the challenge is determining when to support the client's requests versus when to disagree and uphold the agency's recommendations (29, 31). Creatives specifically are challenged with when to "stand up for the creative" work (31). One executive believes that the agency supports an internal process of saying no to the client by saying yes (29). The process seems to work when client requests are administrative versus creative, such as requests related to timelines and budgets. For example, the agency can say no by saying, yes, we can complete that project if you give us one more month on our timeline.

ii) Client perceptions. In describing the challenge of client relationships, negative perceptions of the client were raised by members. Working with a client can be challenging, especially since the client is perceived to be "unreasonable" (18). This includes clients who simply won't buy into an idea that the agency supports and has invested services into (16, 21, 31). Or, the client might sign off on a creative idea only to decide later to pull the plug (21). Also, clients can make unreasonable requests such as setting short timelines or low budgets (18).

When client challenges are met, internal members respond by either feeling stressed or relieving their stress through client bashing. A member explains, "So challenges with the client ... working with the internal folks ... you've got all kinds of conflicts going on because people are stressed out about different things" (29). In these situations, the account services and creative departments might band together when a client account is lost, or an idea cannot be sold to the client. S/he explains, "a really difficult client can be very straining on relationships in the building" (21). Opposed to allowing the challenge to put a strain on the internal relationship, both parties "agree they suck" (21). Therefore, any negative perception held by an employee about the client was suggested to offset potential internal fighting. In effect, it's a way to build internal camaraderie when external challenges are met.

An AdCompany leader stressed the importance of positive client perceptions, which AdCompany has whereas other agencies in the industry do not. S/he explained, “So a lot of people in the advertising business, you’ll hear clients are idiots, they’re this, they’re that, and we don’t feel that way at all, and more importantly, we trust that they will do the right thing by us if we do the right thing by them” (FN 21). However, s/he too is guilty of holding negative client perceptions. S/he was both observed, as well as suggested by others to participate, referring to clients negatively (FN 21).⁵⁸ Therefore, while client relationships are valued, which leadership strives to uphold, and partnerships are an agency goal, even the leaders face the challenge of the client relationship, including the effect of stress.

c) Creative process. Seven agency members indicated that decisions involving the creative work produced by AdCompany were a challenge faced (n=7). What’s interesting to note is that three of the seven members work in account services, while the other four fulfill a creative role.

The challenge includes decisions of what creative work to pursue and what work to dismiss (13, 31, 35). During creative development, a project will have anywhere from one person, to several teams of people developing copy, design, and art direction. AdCompany executives will typically meet with the client before work begins, either in person or over the phone. In addition, the client is involved with the agency’s account service team on determining the scope of work. The scope includes what the project is intended to address or solve, who the target audience is, timelines, and budgets, as a few examples. After the scope of work is agreed upon, the creative team or teams can begin work.

A new business project the agency was involved in will be used to illustrate the process. After meeting internally to discuss the new business project, a project that the agency was invited

⁵⁸ Participant ID Number omitted for confidentiality.

to participate in by the client,⁵⁹ several executives meet internally. During this meeting, it was decided who would attend the first face-to-face meeting with the client, which would be conducted a plane ride away. The meeting was to get next steps from the client and information on what to expect during the pitch. The agency would be competing against two other agencies.

The initial, internal meeting was a discussion about what type of project this was. There seemed to be disagreement over whether or not the project should involve account planning, which is a service the agency offers (FN 16). They also decided who should attend the upcoming client meeting, which was later revised based upon a recommendation from the prospective client. The prospective client confirmed that they did not want account planning services.

A week later, five male agency executives⁶⁰ were out of the office meeting with the prospective client. The following day, the agency executives returned and held a de-briefing meeting. Those that had just returned from the client meeting were the only executives in attendance at this second internal meeting, until the account planner, who attended the first meeting, arrived at the end. The meeting was a review of the client meeting and a discussion of next steps for the agency. A creative director discussed the creative ideas that needed to be developed and a director discussed who would be working on the project as it progressed into creative thinking and creative development. The CEO indicated that s/he, the director, would be in charge of the project. The director also discussed time. S/he wants the process “carefully groomed” and to be able to “slash ideas quickly” (FN 19). The CCO interjected in disagreement that you cannot know what to cut until ideas are put out for review.

⁵⁹ Clients can request participation in the new business process, or projects can come through referrals from AdCompany’s Holding companies (FN 17).

⁶⁰ It was discussed during the initial, internal meeting presented above that the client meeting should not consist of “only old, white men” and that account planning would be represented (FN 18). Account planning was not included, per the client’s request, and the male executives that did attend ranged in age and experience at the agency.

The next day, a creative briefing meeting was held. In attendance were 10 executives including the original five as well as other creatives and account planners. In addition, two executives were in account services: CEO and Director. After this meeting, the executives assigned to the project dispersed for several days into their teams to ensue “thinking” since the agency does not engage in “brainstorming” (FN 21). Thereafter, other creatives were invited into the creative process. And over the next few days, several conversations were observed regarding the creative ideas building, work was shared by the ECD, emails were sent out to the project participants regarding ideas, and printouts were plastered on a walls upstairs and later downstairs. In reviewing this work on the wall, an art director shared her/his thoughts. “S/he’ll be glad when the ideas are ‘killed’ and is given some ‘focus’” (FN 25). This sentiment was shared 11 days after the creative briefing.

This is the same day the client was coming in for what the agency called a client “check-in,” which was to review the work and provide feedback. On this day, the ECD said that the “teams are still putting together ideas ... and they will up until the time the client arrives” (FN 25). Previously, the CCO had disagreed with the idea of slashing ideas quickly. Today, s/he shared further information as to why. S/he “doesn’t want the creative process halted.” One way this will happen is with client input. “The client can unintentionally favor or give focus to one idea over another. Then, it’s human nature for the creative to see that and respond with halting work on the idea that was not given focus” by the client (FN 25).

I observed the client check-in, which was in sight but only partial earshot, so I did not overhear most of the content of the meeting. Generally, it appeared to be a presentation of the ideas, one by one with interjection from various agency executives. The client also provided feedback, specifically after ECD asked the client, “now what?” (FN 25) The next day, at various

times, ECD came into the hallway where the work was previously displayed for the client check-in and reviewed the work with the creative teams. “[S/he] seemed to be sharing what the client liked and why they liked it,” (FN 26), which seemed to contradict CCO’s preferences, shared earlier. Days later, the hallway conversations continued as creative work was reviewed and edited. Executives met and discussed the project out in the open and behind closed conference room doors. The pitch would occur in one week.

After the pitch, the executives came back to hold what was called a creative reprise presentation. CEO sent out an email inviting all agency members to attend. There were about 45 to 50 people in attendance who applauded after the work had been presented. “When the work had been presented, CEO expressed his enthusiasm and support of the work saying it was the best work the agency has done to date ... ECD also clarified that it’s good work, but hard to say the best work” (FN 34). Two weeks later, the agency would learn that they lost the pitch. This new business event took place over 33 days and involved nearly a dozen workers.

To aid the creative process and the challenge of cutting work, the CEO explained a rule s/he calls the 90/10 rule. The rule was first explained during an informal conversation with the CEO. S/he explained that “90% of an idea can be there but it’s not good enough. You just know there is 10% more than can be done. Knowing is a part of a good creative idea.” (FN 3) As an agency, they try to hire people, creatives especially, that can develop creative work to 90% completion and then have a sense of teamwork that allows them to collaborate with others to finalize the last 10% of the idea. A collaborative spirit implies egos are left at the door, which the agency had previously suggested.⁶¹

One reason for delaying the creative process is because the work will get better over time (14). On the reverse side, delaying the rejection of creative work is a painful process for a

⁶¹ See section B. IV. b) ii) for a discussion of no egos.

creative to go through. A creative explains her/his experience at a previous agency, and how that compares to a recent creative project.

[At] my last agency, [it] seemed like ideas would just hang around to the last second so everybody's trying to flush out a million campaigns. It just got to be a mess. It was kind of a dysfunctional process and things would change or get yanked out or added at the last second and you just didn't really know until you had to print on the final deck what was what. So, for example, this [new business] pitch we're doing right now, it seems like we had a pretty clear idea of what was moving forward fairly early on in the process and we just knew what needed to be done in each step. (20)

These sentiments are surprising after observing the process from start to finish, which involved creative ideas being added up until the day the client arrived to review them. And while two leaders of the agency suggested an element of time is important to nurturing creative ideas, others believed differently.

The creative challenge embodies a personal side. When asked about tough decisions, the CEO stated that, "... probably the biggest really, because it gets right to what we do, it's deciding on which creative ideas to represent. That's ultimately what our product is." S/he continues that time is spent on creative work. Therefore, it's not only the agency's product, but creativity is also the product of the art director and/or writer. As a result, cutting creative ideas is a tough decision to make, because people and time are involved. Other members indicated that the creative challenge acknowledges sensitivity to other's feelings (18) and element of fairness to other's ideas (20). In explaining the rejection of creative, an account executive shared the following,

You don't ever want to go up to a creative and say you need to change this to this, you need to say this instead of this. It feels like there are ways you have to kind of couch it and say, 'Well, the client wasn't thrilled with how this sounded. Maybe we could come up with something along these lines.' (33)

Rejection might come from the client, but it must be addressed internally. Members suggested ways with which this rejection should be dealt so as not to offend their co-workers.

Another, more seasoned account executive, shared that experience aids in the process. The challenge is about “how to sell the work that is someone's art and protect their feelings versus making sure the ad sells a product and is on strategy. [Creatives] know his opinion is coming from experience.” (18) As a result of these sensitivities, and with experience, creatives have learned to pick their creative battles both internally (20) and, at times, with clients (21).

Due to the personal element, it's important to note challenges related to people. While few members indicated challenges related to people, the importance of this challenge mandates attention. The people challenge follows.

d) People, personal tragedy. Challenges related to people (n=4) include the challenge briefly mentioned above under the work challenge. When creative work is rejection, this decision has a personal effect. The challenge is having and responding to the sensitivity of the creator, especially as it relates to the rejection of their work. Another aspect of the people challenge is considering the feelings of an employee when they have to be let go. And finally, one of the agency's founders experienced a tragedy, which not only gravely affects him, but AdCompany as well.

While rejection of creative work often times comes from the client, the decision has an effect internally. Expanding upon the member quote regarding the client above, s/he elaborated on the effects that challenges resulting from the client relationship have on internal relationships. S/he explained further,

So challenges with the client ... working with the internal folks ... you've got all kinds of conflicts going on because people are stressed out about different things and ... you get challenges to try to work with different personalities and keep the project moving and hopefully just everybody [will] play in the sandbox nicely. (29)

To keep the environment “nice” at the agency, executives have sensitivity to other's feelings. One way to act with sensitivity is by considering the “timing” of the client's bad news (33).

The other aspect of the people challenge is in response layoffs. With a family-like culture, it's natural for employees to become attached to one another and to the agency. This makes it hard for leaders and managers to make firing and layoff decisions. One aspect of this challenge is having a loyalty toward those individuals that have been with the agency for a long time. The CEO indicated having "a soft spot for [those employees] who've been [at the agency] a long time." During fieldwork, an employee of 14 years was laid off. Therefore, while letting a loyal employee go is challenging, the agency must decide what employees to keep based upon what will put them in a better position moving forward (13).

It was suggested by a member that hiring more senior versus junior level employees, who have more experience and who don't need to be trained, is one option (35). However, this doesn't imply that an employee of 14 years has the senior level of experience the agency needs.

In addition, those in charge of hiring and firing do not always agree (14), or do not want to face conflict (14, FN 30), which delays the process (14). When employees are recognized as not working out, one way to avoid conflict is a work-around. A founder suggested that s/he would take on an extra workload so as not to either a) have to fire the employee, or b) not be able to fire the employee because the timing is wrong or agreement between her/him and her/his partner is off. S/he explained,

I've felt an employee is wrong or isn't going to work out, but my instinct is to always not act on that but to work with ... create workarounds ... it's not fun to let somebody go and you want to believe in everybody, so I will tend to create workarounds ...

S/he further acknowledged the negative repercussions of this decision,

... From an HR stand point, the problem you're creating is you're not giving negative feedback, as you should to keep somebody aware, that they were let go, that there are reasons.

The situation of the workaround relates to a perceived weakness of leadership, which will be presented later. That is that leaders should enable their employees to grow at AdCompany, and communication and reviews of performance are important to do so, but don't occur for everyone.

The last aspect of the people challenge involves tragedies faced. Two tragedies were explained and, while they were not explicitly introduced as challenges, are noted here due to their influential nature on the agency, and potentially on culture. The first is the death of an employee for which the agency still honors today. Employee Day was presented earlier under the value of a) people i) family first. The second is a very personal and tragic death endured by the founder.

About two years before the time of the study, one of the founders lost an immediate family member. I learned of this tragedy on the third field day during the award show. More details as well as the effect it had on others at the agency were later shared during conversations with other members and during interviews. Since the tragedy, the extent to which the founder has been involved with the agency has been questioned, although great respect for her/him continues to be shown.⁶²

e) *Divided views.* Divided views emerged regarding several of the challenges presented. Divided views emerged for client perceptions, the management of creative work, the no markup policy, and the leader's sensitivity toward people, specifically when employees quit. First, there was disagreement as to whether the client is perceived negatively and, by association, if the client should or should not have the right to be happy with the work produced. Second, the extent to which the agency does and should kill creative work early on in the creative process met contention. Third, there is difference in opinion as to whether or not the agency should earn a

⁶² The tragedy remains abstract in nature to show respect to the leader as well as to protect confidentiality.

commission or continue to support the founder's no markup policy. And, finally, the challenge of letting people go is influenced by loyalty that is not necessarily reciprocal.

The client, in addition to being “unreasonable,” was referred to as an “idiot” and “horrible.” While client names seem a reasonable result due to the frustration experienced, it's important to note that this illustrates a divided view. A leader had suggested that other agencies call clients “idiots” but this agency does not. Clearly, that's not the case. Furthermore, the agency values a partnership with the client where they are trusted and respected. This is upheld by the view that the client has a right to love their advertising (10, 14, 36). This means the agency will listen to client input and respond so that they get the work done to the client's satisfaction (33). Not everyone agrees, however, which was explicitly shared (21) as well as implied in the negative perceptions held. Options include firing the client (26) and striking a balance by knowing when to push back versus upholding creative integrity (36). Creative integrity means that the work that agency believes to be best at solving the client's advertising problem(s) is the work the agency should create and present to the client.

The work challenge also illuminated a divided view. There is difference in opinion as to whether or not AdCompany kills work quickly, and if they should. On one hand it was suggested that the agency does not have “big kill” meetings (25). Observation of the new business, creative process displayed several ideas that only grew in number as the project progressed. After client feedback at the check-in meeting, the ECD shared that two ideas were killed. This illustrates the other aspect of the divided view, which determining if ideas should be killed. The CCO suggested that the client should not be included in the creative process since the client could explicitly or indirectly kills a creative idea. Furthermore, s/he suggested that ideas need time to grow. Others, however, suggested that they appreciated ideas to be cut.

Disagreement for the policy of no markup is worth a quick mention. Members generally viewed the policy of no markup, what the agency calls one bottom line, positively. This has been a policy since AdCompany was founded. As a business and financial policy, CEO suggested no markup, which was supported by CCO.

It's been a [CEO] thing. If [s/he'd] said [CCO] it's normal, because I trust [her/him] and know [her/him] so well, [CCO] it's normal to tack a \$500 bill on top of anything that we do, I would believe [her/him]. So when [s/he] says we're not doing this and here's why ... [S/he] has very quick and firm opinions on what's right and what's wrong. And they're not always agreed upon. [S/he] and I disagree often.

While CCO disagrees on certain aspects of the business, s/he trusts CEO's decision for having no markup. The CCO acknowledged that CEO knows best, and, therefore, trusts and supports CEO's decision. Two members suggested that others have come into the agency and questioned this procedure (13, 15). Currently, while determining new direction and future growth for the agency, having no markup could come into question. One member indicated there is nothing wrong with marking up, while another suggested that it is the best way to make money (FN 14). The extent to which these divided views will influence the future direction of the agency was not made known.

The challenge of letting people go was shared by both founders. To the founders, it's a hard decision to let someone go that they have found to be loyal to the agency. Loyalty is shown in part by longevity of services. There's a flipside to loyalty, however. When a person decides to quit, the leaders have been criticized for taking the decision personally (1, 28). The founders' reactions could be seen as disloyalty to the employees versus supporting their future growth elsewhere. Another member suggested their reaction is a good reason why s/he would never quit. S/he doesn't want to endure the reaction.

f) Summary. In summary, AdCompany faces challenges related to growth and decline. A more detailed look at these challenges introduces a look into AdCompany's current new business efforts; determining the agency's future direction; the effects of decline, which include layoffs; and financial challenges. In addition to growth and decline, managing client relationships is a challenge. As a result, the members of the agency have developed negative perceptions of the client. The agency also faces challenges of determining which creative ideas to keep and which to kill, and determining the best process for making these decisions. The creative challenge is affected by having sensitivity for others, including the people that develop creative ideas. In addition, the people challenge includes decisions related to employee termination. Finally, two tragedies were faced at the agency, which will still influence the culture today.

IV. Organizational leadership. Research question 2c asked, what are the perceptions of leadership? Leaders are those members first charged with solving the problems of the organization and thus those who first establish culture. Perceptions of leadership uncover both positive and negative characteristics of leadership that have an explicit relationship with organizational values, goals and challenges. In addition, these same strengths and weaknesses begin to illuminate the relationship between culture and ethics, which will be presented in the last section of findings.

This current section will illuminate a) who the leaders are and b) perceptions of leadership, c) divided views, and conclude with d) a summary. The overview of a) the leaders includes a discussion of i) the founders: CEO and CCO, ii) respect shown toward the CEO and CCO, and iii) other categories of leaders. Next are b) perceptions of leadership. These findings come from both leaders' and non-leaders' responses to interview questions about leadership at AdCompany. This section will include i) philosophies of leadership shared specifically by the

Directors. Philosophies include leading by example and being a supportive leader. In addition, the founders implied how wisdom guides their leadership style. Characteristics of leadership were also shared by organizational members, which include the characteristics of being ii) hands-on, iii) good communicators, iv) having integrity. In addition, v) weaknesses of leaders will be presented, which begin to illuminate divided views, such as the view by some members that leaders are not good communicators. Divided views and a summary conclude the section.

a) The leaders. Organizational members were asked who the leaders of AdCompany are. Responses included the founders of the agency, the CEO and CCO. In addition, it's important to note that when members talked about the two founders of the agency, respect was shown, which will be discussed in more detail below. In addition to the founders, other categories of leaders were provided. These categories included the Directors of the agency, or those individuals with a title and/or seniority at the agency. However, not all members with seniority hold a Director's title. In addition, not all members value titles at the agency. Therefore, a divided view on titles will be presented. Other categories include individuals that managed specific departments, and individuals that depicted certain characteristics. Following is an explanation of these findings.

i) The founders. Two seasoned advertising executives founded AdCompany in 1996. One was from the business side, the other from the creative. Both worked together at the regional office of a well-known, publically held agency. After being treated poorly, both had reached their respective times to quit. Starting their own agency had been discussed for about "10 years between the two of them, so who's to say actually came up with the idea is difficult" (FN 45). Building upon their previous experiences, the two decided to start AdCompany with the mission of being a creative escape from the overly complicated nonsense of the corporate agency.

Still today, even after being bought by one of three media holding companies, the founders serve as chief executive officer (CEO) and chief creative officer (CCO). They are known as the founders, the leaders, and the names on the door of the agency. When asked, “What do you think of the leaders of the agency and/or the leadership of the agency?” CEO and CCO were mentioned most often as the leaders and most often the first names to come up (n=30). For example, when an interview participant was asked, “On leadership, could you talk about who you see as the leader[s] ... and ... what makes that person a leader?” S/he then answered, “The answer is [CEO] and [CCO] because their name[s] [are] on the building.” (40)

ii) Respected. Positive views and respect for AdCompany leaders were expressed across interview responses (n=26). Specifically, the CEO and CCO are highly respected by their employees; “They’re nice people” and “they’re great leaders” (8). Positive adjectives used to describe the leaders were “great” (8, 15, 20, 27, 31, 38), “good” (23, 46), “nice” (8, 24), “lovable” (20), “strong” (17, 44), “passionate” (17), hardworking (17, 34), and smart (2, 17, 41). As will be presented, there were several articulated weaknesses of leadership. However, even when presenting a weakness, such as taking on too many responsibilities that lead to something falling through the cracks, the leaders were praised.

There is great admiration for the founders of the agency. At various times during an interview, a participant would comment on “what’s always been great about [CEO] and [CCO]” (38). A few participants gave the two founders as the reason for working at AdCompany. When asked to describe the leaders, an employee shared that “They’re real people. They are. They lead with integrity and I respect them and that’s probably why I’ve been here so long and why I’m happy here and can see myself here for much longer.” (9) Another participant shared similar sentiments, “Well [CEO] and [CCO]. I have a hard time articulating these types of things.

They're two great [people] ... they want to do the right thing always. That's part of what attracted me here.” (15) When asked, “What is it about the agency that entices people to stay so long?” a participant responded,

Again I think it's [CEO] and [CCO]. Their personality. Not only their business sense, because they're both very smart about [the] way they run it. Their creativity and they're personable. You know, you can go, anybody here could go up to them and say, ‘hey I need to talk to you about something’ and it wouldn’t be ‘oh, I’m too busy.’ They'll set a time and find the time to do that. Just really great [people] to work for. (41)

Admiration for the agency’s founders and leaders extends beyond the walls of the agency. An employee states that the agency’s leaders are “Very well respected. Not just here but in the industry overall ... in the [City’s] advertising industry.” (4) My fourth day in the field was an evening spent with the agency’s employees at an award show. This was my first, and a personal, encounter with respect for the leaders. The awards were presented via video reel, which was being shown in a separate room of the venue. The venue was a downtown restaurant.

An event coordinator hushed the crowd to tell us the first showing of the award reel would take place in 15 minutes. ... Halfway through the reel, a video of [the leader] played, which was about the death of [an immediate family member] ... When the video ended there was applause from the audience, which was the most applause from the reel. ... Back in the event room ... I made my way over to the bar and [the HR Director] ... The second showing of the reel was starting and [s/he] asked if I wanted to go watch again. I did. We were one of seven or so people watching the second showing. [Her/his] friend came in, sat down to my right and asked me who I was. [The friend] had a drink in hand and was slurring her speech. The reel started and when the [Leader’s] video came on, [HR Director] asked if I had seen it and I said I had but because it was cut off, [I was] not sure what it was. [S/he] told me about his [family member] dying and this was in dedication ... [Her/his] friend to my right was asking, ‘is that [Leader]? Is he here?’ [HR Director] answered her in short one word responses and did not turn her attention from the screen. Friend got up and left still talking. I personally thought this was incredibly disrespectful and the commotion made me uncomfortable. After the video, the event coordinator came up behind [HR Director] and said ‘when the video first showed, the room was completely silent and the audience broke out in applause after.’ This seemed to be a sign of respect, perhaps in response to the friend’s rudeness. (FN 4)

This experience happened before interviews with the agency employees. But it was the first encounter with what others thought of one of the agency’s leaders. The excerpt illustrates how

people internal and external to the agency react to one of the leaders. For example, the applause from the crowd and reaction from the event coordinator during the second showing suggested respect from industry members. And an employee, by her/his reaction, or lack thereof, to a loud friend during the video, exhibited a sign of respect.

Since the leaders are respected and known by others in the community, a new employee of the agency faces certain pressures. S/he shares,

This is an agency where everybody knows. When I say I work at [AdCompany], people are like, 'Oh my gosh that's really impressive.' So to have an agency that's impressive think that you suck is probably not something you can come back from. Everybody knows [CEO] everybody knows [CCO] in the city so to have them think you suck is bad. So there is a lot of pressure for me to do well. (5)

This excerpt illustrates the belief that the leaders are known and further supports the respect shown by employees. While doing well at a new job can be a sign of individual accomplishment, doing well is also a sign of respect for the leaders. If a new employee does a good job, s/he further supports the leaders' reputation as running a successful advertising agency. An employee suggests that respect is in reciprocity. S/he explains,

... They're just good guys. They really are. Good guys who you're happy you work for them. You want to do a good job because you want ... you know their names ... on the door and you want them to be proud. Because you're proud of them because they are such good people. (23)

While it could, reciprocity in this case does not mean, because the leaders respect employees, employees respect the leaders. Because s/he works for, not just good leaders, but good people, s/he wants them to be proud. Two others agree by suggesting that because they respect the leaders, they also want to please them (35, 40). Respect is given to the leaders, because of their character as good people. Therefore, doing a good job is a sign of respect given.

iii) Other categories of leaders. Responding to the question "who are the leaders of the agency?" members suggested several categories of leaders. First, leaders are the founders, and

those individuals with their names on the building. This finding was presented above in the discussion of the founders. Second, leaders are known by their title, which include the executive titles of the two founders plus 12 others, who together are referred to as the Directors of the agency. Another way to describe this category of leader is by seniority. Those that have been with the agency the longest are perceived as leaders. However, it's important to note that not all members with longevity have been given an executive's title. Therefore, this contributes to a divided view of titles including whether or not a title is desired. Some employees neither want, nor have a Director's title. Third, leaders are those individuals that manage a certain department. This characteristic is similar to Directors, but the title was less important than the departmental role, such as account planning or creative, as two examples. Fourth, leaders were understood by their personal characteristics. For example, an employee who is neither a founder nor a Director can still be seen as a leader for the agency. Characteristics include dominant interaction with employees, having the client's interest in mind, and being a hard worker.

Following the founders, the second category of leaders is Directors: those holding an executive or director's title. Together, this group of leaders is referred to as Directors. According to an organizational chart of the agency provided by the Director of HR, there are 14 Directors in total. The founders hold the two highest titles at the agency: CEO and CCO. Additional Directors' titles include those of Account Services, Creative, Digital Communications, Finance, Account Planning, Production and Human Resources.

Leadership is also characterized by years of employment at AdCompany. On one hand, some of the individuals holding a Director's title have been working at AdCompany for several years, some since the foundation of the agency. However, it's important to note that not all members with longevity have been given an executive's title. Directors range in years of

employment from 1.5 to 16 years.⁶³ Of the 11 Directors interviewed, the average span of employment is 9.9 years. The divided view of titles is presented later.

In addition to their title, Directors are known for their involvement in biweekly meetings. Three meetings were observed, and each helps to illuminate the Director category of leaders. In addition, the meetings depict a relationship between the founders, and their interaction with other Directors. The meetings will be presented first and a discussion, as it relates to categories of leaders, will follow.

The first meeting was labeled an “executive meeting” in fieldnotes.⁶⁴ The CEO was absent. A member suggested that this meeting would serve as a good observational event because “what is said in the meeting while [CEO] is there will be different from when [CEO] is gone” (FN 28). During the meeting, someone joked, due to the low attendance, “the meeting isn’t important if the CEO isn’t here” (FN 28). There were about five initially present and a couple other Directors who joined in later. “They suggested calling it, meaning dismissing the meeting, but ended up staying and discussing a few projects” (FN 28). By suggesting a dismissal, the Directors seem to affirm the insignificance of a meeting in the CEO’s absence. The conversation was casual in nature; one Director, who joined late, joked about having a bad hair day, and another discussed a project of ordering pencils (the project was labeled “small potatoes” in fieldnotes).

The CEO referred to the second meeting as a “status meeting” (FN 31). There were 10 Directors in attendance and five contributed to the discussion, which was led by a Creative Director (CD) explaining a client project and plans for production. At one point, the Executive Director (ED) interjected and then began to engage in a casual conversation with CEO. The CD

⁶³ Years of employment are based upon the time of the study.

⁶⁴ The confessional tale discusses my trials in the field with “coming to know,” which includes instances of getting things wrong such as the above scenario depicts.

brought the meeting back to the client project by “saying something like, so more on [Client]. She [then] went through other projects.” (FN 31) The meeting ended with more conversation between CEO and ED. Notes indicated, “When ED and CEO begin to talk, they make eye contact with one another engaging in a comfortable, friendly dialogue. If addressed, CEO will divert his attention from ED to that person.” (FN 31) This indicates that others were involved in the conversation, but primarily CEO and ED led the meeting.

The third Director’s meeting observed included a discussion of new business. CEO led this meeting, but others participated. This meeting in particular provides a depiction of the interaction between CEO and CCO, and a depiction of each founder’s role during the meeting. A summary of this meeting interspersed with fieldnotes follows.

The third meeting began with a conversation about new business. The Directors were discussing whether or not they should leave behind a cookie with their prospective client. “The consensus [of this decision] was led by CEO” (FN 32). CEO also led the meeting by making the opening remarks and presenting the projects. CEO indicated that ED was out and that s/he would be presenting the client status, which implied that ED typically would lead the client projects status. The meeting included some light-hearted interactions and jokes. And as the meeting ended, some side-conversations between attendees were struck.

There were several observed interactions between CEO and CCO during this meeting, which illustrates a few things about these two leaders. First, these interactions illuminate aspects of their relationship with one another. They are known to be friends. From a business perspective, it exposes each founder’s role as a leader and respective hierarchy. It was suggested that CEO is in an elevated role of leadership over CCO, even though both are founders and both,

together, are seen as the leaders.⁶⁵ And second, it provides an example of other Directors' relationships with each founder. The interactions will be presented first, followed by a summary. In addition, these examples will arise later on in a discussion of weaknesses and divided views of leadership.

The first interaction of the third meeting involved a new business project and the decision of leaving behind a cookie.⁶⁶

Later, after [Executive Creative Director, ECD] came in, CCO brought the leave behind back up, talking to ECD directly. He explained to ECD what the others had decided, which brought the cookie back up for discussion. It seemed that CCO was bringing ECD up to speed on the cookie but also to get confirmation or dissent from ECD on the previous consensus.

The second interaction involved a physical reaction to CEO's comments. "CEO brings up the work down on the new business project and upcoming pitch. When CEO presents the new business project as the best creative work done by the agency yet, CCO smiles (more of a smirk that overt smile), looking at ECD, whose face I cannot see." The smirk is communicating a, 'yeah, right, the best work' attitude that the CCO had previously described as his negative attitude, counter balanced to CEO's positive attitude. While the CEO will "dial up the positive," the CCO is expected as a creative person to not "dial up the negative, but ... make every effort not to look naïve. Because a creative person in ad agency is already cynical and already expecting to hear the worst." The third and fourth interactions of the same meeting are represented in the following fieldnotes. These interactions include CCO's attempts to contribute to the discussion and the jokes s/he shared.

⁶⁵ CEO and CCO together as the founders were presented as the first category of leaders under section B. IV. a) i) above.

⁶⁶ While writing this finding, it came to my attention that this example might sound funny. However, they were literally debating whether or not to leave behind a baked good. During new business pitches, AdCompany will send new business prospects capability packets, which illustrate the agency's services and expertise. At times, these packages will be tailored to the prospect's company, products, etc. For example, during fieldwork, AdCompany pitched a dairy company, baked several items with the prospect's dairy products, and hand delivered the package. The above illustrates the involvement of CEO and CCO during the decision of how to package a new business pitch.

CCO gets cut off by CEO and [Director]. CEO presents some news. CCO adds. Gets two sentences in when [Director] directs a question to CEO, which cuts off CCO. CEO then addresses [Director] in return who is sitting on the opposite side of CEO ([Director] then CEO then CCO), therefore, redirecting attention and facing away from CCO. CCO tries to come back in unsuccessfully at first, but later adds his comments. Someone makes a joke about CCO attending a meeting as Johnny Cash. He's dressed in a black shirt and dark blue jeans that look black. When it comes up again, CCO says, he's (points to ECD) wearing black too. But someone adds, but he's wearing blue jeans not black. CCO pulls on his pant leg saying these are dark blue. He's laughing and smiling, taking the joke by sharing in the laughter. (FN 32)

These interactions illustrate several things. First, the relationship between CEO and CCO, specifically their role as leaders, is established. CEO leads the meeting: the Director's meeting and others, including monthly agency meetings. CCO does contribute, but lacks the support, such as in a vote, like the cookie vote, and in the ability to talk and contribute to the forum. In a supporting role, CCO adds comments and offers some comedic relief by participating in light-hearted jokes. A monthly agency meeting further illustrates the leading versus supporting roles.

[CEO] asked [CCO] if he wanted to report on something indicated on his paper on the counter. [CCO] asked, Good Friday time sheets what's that? So [CEO] reported [on the number of holidays for this calendar year and how holiday and vacation time would work] ... When [CEO] was talking, [an Account Executive] walked up to [CCO] and then [CCO] reported on a pro-bono account. [S/he] provided a website for employees to check out the work they did and the line-up for an upcoming concert. Later, [a Planner] sent out an email reminding everyone of the link that was addressed in the meeting. (FN 2)

CCO is offered to report on agency news, and does not decline, but simply is unaware of the news related to human resources. Regarding her/his departmental area, creative, CCO does report news, but after being prompted by another employee.

These events help to show the relationship, role and hierarchy of CEO leading and CCO supporting. In the primary leading role, CEO takes charge. For example, s/he makes decisions, such as on the new business project. S/he also takes lead of the conversation, even as CCO tries to interject, which was illustrated in the Director's meeting excerpt above. When CEO is away from the agency, other Directors suggest that business should not be discussed, because their

leader, the one that makes decisions, is absent. CCO confirms that of the two, CEO takes the primary leadership role. CCO gets less table time in discussions, as the above exchange illustrates in which s/he gets cut off. When comments are brought to the table, they tend to be lighthearted as the jokes and body language of a smirk indicates. These events suggest a supporting role. However, it should not be overstated that these findings solely illustrate CEO's hierarchy over CCO's. What these events also suggest are what one would usually observe in an advertising agency,⁶⁷ which is an account person leading client projects and a Chief Executive Officer overseeing the business of an agency. By comparison, a Chief Creative Officer's job is to oversee all creative projects.

The previous was a presentation of the second category of leaders: Directors. In addition, the role of the founders as two of the Directors, and their relationship with one another and with other Directors was presented. Following is the third category of leaders.

The third category of leaders includes those individuals that manage a certain department (n=5: 3, 6, 7, 9, 22). This category is similar to Directors, but the title was less important than the departmental role, such as account planning or creative, as two examples. Leaders are those individuals that employees have the most interaction with, and their boss within their respective departments. One employee described categories of leaders as follows,

I think [CEO and COO] are kind of the stakeholders. I think that there's different leadership at different levels. I think there's ... the creative leadership. [ECD] and those guys are pushing one direction. You have an account leadership with [ED]. You have the DM side some other individuals in that ... basically stuck between the client and the creative a little bit there who are trying to push things around. And then you have planning leadership. You have different voices across different departments who all play into that ... leadership role... I think those guys are kind of steering the ship but you have a lot of people who are ... have a map in their hand and are wanting to go in one direction or the other. (22)

⁶⁷ <http://www.aaaa.org/agency/compensation/resources/jobs/Pages/default.aspx>

CEO and CCO are the “ultimate” leaders or the “stakeholders” of the agency per the participant’s description above. The interpretation is that the founders have the most at risk at the agency. In addition to the founders overseeing the entire agency, they and others are also leaders assigned to overseeing the different departments of AdCompany. When asked about leaders, one employee indicated it was CEO and CCO; the next leader in line is her/his boss. This is the person s/he has the most interaction with (6).

Fourth, leaders were understood by their characteristics⁶⁸ and character. For example, an employee who is neither a founder nor a Director can still be seen as a leader for the agency. Characteristics include dominant interaction with employees (25), or taking initiative; having specialized knowledge (33); providing clarity to others (40); challenging employees (43); forming relationships that are necessary for the agency’s success, such as client relationships (31); having the client’s interest in mind (13, 30); and working hard (13, 25, 28). Another means to describe the characteristic of a leader is taking initiative. One member described her/his decision to mentor another employee, because s/he observed the other’s potential (1). Others decided to take on new business efforts, outside of her/his job description (31, 45). Some people take a leadership role by voicing ideas (40), and having the desire to be a part of the top-level discussions leaders have (24). These examples illustrate a work ethic or an initiative, which below will be explained as a working culture, and hands-on leadership style. Positive characteristics refer to the character of leaders. Leaders are “good” (13), meaning virtuously good by respecting the client (30). Leaders also are perceived to treat others fairly, including clients and employees (17, 41).

The second and fourth categories of leaders (Directors and characteristics) illustrate a divided view of leaders, titles, and seniority at AdCompany (n= 9). The first aspect of the

⁶⁸ Characteristics of leadership are presented in section B. IV. b).

divided view is that holding a title doesn't necessary make someone a leader, let alone a good manager. As the fourth category of leaders illustrates, characteristics make a person a leader. One Director indicated that s/he was rewarded as a manager with a title, but that "Doesn't make [her/him] a good manager" (35). This particular Director is not comfortable with being a manager and didn't necessarily want to be one, but had previous experience. Two other members explain why someone might have received a Director's title. The first explains, "And I feel like there are some people who are not, don't have the tenure and aren't necessarily, don't display the characteristics of a good leader, but we gave them the title because they negotiated it or it seemed like well they're so good at what they do we should give them a title" (28). S/he explains that a title might come from seniority, i.e., years with the agency, or from negotiation when joining the agency, but not necessarily for displaying the qualities of a leader. The second explains,

...How this ended up was the directors ended up just being whoever was the manager of the different kind of areas ... departments ... was how it started ... we used to just be like we'll have this once a week manager meeting. And then it became ... directors. Then at some point directors were named VPs ... just kind of how it evolved ... I feel like there's a difference between a manager because ... It's hard for certain people to manage a team when they've never had any training and there's a lot of people that maybe haven't have that so they don't really know what makes employees tick and what motivates them and how to manage them. (30)

This scenario depicts a title default based upon seniority or time spent with the agency. The negative aspect of this default is potentially poor management due to a lack of training. It's a case of being in the right place at the right time, while being "right" assumes that the title is valued. However, not all members agree on the value of the title as the divided view is explained further below.

While a Director's title might symbolize a leadership role in the agency, if that individual doesn't illustrate qualities of leadership, s/he might not be viewed as a leader. For example, one

employee suggested that there are not many leaders beyond the CEO because the CEO is the hardest working person at AdCompany. S/he explains,

So I think leadership true leadership people that are good examples for how the agency should be should conduct itself I think that there is a tiny, tiny number of those I would put [CEO] in that category as people look up to [her/him]. [S/he's] the hardest working person in the building. [S/he] puts in more hours. (28)

Leadership is, therefore, about characteristics or qualities possessed. These qualities will be discussed further under the aspects of leadership to follow.

Titles are now given at the agency; however, this was not always the case. At least, some members understood that titles were not part of AdCompany's history (29, 44). Therefore, there is disagreement whether titles were part of the agency's history. When asked if there was a time that there were no titles at the agency, an employee explains the history as follows,

I don't know that that's true. I think there were people. ... There was definitely a period of time at the agency where there were not titles. I suspect I don't know this for certain that it was probably more done by job description. Clients need to know who you are (what you do) and this is one of the ways of communicating that is through title. It just is. (34)

Titles aren't important relative to culture, because as part of the agency's culture, equality for all employees was and still is valued today.⁶⁹ Because all members of the agency work hard and no task is too small for any member to complete, titles and hierarchy are not important. However, titles, or job descriptions, are important for the client's understanding. While a title shows seniority in the agency, a job description is an explanation and a way for the client to understand and navigate the agency's processes.

Therefore, there is also disagreement among members as to whether titles are valued. On one hand, those that received a title appreciate the title (30), or view the title as a "reward" (35). On the other hand, some members expressed cynicism for titles. Titles don't matter, as part of the organizational culture (17, 18, 43), but matter to the client for understanding and identifying

⁶⁹ Equality was discussed above under organizational values.

the agency's processes and procedures (17, 34). In the middle is more of split view that titles matter more to others, like those in the creative department, and while they don't matter as much to those, say in account services, it's still frustrating to see creatives advance with titles (18).

b) Perceptions of leadership. Organizational members were asked for their perceptions and beliefs about leadership of the agency. First, those in leadership positions provided their philosophies of leadership (i). Second, all participating members provided characteristics of leadership. Characteristics include the belief that leaders are ii) hands-on and iii) good communicators, and that they iv) have integrity. Some characteristics applied to leaders in specific categories aforementioned, which will be noted accordingly. In addition, v) weaknesses of leadership were expressed.

i) Philosophies of leadership. Several leaders in Director's positions were asked about their philosophy of leadership and similar philosophies emerged (n=8). The philosophies will be referred to as leading by example, and supportive leadership. In addition, the founders implied that leadership comes with wisdom. This insight was presented less as a philosophy and more of a foundation, which aids their ability to lead. Wisdom will be presented first, followed by the leadership philosophies.

Wisdom is a compilation of the founders' experiences as agency executives. Both founders exhibit patience and a faith in the agency's abilities, which are guided by organizational values. One founder articulated a philosophy of sorts when explaining how s/he deals with the challenge of managing creative projects for which some ideas need to prosper and others need to be killed. Clients, external members, judge creative projects, as do internal members, especially the creative directors, which is a role s/he fulfills in part. S/he shared the saying "it will become evident," which means an answer will come in time. The saying also applies to management

challenges, such as dealing with disgruntled employees. Over time, s/he has learned that problems tend to work themselves out if you're there for support versus trying to control the situation. This understanding relates to the third philosophy below, which is leadership by supporting employees versus micromanaging them.

The other founder articulated, what s/he called, a business philosophy, which is "merit will prevail." S/he explains that there are events beyond your control, which can have an adverse effect on your business. However, within your control are the organization's values of "integrity, creativity, collaboration and equality." By relying on these values, specifically working well with others, and by using "your talent to the best of your ability," good things will come. An example of this happening was provided. Years ago, a client relationship was slowly terminated by the client. The termination was beyond the agency's control. S/he explains that in this business, it's rare to turn a failing client relationship around, but they "stuck to what [they] do" when "what could happen, should happen" and does happen to the agency, and have learned to "work with the next opportunity" that comes. The agency regained this client and was reviewed by the client as one of their best agencies to work with.

A philosophy of leadership shared was leading by setting examples (n=5). This philosophy explains, in part, the leadership aspect of being hands-on. This aspect is presented below as a belief both leaders and non-leaders share. As a philosophy, the Directors suggested leadership at the agency is about "doing what you say" and using the organizational values to guide action (13). To uphold this philosophy, a leader would never ask an employee to complete a task s/he her/himself would not complete (30). Employees are able to follow their leaders' example by their "doer style" (25). The doer style connotes that the leaders of the agency are not simply managers but workers in respective departments.

The next philosophy of leadership is best summarized as supporting versus micromanaging employees (n=5). Leaders of the agency are there to provide direction to their employees (25, 37). As one Director explained, it's about "Inspir[ing] them. To enable them to do their best work and to be their best person." (25) As a philosophy, Directors expressed that it's important to hire like-minded people and to let these like-minded people complete their work without interference (14). Interference was further articulated as micromanaging (15). A Director had been micromanaged at a previous job, which s/he didn't care for, and therefore, manages others the way s/he would like to be managed (15). Under this philosophy of leadership, it's important to provide employees with the resources that they need (15, 25, 31). By supplying resources and then stepping back to let their employees work, these Directors have embraced what they refer to as a "servant leader" (15, 31). It implies the mentality of, I'm here to help, but not to dictate or overrule.

In addition to philosophies, members, both leaders and non-leaders, were asked about their thoughts on leadership. Beliefs of leadership included a hands-on approach. As part of the hands-on approach, setting an example is an aspect of leadership. Leaders do not simply manage others and/or provide direction, as two examples, but are also contributing members of the workforce. Leaders of the agency are not micromanagers, which is positively viewed. However, weaknesses of leaders are also held, which is a divided view of leadership as hands-on. As a result of working on their own tasks, certain expected leadership duties fall through the cracks, such as preparing others to lead and providing direction or the agency.

Those in director's positions shared leadership philosophies. Following is a presentation of characteristics that were shared by members at all levels, directors and non-directors. Characteristics include being a hands-on leader and a good communicator.

ii) *Hands-on, working leaders.* The agency believes in a working culture, which is exemplified by the leaders (n=28). Members used the terms, “hands-on” to describe the leadership style for the agency. The term means several things to the members. First, it identifies a working philosophy of leaders, with no task too small or insignificant for a leader to complete. Leaders believe in the philosophy, don’t ask anyone to do what you aren’t willing to do yourself. Hands-on also identifies the collaboration between leaders and employees. Leaders complete their own tasks, in account services or creative, respectively, just like everyone else. And as part of a collaborative, open culture, leaders work together with others. Accessibility to leaders is important for collaboration to work. Leaders must also trust their employees to get the work done and provide support and encouragement along the way, which members believe the leaders do. As a result of being hands-on, leaders have set examples for their employees and in return, expectations are known. Leaders set examples of working hard and having passion for the work. Hands-on does not connote micromanaging, according to members. While the leadership style of being hands-on is mostly appreciated, there are a few weaknesses, or divided views. For example, because leaders are completing the day-to-day work of their respective departments, some aspects of leadership fall through the cracks. One aspect is the preparation of the next level of leadership. Explanations and examples for each aspect of hands-on follow.

It was suggested that leaders have a working philosophy accompanied by a sense of humility (10, 11, 15, 20, 30). Members explain that there are “no egos” at the agency (10, 11, 20). What this means to employees is that no task is too small for a leader to complete. And employees believe that leaders don’t expect their employees to complete tasks that they wouldn’t or haven’t done (32, 40). The CEO, just like every other employee, makes coffee when s/he and others needs a cup (15).

Everyone is expected to contribute equally to the agency workload, which comes from the top. For example, you would never hear the founders say, “I won’t do that” (30). Another example employees have given is that the founders don’t have secretaries (30). Although, the CEO did attempt to have one, it didn’t work out further validating the working mentality of leadership (2, 43). Aspects of leadership were often described as sans ego, which compliments the doer mentality. Instead, the founders of the agency, working without secretaries, complete administrative tasks such as scheduling their own meetings (2). By witnessing leaders completing menial tasks, employees sense a characteristic of humility. For example, one employee shares her/his first days of employment, around the agency’s first year anniversary. “When I came in the next day [CEO] was running the vacuum, you know what I mean? He’s just not. Neither of them are pretentious [n]or showing [sic] entitlement or anything like that.” (43) There is nothing the leaders are “too good to do” (15). Related to their humility, leaders have a personable feel, which makes employees comfortable working alongside the leaders (20, 35, 39).

While most leaders are responsible for supervising anywhere from one to several employees, no one just supervises; “everybody also does hands on work” (29). “Leaders are doers. Baked into the culture like every. Everybody is a working whatever. Working account guy ... we have no pure play leaders and managers.” (25) The two founders “baked” the working culture and did so based upon their passions for the work. The CEO has a passion for working with clients and developing strategy, and the CCO has a passion for creative writing. Employees see this passion. One explains, “They love the idea of running a place where they’re actually also doing the work because they really like to work” (31). Employees, those that have been with the agency since the beginning, also see that the working culture, and being “hands on,” has maintained (32). A leader describes the intentions for the agency as follows,

CEO and myself included, who cared about being a manager or a businessperson? We wanted to be advertising people. I wanted to write ads, CEO wanted to build client relationships and solve client problems. So way down the list of things that bring us any kind of joy is being perceived as getting in the way of other people's relationships with their clients and their work ... I just don't have the interest in sitting down with somebody who I respect and playing cop around the decisions they're making. It might be different if we were selling an objective product like a widget and we needed to get out this many this month and are the machines being kept up,, are they being serviced is the raw material coming in on time, and I can say we ran out of raw material, why did you let that happen? But in this world, you're being handed messy problems with very subjective and ... gut driven answers ... If I have always found I work well with this person and respect their work and let that doctor deal with that patient and let me deal with my patients. (14)

Neither founder intended to manage others, which CCO refers to as “playing cop.” Instead, the foundation supported the working culture so that all members of the agency, including management, could do the work they enjoy. This hands-on culture also supports collaboration between leaders and employees. A description of collaboration as it relates to leadership follows.

Collaboration, leaders and employees working together, is part of the working culture, and supports the leaders' hands-on working style. While the CEO and CCO are working on their respective client accounts and projects, they also come together with others (1, 7) and allow their employees to contribute to agency projects (23). For example, two employees, one Director and one non-Director, were being trained by the CEO to present the agency's services and credentials for new business (FN 20). All three took on a role in a new business phone conference. Afterward, one of the two being trained shared that CEO had done this “a bajillion times,” so CEO didn't really need to practice. However, after the new business call, the trainees asked CEO for feedback on their contribution during the meeting.

In part, collaboration with the leaders is made possible by the leaders' accessibility as part of an open, equality-based, and collaborative culture. It's understood that leaders, such as the CEO will make time for employees (6, 19, 26). An employee explains this aspect of leadership and the agency's culture by comparison to her/his last job.

But just because they're the founders you never get the sense from talking to anybody that they're unapproachable or they're not willing to listen to somebody or change their mind because somebody suggested something. Some places I've worked at you've got your CEO sitting in a corner office somewhere and there's a secretary out front and you never see them aside from [when] they walk through the front door over to their office and go do their thing. You don't have that here. They're sitting 10 feet away from you. (26)

Collaboration is made possible by accessibility to leaders and the leaders' willingness to help versus micromanage. Members suggested that the "my way or the highway" management philosophy is "just not who [CEO] and [CCO] and [ED] are" (34).

Collaboration results in an environment of trust and support, according to the members. By allowing others to take on the workload, employees feel trusted by their leaders (1, 2, 3, 19, 32, 37, 38, 43, 44, 45). One member shared s/he is surprised about the level of work and responsibility interns are given. And, s/he continued, this trust in employees was, by design, part of the agency's foundation (38).

Allowing others to contribute to the workload of the agency is made possible by the leaders' support. Support includes providing resources, such as their time and accessibility (18, 37, 40). Support also involves rewarding jobs well done (6, 23, 31, 40).⁷⁰ The latter is a process that extended from leadership to others, which was observed during meetings (FN 31) and via email (FN 18). The idea that leadership passes on this characteristic to their employees highlights the final aspect of hands-on leadership: Setting an example.

Another aspect used to describe the hands-on, working characteristic of leadership is leading by example (15, 36). As a result of the leaders' hands-on work ethic, examples are set for their employees, and employees learn from leaders (4, 17, 31, 33, 36, 40, 41, 44). Employees develop knowledge and skills, like design skills (36), and values such as communication (17),

⁷⁰ The extent to which leaders acknowledge a job well done is a divided view, which will be addressed below.

working hard and having passion for the work (40). In part, employees learn to take on their own level of responsibility, which employees suggested is a result of leadership (1, 3).

The employees of the agency want to work for passionate leaders (19) who are there for the work and not for the money (40). An employee explains the passion s/he and others in the industry see of the agency's leaders.

You see the passion that they have for the job that they do. Not to say that other places I've worked didn't have that similar approach to their careers. I really feel like the people here are so passionate so intelligent and smart you just can't help but learn more from them than ... than I have anywhere else ... the leadership overall is very strong. Very well respected. Not just here but in the industry overall in [city] ... in the [City's] advertising industry. (4)

Leaders are respected for having a passion for the work, as the above excerpt illustrates and others agreed (21, 37). As a result of working hard, and having passion, employees learn from the leaders. However, it was suggested that the extent to which the two founders shared the same level of passion is debatable. Due to the recent tragedy, CCO's lack of influence and involvement at the agency adversely affects others' passion (18).

Hands-on leadership is not the same as micromanaging. Neither the employees nor leaders support or believe a micromanaging style to exist at AdCompany (14, 15, 24, 26, 35, 37, 45). Employees are given directions and suggestions to get the job done, but, more importantly, are allowed to do their own respective work (35). With a sense of humility, leaders understand that they cannot hold all knowledge and skills, and, therefore, they expect and allow employees to contribute. A creative director explains this perspective in relationship to interactive media, "I can't talk all the talk and I certainly don't know the technical side of things" (24). Furthermore, allowing others to exercise their knowledge under her/his leadership allows him/her to learn about interactive media, as one example. According to another leader, as indicated in the above excerpt (14), the founders never had any intention of "playing cop." This quote identifies that the

leaders of the agency did not intend to micromanage employees when they began the agency. Employees agree with this perspective today, that having hands-on leaders does not reduce the management style to micromanaging. An employee explains the agency as having a casual environment in which leaders are approachable and collaborative, but not dominating. S/he explains, “But as for feeling like I got somebody on high watching my every move ... don’t have that at all.” (26)

The above illustrates that a number of employees and leaders share the belief that leadership is hands-on, which is viewed as a positive aspect of leadership. However, several leaders and employees suggested some of the changes to leadership and weaknesses of leaders being hands-on. These perspectives suggest a divided view of leadership (n=16). Weaknesses include a lack of direction from leaders. By working on client projects, leaders minimize their leadership role, such as providing a long-term vision, which some employees suggest is needed for the agency. Also, working leaders minimize employees’ ability to do and learn the work. Finally, which will be discussed later in the chapter on structuration, working leaders recreates a dependent versus a working culture. As employees come to learn that the leaders will complete the task, it potentially effects their own motivation to take on these same tasks. A divided view of leadership as being characterized as hands-on follows.

Leaders suggested struggling to find a balance, and some of their employees suggested observing this imbalance, between being hands-on and stepping back to allow a new group of leaders to emerge. The imbalance has changed since the founding days of the agency when the CEO and CCO started the agency. In the beginning, the two founders along with a handful of employees worked at folding tables and shared administrative, financial, client and creative duties.

Today, the founders are not sure about when and at what level to be involved in the day-to-day activities of the agency (13, 14). When asked about working on a project from the start, one founder introduced his/her changing role as a hands-on leader and how her/his employees are potentially dictating this change.

Sometimes people include me. I think right now. It's a really interesting thing. And this is not what you're looking at ... but one of the things that even in the meeting today ... There's a really interesting dynamic going on between people wanting me to stay on one hand but wanting me out. (13)

S/he continues by explaining this change in relation to the foundation of the agency and the aspect of being hands-on versus hands-off.

One of the things we've had for 15 years is that people that do really well here, they do what they do. I don't interfere with them much at all. If they ask me, I'm going to tell them. And that's really hard for people. Well, if you don't want my answer, don't ask me. But if you ask me, I'm going to tell you what I think. Right now ... Figuring out how much I'm wanted or not wanted is kind of a big thing going on right now. And it's natural, but it's just sort of awkward. (14)

Hands-on means that employees are also expected to engulf themselves in the work and know when to seek advice and direction. Employees that do well at AdCompany are those that thrive by working alone while knowing when to work with others and when to ask others for help. This leader is hands-on by being available to provide direction, but hands-off by not micromanaging or interfering with the employee's work. Today, this leader is learning about projects after the fact, projects for which s/he is not invited to participate. This changing role is natural as s/he ages as a leader and as the agency grows. However, there is an acknowledgment of needing a new round of leaders to take over when the founders retire.

A perceived responsibility of leadership is preparing the next generation of leaders to take over when the founders retire. However, the extent to which Directors feel like equal contributors to leadership is questionable. One forum for discussion leadership and direction for

the agency is within the Director's meeting. One Director shared her/his experience there as follows, "We're all just kind of along for the ride and sometimes it's not appropriate or you don't feel like it's appropriate to say this or say that."

Regarding the preparation of the next round of leaders, it was shared that a replacement for the CCO is currently in place, while a replacement for the CEO has yet to be found or hired. Finding a replacement for the top two leaders of the agency is only part of the solution. The other part of the solution is empowering the staff currently in place to operate the day-to-day activities of the agency. A perceived weakness of leaders being hands-on and responsible for their own work tasks is neglect of their employees' growth and development (10, 25, 27, 31).

As a result of leaders working on their own tasks, their employees' ability to become the next generation of leadership is atrophied (31). An employee explains,

The weaknesses are you can only do as much as the leaders who are doing can do. You'll just max out ... haven't diversified. If every alto in the choir knows the solo ... half get sick you still have a soloist. If [Director] is on vacation, a whole hunk of doing stops ... They can't function ... Let's just cancel the status meeting [CEO and Director] aren't here. Really? ... which to me says you don't have a layer of leadership that's leading at the account director level or doesn't feel empowered to ... No one feels empowered or motivated to lead ... Does that answer your question? I hope it doesn't sound overly critical. (25)

A weakness of leaders as workers is a neglect of preparing the second layer of leaders. Without a perceived backup layer of leadership, work shuts down when the current leaders are unavailable. (In addition, s/he explains that it's a personality trait of employees, and in part generational. The younger generation s/he refers to has stopped working due to hiccups like a server shutting down.)

While generating the next layer of leaders is important to the growth of the agency, more applicable to the day-to-day, is simply limiting what work is accomplished in the leaders' absences. The Directors' meetings help illustrate this point. During the meeting from which the

CEO was absent, the first five members in attendance (out of 12 Directors) suggested cancelling the meeting and joked that it wasn't important while s/he was away (FN 28). While they decided to carry out the meeting and others joined the meeting later, the conversation was casual in nature.⁷¹

Leadership is also about providing direction. Therefore, there is a perception that another weakness of leaders as doers, as hard-working, and hands-on, is their day-to-day involvement, which takes away from aspects of leadership. Employees shared their frustration with receiving direction from leaders (16, 28, 31). Completing daily tasks also limits a leader's ability to set and fulfill a vision for the agency's future. One employee suggested that at AdCompany, there are "few leaders that you can look up to and are taking us in the right direction" (28). An employee shares her/his frustration with a perceived lack of direction from one of the leaders.

[A leader of the agency] really wants to be involved on the planning and stuff from the very beginning. [S/he'll] write copy for God's sakes. [S/he] does a lot of stuff and my encouragement to [her/him] has been, you need to stop. If you're driving down a road, I'd rather you look at the intersections in the distance and figure out how to navigate them instead of the potholes in the street that are right under your tire. And [s/he] is looking at potholes. Every day is a task list ... to get through that stuff. What I would say I perceive their vision to be is to stay afloat. To manage the tactical details of the day, but I don't see a whole lot of ... I don't think we've ever done a three-year plan for God's sakes. Empower your staff to take over ... Let your account people and your staff empower them to deal with what's right in front of you. You deal with the stuff down the way. I don't know if [s/he] doesn't know how to do that. If [s/he] feels like [s/he'll] be irrelevant if [s/he] doesn't stay right in the mix. I don't know if [s/he] doesn't trust people. (31)

The potholes of the agency are the day-to-day tasks that, while important, could be better handled by the staff of agency versus the leaders, who should be more concerned with the future. As previously presented in the culture findings, other members shared the perspective that the agency lacks a vision. When asked if the agency had a vision, or a long-term goal, or if they knew of a mission statement for the agency, the responses were mixed. Responses included that

⁷¹ The Director's meeting was presented previously under a) the leaders iii) other categories of leaders.

there is neither a vision (31), nor long-term goals (42), nor a mission statement (23), while another suggested the four formal, organizational values represent the organization's vision (22). As a result of accomplishing daily tasks, the vision for the agency is replaced by survival, which also came up as an organizational goal. While staying in business is important, it mitigates opportunities for future growth.

Employees have also seen a change in leadership, specifically a difference in the extent to which each founder is involved at the agency (18, 32, 37, 38, 45). The difference between the two founders is, in part, based upon characteristics. The CEO is seen as "hands-on" compared to the "laidback" nature of the CCO (32). However, due to personal tragedy, one leader is seen as being less committed to the agency, and more distracted. While s/he is not faulted and both respect and sensitivity is shown for the leader's loss of a family member, the change in leadership is noted as a weakness (18, 31, 37).

iii) Communicative leaders. Communication is a perceived characteristic of leadership at AdCompany (n=19). Leaders are good communicators (31) who keep members of the agency informed. Leaders are open, which means that they share both good and bad news with members of the agency (8, 10) such as new business opportunities in pursuit and clients lost resulting in a round of layoffs. Leaders are seen as honest. As part of communicative leadership, leaders encourage dialogue among their employees. And, finally, members presented the types of information that could be brought to leaders.

The primary descriptor used to label the leader's communication style was "open" (n=7). Leaders are open by sharing both good and bad news (8, 10, 14, 17, 26). The leaders, specifically the founders, are also seen as "transparent" (16). Leaders described themselves as honest (13, 14) and employees support this explicitly (33) as well as implicitly in their views on openness. The

founders and other leaders share information with the agency during the monthly agency meeting.

Well along with direct communication we have the monthly meetings where they talk about where we are in the company and I think everybody values that that they talk about where we stand with each client what's going on. They talk about company activities coming up. They talk about new employees so everybody gets to meet. (41)

Three monthly meetings were also observed during which the founders shared sensitive news.

Both the CEO and CCO stand at the front of the assembled group to deliver the news of the month. Information about prospective new client accounts, terminated accounts, and layoffs was shared (FN 2, FN 17, FN 31). Being open doesn't necessarily mean that all information is expected. Members suggested that leaders must consider what information can be shared and understand that not all information can or should be shared (17, 26). For example, an employee suggested that layoffs on the brink couldn't necessarily be shared because it would send employees running to the elevators (21).

Leaders encourage others to be good communicators. Leaders are approachable (23) and, therefore, allow for openness and honesty by their encouraging nature (16). An employee shared her/his experience with approaching the CCO of the agency.

I work with [CCO] quite a bit and ... [her/his] name's on the building. If I disagree with [her/him], I never feel like I have to hold that back. I can always let the *owner* of this place know that I don't really agree with you right here [CCO]. That's a rare thing too. I think they not only appreciate that but in a way without saying that they kind of encourage it even. So I think that's really cool. (21)

As part of the working culture of leaders, this employee works alongside the CCO completing creative tasks. As a part of this culture, and the leadership characteristics, s/he feels it's acceptable and encouraged to engage in honest communication with the leader, even if it involves a disagreement. Others agree (1, 4, 21). And, as s/he suggested, this seems to be a rare, but appreciated, process.

Not only do leaders encourage and allow for discussion (13, 15, 16), but also they also subsequently respond with change (32). For example, the anniversary lunch, which occurs monthly, was introduced as an example of open communication, a shared value (1, 13, 15, 32, 41).⁷² The role of leadership is their encouragement to hold the meeting as regularly as possible, and their response to the content of the meeting. One meeting was observed. After all the attendees went around the room and introduced a strength and weakness of the agency, the two founders responded, specifically regarding weaknesses for which they had immediate resolution (FN 23). After the meeting was over, an email from the CEO went out to the attendees suggesting ways that s/he and others could correct the situation. The situation was in regard to connecting with the Holding company more often so that AdCompany publicity could be included in Holding Company's newsletters (FN 23). Also at the meeting, a member criticized the agency for hosting less social activities of late. A happy hour was had days later.⁷³ An employee later shared the criticism and the event as an example to the responsiveness of the founders.

So somebody had brought [the social activities of the agency lessening] up in the meeting. So [CEO] that very Friday... [S/he] promoted a little happy hour. Let's go up to the roof; let's take a bucket of beer [and] go up to the roof and kind of chill ... Then they tried to make it more accessible that if you wanted to do this, if you want to put this together you just need to let somebody know you're doing it and then that way [it] can happen. (32)

Leaders encourage their employees to share information. In addition, leaders are responsive to criticism, as this employee suggests. However, it should be noted that leaders are still leading by providing direction (37) and clarity (40) to their employees. And while leaders are encouraging, both the leaders and employees know that what a leader says still goes (13, 15).

⁷² Anniversary lunches were introduced earlier in this chapter under section B. I. e).

⁷³ I was absent from the field.

Related to the leaders' encouraging nature, one member used the example of giving voice to help illustrate their communicative characteristics. According to this member, leadership is about giving voice to the various departments and individuals within the agency who might not have an opportunity otherwise (22). For example, those in direct contact with the client are often kept informed of project details, while those without direct client contact are left uninformed. One employee shared this experience. S/he stated that her/his role specifically gets overshadowed because s/he doesn't have direct contact with the client, at least not often (22). To stay in the loop, his/her superior provides necessary information.

iv) Integrity. Leaders of the agency have integrity, according to members (n=8). Integrity was a characteristic explicitly used by organizational members to describe the leaders and to describe how they lead (5, 9, 13, 14, 31, 34). Leaders both have and lead with integrity. Several aspects were ascribed to the characteristic of integrity. To the members, integrity means doing the right thing, having respect for others, and holding true to the convictions of the agency.

Having integrity was perceived as doing the right thing on behalf of the client (9, 30). One example would be taking the high road on client perceptions, for example, when a client quits the agency or rejects a project presented by the agency. While those in charge of the agency's accounts could curse and badmouth the client, an employee suggested that this was not the case, because of integrity. S/he explained that they client "may have an opportunity to pay \$1 million [the] next day. [Therefore], you better be ready ... with an open mind ... [a] willingness to try and if you're harboring [negative feelings] you don't get the second chances." (30) Having integrity, in this case, benefits not only the client-agency relationship but also the agency's financial success.

Having integrity connotes consistency of behavior. So, as the previous example, illustrates, doing right by the client is an action leaders do not waiver from, according to most members. From the very early days, when the founders had to honor former commitments made at their previous agency (referred to as non-compete clauses) (13), up until today (40), leaders hold firm to their convictions for the agency.

v) *Weaknesses*. Weaknesses of leadership were shared members other than the founders (n=20).⁷⁴ Weaknesses of leadership include lack of communication, including goals not shared and no vision. Poor communication also related to managing employee growth was a perceived weakness. Finally, preparing new leaders is a weakness, which is the result of working leaders.

Leaders have to lead the agency, which means that their voice must be heard. In a culture where open communication is valued and where leaders are good communicators, some members perceive leaders who overpower the open forum for discussion as a weakness of leadership. One member is on the fence as to whether strong communication skills are a strength or weakness of leaders (4). Others suggested that leaders' communication is deficient (3, 16, 33, 40), which would be a divided view from the above noted characteristic of good communication skills.

There is some information that is not shared by leaders, but is expected by employees. For example, organizational goals are not shared (3, 16, 28, 42). Employees want to be informed of goals. An employee explains, "I guess beneficial for not only myself but maybe the agency as a whole would be a good thing to know where we are all heading. I think as an agency we are all striving for the same thing. I guess the same goals, but what are those goals?" (42) Therefore, it's difficult to work together to achieve the agency's goals when the goals are not known.

⁷⁴ Due to the sensitive nature of share weaknesses of leadership, not all participant ID numbers will be used to identify to whom the quotes and paraphrasing are attributed.

Specifically, financial goals are not shared (28, 42) unless requested (7), which relate to the growth and success of the agency. Employees indicated that financial goals would help prioritize their work, knowing which accounts to put more energy into and how they might contribute to new business efforts.

A perceived weakness of leadership was lack of vision for the agency (22, 28, 31, 37). There are two aspects associated to this weakness. The first relates to the working, hands-on characteristic and the second to the value of collaboration. All members of the agency contribute to the workflow, including leaders. These shared beliefs about how the agency works contribute to what was referred to as a “flat” organization (9, 22, 30) and a “nonhierarchical” structure (34). The perceived weakness of a flat organization is the lack of leadership at the top who can drive the vision and future growth of the agency (22, 28). The other aspect of the weakness is disagreement on what the direction and vision for the agency should be. The agency began as a mass media advertising agency that then gained direct marketing opportunities. Both mass media and direct marketing services are offered today, as well as what the agency refers to as digital services.⁷⁵ The extent to which maintaining a mass media focus versus innovating, such as pursuing digital advertising, was suggested as a debate and, as a result, a weakness (31, 37). The weakness, per one employee, is that holding true to the origins of services is looking “backward” when the leaders need to be looking “forward.” In addition, the vision moving forward relates to the agency’s challenges of growth, and new business efforts. An employee indicated frustration with losing new business as of late, wondering to what extent the leaders of the agency were at fault.

⁷⁵ Direct marketing at AdCompany refers primarily to direct mail services. Digital services refer to electronic and online forms of advertising such as online display ads, online videos, websites, etc.

Additional weaknesses relate to the growth of employees within the agency. In part, the agency needs a new layer of leaders for the future. Lack of communication, avoiding conflict, and working as hands-on leaders play a role in this perceived weakness.

Communication can also be deficient, specifically as it relates to management of others (3, 7, 16, 23, 36). One example would be a leader delinquent on reviewing an employee's job performance and then sharing the review, which was suggested to happen. Employees suggested that they wanted to know when they were performing poorly, if their role at the agency was still needed, and when they were performing well. Outside of a formal review, employees appreciate simply being recognized for a job well done. Two employees suggested recognition would benefit the agency. Those working outside of the creative department are overlooked. An employee shared, "Also, in my opinion, the people that are helping, and I guess busting their ass to get stuff done, to make sure this stuff is done on time, in a timely manner, doesn't [*sic*] get appreciated from other management." As noted above under categories of leaders, not all leaders, directors, managers, etc., have been trained into management positions. Some Directors were given the title for tenure; others negotiated the title when they joined the agency. As a result, these members believe, these leaders do not know how to manage others, which would influence their ability to review and recognize employee effort. As a result, it was suggested that not all managers are respected.

The weakness of managing employees is affected, in part, by a leader's non-confrontational characteristic, which more than one member shared about this leader. An employee explained, "[Leader] is very non-confrontational. I love that about [her/him] but I hate it about [her/him]. [S/he] has a very difficult time telling the people telling people the truth."⁷⁶

⁷⁶ Participant ID number omitted for confidentiality.

For employees' growth, s/he continued, employees need to know their strengths as well as their faults, which should come from the leaders.

Hands-on was previously introduced as a characteristic of leadership. By contrast, it was suggested that this characteristic has limitations. A negative outcome of a working leader is that a new round of leaders is not being nurtured. While leaders are engaged in day-to-day activities, they limit 1) their ability to spend time and energy on training new leaders and 2) take away work opportunities that would provide examples and the experience a new round of leaders needs to learn. One employee questioned the extent to which leaders trusted their employees to take over tasks. This view contradicts the idea of hands-on meaning leaders have passion and desire to work hard, but instead suggests they have a take care of work yourself to get it done right mentality.

The limitations of being hands-on, despite the intentions, are the outcomes. As one employee explained, AdCompany leaders need to “empower” staff to take over one day (31). However, this might not be happening do to the working characteristic of leaders. As an example of the atrophy resulting from leaders taking on too much work, when a leader is absent, work stops, according to an employee (25). Related to this weakness is a divided view on employee training. Some members suggested that training is available (28, 32, FN 17), via classes and other resources, including money. A training meeting between the CEO and HR Director was observed during which they selected employees to attend training sessions offered through Holding. AdCompany pays a yearly fee to Holding for access to these events and then pays registration per employee (FN 20). However, others suggested that there is no training (7), limited training (8), or that there is not enough encouragement or “push” to get employees

trained (42). The idea that not all Directors received management training, which was presented earlier, further supports this view.

c) Divided views. Several divided views of leadership were stated throughout the preceding section on perceptions of leadership. The divided views of leadership signify that that all members agree as to what makes a good leader, in general, and what makes a leader at the agency specifically. Divided views pertain to titles, hands-on leaders, integrity and an equal contribution to leading the agency.

The first divided view pertains to the meaning of a title, specifically as it relates to Directors. First, not all members agree whether or not a title is a valued aspect of culture. Some find it contradictory to the collaborative, working culture of the agency. Second, not all members find weight in the title. For example, while a Director might have a title, it' doesn't make her/him a good manager.

The second divided view pertains to hands-on, working leaders. Because leaders are completing their own daily tasks (i.e., no Director simply manages), aspects of leadership fall through the cracks as previously noted. For example, presented under weaknesses is the perception that leaders are not always actively engaged in helping their employees develop in their roles. This perceived weakness contradicts a leadership philosophy suggested earlier. Leaders of the agency lead by supporting their employees. However, some members suggested that this is not the case.

Third, two members suggested that integrity is an area in need of improvement. Lack of integrity relates to interaction and respect for others. When an employee or a client quits the

agency, negative perceptions are openly shared.⁷⁷ For example, clients have been called the “devil” in monthly agency meetings. Also, when an employee leaves the agency, parting is an anxious event for both the employee leaving and for the founders. This relates to the leaders’ non-confrontational⁷⁸ manner in part, along with the organizational value of loyalty.⁷⁹ However, a leader wanting to avoid conflict during this time could be interpreted as being unfriendly. An employee shared,

I’ve heard other people say, ‘Oh, that person wasn’t right for us,’ and then I think, ‘Well, why did we keep them around for 7 years or eight years or whatever it was?’ It’s our way to make ourselves feel better about that person rejecting us. Or when somebody leaves. Even if it was somebody that wasn’t well. Maybe it was somebody that wasn’t well loved, we’ll be particularly hard on that person. I think we have a hard time being happy for people who leave here and I tend to think that [CEO] and [CCO] take it hard because they built the place. They have a lot of personal investment in it and so they take it personally when someone leaves even when that person thinks it’s time ... to move on or ... found another opportunity or ... [is] going to make more money... I think we have a hard time being happy for them. So I see a lack of integrity in those two areas with clients and with former employees.

These actions lack integrity because the founders abandon their convictions of having respect for others.⁸⁰

Lastly on divided views, the CEO and CCO were presented as the first category of leaders. However, it is unclear the extent to which both contribute equally to the leadership of the agency, or whether equal contribution is necessary. The organizational view, noted above, is that the two founders are the first category of leaders. When answering a question about leadership, or when volunteering information on leadership, CEO and CCO are the first two members to be mentioned. However, observation first raised the divided view of unequal contribution. On day

⁷⁷ These examples are in relation to the leaders’ characteristic of integrity, or lack thereof. However, under organizational challenges, specifically the challenge of client relationships, negative client perceptions were introduced which relates closely to this perception of leadership.

⁷⁸ Avoiding conflict was presented under the challenge of letting people go.

⁷⁹ The organizational value of hard-work was perceived as a sign of loyalty. Longevity, or years of service at AdCompany, also contributes to the value of loyalty.

⁸⁰ The unfriendly nature of the agency was presented earlier under divided views, B. I. i) v).

one, I met with the CEO and Director of HR. Up until Day X, the CCO was referred to as “CEO2” in fieldnotes. I contemplated the extent to which CCO was on board with my study, having not met her/him yet in person. “CEO2 and I didn’t meet today. We didn’t meet at the initial meeting either (Day 1) so I wonder if [s/he] is on board with my research as much as [CEO] is.” (FN 2) I saw CCO in passing, such as on Day 2 as s/he co-lead the monthly agency meeting and again on Day 4 at the award event, but did not officially meet until Day 9 in an internal meeting, and did not officially thank her/him for participation in my study until the day of our interview on Day 23. And, as was noted above, members questioned the extent to which CCO is involved today, due to the personal tragedy s/he faced.

d) Summary. The leaders of the agency are first and foremost seen as the founders. The founders of the agency, the CEO and CCO, are very well respected by their employees and recognized in the community, both locally and by the industry. Other categories of leaders include the Directors, which is a title awarded base upon expertise and/or years of experience, and was negotiated by new members; individuals that managed specific departments; and individuals that depicted certain characteristics such as hard work. Those holding Director’s titles shared philosophies of leadership. Philosophies include leading by example and leading by serving employees. Characteristics of leaders included being hands-on by completing the same tasks as everyone else, good communication skills, and having integrity. In addition, weaknesses of leadership were shared. Weaknesses included not always sharing important information such as agency goals, which notes a divided view of communication. Leaders can be preoccupied with their own work and therefore contradict their supportive philosophy of leadership, which reduces an employee’s chances for growth in the agency.

6. Advertising Ethics Findings

Research question 1 asked, “What do organizational members characterize as ethics?”

There are two units of analysis: the ethical challenge and the organization. Organizational members face ethical challenges. These challenges were shared by members during one-on-one interviews and were observed in the field. Interview transcripts and fieldnotes were analyzed to answer this research question. During analysis of the ethical challenge unit, themes began to emerge, which describe ethics at the organizational level. Therefore, the themes presented below suggest the agency’s shared views of ethics. Findings include moral myopia, and the themes of organizational processes and values, business ethics, action ethics, and personal ethics.

The finding supported by the most responses was moral myopia, which, for the current study, was supported by participants who suggested that they did not face ethical challenges at the agency. Moral myopia is a “distortion of moral vision that prevents moral issues from coming into focus” (Drumwright & Murphy, 2004, p. 7). The finding that participants did not perceive ethical problems or challenges was important to shaping the current study. To understand how culture enables and simultaneously constrains ethics, presupposes that an ethic exists. Moral myopia would suggest the agency has no ethical standards. However, as the findings will illuminate, the agency is quite ethical.

The agency, in general and a leader specifically, makes the current study an interesting case to study ethics through the structuration perspective. A leader stated that you don’t start an agency with the intention of being ethical. Does this assume that all advertising is intrinsically unethical? Not necessarily. The purpose of advertising, and the leader’s intention for starting the agency, is to create good ads, to be creative, and to work with good clients that allow for

creativity and productivity. However, how one is ethical, the leader posits, comes from character. The leader, and her/his employees, believes that s/he is a person of character. To support an agency ethic, leaders choose to hire others of the same character who they believe will uphold the agency's culture, values, and goals. This ethic is presented under organizational processes and values. This process explores the structuration of advertising ethics. More on the enabling and constraining features of culture on ethics will be presented under structuration findings.

In addition to the finding A.) moral myopia, the themes that characterize ethics can best be described as B.) organizational operations and values, C.) business ethics, D.) action ethics, and E.) personal ethics. A summary of and support for each theme via exemplar quotes follows.

A. Moral Myopia

Lack of ethical awareness was supported in several ways (n=20). First, there was a lack of understanding for the meaning of ethics. Often times, it was simply a limited discourse. Examples were reduced to only what was considered unethical. Members suggested that because AdCompany does not engage in unethical acts, there are no ethics at the agency. In addition, some members had a limited if not non-existent library of ethical examples in general, and others of examples relative to the agency. Finally, since ethics is not the intention of advertising, and was specifically not the intention for founding the agency, how ethics played a role at the agency was not understood.

Therefore, moral myopia can be characterized by four supporting themes. First, participants reported there is no connection between AdCompany and ethics. This finding suggests ethical blindness (I.) more so than myopia. This finding was supported by the responses such as “as far as ethically ... I don't know” (42) and “ethics and data; it's pretty straightforward” (22). The second supporting theme was that ethical issues don't arise at AdCompany because

they don't work on client accounts that would be considered unethical (II.). Third, there are no ethics because it's not the agency's job to be ethical (III.). One example is that the agency's job is to promote a product and create ads. And finally, there are no ethics issues due to an abundance of virtue (IV.). For example, AdCompany would not behave dishonestly, because the leaders are known for honesty and integrity. Each supporting theme will be elaborated further below.

I. Blindness. First, lack of awareness was not for what the agency did or did not do, but for a connection between AdCompany's function and ethics. Specific functions were provided as examples for why AdCompany does not face ethics issues. One explanation was that AdCompany's work, such as data analytics and direct mail, is "straightforward," (22, 23, 33, 38); therefore, there are no ethical issues. Others agreed, and they couldn't pinpoint ethics in an agency example (42, 44, 46). A respondent's answer helps to illustrate the lack of awareness theme, "And honestly, [Interviewer], I don't know how that comes into play. How would ethics in what I do here at the office really impact what we do?" (24) Ethics has no impact on the work of the agency because ethical issues are not present in the day-to-day function of the agency. These findings suggest that the members don't identify their day-to-day activities as having ethical dimensions, whether for the agency overall or based upon specific job tasks. Subthemes two and three below help to explain why this might be.

When asked about ethics, some members only considered what was unethical. When members presented unethical activities, they were presented as activities that do not occur at AdCompany. They suggested we have "no ethics," because we aren't unethical. Supporting this belief are the perceptions that the agency doesn't work on client accounts that would be considered unethical such as tobacco, and that the agency is hired to sell a client's product versus

being ethical (supporting themes two and three, respectively). Furthermore, CCO shared this perception. When asked to elaborate on what s/he considered unethical, direct marketing companies were offered as an example. These companies “mislead you on the envelope; mislead you to thinking this is a bill when it wasn’t ... we don’t engage in that stuff but [are] aware it’s out there.” By contrast, AdCompany focuses on building a relationship with the consumer audience with respect. Therefore, her/his views contribute to an ethic of virtue, which others at AdCompany believe to exist, and which will be discussed shortly.

II. No bad clients = no ethical issues. Participants (20, 33, 36, 43) indicated that they don’t run into ethical challenges because they don’t work on client accounts they oppose or to which they have “moral objection” (20). For (20), s/he has not faced clients of moral objection currently but at a past agency. Examples of morally objectionable accounts given were alcohol, tobacco, and politics. And examples of morally objectionable practices were entertaining clients, manipulation, and honesty. Executives have not been asked to “support a campaign that [they] don’t believe in” (33). If asked to work on beer or liquor or cigarettes, the issue would be one of “pushing something on someone” (36). Ethical problems can be explained by the inherently immoral product, e.g., beer, as well as the immoral communication process, e.g., “pushing,” which suggests manipulation. In addition, the agency used to but no longer entertains clients. A participant shared, “I never felt that was unethical but that kind of stuff doesn’t happen anymore because companies can’t really afford that anymore” (23). From a personal perspective, entertaining clients is not unethical; however, it’s a moot point because entertaining no longer happens. Finally, ethical problems don’t happen at the agency, but could if they were not honest in selling agency services during new business, such as pitching a potential client (44). S/he notes,

[Leader] for a long time for new business has been very ... uncomfortable when you get into an RFP⁸¹ about showing category experience. There [are] a lot of people all the time who come from other places that have category experience. But ethically felt like it was truer to us that he wanted to put that in relation to your [AdCompany] time ... that's a very debatable thing. (44)

The debate comes down to selling your employee's expertise based upon previous agency experience versus current AdCompany experience. In the industry, many executives, specifically creative executives, will carry over previous work experiences attached to brand names as evidence of the agency's category experience to help sell the agency's category expertise during a new business pitch. For example, if an agency hopes to position itself as a provider for the quick service restaurant industry, but has not worked on QSR business as an agency, they might assign a creative director to the pitch who has worked on a Burger King account previously. Even though this experience took place at his/her previous agency. While debatable, this ethical conundrum doesn't happen because the agency's leaders are "very open and upfront" albeit to a new business "detriment" from time to time.

III. It's not our job. It's not AdCompany's intention to be ethical (13, 14, FN 45).

AdCompany is hired to sell a client's product versus hired to be ethical. A leader explains.

That's kind of how ethics is ... No one will hire you just because you're ethical. And if you take it to the extreme, I'm going to say, I'm going to get four nuns and they're going to work on your business because I know how important ethics is to you. Well, there you go. That's stupid. They don't know anything about advertising. And that's where ... the point is. That can't be the foundation because that's not the primary reason somebody hired you. (13)

The intentions of the agency were previously introduced under the culture findings as values.

The agency was founded to create good work, work with good clients, and hire good people that share a passion for the work. These intentions do not imply ethical problems and ethical

⁸¹ Request for proposal (RFP) is the written solicitation a client submits, and to which an agency responds with a written proposal indicating how the agency, their services and personnel can service a client's advertising problem, project, etc.

decision-making will not occur. However, if you build an agency on ethics, these intentions of good work, etc. will become secondary.

If the agency is not responsible for ethics, who is? A member suggested that it's the client's responsibility to be ethical and the consumer's responsibility to do her research. After the recorder went off in a one-on-one interview with a member, a conversation on ethics took place, reflected by the following fieldnotes.

[The agency executive I interviewed today is] an advocate of advertising, having worked in the field for 20 years. He seemed to shift responsibility to the client, by talking about the client not innovating a truly new product. All toothpastes and toilet paper are the same. Would the company need advertising if the product was truly innovative, he asked? He also talked about the money that goes into advertising and other promotions. His example was on sport endorsements. Nike spends millions on [athletes] and you pay for that when you buy their product. Same for that in toothpaste. You pay for their advertising. ... He seemed to put autonomy on the consumer to be an active consumer, in part due to the times we live in. They can get online and research a product beforehand in the same time it would take to write a complaint letter after the fact. ... Back to the toothpaste, why aren't they using RD money instead of advertising money to fight and produce a product that fights gum disease as example? (FN 39)

As this employee explains, the client has a responsibility to innovate a socially responsible product, one promoting health, which would be one example as to how the client could behave ethically. Then, if the client hired the agency to promote this product, which is the agency's responsibility, ethics would be met.

IV. Virtue versus ethic. Finally, members suggested that they have no ethical problems here, because there is an abundance of virtue. Employees viewed their leaders as having integrity and being ethical people. As the above new business scenario illustrated, while debatable and tempting to apply previous work experience to a new business pitch, this action doesn't happen because the leaders are "honest." Employees also viewed themselves as people of integrity. More on this ethic finding follows under organizational processes and values (II), and leadership (II,

g). In addition, ways in which moral myopia is enabled and constrained are presented under section D. I.

B. Organizational Values and Processes

Agency members characterize ethics as organizational values and processes (n=25). What is right or good at the agency relates to the work of the agency, including developing and maintaining client relationships, treatment of others both internal and external to the agency, and appropriate use of agency time as just a few examples. The work of the agency was perceived to be grounded in shared values such as trust and respect. Therefore, the operations of the agency involved the application of these values. The themes of I.) communication, II.) treatment of others, III.) trust and longevity of relationships, IV.) virtuous character, V.) honesty versus deception, VI.) work ethic, and VII.) leadership further characterizes ethics as organizational values. Each supporting theme will be explained below.

I. Communication. Open and honest communication is one example of how the agency is ethical (n=11). Communication, as an organizational value, is the exchange of organizational information necessary to carry out the advertising function, versus the agency's product, which is advertising in various forms.⁸² Open communication, as ethics, is the process and expectation of sharing honest thoughts with one another internally, as well as externally with clients and vendors (4, 6, 13, 29, 31, 37, 38, 43, 46, FN 5). Open communication occurs even when disagreements emerge (6). Finally, open communication with clients and vendors helps establish trust (13, 38).

Organizational leaders expect and teach open and honest communication. To teach and illustrate the process of open communication, CEO and CCO share some of their mistakes when new employees start at AdCompany (13). For example, one employee learned that if s/he didn't

⁸² Communication, a shared organizational value, was presented in chapter 5 under section B. I. e).

agree with something personally, such as a project, campaign or morally questionable client, s/he could go straight to the leaders to voice concern (38). To support open communication, agency leaders are accessible (37). Furthermore, leaders expect their employees to be open and honest (4).

Being open and honest is expected, but there is a fine line between being open and being too open. While the leaders share information with their employees, they have been criticized as being “too open” (43). During monthly meetings confidential information is shared such as business gained and clients lost. When confidential information is shared, CEO prefaces it with the statement, “do not share with others.”

I guess that he has to trust that everybody here adheres to that and not share any of that with anyone else. Or that if someone hears another company is going after something that someone told them in confidence that they wouldn't share that with others. I would think that's the biggest ethical [sic] that people keep things to themselves a lot. (40)

This employee understands the expectation that s/he is trusted with confidential information. As a result, if any confidential information is shared outside of the agency, say from a competing agency, s/he would keep that information private as well. In effect, s/he would keep it private from her agency.

Open communication takes place in response to an issue, event, belief, etc. in need of discussion. There is a divided view, or perception for what issues can be shared. The issues that can and cannot be discussed are not universal across participants. Two issues that arose are gender issues and morally objectionable clients. Gender issues, which will be addressed below in business ethics, are those related to working within a male-dominated agency, demeaning comments made to women, stereotypes, and sexual harassment. For example, an executive is concerned that s/he cannot bring up gender issues with the leaders (FN 2). S/he is fearful about voicing concern in a male-dominated agency as it might lead to being fired.

The second issue, which executives disagree upon, relates to debatable clients and product categories. For one executive, s/he has “moral obligation” to avoid work on certain products, such as cigarettes, which is an easy decision. Currently, the agency is working on a new business pitch for an energy drink that, if won, s/he will have a “hard time going to superiors” with his/her objection (21). S/he states,

You’d have to stay professional about that and when a time comes if I feel like [the new client account] is something I don’t want to work on ethically, I’m going to find it very hard to go to my superiors and say, ‘look, I can’t sell this product.’ If it’s something like cigarettes ... I would have no problem doing that. I would say, ‘look [superiors], I’m not doing this. You can fire me or you can just make sure I don’t work on this account.’ ‘Cause I will put my foot down on certain things. (21)

On one hand, this employee would have no problem raising concern for a product such as cigarettes. Therefore, the employee knows s/he can access leadership with this concern. On the other hand, some issues lack certainty and access to leadership, while still present, as well as the expectation to be open and honest become constrained by the issue faced. These views presented here are about what information can be brought to the table for open discussion. On one hand, most members indicated that leaders engage in being and expect others to be open with one another and with clients. However, a few suggested that not all information should be shared. The content of this theme is also important. Under business ethics (III), members’ views will be presented on what client accounts the agency finds acceptable to work on versus those found to be morally wrong.

II. Treatment of others. What makes the agency ethical is having a consciousness for others and their fair treatment of and respect for one another (n=5). Treatment of others relates to the treatment of internal staff, clients, vendors, other agencies in the industry, as well as how the client treats the agency. Consciousness is used to illustrate that members are aware, share this belief and are able to articulate this belief.

For example, agency executives do not steal each other's ideas at AdCompany, which creatives are sometimes known to do in the industry (38). Furthermore, the agency is not a sweatshop (24), which was illustrated by the organizational value of flexibility. And executives do not cuss each other out nor do creatives make demands of account executives, which are also known to happen elsewhere (37).

A consciousness and fair treatment of others is important in an industry with multiple organizations working together, both toward a common goal as well as in competition. Often times, AdCompany is not the only service provider for a client. Marketers are known to hire more than one agency to promote their products and/or services. AdCompany's largest client account does just that. As a result, the agency must learn to "play nice" with its client's other partners (34, 46). When preparing for an upcoming client presentation, the following debate was observed,

The client praised the agency's work, which could have been put up in quote form on a presentation, however, other agencies would be at the presentation or the client that worked directly with other agencies would be there, and the AE [in charge] believed this would not be a good idea. (FN 4)

While the agency was excited to receive the client's praise, they didn't want to gloat in front of others. This consciousness and respect for a partnering agency represents the agency's ethical treatment of others. This shared view of ethics is important to note, because later, contradictions observed in agency actions and shared by others will be presented.

III. Trust and longevity of relationships. Being trusted and trusting others, which leaders to long-term relationships, is an example of AdCompany as ethical (n=10). According to participants, trust is established over time and is based upon being both open and honest with vendors, clients, as well as employees, such as during the monthly agency meetings where confidential information is shared. Trust allows the agency to have good relationships with its

clients and vendors (14, 24, 29, 38, 44), which can lead to long relationships lasting several years. Telling the truth (22) and avoiding “flying by the seat of your pants” (24) are important to developing client relationship, as well as to building trust, which comes after years of working together (29). Therefore, trust and longevity share a dynamic relationship where trust leads to longevity, but duration of a relationship develops trust.

The longest client relationship started when the agency was founded. “The longevity there is sometimes unheard of especially in the agency world” (23); longevity is atypical for the industry. Longevity of relationships applies to employees as well as vendors and clients. In addition to hiring like-minded people, the leaders have a “soft spot” for employees who have been with the agency for many years (13), which is seen as a sign of loyalty (ix). By staying loyal to the agency, the leaders stay loyal to long-standing employees. The longevity of employment is attractive to both current employees and potential employees (17), further contributing to the like-mindedness of agency members.

With trust as a foundation of lasting relationships, employees believe that there are consequences to breaching trust. Breaching trust is neither good for the client nor for the agency. For example, if confidential information were shared executives understand their employment would be terminated (21) and that client relationships would suffer (FN 29).

IV. Virtuous character. For several members (n=6), doing what is right is based upon the virtuous character possessed, which members suggested is what makes the agency good. In addition to character being important, virtues include trust, integrity, and respect and equality for others.

The leaders believe that being an ethical agency begins with the type of person you are (13, 14, 15) as well as the people you hire (13, 14). The response to the question of how you can

encourage an ethical agency is that you hire likeminded individuals so that you don't "feel temptation" (14).

But I do think that some issues can be gray areas and there is an ethical and less ethical side of those kinds of areas and when you surround your people with people who tend to be on one side of that I think you tend to remain on one side of that. (14)

S/he further grapples with belief that ethics comes from hiring likeminded people or leading by example of character.

And it's hard to tell whether you hire people like yourself and that's why it's that way or people do adapt and change but I know that ... [Leader] and I and I can speak for myself more than [Leader] as a person ... hate the concept of letting someone down or disappointing somebody especially somebody that's put their trust in you in particular. I think because of that because of a personal thing having nothing to do with advertising. It affects my life in advertising to a point that I don't want to let down a client who's trusted [AdCompany] ... and as a result of that we have let an ad out here or there ... that isn't as good as our body of work is. But the consequence of if we don't do it, the client is disappointed in us that we left them hanging and their ad didn't get done because we were too late in finding something else to do. And then we've ... people have seen that behavior in us enough that they know not to let down the client. That starts with our own personality because there are others that take it or leave it. (14)

S/he suggests ethics, in this case trust, which was discussed previously, starts with leadership and by example of leading the client-agency relationship is passed on to others. The relationship of leadership to ethics is an important topic to be discussed later.

In addition to trust, as the above ethic explained, the findings illustrate additional virtues believed to be important to and possessed by the agency's internal members. Virtuous character possessed includes integrity, respect for others, and equality. Integrity has to do with consistency of action (13), honoring commitments (13) and one's reputation (14). Employees view both CEO and CCO as being people of integrity. As people of integrity, and those responsible for leading the agency, the agency does not face ethical issues.

Respect was depicted as the acknowledgement of others. For example, while the agency encourages open dialogue on topics up for debate, employees are viewed as respecting one

another during these conflicting conversations (6, 37). In addition, respect is shown to others in regard to others' time, which will be introduced under work ethic below.

Finally, equality relates to the fair treatment of clients, no matter the project or size (e.g., billings) (9), and fair and equal treatment for all employees (13). Both aspects of equality were presented earlier in organizational values. As it relates to ethical perceptions, equality has to do with what is right. For example, according to a leader, if one employee asks for a raise and another does not but does the same work, and does as good of a job as the person who asked for the raise, then the other person should also get a raise. Perhaps not immediately, according to the leader, but to be ethical the other person also deserves a raise.

V. Honesty versus deception. Honesty⁸³ is defined as truth telling versus dishonesty, which members suggested contributes to the agency's ethic (n=9). It's important to note that previously, honesty was introduced as a virtue to illustrate virtuous character. Here, honesty is practiced, which relates to the operations of the agency. Furthermore, dishonesty poses consequences.

To be ethical, one must tell the truth, which will result in trust. Therefore, members believe that honesty and trust are important to building and maintaining client relationships, building and maintaining vendor relationships and persuading a consumer audience. Related to vendor relationships, honesty comes into play with the following scenario.

Sometimes with the new vendor it was just like what I was saying you kind of got to get to know a person and prove. They have to prove themselves they have to prove to us that they're going to be able to do what they said they can do. But we also have to prove to them that we're going to back you up so even. Say that there is something that went wrong and it if it wasn't the vendor's fault a lot of times the vendors lot of places the vendor is just the fall guy (yeah) because of bottom and well I don't want to take responsibility for it because I don't want to say it was me. It was them. And that happens in a lot of places. (29)

⁸³ Honesty was presented earlier in chapter 5 under section B. I. f) in conjunction with the value integrity.

Being dishonest about a project and engaging in deception as part of a vendor partnership can and often does happen in the industry, according to this member. By comparison, the employees believe the agency is full of honest professionals.

We're honest people; we're fair people. We're on the up and up and so again we tell the vendors going in, we want to work as partners. You need to be an extension of our team. ... But they know ... we're going to have their back we're not going to blame them for stuff. (29)

Honesty is also important for establishing trust with employees according to participants. While the appropriateness of applying previous agency experience during a new business pitch is debatable,⁸⁴ CEO is against this practice.

We've gotten beyond that but my point is to be very up front about it to say hey this isn't all [AdCompany] category experience. We've gotten around that but that was almost a first glimpse for me I was like a long time ago saying well really does that really matter? But I respect where that comes from that's a small window in terms of in terms of being very open and upfront almost to the point of being to our detriment where we talk and we. So why I'm saying that is that's what I love. I love there is not the trappings ... having worked at other places where you can go very, very quickly from being people who create to just being a bunch of liars in terms of people who make up anything on the spot. I worked for people and seen like really you just answered that question where did that come from? We don't work for them as an example we never did any work for them then you begin to question real deeply where is this person coming from and honestly I think they're smart enough to know that sooner or later you'd be found out whether that's with the client or whether you fooled your way into a position ... I mean that happens in this business all the time where you hear that all the time the guy from Yahoo who didn't have a computer degree eventually got found out. So I think better to be open and upfront and honest to say no I haven't done that then just blow smoke. (44)

As a result of being honest to a potential client, this employee respects his/her leader, as well as the practice of honesty. As/ she mentions, dishonesty is a product of the industry, which s/he has been exposed to making certain practices questionable.

The line between honesty and dishonesty is questionable. Consider the following scenario. Your client has a 100-calorie candy bar on the market, and their competitor introduces

⁸⁴ This debate was presented earlier under C. I. Moral myopia. Here it's presented as support for Agency's virtue of honesty.

a 100-calorie bar. The competitor calls this new product “low fat.” Since your client has had the 100-calorie bar all along, can you start “promoting it as a low fat candy?” (14)

And they did. But that’s kinda my point is that unethical? ... If I had invented a product that the times have finally dictated to be right finally [sic] and I’m going to say I’ve had only this many calories or carbs all along, the new way to think of [candy] is as a lower calorie alternative, most consumers would see that [and] go ‘bull shit, you are so full of shit. I’m not gonna believe you. I’m not an idiot ...’ But were they full of shit?” (14)

This scenario was raised as a question of deception. Other participants offered situations that were perceived as deceiving. Examples include hiding internal, director’s meetings from lower level executives (FN 17), keeping information from the client (26), or going behind another executive’s back (21). Therefore, several members agreed honesty in advertising is important (13, 25, 33, 44). However, honesty is not the end all be all ethic according to the CEO. S/he suggested that while some people think of ethics as only honesty, ethics is much more than just that.

VI. Work ethic. Work ethic is defined by the acceptable use of agency time and money, and relates to respect shown to others, including to their time (n=5). To support the meaning of this work ethic, employees voiced concern for how time was spent based upon not having enough work (FN 45), and certain tasks being inappropriate (FN 5, 27, 37). For example, in a time when others were getting laid off, an executive was not comfortable with spending his/her time, as well as the agency’s money, on entering award shows (27). S/he states, “I know that sounds bad but I will say that it does bother me ... the amount of money we spend on award shows. When we’re laying people off. And yet we feel the need to justify spending that amount on award shows.” To this member, money on awards was inappropriate when people were being laid off. In addition, the fit of the award show didn’t match what the agency’s work represented, which s/he felt would “backfire.”

When preparing for an upcoming conference, employees presented some challenges of the time spent socializing with a client, which would involve drinking. The following excerpt for fieldnotes illustrates the ethical challenge.

Back to the event, HR brings up the social aspect of drinking at the event. This is fine but can they somehow let everyone know that it is on the agency's dime so it's not appropriate to post drunken images on comments on FB. On one hand, drinking is about networking at the event (Employee 1) on the other hand don't post (Employee 2). They seem to agree that posting is inappropriate. (FN 5)

Similar to the above challenge, drinking at the event was inappropriate based upon how agency time should be spent. It was suggested that everyone was adult and capable of appropriate behavior.

Finally, work ethic is a balance between how time is spent and respect for others. The agency has a flexible schedule that allows employees to work from home and/or during a shortened workweek. The agency was founded without a structured number of sick or vacation days.

In the beginning of the agency, there were no rules. Rules penalize good people. So, for example, there were no structure sick days. If you were sick, you took the time off. If you needed to go to your kid's baseball game at 4, you went. But the assumption is that you got your work done. So if work needed to be done past 4, you got it done later that night. (FN 45)

The flexible schedule was and still is an acknowledgement for time needed away from the agency. For example, "When people say I have to be out of here this afternoon for my kid's soccer game we don't get in the way of that stuff; we look for ways to help people live their other life too" (14). Employees feel respected by leadership in that their personal and familial needs are being met. Simultaneously, employees respect that their coworkers need to accomplish tasks even in their absence (17, 37, FN 31). An employee explains,

I try to make sure that everyone's covered. I'm only in four days a week. I'm not in on Fridays so I always try to make sure that I check e-mails and then I'm responsive so that

other people aren't waiting for me, because that's kind of one of my pet peeves of just I understand people are going to take vacations all those things and I certainly don't expect people to be on 24 seven, all the time. But just to be respectful that people could be waiting for you. (17)

An event experienced first-hand further illustrates this value. During fieldwork, the researcher shared in several social experiences with organizational members, including lunch away from the agency. On one of these occasions, an email was sent to thank one of the employees for the activity. S/he responded to the researcher as follows,

Thanks for reaching out about lunch. Ask any time. Generally I eat at my desk, but love to get out to walk and enjoy the park. I apologize we were gone so long. I wasn't paying attention to the time. Hope you didn't miss anything. (FN 31)

The apology above acknowledges that time is valued; in essence your time is respected, regardless of occupation at the agency.

VII. Leadership. Whereas virtuous character was presented previously as the ethic of the agency, this characterization focuses on leadership specifically as ethical (n=7). Primarily, leadership as ethical is based upon the belief that leaders set ethical examples. Secondly, leaders possess virtue(s). Leaders are people of virtuous character who are concerned with setting a good example as well as hiring like-minded people (6, 13, 14, 15, 43, 44, 46).

Employees watch what leaders do to know what actions are acceptable (13). For example, the business leader has set the policy of no markups. S/he believes that once you waver on an issue you set precedence, which can become ethically complicated. A no markup policy states that the agency will not receive a commission on external costs such as media rates. Instead, the agency only bills for internal costs including time spent. A billing scenario then would be overstating hours spent on a project. A leader explains, "And every once in a while, every couple of years somebody would say, 'The client is saying we're over here. They won't pay for it. We're under here. Can we just move the hours from here to there?' The answer is no."

(13) The answer is no because it would wrong. To avoid being unethical, leadership sets a consistent example. S/he continues, “So those are the kinds of things that I think people see those clear signals, we don’t waiver on that because that’s when you get in to trouble.” (13)

C. Business Ethics

The third primary theme explaining what agency members characterize as ethics is business ethics, which has been introduced previously in advertising ethics literature (e.g., Drumwright & Murphy, 2004; 2009). Business ethics, as it relates to the current study, and not to be confused with organizational processes, primarily focus on the agency’s operations in relationship to practices of the industry at large, marketing, and finance (n=22).⁸⁵ Furthermore, these business operations suggest what is right. Business ethics include the topics of I.) the client or product as un/ethical, II.) money, III.) agency life, IV.) audience and industry considerations, V.) legality, VI.) rules and codes of ethics, VII.) creative ethic, VIII.) diversity, IX.) data use and privacy, and X.) misc.

I. Client/product as un/ethical. The client or product as un/ethical was supported in two ways. First, participants suggested what was or what could be an ethical challenge faced at the agency involved working for a client account or product deemed unethical (n=5). Second, how the client account is serviced was perceived as ethical (n=2).

The type of account deemed unethical was characterized as harmful and/or socially unacceptable such as a tobacco account, political campaign, casino or children’s products. However, there was a divided view as to whether a product or client account would be serviced at the agency. The differentiation in meaning was whether or not unethical accounts are serviced,

⁸⁵ By comparison, organization operations and values are based upon a value-based perspective as the label identifies. Values were previously shared in the findings on organizational culture. Values as they relate to ethics, and as they are presented here, are what the members believe are right versus wrong, good versus bad, moral versus immoral.

or would be serviced at AdCompany. On one hand, members suggested unethical client accounts are not serviced at AdCompany. On the other hand, two members suggested no client account is beneath the agency. One executive stated that s/he “could probably make a case for not working on an account. But we’re all gonna die at some point” (35). If death is the final consequence, s/he can justify working on a harmful product such as a tobacco account. Similarly, another executive characterized the possibility of taking on one of these accounts as a sign of being “not arrogant” (24). S/he suggest that while the agency is known for taking the “high road,” this path is not an indication that any client account is beneath the agency. Therefore, for these members, AdCompany would service an account that others deem unethical.

In part, this divided view as to what clients would and would not find acceptable for the agency is dependent upon time. Currently, the agency is facing several challenges related to growing the business amidst economic downturn, which has resulted in lost accounts and layoffs at the agency. As one executive explained, “[S/he’s] fortunate to work for an agency that doesn’t work on these accounts.” The accounts s/he was referencing were the topic of conversation a few days ago, which was about sexually lewd advertising currently airing on TV to which children are exposed. By comparison, the agency works on anti-smoking accounts, which is an example of the good advertising AdCompany does. S/he explained further, years ago, the agency passed on a casino account, which s/he implied is one of the ethically questionable accounts. However, s/he further acknowledged that that was a “time they could pass on accounts. Today may be different.” (FN 9)

Secondly, how a client account is serviced is perceived as ethical. Executives suggested that ethical client challenges include spending the client’s money, staying up to date on the advertising industry, and, as a result, making the best recommendations (17). The challenge

focuses on doing the “best thing” for the client even though “it might not be the best thing to do for [AdCompany]” (15).

II. Money. Money as an ethical challenge, relates to doing the right thing while making a profit (n=5). Employees suggested that the goal of the agency is to make a profit, which pays employee salaries (21, 34, 39, 40). On the contrary, business is more than making money, at least to be ethical (13). For example, while trying to grow the business, it’s important not to be a “vulture” (34). By “vulture” s/he referred to the way an agency goes about finding and pursuing new business. Just like in any relationship, pursuing a new business account takes tact, patience, and respect for others. This speaks to respect for the client and honesty in the new business process.

III. Agency life. Aspects of agency life are characterized as ethical challenges (n=2). Agency life relates to what is expected of an agency, and as a result, with what agency executives can get away. Aspects of this ethical challenge include social events, gender issues and sexual harassment. The agency is seen as a male-dominated business (F7), which has resulted in limited professional opportunities (F 17) and comments verging on sexual harassment (FN 10, FN 34, FN 45). However, the explanation, in part, is that certain behavior simply comes with the territory of agency life. Advertising agencies have been known for late nights, and inter-office relationships, which doesn’t bother everyone. For some people, it “comes down to the stress they incur and being able to blow off steam” (33). While gender issues concern the activity within the agency, another perception of ethics focused on what goes on outside of the office.

IV. Audience considerations. Considering the audience is an ethical consideration (n=8). AdCompany executives acknowledged that the consumer, as a target audience, should be considered in the advertising function, as it is situated within the marketplace. While related to

the organizational value of respect, this theme aligns more closely to business ethics and the advertising communication process that is traditionally one-way, which tries to sell products/services the audience doesn't need (31). In addition, this process is situated within "Corporate America," which is "evil" (21). This member acknowledged that advertising is a part of a selling process, which s/he referred to as "that machine," for which s/he finds contention. However, for this member, issues are more about the product being sold and the potential harm this product has on consumer audiences.

Certain products are considered "manipulative" such as advertising to children (20), as are the processes of advertising these products such as "pushing" beer, liquor or cigarettes on audiences (36). When considering the unethical practices of advertising, the resulting messages are seen as "pollution" (14), for which one executive admitted feeling "some guilt" (37). In this process it is important to be clear and respectful (14), as well as have "manners" (34). By opposition, others don't feel like they are influencing audiences' behavior (20), and consumers have research resources that supplement the messages in advertising. In other words, "The average consumer would know to research [when confronted with a questionable ad], and [know] where to find the research" (FN 39).

V. Legality. Members suggested, both explicitly and implicitly, that following the law is an ethical challenge (n=3). The members who explicitly suggested legality is an ethical challenge provided examples of copyright and postal regulations (29, 38). In addition, a trademark case arose during the time of the study, which was implicitly suggested to be an ethical challenge. Regarding the latter, the ethical issue revolved around using the name of a fictitious company in a commercial. However, AdCompany had to confirm that the company name that they wanted to use in the commercial wasn't the name of a real company. The account executive managing the

project sought legal advice. S/he shared that the agency always has access to a lawyer as a resource. An additional resource was her experience. The same issue came up several years ago and s/he suggested that s/he couldn't get away with it again. S/he said instead that s/he was looking for the "right" thing to do and that s/he wanted the client's feedback (FN 6, FN 7, FN 8).⁸⁶ In addition to lawyers and experience, the agency has additional resources, such as industry codes, for determining what is right. Rules and codes are presented next.

VI. Rules and codes of ethics. Rules and codes of ethics that the agency sets and follows were provided as reasons why the organization is ethical (n=2).^{87,88} For example, the agency sets accounting rules, which mean doing things "by the book" (41); unions such as talent unions have codes to follow (F 26, F 31); and the Holding Company has "rules" for the agency (41). Also, the client sets and enforces rules. During the time of the study, AdCompany was being audited by one of its biggest clients (F 26, 41). Set by the client, financial reporting occurs monthly on this account (41).

VII. Creative ethics. Creative ethics relates to the work produced at the agency juxtaposed with business demands such as keeping a client and making a profit (n=3). Participants discussed the work done at the agency as the end goal of the agency. One employee made a case for avoiding certain accounts, as unethical, and talking on others, as ethical, but in the end s/he clarifies, "I'm here to do... To make the best creative product that I can at every single job I been given" (35). According to members, what is right is a compromise between what is best for the creative product versus for business. It's a multifaceted dilemma, whereas being in a creative industry, as a company hired to create ads, the agency struggles with what is

⁸⁶ This specific event will be discussed in chapter 7 section A. II.

⁸⁷ A tale of the rules, enabled and constrained by the value of collaboration, follows in chapter 7.

⁸⁸ While members suggested that following the rules is ethical, the client's actions are beyond the agency's control and the client can therefore break the rules. This scenario was presented earlier under challenges in chapter 5 section B. III. b) i).

right for the client, versus right for artistic integrity, versus right for AdCompany. Creatives described struggling with balancing between their design expertise and the demands of a client.

A creative explains,

I think you just have to work at where the balance is. I think the best designers are half designer half problem solver and you can't let the brand feedback and the client feedback and all of that morph you into just automatically doing what they're asking for without you keeping your design integrity in mind. I think it's just about finding how far you can push both of those boundaries to meet in the middle. (36)

Artistic integrity is a “personal challenge” but one experienced by others, which was presented as what was right. However, what is right for the agency is also about keeping clients happy, maintaining client relationships, and therefore making a profit. An employee states, “I mean; it is the right thing ethically to go to the client and say we think you should do this because it’s going to give you a better result. I mean that’s what we’re hired to do. That’s what we need to do.” (26) Giving the client an honest opinion of the work is what the client hired the agency to do, which is therefore what makes it right. However, in the end, the client decides. And as the agency has recently experienced, the client decision can always be termination of the client-agency relationship.

VIII. Diversity. Diversity, as an issue of message ethics, arose in relation to a project occurring over a span of several days. Also, two members presented the challenge of diversity during interviews, which illustrated a connection to business ethics.⁸⁹ Regarding the former, a non-profit client of a pro bono project requested to see actors and actresses of a diverse ethnic background and the agency executives were in charge of finding this talent (FN 6, FN 7, FN 9, FN 18). The client, in this case, puts pressure on the agency to satisfy diversity. Another client mandates a certain percentage of work be outsourced to minority-run vendors, such as printers (23). As a result, long-standing vendor relationships were terminated to make room for the new

⁸⁹ A tale in chapter 7 section A. III. will illustrate the ethical dilemma associated to diversity.

vendors as mandated by the client. The challenge of diversity also arose in relation to the agency. In a conversation with several executives during the first few days at the agency, the suggestion was made that the agency needed someone in a wheel chair and a Native American to be a diverse agency (FN 3). Presented as a joke, the comment illuminated a lack of diversity at the agency. During preparation for a new business pitch, it was suggested that AdCompany show their diversity of employment versus having all “old, white men” attend the new business pitch (FN 16). Finally, it was suggested that depicting oneself as attentive to diversity, when inaccurate, could backfire. The agency recently submitted creative work to a multi-cultural award show that an executive believed was not an accurate representation of the work produced. The award show called for advertising that represented diversity via the multi-ethnic, visual representation of consumers. The agency’s work, according to this member, did not fit the criteria. As a member of a minority group, s/he understood what the consequences could be of the agency’s misrepresentation of their work. S/he suggested that their entry could “backfire” and have a “negative impact” on the agency’s reputation.⁹⁰ For example, the agency could be viewed as not taking the issue of diversity seriously.

IX. Data and privacy. It was suggested that using consumer data and the associated issue of privacy are ethical challenges (n=3). The problem was described three ways. First, it was described in terms of a “temptation,” which implied that using consumer data was wrong. Specifically, using consumer data without consent was wrong, but tempting nonetheless (25). Second, a consequence of collecting data was presented (34). For example, it was suggested that audiences cannot escape from data tracking (34). Third, it was suggested that data collection is deceiving, especially when “collecting people’s information unknowingly” (40).

⁹⁰ Participant ID excluded for confidentiality.

X. Misc. Finally, miscellaneous business ethics issues included conflicts of interest, such as between servicing two similar or competing client accounts in competition. During the time of the study the agency was servicing one energy drink account and pitching new business to another. The conflict becomes how to promote, successfully and in an unbiased way, one product against another when your agency is representing both in the marketplace. In the end, the agency never won the new account, which made the conflict a moot point. However, this concern relates to the second challenge: termination. Termination includes firing employees and being fired by a client. Having just come off a growth spurt, the agency has recently struggled with landing new business including the energy drink. In addition, and more importantly, the agency lost a large client account. An intern shared the news during field day 9.

Intern told me that last week for wrap up a few went out to celebrate a birthday. I asked if it was fun. How fun can it be when there is bad news he tells me. What's the bad news? I don't think he wanted to say, but did. The agency lost a big account. As he is telling me in hushed tones, CDCW walks away. ... Intern says there is lots of hanging heads and explained that he's afraid of getting cut. He doesn't want to stand out right now. (FN 9)

The loss of this account contributed to what made this a very difficult time in the agency's history. Whereas before, you had to "work hard to get fired" (24), during fieldwork, three employees had been laid off. Finally, two participants acknowledged their role as both an agency executive and a consumer. From a consumer's perspective, advertising can be unethical. Based upon two experiences in the field, I learned more about one executive's perspective of the challenge. The first experience involved a conversation about what was wrong with advertising, specifically what his/her kids were exposed. However, as an agency executive, s/he doesn't have to work on those types of accounts. The following fieldnotes illustrate the example further.

On our way out to the editing studio, we ran in to [Creative Director] who said the meeting was not until 1 or 1:30, so we had time to kill and [S/he] suggested lunch. At lunch I asked [him/her] about the conversations we had last week around inappropriateness of television and commercials included. How does [s/he] reconcile this

working in advertising? (I think I offended [him/her]; [s/he] turned serious). Well, she doesn't work on these types of advertising. [S/he's] fortunate to work for an agency that doesn't work on these accounts. They do anti-smoking campaigns, for example, so they would never work on a tobacco account. Early in [his/her] career, they passed on a casino project. The agency involves the employees to ask, do we want this project? The employees said no. Now, [s/he] acknowledges, this was [a] time they could pass on accounts. Today may be different. (FN 9)

In addition to his/her challenge navigating the roles among executive, consumer, and parent, the previous excerpt illustrates three aforementioned ethical challenges. First, there are situations of conflict. For example, an agency should not work on both a tobacco account and an anti-smoking account. Second, regardless of conflict between clients, the agency would simply not work on those accounts deemed unethical including tobacco and casinos, as another example.

D. Action Ethics

In describing the challenges that they face and in describing their perception of ethics, several members suggested the importance of the intentions for versus the consequences of their actions (n=5). The resulting theme, action ethics, depicts awareness for action taken (i.e., intentions for action) and outcomes of action as ethical (i.e., ethical consequences).

Intentions refer to the objective of action planned and action taken. On one hand, what is intended is right. The agency is not known for “intentionally snak[ing] out a client,” which refers to leading a client down the wrong path for the agency's benefit (5); “screw[ing] anyone” (13), such as a stock photography vendor by theft of artwork (38); or misleading a consumer (14). Members perceive the agency to be of good intention.

On the other hand, intentions can backfire, resulting in unintended consequences. Consequences of action included those of business, or the outcome of internal practices of the agency, and those of a message, such as the effect of an ad on a consumer. For many,

consequences are a gauge of rightness. After broaching the topic of consequences, as a perspective of ethics, the following was shared:

Well then I would say then our whole department is about the ethical challenge of bringing forth arguments about consequences. But also about potential motivators. But on the defensive side it is about consequences. Will this work? Will it be effective? Will people like it? Is it clear? If it's creative but less clear what are the consequences in terms of effectiveness of that? And most of it's all subjective ... Staying likable and credible enough to live to fight another day. You know. I think those are some challenges. (25)

Here, the consequence is balancing between what's right for the agency, versus the client, versus the consumer. Account planning, the research service referenced in the excerpt above, is about finding the connection between an ad and a consumer audience, by asking 'what message will work?' Within this theme of ethics, we see a resurgence of a business ethic, stating that what is right is relative to what advertising is supposed to achieve. Previously, in business ethics, the issue was creative integrity. Here, it's a broader outcome, which is effectiveness of advertising with an audience. However, as a result of reaching a consumer audience, the client and the agency are served. While participants didn't suggest it explicitly, these considerations could be thought of utilitarianism, for which the greatest good serves the greatest number.

E. Personal Ethics

The fourth primary theme, personal ethics, relates to the individual's view of ethics as a challenge affecting him/her and what was right for him/her as an individual (n=7). For several employees, the response to what was perceived as ethical was responded to personally, such as, "for me, ethics is" whether or not I get paid, or whether or not I like my job, which are two summarized responses. The issue could be further extended, but was ultimately categorized as a personal decision. For example, the issue might be whether or not a client account is seen as ethical, and a good fit for the agency. However, the justification for taking on an ethically questionable client included needing a raise, per one respondent. Other personal responses were

similarly related to the job, such as needing to keep the job, enjoying work, and needing more work to stay busy.

F. Summary

In summary, several themes emerged that identify the member's perception of ethics. Nearly half of all interview participants indicated experiencing some degree of moral myopia, which is a limited perception of ethics. This finding was supported by lack of awareness for ethics in advertising, in general, and lack of awareness for the agency's ethic (at least as labeled as ethics), specifically. Furthermore, a leader presented the belief that ethics was not the reason for starting the agency.

However, while several responses indicated shortsightedness, others suggested how the agency was in fact ethical. These responses can best be summarized as an agency ethic through organizational values, business ethics, and ethical intentions versus consequences. Organizational values such as open communication and honesty are values, which guide the agency to conduct right versus wrong actions. Recent business ethics problems faced include issues of diversity and trademark. And a few members suggested that the intentions for and consequences of decisions made could justify what is right versus wrong.

Finally, it's important to note that while an organizational ethic emerged, members still think about the individual employee. Members suggested that determining what is right is based upon the personal consequences of a decision, such as keeping ones job, which was summarized as personal ethics.

7. Structuration Findings

A. Relationship between Culture and Advertising Ethics

Research question 3 asked, what is the relationship between culture and ethics? Specifically, how does culture, if at all enable ethics (3a) and how, if at all, does culture simultaneously constrain ethics (3b). The unit of analysis is the organization⁹¹ as well as processes of decision-making. Together, these units were analyzed and findings presented to explain the relationship between organizational culture and advertising ethics.

Findings suggest ways in which culture enables ethics and ways in which culture constrains ethics. Both views are important to understanding the relationship between culture and ethics. Findings also suggest unintended consequences, or contradictions of culture. The following tales, best described as a combination of realist and impressionist tales (Van Maanen, 1988), depict this relationship.

In the first tale, Moral Myopia, we see that the leaders' intentions for the organization, and the subsequent values and goals shared. This tale suggests that ethical awareness is constrained in some respects. These views were first presented as moral myopic views in chapter 6. The first tale is presented to suggest the constraints on ethical awareness. However, moral myopia was not the only perspective found. Many of the agency's members are ethically aware and solve problems based upon ethical decision-making. Members determine what is right for a client by applying organizational values of collaboration and open and honest communication. Therefore, organizational culture simultaneously enables ethics, which tales II. The Rules, and V. Leaders of Virtuous Character illustrate. What was intended for the agency and then espoused by organizational values, goals and ethics has unintended consequences. These contradictions are

⁹¹ See chapter 5 section A for an explanation of findings.

presented in tales III. Rules are Unfair, and IV. Out with the Old, In with the New. Suggestions on how these consequences are reproducing culture are provided. Five tales of the relationship between culture and ethics are told. A summary of structuration and ethics concludes the section.

I. Moral myopia: enabled by AdCompany's foundations. In the chapter on advertising ethics, findings first suggest morally myopic views. A majority of participants believe that AdCompany doesn't face ethical challenges. AdCompany doesn't work on client accounts that would be considered unethical, as one example; therefore, there are "no ethics" at AdCompany, these participants suggested. These members don't put ethics on their organizational radar, so to speak. Therefore, the tale that follows suggests how these beliefs constrain ethical awareness and presents an opportunity for new members to become socialized into a morally myopic culture.⁹²

The founders of the agency contributed to the myopic views. CEO and CCO had previously worked together at a large, full-service advertising agency. During the first few months on their own, they honored a non-compete agreement⁹³ with their previous employer. Several months later, they won a large client account that they still service today, growing from two to twenty employees. Business "took off" by the next year's end, a founder explained. Early on, AdCompany occupied a "small building" where employees brought in their own tables. One employee literally brought her/his own card table and that was her/his workspace, an employee shared. "There have been a lot of changes, a lot of hard work between now and then" (17). Years later, AdCompany employed upwards of 100 employees during its peak, only to experience layoffs starting around 2006 up until the time of the study. At the start of the study, there were about 75 employees who occupied three floors of a building the founders bought and renovated.

⁹² The moral myopic view is only one perspective, and as the findings suggested other ethical perspectives emerged, which will follow in the proceeding tales.

⁹³ A non-compete agreement is a contract between an employer and employee that states, upon termination, conditions and timeframes for working within the industry and with competing organizations.

Near the last day of fieldwork, the agency lost several employees and merged office space from three to two floors. However, several members of the “core” group of people, including the founders and others who began at AdCompany early on, still remained (16).

Ethics was not an impetus for starting the agency. A founder stated, you cannot and the agency did not intend to build an ethical agency. The purpose of starting an agency is not to be ethical; you start an agency, s/he explained, to create good ads and to work with reputable clients. Furthermore, ethics cannot be the reason for starting an agency, because it’s not a reason for clients to hire an agency.

These views represent business and message ethic as closely related if not blurred. Just as an agency is not founded with the intention of being ethical, neither is an ad intended to be ethical. An ad is about a product and the promotion of that product. For example, a founder explained that AdCompany serviced a dry cleaner account. The client wanted to be perceived as environmentally friendly. Well, the founder explained, that’s the client trying to be ethical, but dry cleaning products are, as s/he explained, the worst thing for the environment. The agency’s job is to sell the client’s product. It doesn’t matter what the product is or isn’t in terms of ethical or unethical. AdCompany has one bottom line, s/he explained, which is to create good ads. Therefore, ethics does not play a role in the message, just as it wasn’t incorporated into the agency’s foundation.

Ethics is not perceived to play a role in the intention of the agency. Some members perceive AdCompany’s values and goals as sans ethics. For these members, their ethical awareness is constrained. To do good work and represent reputable clients are the organizational values and business goals. Whether the client or the commercial message is right or wrong doesn’t come into question.

Ethical awareness for some, therefore, is constrained by the agency's cultural foundation. In other words, moral myopia is enabled by organizational culture. Members believe in values of creativity, hard work, and maintaining client relationships. What these values enable is the recreation of the agency's bottom line. However, what they simultaneously constrain, is an ethical awareness for the client, or client's product as right or wrong. Five members of those interviewed and one observed in the field referenced a client or product as un/ethical. Of those members, two provided reasons why that servicing a questionable client account would be justified. For example, a member suggested that the agency isn't known to be "arrogant" and therefore doesn't condemn client accounts. The agency instead evaluates a client based upon the ability to create good advertising. In this view, what is right is upholding creative integrity and advertising expertise, which the agency is hired to provide. While the agency collectively values honesty, integrity, respect, etc., the moral myopic group does not apply moral qualities to these values. This finding is contrasted by the finding that some members do apply moral qualities to organizational values.⁹⁴ This contradiction will be revisited shortly.

Leadership, a specific element of culture, also enables moral myopia. A philosophy of leadership shared by several Directors is setting an example. Similarly, a perceived characteristic of leaders is setting an example, which is an aspect of being hands-on. As a philosophy, the Directors believe in doing what they say and using organizational values to guide action. These values are taught by leaders and shared during events like the monthly agency meeting or new hire breakfast. It was suggested that to uphold this philosophy, a leader would never ask an employee to complete a task s/he her/himself would not complete (30). Examples must be set for ethics, as well. However, an agency ethic is not espoused by leaders, nor articulated in organizational values and goals. Therefore, if the leadership of the agency states and believes

⁹⁴ Chapter 6 section B.

that ethics has no place in starting an agency, and thereafter ethics are not part of the cultural discourse, then employees have an opportunity to become socialized into this belief system.

Suggesting that all members will be socialized into the same belief system is a limited view of culture in general and ethics specifically. Not all employees will adapt to a belief system, or lack thereof. The idea that culture is composed of both a consensus and divided view supports this option. Current findings support the divided view of culture. Aside from the divided views of culture, which are plentiful, participants suggested ways in which the agency is ethical, including via organizational values, business ethics, and personal ethics, all of which are a divided view of having “no ethics.” For example, employees disagree with the founder, and suggest that certain products are inherently evil and, therefore, that they would have objections to servicing certain accounts.

Therefore, these individuals support that an ethic does exist. While moral myopia was represented in participants’ beliefs about AdCompany, the culture does, in part, support ethics. Members suggested ways in which the agency is ethical including through virtuous character and honesty.⁹⁵ Members, and the founders, believe they are people of character and hire like-minded individuals who can uphold the values shared. These values enable an ethic. A tale of business ethics enabled and constrained by values of collaboration and communication follows.

II. The rules: enabled and constrained by collaboration. In advertising ethics literature, business ethics refers to the normative decisions made in relation to business operations (Drumwright & Murphy, 2009). Determining right from wrong is in regard to aspects of finance, personnel, clients, vendors, codes such as industry standards, and, at times according to practitioners, the law. Some of these ethical problems were first introduced in chapter 6 and are presented here as a tale of the structuration of advertising ethics. The following tale is one of

⁹⁵ Virtuous character follows in section V. Ethics Enabled by Leaders of Virtuous Character.

rules, which the members introduced as the standards set by talent unions, and the law.

AdCompany's ethical decisions, in regard to following union rules and the law, are guided by the client's recommendations as well as by collaboration with co-workers, union paymasters, and lawyers. The tale follows concluding with a summary on ethics.

During one of my first visits into the office, I met an account executive who shared news of project s/he was working on for one of AdCompany's longstanding client accounts. S/he suggested that I come out to a production studio, one of AdCompany's vendors, to watch the filming of a commercial. Throughout the four days of the project, s/he was very helpful and accessible by answering questions about the production process, volunteering information, and sharing creative samples such as the copywriting pitched to and approved by the client.

The process began with the development of a concept, which was "sold" to the client, meaning the agency had to convince the client to buy into the idea for production to begin. This concept was then bid out to several production companies. The production company decided upon was selected because they kept the "integrity of the concept" intact and the budget could be met. The production company did make some suggestions, primarily to reduce costs, which AdCompany supported by pitching back to the client. Upon agreement, a storyboard was then written, which was displayed on set at the studio, and became more detailed as the project advanced.

The set was built across from the production studio's main office building. It was a large warehouse set up with two stages on the first day. The stages were built, painted and decorated by the production studio staff. In addition to the sets, in the warehouse "there were cameras, music playing, [and] a client lounging area that was heated, had food and snacks, soda, coffee and water, a table, couch, chairs and Wi-Fi." (FN 6). On set were several members of the agency

including creative directors, one of which who was also a copywriter, an intern, the account executive previously mentioned, and a production manager. Also on set was a client representative, several members of the production studio staff, and talent. Talent for the project was non-union. Non-union talent is hired to fit the budget for smaller projects and clients, that can't afford union fees. For example, on a pro bono project, AdCompany hired non-union talent and a photographer wanting to break into video who donated his time. Another option, to avoid union agreements, is to contract talent through the production studio, which was true of the current project.

A creative director, however, suggested that there are still union "rules" to follow. S/he explained that even talent handlers like a dog handler are also union-contracted (surprisingly there are also union-contracted bug handlers; s/he previously worked with a butterfly handler). Furthermore, while the project being observed was considered small in terms of media placement and expected audience size, it was being produced for one of the agency's largest client accounts, a multinational company. However, since it was only being placed on the internet, different rules applied, which allowed AdCompany to work outside union talent. The latter information became known during an interview with the production manager, days after the production event.

During production, different views and scenarios arose, which pertain to the rules. The following fieldnotes provide an example for which the rules were questioned.

Later in the day [1st day on set], production studio staff and [a creative director, CD] were reviewing some footage and [CD] noticed that the talent's face was visible. [CD] mentioned this person is an extra. I recognized the conversation because, earlier, [an agency production manager, PM] was telling me about how talent got paid through unions. The principle makes a certain amount for the day or half day and extras get paid a certain amount, which is less, but includes the understanding that they will be unrecognizable, meaning that [the extra's] face isn't filmed or is blurred out. So when [CD] saw the extra's face on camera, s/he raised it as a concern. S/he said that they'll

have to check with [PM] because [PM] knows the “rules.” [PM] came over and agreed saying that s/he saw that earlier, meaning the extra’s visible face (but s/he didn’t say anything until this moment when s/he was called up and over to the conversation ...). S/he said that it’s technically okay because the talent was not hired through union, but they need to know how the talent’s contract was negotiated. The [studio’s] production staff said their production guy will know. When s/he joined the conversation, s/he said it was agreed to that [the extra] would appear in the shot for the rate negotiated, so PM said okay. I went up to [PM], because I didn’t hear exactly what was said, and asked, ‘so is [the extra’s] face visible?’ [PM] nodded her/his head, yes. It was in the negotiation. [An intern, IN] and [an account executive, AE] were listening and came over saying, we want to hear. (I was fascinated by the group discussions that were going on between the studio staff and the [CD] and now me and [PM] with the interest from [AE and IN]. [IN] told me earlier s/he was there to learn. There was an interest in being involved and it made me think of the agency’s ‘open communication.’) When they asked, or [IN] did specifically, [PM] said, “it is on them.” Meaning if talent came back to get more pay, which, s/he said, could technically happen, it was on the production studio. [PM] had called not hiring union workers, “under the table.” (FN 6)

A creative director raised the question in regard to the talent’s contract and union rules. After recognizing a potential issue, s/he requested the help of the production manager who holds the responsibility of knowing union agreements, as well as the responsibility of coordinating with the production studio. Since s/he did not negotiate the talent’s agreement for this project, s/he deferred to the production studio staff, who did know the agreement. During the discussion, other agency staff listened in and asked questions. The production manager and intern were the newest members of the agency on set, both having worked for AdCompany less than a year. While this was the intern’s first advertising agency position, it was not the production manager’s. The creative director involved in the conversation is considered one of the “core” members having started at the agency early on, and the account executive held both prior agency experience and several years at AdCompany.

A similar situation arose the same day. I overheard an account executive (AE) on the phone with her/his client. They were discussing the use of a company name to superimpose in the commercial video being shot. To display a company or person’s name, you must pay and

have the property or publicity rights. S/he had the idea to use a generic name, but was unsure of its protection. Therefore, she conducted a Google search of the name and called the parent company's lawyers, which AdCompany has access to as a member of Holding. S/he wanted to know the cost of conducting a full trademark search. The lawyers suggested it would cost about two thousand dollars per name search. AE's first option was to call the client and ask if they had conducted a search on the generic name s/he suggested. S/he also went back and referenced a similar project. On the previous project they used regional, brand names in the commercial but s/he suggested that s/he can't "get away" with that again, implying they didn't pay publicity rights. As s/he waits to hear back from the client, s/he suggests going to agency personnel for a family business name to use. For example, the agency's director of production, who made a visit to the set, owns a company. Throughout the dialogue, AE mentioned s/he was trying to find the "right thing" to do, which s/he was in the process of determining. AE suggested sending out an agency-wide email to find out if any member personally owned or knew someone that owned a company for which they could use the company name.⁹⁶

The right thing to do during these events was perceived to be following union rules, and following the law, which was influenced by determining what was best for the client.

Collaborating and communicating the concern raised awareness of the problem and of the potential consequences. As a result, the right thing was decided upon such as treating others, specifically talent, fairly. For example, making sure talent was treated fairly by following union rules was the right thing to do, regardless of whether or not AdCompany hired union talent. Fair treatment included following the talent's contract and compensating talent accordingly.

Regarding the law, paying for rights suggested monetary consequences. AdCompany's client would have to pay a trademark search fee and potentially publicity rights. Therefore, in both the

⁹⁶ The resulting decision was not observed.

case of the talent and the trademark search, AdCompany also considered the fair treatment of the client by keeping project costs within a budget.

a) Enabling and constraining the rules. The events that took place on set depict several aspects of the relationship between culture and ethics. As a case of business ethics, the agency was faced with a problem: how to treat the talent fairly. Talent is paid based upon an agreement, which specifies hours of work, role such as principal or extra, and media placement. Knowing the rules, identifying the problem, working together, working with the client, and leading by setting an example enabled the determination of what is right. The aspects of culture that came in to play, therefore, were shared values, including the values of hardworking people who produce the best work, as well as the values of open communication, honesty, collaboration, and the client partnership. Characteristics of leadership are also depicted in this process, specifically the hands-on nature of leaders, setting an example for others.

The work value is the belief that AdCompany employs and values hardworking people. Hard work is maintained by continuing to hire like-minded individuals, referred to as best-fit employees, or experts. Whereas senior-level executives, in charge of running the daily operations of the agency, founded the agency, the production event enlightens what expert means for the agency in present day. Furthermore, knowing the rules is one example of working hard, and contributing expert-advice.

PM has knowledge, previous work experience, and, regarding the previous scenario, consulted sources such as the paymaster and 4A's for more information. While her/his status in terms of years of employment at AdCompany contradicts what some members previously ascribed as "experts," or a "senior" level position, s/he does depict an experienced level of knowledge. Furthermore, others at AdCompany, and those working for the studio, saw her/him

as the expert of union agreements, such as when the CD deferred to her/him for figuring out the union “rules.”

Collaboration, the value of working together as a team internally and at time with external members, was depicted by the previous case. Working together on the commercial production were agency staff, clients, production studio staff, and even lawyers were pulled in regarding trademark regulation. Furthermore, by consulting sources, such as CD raising a concern with PM, collaboration is enacted.

The client partnership value was also depicted. The agency values equality espoused as the belief that all projects, big or small, deserve the same attention and hard work. From the client’s perspective, the project was “just a video,” but the agency team assigned to the project treated it like it was the most important project they had. The client suggested that the heightened attention toward the project indicates how hard the agency works.

Worth noting is the impetus for collaborating. CD brought the talent concern to PM’s attention, which turned out to be a moot point. This supports an aspect of leadership. CD is a core group of the agency, having worked since the foundation. S/he also serves as a Director. By stating the problem, or the concern for talent, CD sets an example. S/he is involved in the production of the commercial, by working on set, asking questions and pulling in other members of the staff to see what questions she is raising, specifically for the talent concern.

The value of open communication encourages sharing. This case illustrates a leader raising a concern and others speaking openly with one another. Specifically, an account executive and intern were eager to listen in and learn. A culture that encourages communication enables ethical decision-making. According to Habermas’ (1984) discourse ethic,

communication is the first step to problem solving. Furthermore, leaders who set the example for sharing and honesty serve as resources for ethical decision-making.

A leader, CD, raised the potential problem. This involvement illustrates the hands-on aspect of leadership. CD set an example of sharing information and raising a concern. When a problem arose, CD was honest even though the result could be greater incurred costs, which the agency was trying to save on behalf of a limited client budget.

Culture enabled ethics while suggesting a potential constraint. First, determining what was right was enabled by hard work, communication, collaboration, doing the best work for the client, and leadership. On set were several experts. PM knows the “rules” of SAG, therefore, making sure that the studio and agency were in compliance with treating the talent fairly. When a leader, but not necessarily an expert of talent agreements raised a question, collaboration provided for a check on the rules. Furthermore, by raising a concern, CD’s leading by example performs a sort of checks and balance by allowing for collaboration on the process and decisions to be made.

Collaboration might have constrained communication of a potential problem. The agency member responsible for knowing talent agreements didn’t introduce the problem. The creative direction introduced the problem to the production studio staff. However, after the creative director broached the problem, the production manager admitted to recognizing the problem and responded accordingly. Refraining from raising the ethical problem might be the unintended consequence of others working together to solve the problem. However, the production manager clarified that talent was non-union, so it was a moot point in the end, because of the industrial classification of media placement.

When rules are broken, there are consequences. The agency is currently under an audit due to a talent complaint. The production manager suggested that it relates to a complaint made against AdCompany's parent company that, at times, uses AdCompany's name on projects.⁹⁷ Therefore, not only must AdCompany know and follow the union rules, but is also affected by the parent company's ability or inability to follow the rules. The production manager explained during our one-on-one interview some of the complications. It's "confusing" and taken her/him years to learn. The union books are consulted often, and s/he calls the paymaster (a liaison between union and agency) for clarification. Other times, s/he calls 4A's for help with understanding the contracts.

Furthermore, the unintended consequence of treating the client fairly is the potential unfair treatment of the agency's vendor, the production studio. To fulfill a specific budget to meet the client's needs the production studio was used as a talent liaison. The studio signed the talent contract not AdCompany. Should the talent come back with concern or a complaint, which the AdCompany knows can happen by currently experiencing an audit, it becomes the production studio's problem. The unintended consequence is, therefore, a contradiction of collaboration. By collaborating with the vendor, which is intended to make the work better, AdCompany can deflect responsibility to the vendor in the event of a problem, therefore, contradicting the value of collaboration.

While organizational values and aspects of leadership allow the agency to do what's right regarding the fair treatment of others, AdCompany deals with many external members. The fair treatment of one service partner might result in the unfair treatment of others, albeit

⁹⁷ AdCompany references their parent company's name and vice versa as a resource. An account executive explained the resource in terms of reputation and image. AdCompany uses the Parent name to portray a global reputation while Parent might use AdCompany name for their local image.

unintentionally. Another tale, a tale of diversity and its unintended consequences, explains this problem further.

III. Rules are unfair: unintended consequences of diversity. Diversity in advertising fits into both message and business ethics. From a message ethic perspective, diversity is concerned with the depiction of minority groups in commercial messages. From a business perspective, diversity is concerned with developing partnerships with minority run businesses such as printers. AdCompany has experience in both, which was observed during fieldwork. The latter is the focus.

The client relationship was presented as an organizational challenge and a recent example was provided. As it was previously explained, the agency's largest client account requested that AdCompany use only vendors on their preferred vendor list of minority run businesses. The list was created to uphold diversity.

The event depicts a relationship to organizational challenges, organizational values, an ethic of organizational values, and the unintended consequence of action. First, AdCompany faces the dilemma of upholding organizational values. AdCompany believes in a client partnership and that the client has a right to love their advertising. The unintended consequence of following this value is a strain on the value of collaboration as well as on value and processes ethics. AdCompany not only values the client relationship but also values collaborating with other external members such as vendors. Furthermore, doing what's right by being open and honest, leads to trust in relationships. AdCompany trusts their previous vendors. Relationships were formed, and, related to another organizational value; vendors were chosen to uphold the quality standards of the work. The new vendor list developed by the client includes vendors that, according to one member, are not up to quality standards. Therefore, the very value the agency

struggles to uphold, the client, is compromised by the client's request to use vendors that are not up to quality standards. As a result, AdCompany is not able to produce the best work possible. Here lies an unintended consequence.

What challenges exist, due to changes in the industry, economy, etc., strains AdCompany's ability to uphold organizational values and reach organizational goals. Currently, AdCompany is facing challenges of growing profits and losing clients. Next is a presentation of the challenges of growth and decline and the resulting unintended consequences as a result.

IV. Out with the old, in with the new: challenges and unintended consequences of new and lost business. During the course of this study, AdCompany was in a state of flux. A major client account was lost and resulted in layoffs. In addition, two employees quit while a few others were hired, and new business was pursued and subsequently lost. As AdCompany addresses the challenges of growth and decline, organizational values come into play, both as support and constraint. Together, this relationship depicts the future culture of the agency as it is being recreated. How the a) challenge of new business is shaping the future direction of the agency will be presented first, to show the change in culture. Then, important to answering the current research question is the influence this change has on ethics. Therefore, next will be a discussion of b) survival as a new business challenge versus ethics.

a) *New business is changing culture.* New business was introduced by members as a current organizational challenge influenced, in part, by the current and future direction of the agency. Growth for the agency, profit and recognition were also introduced as the three business goals for the agency. Furthermore, a perspective shared was that no organizational vision exists for AdCompany. Therefore, in addition to the pursuit of new client accounts, new business efforts are tackling the determination of and need for a new vision. As a result of pursuing new

business and a new direction for the agency's long-term success, values are utilized as a resource, while the challenge simultaneously constrains the same values.

During fieldwork, new business was occurring in all stages. Several internal new business meetings were observed (FN 5, FN 13, FN 16, FN 17, FN 19, FN 20, FN 22). The stages included 1) RFP, or request for proposal sent to the agency by various clients or search agencies; 2) the response stage, which is a response to the RFPs received; and 3) the pitch stage, which occurred once a response was reviewed and approved by a client and the agency was then invited to make a creative presentation. Thereafter, the agency was either waiting for a response, declined the project or account, or awarded the project or account.

AdCompany was founded on and continues to serve its largest client account with direct marketing services. The client and service are AdCompany's bread and butter. For some members, however, direct marketing and other traditional advertising are being questioned as client service needs change and as new members of the agency begin to support a digital discipline more so than traditional advertising. On one hand, core members contemplate getting back to roots when agency processes were simpler (24), while on the other hand they recognize that it is important to keep up with consumer demands (37).

This challenge of growth and new direction challenges organizational values. First, two related values put into question are the work and the client. When the agency originated, as the CEO mentioned, they took risks. Still today, AdCompany prides itself on the best creative work. The extent to which the agency is taking risks to pursue creative work versus settling for less desirable work is currently up for debate. The agency is challenged with taking any account that brings in money (13, 34). Furthermore, doing what's best for the client, specifically as it relates to the agency's largest client account, is maintaining a focus on direct marketing. However,

doing the best work overall might require a shift in focus to new media. As AdCompany decides upon the direction for the agency, or maintenance of current offerings, organizational values might shift. The second value put into question is the value of collaboration. As the agency grapples with the best approach for new members, a division between departments seems to arise.

The disagreement over the agency's direction is at odds with the organizational value of collaboration and leads to the division of this value by recreating silos. Collaboration is about teamwork, as noted in values and the above tale. The divided view of collaboration is that opposed to working together, departmental divides silo the work and people. By debating the merit of traditional media versus new media, members become challenged with determining the direction for the agency and are therefore helping to reproduce this divided view.

As the agency strives to gain new business, the future culture of the agency is being recreated. New clients, those that may or may not align with the agency's goals and values, influence agency members' perceptions. When a major account was lost, it was viewed as having both a positive and negative effect on the agency. The negative effects were the loss of income along with three employees. On the positive side, creatives saw the opportunities that lie ahead. Creatives suggested that this particular client restricted the creativity ability of the agency. The client was known to reject creative pitches. These restrictions of creativity, an important value and goal for the agency, caused frustration among creative staff and account executives alike, who vented together agreeing that, the client "sucked" anyway. As new business was pursued, employees showed excitement for their future opportunities.

Lost accounts and new business shape the agency's ethic as well. When the agency is financially healthy, there are more options to turn down accounts. In the past, a casino was

turned down. This was a time, however, that that decision could be made. Currently, the agency is faced with the challenge of acquiring new business. During a time of financial distress, AdCompany is not necessarily able to determine what client accounts and what products ought to be represented by the agency. More on survival versus ethics follows.

b) Survival versus ethics. Because of the challenge of new business, AdCompany members are introducing a take-what-you-can approach to business. When the financial health of the agency is good, they can pass on accounts. When AdCompany is in a state of decline, passing on accounts is a luxury lost.

From a business ethic perspective, challenges present constraints. One constraint is on determining what client accounts are considered harmful. Several members indicated, as a concern of business ethics, that they would not and the AdCompany does not service unethical client accounts. However, the challenge of growth and decline faced today constrains the ability to reject client accounts that are perceived as harmful or unethical. By comparison, when times at AdCompany were good, meaning the agency was both making a profit as well as working on creatively rewarding accounts, a business ethic was upheld. However, as it so happens today, one member is hesitant to pass on an energy drink account, which s/he does find harmful. As another member asked, ‘Why would AdCompany not take an account when there are employees to pay?’⁹⁸ which has ethical implications as well. AdCompany needs to earn an income and members indicated fear of job security, as well as wanting more creatively rewarding opportunities. As it pertains to ethics, keeping client accounts so as to pay employees is the right thing to do.

Furthermore, the take-what-you-can approach to new business constrains the value of creativity. Members not only want new business for the survival of the agency, but also crave

⁹⁸ This scenario was presented as a challenge of growth and decline in chapter 5 section B. II. a) i).

new accounts that allow for creative opportunity. Until profits rise, which only new business and growth of current accounts allows, creative selectivity cannot ensue.

Challenges also share a relationship with work ethic, an aspect of organizational values and processes. Work ethic, according to the members, relates to the acceptable use of agency time and money. In part, this work ethic was reflected by the agency's value of people. While people are valued, respected, and allowed the flexibility to get work done while tending of familial needs, members respect each other's time as well. Members are still expected to get the work done. Faced with current challenges, a member indicated her/his personal challenge with not having enough work, which was due in part, to the type of accounts currently being serviced.

Having learned of my study's focus of advertising ethics, a member asked me "if I wanted employees to 'raise their hands' when a problem arose." Remembering this earlier conversation, on the last day I asked her/him, "Have you needed to raise your hand?" (FN 45) An ethical challenge was shared. The member's challenge is staying busy. While self-training, reading, and participating in webinars keeps her/him busy, it's not billable time.⁹⁹ To compensate, s/he has voiced her concerns with leaders, told them s/he is not busy, offered to help and let them know s/he is available to work on new projects. This poses both a personal and professional challenge. S/he worries that a point is near when s/he must ask, do I have a job? The personal aspect relates to her/his family and knowing that s/he could be spending time with them if s/he's not busy at AdCompany. Professionally, s/he needs a job. An interpretation of her/his ethical challenge was made on the same day.

The fact that [s/he] struggles with this, but is not doing anything wrong ([s/he] still spends [her/his] time working, [s/he's] not going to shop online [s/he] says, [s/he] lets [her/his] managers know [s/he] has the time and is available for new work, and [her/his] managers make the decision to keep [her/him]), shows [her/his] character. (FN 45)

⁹⁹ To stay profitable, AdCompany members must log time toward a client project that can be billed to the client.

The challenge s/he faces illuminates a constraint that new business places on leadership, and that leadership in turn places on ethics.

Leadership, while important to establishing and maintaining culture in general, is specifically important to AdCompany as part of their organizational ethic of values and processes. Leadership, as an aspect of ethics, is about setting an example, being of virtuous character, and maintaining the integrity of AdCompany by hiring like-minded people. It was suggested that a positive outcome of layoffs is a more efficiently running agency. The contradiction is that being lean takes away from leadership, even more so than the aspect of being a hands-on leader already does. Leaders serve as resources to their employees by setting an example for not only culture, but also ethics. As leaders take on more responsibilities, their ability to lead collaborating with employees and setting an example becomes constrained. More on the leaders' virtuous character follows.

V. Ethics enabled by leaders of virtuous character. The tales above illustrate the relationship between culture and ethics and have primarily focused on how ethics is constrained. In addition, the tales have illustrated unintended consequences, which further constrain the intention for organizational values. However, it's important to note how ethics are enabled.

Presented in the section of findings on advertising ethics, is an ethic of organizational values. For example, one way members determine right from wrong is by being open. A member suggested that when you're open and honest, you always know what the right thing to do is. Therefore, the organizational value of open communication enables this ethic.

In addition, leadership enables ethics. Culture in general and values specifically, are first and foremost established by leaders. AdCompany's founders were the first members faced with solving challenges, and as a result determining what was most important to them in solving these

problems. Values were doing the best work, but having integrity as well. Integrity is consistency in action and upholding the value of open communication. Integrity and honesty depict the leaders and persons of virtuous character. Members agreed, which was depicted time and again by the respect shown toward CEO and CCO. Since founding the agency, leaders have set the example of hard work. Loyalty is depicted by the leaders' commitment to the agency even after the holding company buy-out. As members suggested, CEO is seen as the hardest working person at AdCompany. But with profits gained from selling, s/he doesn't have to work but enjoys to work. Finally, leaders set the example of establishing and maintaining client relationships. It was suggested that one reason CEO has not quit is due to her/his many client relationships that the agency depends upon.

Leaders believe that being ethical begins with character (13, 14, 15) and the character of those you hire (13, 14). By continuing to hire people that are of similar virtue, the leaders continue to reproduce a culture of virtuous character. The extent to which this culture when changes as the founders leave the agency and a new CEO and CCO takeover is yet to be determined.

B. Structuration in Summary

Research Question 3 asked, what is the relationship between culture and ethics? Specifically, how, if at all, does culture enable ethics (3a); and how, if at all, does culture simultaneously constrain ethics (3b)? Giddens' (1984) structuration theory suggests a dynamic relationship between agency (enacted by a human actor) and structure. An actor is neither entirely free to act, nor are structures entirely constraining. Instead, an ad agency produces and reproduces structure through action and over time, and structure simultaneously enables and constrains action. Therefore, both non-human structures and human actors have agency.

Organizational values serve as a resource for ethical decision-making. These values serve in lieu of an espoused ethic or code of ethics. For example, AdCompany supplies employees with an employee handbook. However, the handbook does not label any matter, policy, etc. “ethics,” although several issues were addressed in the handbook that could be considered ethical such as a policy on sexual harassment.

Still ethical problems are faced as members suggested. As goals are being pursued, and ethical problems faced, members draw upon the values in which they’ve become socialized. Members learn the values of open communication, honesty, and collaboration from leaders. Leaders explain the values during the new breakfast hire and then they are reintroduced in monthly meetings, as one example. In addition, leaders set an example by leading with honesty, and, by maintaining a consistency of action, with integrity. By being hands on and working with others, including newly hired employees, leaders set an example for the value of collaboration. Furthermore, members compare what they have learned at AdCompany with their prior professional experience. Therefore, hiring more senior level executives not only contributes to a better product, but also to an understanding of what makes AdCompany moral, collaborative, open and honest, etc. As a result of understanding and applying organizational values created by leaders, members continue to reproduce organizational values.

The values instituted by leaders are upheld by their employees. When faced with an ethical decision, employees drew upon these values. This process was depicted in the tale of rules. A member raised a concern, a discussion was held, members internal and external to AdCompany were requested to help, while others voluntarily showed interest, and members considered how a decision might affect others such as the client or a vendor.

Leaders also serve as a resource for ethical decision-making. Organizational values were first introduced by leaders who continue to set an example today. Leaders' virtuous character and commitment to hiring like-minded people, enables an ethic of value and virtue. At the same time, the leader's belief that ethics serves no role in starting an agency, the leaders have simultaneously constrained ethical awareness. This constraint has led to some members' moral myopia. By both enabling ethics, in part, and constraining ethics in other ways, AdCompany has a divided view of ethics.

Action is enabled by the resources of organizational values and leadership. However, unintended consequences do arise. In the tale of The Rules, we see an ethic for treating others fairly constrained by collaboration. Collaboration is intended to facilitate the production of the best work possible for the client. AdCompany also values partnerships with clients and vendors. Longevity of relationships and development of trust are agency values and goals. Furthermore, the extent to which others should be treated fairly was suggested as an ethical decision. By collaborating with the production studio, AdCompany intends to complete the best commercial message for their client. However, as a result of sharing tasks with the studio, responsibility can be deflected back upon the studio should a problem arise, therefore, contradicting the fair treatment of the studio.

The current study illustrates the reproduction of culture across time-space. Giddens' (1984) concept of time-space is concerned with ordering, and structuration in general is concerned with production and reproduction. In the tale of Challenges and Unintended Consequences, the current challenges of new business and growth illustrate a potential shift occurring in AdCompany's culture. AdCompany, when founded, offered traditional mass media services performed by senior-level executives. Today, economic pressures impose the challenge

of survival, which mandates change. As direction for new business pursuits are being determined and new members of the ad agency suggest that new services replace traditional media, values such as collaboration are being challenged while divided views, such as silos are being recreated.

As seen in the tale on Diversity, some of the current challenges faced are being imposed by clients. For example, the client recently responded to a problem of business ethics. The client extends beyond their own organizational culture, and into local, regional, national, etc. cultures. As the client responds to their own set of influences, they mandate change that AdCompany can either support or reject. While AdCompany intends to uphold an organizational value of providing their client with the best work possible, as well as acknowledge the problem of business ethics, the very value they intend to uphold is contradicted when the client's request negatively affects the work produced. While creativity still remains one of the four formal values of the agency, and time and again members stated that AdCompany does create good work, the extent to which these influences produce a new culture has yet to be seen.

8. Discussion

The current study sought to understand the relationship between culture and advertising ethics. Understanding the complexity of advertising ethics as a process embedded within unique organizational cultures that constitute the many organizations of the industry mandates a new approach to research. This new approach is organizational research.

To examine this relationship and organizational context, several research questions were posed. The current study first examined the culture of an advertising agency, including the organizational values, goals, challenges and aspects of leadership. Both shared and divided views were captured. Second, the current study captured the members' perspectives of advertising ethics. Third, the relationship between culture and ethics, including the enabling and constraining features of culture, was examined and findings were presented.

This chapter will first present a summary of the findings. What's new, and how these findings extend literature, respective to each section (culture, ethics, and structuration), will then be discussed. In addition, what these findings suggest for theory and our conceptual understanding of advertising ethics will be presented. A brief note on the study's limitations will be introduced. And, finally, the chapter will conclude with recommendations for future research.

A. Summary of Findings & Implications

I. Advertising ethics defined. When asked about their perspectives on advertising ethics, responses suggested some members are morally myopic while others are ethically aware. In part, myopia exists due to a limited vocabulary and understanding of ethics. When prompted with a definition of ethics, members suggested ways that ethical problems could be faced. It just so happens, these members suggested, that AdCompany doesn't face those problems. The morally

myopic responses were further characterized as 1) ethics disconnected from agency operations, and similarly 2) ethics necessarily disconnected from agency intentions, as well as 3) a reductionist view that ethics relates only to the type of account serviced, and 4) ethics as moot because the agency is full of virtue.

Based upon these findings, a modified definition of advertising ethics is proposed. The modification acknowledges advertising ethics as awareness of ethical problems and decision-making influenced by and in a relationship with an organizational context. Furthermore, awareness can be understood as a continuum, which will be elaborated upon below. In addition, the proposition that morally myopic perspectives can also be understood as amorality will be presented. First, it's important to note the perspectives falling on the opposing end of the continuum.

For the ethically aware, three categories of responses describe practitioners' perception of ethics. The first is an ethic of organizational values and processes. Contributing to an organizational ethic were perceptions that what is right and good at AdCompany is open communication, the fair treatment of others, trusting relationships, virtuous character, virtuous role models, honesty, work ethic, and respect for others. For example, members suggested that they do the right thing at AdCompany because they always tell the truth and treat other people with respect. These normative actions are guided by the organizational values of open communication, respect for the client, and collaboration with others. Furthermore, leaders, specifically the founders, influence this behavior because the founders are virtuous characters and continue to prioritize hiring like-minded individuals. By acting openly, honestly and with respect for others, and through a consistency of this action, the founders set an example for

others. The founders are also very well-respected by their employees. Acting out of respect upholds a commitment to the values the founders intended for AdCompany.

In previous studies, when practitioners were asked what ethical problems were faced, Hunt and Chonko (1987) found treating clients fairly, treating employees fairly, and servicing unethical, or harmful, products to be three prevalent examples. Similarly, Rotzoll and Christians (1980) found practitioners faced ethical challenges related to treating clients fairly, and billing practices. These aforementioned ethical problems constitute the problems of business ethics. Findings on business ethics for the current study are summarized next.

The second characterization of advertising ethics is business ethics. Business ethics acknowledge the ethical problems in relationship to aspects of the industry and of the company, such as marketing and finance. Topics of business ethics included the type of client account serviced, money, agency life, audience considerations, legality, rules and codes of ethics, creative ethics, diversity, data use and privacy. These ethical considerations were also found in previous studies (e.g., Drumwright & Murphy, 2009). Action ethics, the third category, suggested that members determine what is right based upon intention versus outcome. Finally, members suggested that ethics are personal. One example is doing what's best, especially during these challenging times, so as to keep a job.

The findings of this study suggest the definition of advertising ethics be modified to include an organizational perspective. Advertising ethics has previously been defined as a normative process concerned with “what is right or good in the conduct of the advertising function” (Cunningham, 1999, p. 500). An organizational approach to advertising ethics suggests that, as a process, there must first be awareness of ethical problems, awareness of the opportunities to act ethically, and awareness of the consequences of action as well as of inaction.

Normative decision-making follows awareness. Both ethical awareness and normative decision-making, therefore, assume moral qualities are associated with problems, opportunities for action, and consequences. Furthermore, awareness and decision-making are situated within and in a relationship with an organizational context comprised of three aspects: 1) the person, 2) business operations and procedures, and 3) aspects of organizational culture. Organizational aspects in isolation of or in combination with other aspects can influence ethical awareness. For example, organizational values and organizational challenges (two aspects of organizational culture) can influence awareness of opportunities to act ethically. As one member suggested, AdCompany is in a survival mode of finding new business, a current organizational challenge. Therefore, the opportunity to pass on servicing an unethical client account, which could mean revenue for the agency, is not necessarily a current opportunity. Therefore, the agency's ethical opportunities for action are constrained by aspects of organizational culture. Based upon these findings and the proposed organizational perspective, a modified definition would read,

Advertising ethics is the normative decision-making process involving awareness of ethical problems, of ethical decision-making opportunities, and/or of the consequences of action or inaction, which occurs within and is influenced by an organizational context constituted by the person, the business, and aspects of organizational culture.

a) Continuum of moral awareness. Drumwright and Murphy (2004) found similar perspectives of moral myopia when interviewing practitioners. The authors classified ethical perceptions, from myopia to ethical awareness, as a bifurcation versus a continuum. However, for the present study, a continuum better represents the collective response. On one end of the continuum, members' ethical awareness is constrained. In part, this is influenced by the intentions for starting the agency, determined by the founders, which makes no mention of ethics. However, limited ethical awareness existed simultaneously with an acute awareness of virtuous nature. While the discourse was one of virtue and character versus ethics, the

perspective suggested ways in which AdCompany engaged in normative decision-making.

Through virtuous character of honesty, integrity and respect for people (employees, clients and vendors), AdCompany is quite ethical. There are, therefore, varying degrees of myopia on one end, which extend along a continuum into an ethic of virtuous character, business ethics, and personal ethics on the other end.

b) Amorality: a new perspective for understanding advertising ethics. The current study extends our understanding of advertising ethics by proposing amorality to characterize the intentions for starting an advertising agency. In their study with practitioners and academics, Drumwright and Murphy (2009) shared the following quote from an academic, who implies what amorality would mean for advertising in practice and education:

Without discussing the topic of advertising ethics, advertising very quickly falls into being a device that is amoral, and I think that we have an obligation to work with our students to help them understand that advertising is not amoral. It is not intended to be a vehicle to sell anything to anybody. (p. 92)

Furthermore, amorality is important to understanding the complexity of ethical decision-making.

Amorality, as proposed here, is a means to understand the organizational and ethical intentions for founding an advertising agency. What is proposed here is not to be confused with moral nihilism, which is the view that there are no moral facts. Nihilism states that nothing is right or wrong (Dreier , 2006). Nor is it to be confused with immorality, which acknowledges that moral facts or rightness exist, but explains behavior done in opposition. The amoralist, by comparison, believes that right and wrong exists but does not care about morality (Shafer-Landau, 2010). To suggest that the founders of AdCompany do not care about morality would be an overstatement. By virtuous character, self-reported and observed by others, and the deliberate effort to hire like-minded individuals, the founders were morally invested characters. Instead, amorality suggests that morality, as a priority, is not the impetus for starting an agency.

From an organizational perspective and intention for starting an agency, morality does not hold bearing.

The proposition that organizations operate amorally, or more specifically intend amorality, does not implicate unethical or immoral behavior. AdCompany members purported perceptions reflecting an acute ethical awareness and behavior. Therefore, amorality, morality, and immorality can co-exist and are not mutually exclusive. Amorality can exist alongside ethical awareness and ethical decision-making as the current findings suggest.

It's important to note how the current findings and the proposition of amorality extend upon the myopic view of morality. Drumwright & Murphy (2004) applied the concept of moral myopia to similar practitioner perspectives. The authors found that practitioners had difficulty seeing a problem as ethical. Furthermore, to rationalize the problems faced, practitioners suggested that the consumer is smart and unethical advertising couldn't successfully pass the consumer radar; responsibility should be passed to the consumer audience or to the media as two examples; or that ad practitioners become so engulfed in the client's product and business that they fail to ask moral questions, which the authors call going native; so on and so forth. The authors suggested that these myopic views constituted one stage of moral reasoning.¹⁰⁰ The last theme, going native, parallels the current findings.

In the current study, several members stated, "We have no ethics," which suggests that their moral vision is constrained. While members used the term "ethical" they were instead saying we don't engage in acts that would be considered "unethical." Therefore, as it was presented earlier in the findings, these perspectives do, in part, portray a limited vocabulary, thus contributing to a constrained awareness. Some members could not propose what an ethical

¹⁰⁰ Stages of moral reasoning were based upon theories of moral development (e.g., Kohlberg 1967, 1971, 1984; Piaget 1965 as cited in Drumwright & Murphy, 2004).

problem would be and others could not connect what would be considered an ethical problem to the agency. This further depicts what would first be considered a morally myopic culture. However, some members falling within the myopic category later in the interview suggested what could be considered ethical. It just so happened that these problems didn't arise at AdCompany. Or if the problems did arise, they were moot points because AdCompany doesn't engage in actions that would be considered unethical.

AdCompany does not espouse an ethical code or denote organizational values as ethical. Furthermore, ethics was not espoused as an intention for starting the AdCompany. Similar to going native, AdCompany values the client relationship and giving the client great creative that the client will like. A leader stated, if you want to start an ethical agency you hire nuns, but that would be stupid because nuns cannot create good advertising. AdCompany prides itself on creativity, the first of the four formal values. However, implicitly, ethical virtues are incorporated into the organizational values. On one hand, the leaders do not espouse ethical codes or values. Additional findings, however, suggest that some members do perceive organizational values as the agency's ethic, along with awareness for business ethics and personal ethics, which, therefore, suggests that members do see AdCompany as ethical. Furthermore, these members respect the leaders, specifically the founders, for their ethical behavior, such as leading with integrity. Therefore, members suggest that the leaders' character is the very reason why AdCompany is ethical.

These findings suggest that in addition to moral awareness as a continuum, intentional amorality is a better organizational concept for understanding the influence organizational culture has on advertising ethics. Amorality, by definition is that which falls outside the scope of morality. Neither morality nor immorality solely explains the influence on ethical decision-

making.¹⁰¹ AdCompany did not intend to operate ethically. Ethics was not an intention for starting the agency or a priority to the foundation of the agency. Intentions for the agency are still supported today by espousing and upholding the value of creativity as well as valuing the client relationship. However, while ethics were not intended, whereas creativity was, that does not assume ethics do not exist, which the current study also supports. The leaders of AdCompany, with virtuous character, are ethical and morally aware. Moral myopia does not, therefore, depict a complete picture for what exists. Instead, amorality, therefore, acknowledges what myopia does not, which is that morality can exist, while not intended, but as an unintended consequence of virtue and other supporting values.

The current study proposed to understand the relationship of culture and ethics. If amorality exists, what relationship does culture have on this perspective? Or how does intentional or unintentional amorality reproduce the intended culture, if at all? Furthermore, what are the unintentional consequences of amorality as well as of other aspects of organizational culture? The findings of the current study shed light on these questions and the relationship between culture and ethics. A discussion of these findings will be presented shortly under structuration of advertising ethics.

These findings also suggest complexity of ethical decision-making and the influence of organizational culture, which will also be explained as the structuration of advertising ethics. For example, as it was presented earlier, a member suggested ethics is the client's responsibility. S/he elaborated that the client should conduct research and develop a marketing plan that benefits the consumer audience. As has been noted previously, Murphy (1998) called this the

¹⁰¹ Amorality has been applied to the study of lawyers operating as amoral professionals (e.g., Pepper, 1986). While the current study is not one of the law or lawyers, it runs an interesting parallel to the current discussion. Pepper (2013) argued that since the role of the lawyer is to defend his or her client, responsibility is to the client. Therefore, the lawyer's obligations fall outside the morality/immorality realm, opposed to what would otherwise be considered ethical/unethical for a layperson. He further argues that the lawyer's amorality is in fact his moral justification.

unholy trinity where no one person of the industry takes blame. Drumwright and Murphy (2004) found practitioners similarly “pass the buck” or shift responsibility. The current study, from an organizational perspective, suggests the importance of organizational culture. The intention of the agency and subsequent values contribute to the goal of creating the best product for the client, i.e., great advertising. For many members of AdCompany, it’s the agency’s job to sell a product, not to be ethical.¹⁰² Therefore, while for most members the value of creativity lacked moral qualities, three members did suggest that creating the best product for the client was representation of ethics.

Before presenting the structuration perspective, it’s important to note that advertising ethics can be better understood by first understanding the organizational context where problems are faced and decisions made, and whether they are perceived as ethical, unethical or amoral. Drumwright’s (2007) and Drumwright and Murphy’s (2004) research was particularly important to developing this study. Drumwright is one of several advertising ethicists who proposed the importance of understanding the meso-level, or organizational level, of advertising ethics. A description of the agency’s culture, including organizational values, goals, leadership and challenges will be provided next.

II. AdCompany’s culture. AdCompany espouses four formal values of creativity, collaboration, integrity and equality, which are enacted in various ways. Above all else, AdCompany believes in creating great advertising that the client will value and that employees can support. Employees work together to produce the best ads. Furthermore, the agency espoused that no client account is too small, but all projects are afforded the same time and attention. Therefore, AdCompany values clients. AdCompany believes in fostering client partnerships as well as relationships with vendors. They establish these relationships through

¹⁰² While this finding might describe the intentions of other advertising agencies, empirical data could not be found.

consistent openness and honesty, thus supporting their value of integrity. AdCompany also values their employees, who in return feel that their time is valued. A flexible work schedule allows employees the time away from work that they need to be with family and friends. AdCompany members are also treated with equality, which is evidenced by the equal allocation of resources between leaders and employees.

AdCompany faced challenging times during the period observed. Due to a client account lost, three members were let go and others expressed feelings of job insecurity. Since the agency was bought by Holding in 2006, AdCompany held several rounds of layoffs, reducing its size from over 100 to approximately 75 employees. While layoffs occurred and some found them beneficial to the efficiency of the agency, the decision to let someone go and the act of letting someone go was challenging for the founders. In part, this is a reflection of valuing employees as people, and as people with families and responsibilities outside of work, and a reflection of valuing the close relationship between employees described as a family.

During the time of the study, members shared that organizational goals were to acquire new business, supported by the frequency of new business meetings. Growth of current accounts by taking on new projects was also a goal. Both new business and new projects relate to the creative process challenge, which was described as determining the best process for creating and killing work. Fostering client relationships was presented as a goal, which also relates to gaining new accounts while maintaining current business. Some members suggested that the goals were the same as the organizational values. Therefore, AdCompany wanted to simply create good advertising and foster successful client relationships. Others suggested the outcomes were the goals. By winning new accounts and new projects, the agency hoped to grow profits, and by

doing good work they hoped to gain recognition. Finally, some members suggested that the agency has no goals or that goals were not known.

AdCompany values and goals were first established by the two founders, who still serve as leaders today and who are perceived to uphold values of integrity and honesty. As a result of establishing and maintaining these values, and simply due to their leadership philosophy, employees respect the two founders. In addition to the two founders, directors, those who manage departments, and individuals that may not have a title but who exhibit certain characteristics, are seen as leaders. Characteristics of leadership include collaborating, setting an example, and working hard. Together, these characteristics suggest that leaders are hands-on workers. Leaders are also seen as good communicators.

The extent to which both founders contribute equally to the leadership of AdCompany was debated. The founders are in a transient state of leadership. One has found her/his replacement and the other continues to search. It stands to reason that when the founders leave AdCompany, new cultural meaning will emerge. This is supported in part, by the current findings of both shared and divided views. Not all members agree what goals the agency seeks to achieve, or the values shared. Keyton (2005) suggested three options for divided views of organizational culture.¹⁰³ In summary, divided views represent the different groups within a culture and the differential interpretation of meanings held. The current findings did not study what constituted a divided or fragmented group, but instead examined views held by members, which were views in opposition to the majority view(s). Furthermore, the challenges faced, as well as potential change(s) to come, along with divided views support Keyton's concept of culture as dynamic. Culture is both process (changing) and product (influential), versus static.

¹⁰³ See chapter 2 section D on organizational culture.

As it pertains to the findings on culture, the current study extends advertising ethics in a second way. The current study provides organizational culture as a point of comparison for understanding. Both challenges and ethical problems are faced. The difference is ethics are perceived from a normative position based on what is right or wrong for the agency. Therefore, by asking for perceptions of organizational challenges, members are provided a non-specific prompt and can articulate challenges in a discourse they find most readily available. For the current study, ethical challenges arose during interviews and were observed in the field without a prompt explicit to ethics. For example, in describing the challenge of following the rules, as it pertained to a production project, one member suggested that s/he wanted to do what was right.¹⁰⁴ Similar findings suggest ethical awareness.

The implications for the relationship between advertising ethics and organizational culture are discussed next.

III. Structuration of advertising ethics. Giddens' (1984) structure refers to the rules and resource that both enable and constrain human action. Neither structure nor action receive primacy, but instead serve in a duality to explain the production and reproduction of a social system. The duality Giddens proposed is supported by the current findings. Two founders of AdCompany set out to start an advertising agency with very clear intentions. They wanted to create great advertising while working for good clients. Those intentions are espoused and enacted still today, evidence by shared organizational values and goals. These aspects of organizational culture, some of which are characterized as ethics, are structured and embedded in the day-to-day practices of the agency. As new members become socialized into the organizational culture, they contribute to the reproduction of AdCompany's culture with an

¹⁰⁴ See chapter 7. A. II.

emphasis on creativity and client relationships, as two examples. By working hard to create the best advertisements and by meeting the clients' needs, members reproduce the culture intended.

However, divided views were presented as well. While structures, such as organizational values and goals, are embedded in practices, human agents have opportunity for change and dissent. For example, some members interpreted the organizational value for the client differently. Not all members believed that the client should get the advertisement they want but should get the advertisement that AdCompany determines is best, in their expert opinion. By espousing and enacting divided views, members simultaneously support a potentially new culture. Further explanation for the shared and divided views of culture serving as structure will follow shortly.

The current findings also suggest how Giddens' concept of time-space relates to an advertising agency. AdCompany, during the period of study, faced several challenges related to growing the business, while facing the loss of a large client, and resulting in employee layoffs. The tale "Out with the old, in with the new," suggests that AdCompany has shifted organizational goals to survival.¹⁰⁵ Whereas prior to facing these challenging times, the values of doing good creative work, collaborating internally and with clients to create good ads, etc. were the enacted goals. While these goals are still espoused today, new goals have emerged. Furthermore, divided views were presented as to how the advertising agency should position the agency moving forward with new business efforts. While some members hold firm to the agency's traditional roots of mass media advertising, newcomers suggest a change in focus is needed. How to approach new business was debated and the divided views were, in part, supported by debates between new members and senior members of AdCompany. Debates revolved around services that should be offered and how these services should be promoted to

¹⁰⁵ See the tale, "Out with the old," in chapter 7. A. IV.

potential clients. Therefore, the future growth and direction for growth, determined by goals and challenges, have the potential to shift organizational culture. Divided views, as they were presented earlier in this chapter, represent the dynamic nature (i.e., changing and influential) of culture. Divided views also suggest AdCompany's position in time-space. As new leaders are introduced, such as the replacement for CEO, opportunities for future new business direction and for new values, goals, and aspects of leadership arise. The very structures that define organizational culture are the same resources capable of producing a shift in organizational culture.

The proposition that organizational culture is dynamic has implications for advertising ethics. Dynamism implies that values, for example, shape and are shaped by other aspects of culture. Therefore, values, goals, challenges, leadership and ethical perceptions all serve as rules and resources to producing and reproducing culture. Dynamism also implies the changing versus static nature of culture. Challenges for AdCompany are time-dependent, such as acquiring new business in response to a lost account, or upholding diversity per the client's recent request. By changing vendors, AdCompany upholds their organizational value of serving the client. However, quality is compromised as is treating vendors fairly, which is an ethical problem for AdCompany. Therefore, from a structuration perspective, the dynamism of culture is understood through contradictions and unintended consequences. Organizational values that are enacted reproduce the intended culture while the unintended consequences of enacting these same values shape new organizational culture.

a) Advancing the organizational perspective of structuration. The current findings advance structuration theory in three ways. First, the current study suggests that there are levels of agency. Giddens (1984) implied these levels in his discussion of presence and co-presence of

actors. In his discussion of situated-ness, Giddens proposed that how an actor is situated or positioned in relation to another enables and constrains in varying ways. Each actor has a place and role in relation to another actor and serves as a resource to action in a social system. Therefore, interaction between actors reproduces structure. Implicitly, this suggests levels of agency. In the context of organizational culture, and in light of the current findings, levels of agency are brought forward, which further suggests that not all structure constrains and enables equally.

Schein (2010) suggested that leadership is a source of organizational culture. Leaders are those organizational members first challenged with solving an organization's problems. Furthermore, leaders are the founders of initial and intentional structure. More specifically, the founders of an agency determine what values and goals are most important. Together with structuration, we can understand leaders as agents with more power, or a heightened level of agency, than their employees. In the current study, the divided view on leaders as collaborative illustrates this point. Leaders are characterized as being hands-on, working leaders who collaborate with their employees on projects. A perceived weakness of this characteristic is that work tasks fall through the cracks. A leader, or director at AdCompany, does not only manage employees but also fulfills her/his own work tasks. Members suggested frustration with not receiving proper management, and neither being recognized nor financially compensated for a job well done. This suggests that the value of collaboration is enabled by the leader's ability to be present and enact the hands-on, working characteristic. When a leader is overloaded with her/his own tasks, their employee's ability to get work done and to advance in the organization is constrained. Therefore, leaders constitute agency at a different level than their employees.

Second, as the study of organization, it's important to note the human agents, rules and resources, as both internal and external to the advertising agency. Giddens' social system is society. Giddens presents society as a social system that is constituted by the intersection of multiple social systems. Therefore, he implies the external influence one society has on another (e.g., 1984, p. 164).

The current discussion intends to make these distinctions explicit and relevant to advertising ethics research from an organizational perspective. For example, in structuration research, influences are referred to as sources (De Sanctis & Poole, 1994). Sources instead should be understood as the specific rules and resources both internal and external to an organization. Culture provides this perspective by affording attention to those members internal to an organization as well as to those external. An advertising agency consists of creative, account, and media executives, to name a few. When in leadership positions, these individuals act as a resource to enabling and constraining ethical awareness as the current findings suggests. Furthermore, an agency is in the business of servicing a client, while also working with media and other vendors.

An agency's external members also influence organizational culture. Understanding structure as both internal and external affords attention to external pressures. In advertising ethics literature, external relationships are those to which responsibility can be shifted, as presented earlier. From an organizational and structuration perspective combined, the external members of an agency contribute to structure. Structure both enables and constrains action, and is recreated in the process of these actions. The tale of "Rules are unfair: unintended consequences of diversity" depict how the client relationship, an internal value influenced by external

relationships, dictated new action resulting in AdCompany working with a new set of vendors.¹⁰⁶ Following the client's rules unintentionally influenced AdCompany's vendors' business and the agency-vendor relationship (another espoused value). While responsibility wasn't shifted to the vendor, vendors were the recipients of unintended consequences. Therefore, external members (e.g., clients and vendors) both shape and are shaped by an agency's culture.

Third, the current findings suggest that organizational culture serves as rules and resources, enabling and constraining ethical awareness. Aspects of leadership, organizational values and goals, both shared and divided, serve as rules and resources. What is believed to be important to culture, espoused as organizational values, enables and constrains ethical awareness. For example, in the tale "Ethics enabled by leaders of virtuous character," A member shared knowing what the right thing to do is because of the values of open communication, honesty and integrity. Furthermore, the agency's founders, and the leaders today, established these values.

It's important to note the shared and divided views of culture, which both serve as structure. The perspectives of ethics suggested divided views. For some members, ethics has no relationship to AdCompany, while others suggested ways in which the agency is ethical. The agency's foundations influence these divided views. The intentions for starting an agency are espoused values and goals of creativity and client relationships, among others. These values and goals are amoral by intention, but perceived ethically by several others.

Therefore, amorality first suggests that an agency that has no intended connection with ethics will constrain moral awareness. Constrained awareness is related to the intentions of the agency and, as a result, the shared value of creativity. The value of creativity is exemplified by its first place position in the four formal values. Creativity has the potential to constrain other

¹⁰⁶ See the tale, "Rules are unfair," in chapter 7. A. III.

values such as honesty, which the example of the dry cleaning client suggested.¹⁰⁷ Instead of evaluating a potential client on the ability to produce commercial messages that are first and foremost honest, the agency evaluates a client based upon the creative opportunity the client affords.

However, while ethics were not intended, whereas creativity was, that does not assume ethical awareness and/or behavior do not exist, which the current study also supports. The leaders of AdCompany, by virtuous character, are ethical and one leader specifically is quite morally aware. Moral myopia does not, therefore, entirely depict what exists. Instead, amorality, acknowledges what myopia does not, which is that morality can exist, while not intended, but as an unintended consequence of virtue and other supporting values.

Maintenance of organizational intentions can both enable and constrain ethics. For AdCompany, the same values that the founders conceived when starting the agency are still espoused today. Members of AdCompany support these values through their shared perceptions, such as agreeing that integrity is valued, and through their shared respect for the founders. Ethics was not the intention of starting an agency, i.e., the founders did not seek out to start a moral agency, or work with only socially responsible clients, etc., but by their virtuous character, they operate morally. Through action, we can see the reproduction of ethics. One example is the value for hiring like-minded people. For example, members shared, ‘You either fit into AdCompany’s culture or you don’t.’ Fitting into a culture and agreeing that integrity is a top priority for AdCompany, and valued by members, reproduces a high integrity culture.

In regard to culture enabling and constraining ethics, there should be acknowledgement for influences beyond the agency’s control. There are external influences on the organization and members’ agency to act. Therefore, the study of organizational culture mandates attention to

¹⁰⁷ See the tale on moral myopia in chapter 7. A. I.

both internal and external influences. These influences contribute to, in part, what was depicted as AdCompany's organizational challenges. The application of structuration theory together with concepts of organizational culture allows for the consideration of both influences.

B. Future Research and Limitations

The current section will present suggestions for future research. These suggestions support the call for the organizational analysis of advertising ethics (e.g., Cunningham, 1999; Drumwright & Murphy, 2007). First, a note on limitations is warranted.

The current study represents the perspectives, shared and divided for a unique organization. Therefore, the findings, while rich in detail and description, pertain specifically to AdCompany and should not be generalized across all advertising agencies. However, as similar studies are conducted, future generalization may be in order.

A challenge true to all participant observation is the ability to capture events and conversations. It's a challenge of time. This study is no exception, and represents the challenge in relationship to time available and timing. Research began as soon as AdCompany granted its approval. While it was greatly appreciated that approval came early, let alone at all, the timing of the study mandated when time would be spent in the field. For example, most Fridays at AdCompany were missed due to a teaching obligation. Therefore, the extent to which Friday behavior, if there is such a thing, contributed to the deeply held assumptions and beliefs of organizational culture is unknown. In addition, AdCompany faced a challenging time during the period of study, as was noted previously. Therefore, limits to generalizability are not only based upon the unique site but also based upon the timing of the study and respective circumstances.

An organizational approach to understanding advertising ethics constitutes a new and important stream of research. Drumwright and Murphy (2004) and others (e.g., Drumwright,

2007; Krueger, 1998) paved the way, but more empirical data is needed. For example, Keyton (2005) suggested that members of an organization are more likely to behave in accordance with organizational values when those values are known. The same holds true for ethical values. Therefore, future research could compare the organizational cultures of 1) an agency that explicitly espouses moral values and/or an ethical code of conduct with either A) an agency that does not explicitly espouses an ethical code, or B) an agency that explicitly espouses the absence of ethical codes. The comparison of agencies would help to illuminate Keyton's proposition. Also, ethical code(s) could be examined from a structuration perspective 1) as a resource to action, 2) regarding how the code(s), if at all, enable(s) and/or constrain(s) ethical awareness and/or ethical behavior, and 3) regarding what, if any, unintended consequences arise.

C. Conclusion

In conclusion, the current advances advertising ethics research in several ways. First, the current findings suggest that amorality provides an organizational perspective for understanding advertising ethics, specifically in relationship to the intentions for starting an advertising agency, which influence ethical awareness. Second, the current study proposes that when collecting practitioners' perspectives on advertising ethics, perspectives on organizational challenges should also be examined to provide a point of comparison. Third, the divided views of organizational culture support the proposition that organizational culture is dynamic, which has implications for structuration as well. The current study, therefore, extends our understating of structuration theory in three ways. First, structuration theory should account for levels of agency (members' agency to act). Future research can examine levels of agency representing divided views. Second, structure should be understood in terms of its internal versus external relationship to the organization (or other social system) under examination. And, third, the elements of

organizational culture, including values, goals, challenges and aspects of leadership, constitute the rules and resources of structuration.

9. Appendix A

A. Interview Guide for AdCompany's Employees

1. To start, can you talk about what you do for the agency? How long you've worked here, your role and what that role entails?
2. What values do people share at the agency? Does everyone agree on these values?
3. What are the agency's goals?
4. Does the agency have a mission or vision?
5. How would you describe the leadership at the agency? Who are the leaders?
6. What are some of the tough decisions or challenges you face in your job? How do you solve these challenges?
7. What are some of the ethical challenges that come to mind? Do you face those ethical challenges here at the agency?

B. Interview Guide for AdCompany's Leaders

1. What advice would you give someone starting an agency?
2. Can you talk about your philosophy of leadership? If you have one and what it is?
3. What are the agency's values?
4. What are the agency's goals?
5. What are some of the tough decisions you make? How do you make these decisions?
6. How can a leader create or support an agency that encourages and supports ethical decision-making? Can you define ethics?

10. Appendix B

A. Fieldwork Timeline

<i>Field Day</i>	<i>Date</i>	<i>Hours</i>	<i>Location</i>	<i>Event(s)</i>	<i>Notes¹⁰⁸</i>
1	1/31	1	Office	Recruitment Meeting	
2	2/2	3	Office	Monthly Agency Meeting	
3	2/14	8	Office	Ad Club Event, Client Preparation Meeting 1, Client Preparation Meeting 2	
4	2/16	3.5	Entertain. Venue	Award Show	Evening event
5	2/27	9		RFP Meeting, Social Media Meeting	
6	2/28	10	Studio	Video Shoot	
7	2/29	8	Studio	Video Shoot	
8	3/1	8	Studio	Video Shoot	
9	3/7	8.5	Office, Restaurant, Studio	Video Editing, Lunch with Members	
10	3/8	8.5	Office	Client Meeting, Interview(s)	
11	3/12	5.5	Office	Interview(s)	
12	3/13	5.5	Office	Interview(s)	
13	3/21	9	Office	New Business Meeting, Interview(s)	
14	3/22	8.5	Office	Interview(s), Lunch with Members	
15	4/3	7	Office		
16	4/4	8	Office	New Business Meeting	
17	4/5	7.75	Office	Monthly Agency Meeting, HR/Employee Handbook Meeting	
18	4/10	8.5	Office		
19	4/11	8.5	Office	New Business Meeting, Client De-briefing Meeting	
20	4/12	7.5	Office	New Business Call, Creative Briefing, Training Meeting	

¹⁰⁸ Note: Unless noted otherwise, the primary researcher participated in the events listed above. For example, on field day 2, I attended the monthly agency meeting. By comparison, on field day 27, the Client Check-in meeting was observed, which means I did not have “a seat at the table,” so to speak.

Field Day	Date	Hours	Location	Events	Notes
21	4/16	8	Office	Account Status Meeting, Interview(s)	
22	4/17	8	Office	New Business Meeting	
23	4/18	7.5	Office	Anniversary Lunch, Interview(s)	
24	4/19	8	Office		
25	4/23	7.5	Office	New Business/Client Meeting	
26	4/24	8	Office	New Business Debriefing, Client Presentation Practice	
27	4/25	7.25	Office	Client Check-in Meeting, * Interview(s)	*Observation
28	4/26	8	Office	Director's Meeting	
29	5/1	5.75	Office		
30	5/2	8	Office, Cafe	Interview(s), Coffee off-site with Member	
31	5/3	8.5	Office, Park	Director's Meeting, Monthly Agency Meeting, Creative Presentation, Lunch with Members	
32	5/7	7.25	Office	Director's Meeting, Account Status Meeting, Interview(s)	
33	5/8	6.5	Office	Interview(s)	
34	5/9	8.25	Office	Creative Reprise Presentation, Interview(s)	
35	5/10	8.5	Office	Shuffleboard Tournament, Interview(s)	
36	5/14	4	Office	Interview(s)	
37	5/15	9	Office	Interview(s)	
38	5/16	7.75	Office	Interview(s)	
39	5/17	8.5	Office, Park	Softball Game, Interview(s)	
40	5/18	8.5	Office, Bar	Interview(s), Happy Hour with Members	
41	5/21	8.5	Office	Interview(s)	
42	5/22	7.5	Office	Interview(s)	
43	5/23	8	Office	Interview(s)	
44	5/24	7	Office	Wedding Shower, Interview(s)	
45	5/31	5	Office, Restaurant	Lunch with Member	

**Total
Hours**

332

B. Fieldwork Days by Month

<i>Month</i>	<i>Number of days</i>
January	1
February	6
March	7
April	14
May	19
June	1

Total
Days *45*

11. Appendix C

A. Employee Titles & Job Descriptions

<i>Department/Title</i>	<i>Job Titles at AdCompany</i>
Account Services	Account Director, Account Executive, Account Supervisor, Digital Producer, Director, Project Manager, Strategist
Account Planning Services	Account Planner
Administrative Services	Accountant, Accounting Assistant, Accounting Specialist, Director Of Human Resources, Financial Officer, Media Biller, Office Manager, Systems Engineer
Chief Executive Officers	Chief Creative Officer, Chief Executive Officer, Chief Financial Officer
Creative Services	Art Director, Associate Creative Director, Creative Director, Designer, Design Director, Digital Art Director, Digital Designer, Writer
Digital & Analytics Services	Data Analyst, Developer
Media Services	Media Assistant, Media Buyer, Media Planner, Print Media Buyer
Production Services	Director, Producer, Production Artist, Production Assistant, Production Manager, Proofreader, Traffic Manager

B. Employee Title Abbreviations

AE	Account Executive
CCO	Chief Creative Officer
CD	Creative Director
CEO	Chief Executive Officer
CFO	Chief Financial Officer
DHR	Director of Human Resources
ECD	Executive Creative Director
ED	Executive Director
I	Intern
PM	Production Manager

C. Interview Participant Descriptors

<i>Agency Employment in Years</i>	<i>Minimum</i> 0.2	<i>Maximum</i> 15	<i>Average</i> 4.13
<i>Prior Agency Experience</i>	<i>Yes</i> 30	<i>No</i> 13	<i>n/a</i> 2
<i>Gender</i>	<i>Male</i> 23	<i>Female</i> 22	
<i>Married and/or Kids</i>	<i>Yes</i> 30	<i>No</i> 7	<i>n/a</i> 8

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13. VITA

Erin Schauster (Ph.D., 2013, University of Missouri-Columbia) is an Assistant Professor of Communication at Bradley University and teaches in the advertising concentration. Her research focuses on the relationship between organizational culture and advertising ethics. Schauster also examines media ethics, and organizational concepts of strategic communication, advertising and public relations. At Bradley, she has taught introduction to advertising, creative strategy and advertising campaigns.

Schauster received her masters from the Department of Mass Communications at Southern Illinois University Edwardsville. Her thesis research examined account planner's perceptions of advertising ethics. Schauster received her bachelors from the School of Journalism at Southern Illinois University Carbondale. During her undergraduate education, Ms. Schauster worked for the *Daily Egyptian* newspaper as an account representative and production artist.

Schauster has several years of advertising industry experience prior to her doctoral education. Schauster worked at advertising agencies in St. Louis and Nashville as a new business coordinator and account executive.