

**THROUGH THE LOOKING GLASS: COMPANY CULTURE AS A
REFLECTION OF FOUNDER PERSONALITY IN
ENTREPRENEURIAL ORGANIZATIONS**

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by
Diana C. Kyser
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Examining Committee Members:

TL Hill, Advisory Chair, Strategic Management
Lynne M. Andersson, Human Resource Management
Gary J. Blau, Human Resource Management
Anthony Di Benedetto, External Member, Marketing and Supply Chain Management

ABSTRACT

This dissertation explores the connection between founder personality and organizational culture in founder-led entrepreneurial companies. With a focus on how founder personality affects culture, it draws from the literature in upper echelon/top management teams, family business and organizational psychology – notably the Attraction-Selection-Attrition (ASA: Schneider, 1987) and Person-Organization fit (P-O: O'Reilly, Chatman, & Caldwell, 1991) theories. Using a combination of ethnographic, psychological and organizational data from the founders and employees of four small firms from multiple industries, and a broader survey study of 336 respondents from 23 firms, it finds support for O'Reilly et al., (2014)'s CEO Personality-Culture link in the small-company setting. It also validates two new findings: 1) that employee personality traits can trump founder personality as an influence on culture, and 2) that founder involvement can moderate the impact of founder personality on culture. The dissertation concludes with plans for further research into the personality-organizational culture effects and thoughts about the applicability of these results for founders and consultants.

Key words: Founder, Personality, Organizational Culture, Big-Five, Person-Organization Fit, ASA

This paper is dedicated to the memory of my father
Dr. James B. Kyser
whose achievement and example inspire me to this day.

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CHAPTER 1 INTRODUCTION

Throughout my entire career, I have been fascinated by company culture in founder-led companies. Two of my first three jobs were in my own businesses. In these cultures, I had the autonomy and authority to conceive of and implement ideas that were good for the business. For the most part, there was a high degree of respect for people, focus on results, and an appreciation of hard work. Politics either were absent or not noticed by me. Integrity, honesty, and doing right by the company and the employees were values exhibited every day. Employees engaged in frank conversations, telling it like it was, and did so seemingly without hidden agendas. I felt comfortable in these cultures; I fit.

After many years in my own business, I moved on to a dot-com startup that had just gone public. As was stereotypical dot-com behavior at the time, the company had free food, beer bashes on Friday afternoons and lap dancers that were hired for birthday celebrations. The founder was a cowboy who mortgaged his house to pay for a Super Bowl ad. The COO walked the halls and often fired low-level employees on a whim, and was reportedly (and publicly) having an affair with a married direct report. Integrity and honesty were hard to find. At one point, there were legions of auditors and investment bankers in the conference room making reams of copies of documents – a tell-tale sign that something big was happening – but the senior leadership shared nothing. Rumors ran rampant. I lasted in this company less than eight months, during which time I had nine bosses. Despite loving the content of my job, the people who worked for me and the generous stock options, I walked out one day never to return. I couldn't work there another minute; I didn't fit.

In subsequent years, I worked for a number of other companies, many of which were founder-led. I noticed that megalomaniacal founders tended to have cut-throat cultures, weak founders tolerated mediocrity and let their employees bully them. Personality quirks seemed to manifest as cultural characteristics. And oddly, I never fit into any of them as well as I did those companies that had been my own. It was not until I was doing this research and came across the notion of Person-Organization fit (O'Reilly, Chatman, & Caldwell, 1991) that I fully understood why: I fit into those cultures because their values were my values. Their cultures were a reflection of me.

To delve further into this idea, consider the following two businesses: The first is a mortgage investment firm with high employee turnover that has been involved in several multi-million dollar lawsuits over the last few years; the culture is one of fear, negativity and blame. The second company, a fund management firm, has a culture of trust, empowerment and respect. Turnover is very low and the employees think of it as a “family”.

Why are the cultures of these two companies so different? While both were founded in 2002, and are in similar industries, the most significant difference can be seen in the founders themselves. The first founder is in his early 40s. There are no gray areas for him, and he expects his employees to be as detail-oriented and driven as he. While he is charming and charismatic, he is controlling and can berate an employee for structuring an email subject line the “wrong” way. He sees people as “the problem” with his organization and tries to avoid them at all costs. The other founder, in her early 50s, is open, positive and often walks around the office just to say hello. She is sincere and respectful and is quick to ask for staff opinions, a natural delegator. She sees her employees as her greatest

asset. Each organization's culture seems to be a personification of the founder, a reflection of each unique personality.

The influence of personality on organizational characteristics has long been posited: "Personality is likely to be an especially critical and perhaps overwhelmingly influential variable in small firms, in which the impact of the leader can be very direct and pervasive" (Miller & Dröge, 1986: 539). But it is only recently that O'Reilly and colleagues were able to show that "the personality of the CEO can be significantly related to the organization's culture" in US-based, public, high-technology firms (O'Reilly, Caldwell, Chatman, & Doerr, 2014: 612). And while the literature acknowledges that the founder makes a significant contribution to the organization that s/he creates and that founder personality influences culture, more research is needed on how this influence is wielded (Schneider, Ehrhart, & Macey, 2013). Indeed, "there is a paucity of work on the cross-level relationship between personality and organizational culture or climate" (Schneider & Smith, 2004: 348). In particular, there is remarkably little, if any, empirical work that links *founders'* personalities to organizational culture or detailed theory about the *mechanisms* that link the two. If we can understand this link, we might be able to draw conclusions about the cultures that certain personality types will build.

We might also be able to offer specific guidance to founding entrepreneurs. While personality traits were once considered to be fixed, there is growing evidence that personality can be altered (Magidson, Roberts, Collado-Rodriguez, & Lejuez, 2014). Understanding what changes could be made to founder personality to shape culture and so business outcomes could have significant impact on small business success. Further, by analyzing how personality traits might affect a business, entrepreneurs may be able to

compensate by hiring people who possess desired cultural traits (Schneider, 1987) or by consciously developing and cultivating a specific culture (Schein, 2010).

To begin to address these possibilities, this research explores the relationships between founder personality traits, employee personality traits, founders' intentions to shape culture and organizational culture in founder-led organizations. To understand these connections, within the narrow lens of culture as specifically related to founder personality traits, I first review literature from top management teams/upper echelon, family business, organizational imprinting, and the Attraction-Selection-Attrition (Schneider, 1987) and Person-Organization fit (O'Reilly, et al., 1991) theories from psychology to propose a conceptual model that connects the organizational culture to the founder's personality. I then present two studies of the relationships suggested by the literature. In the first, I utilize ethnographic and case study tools, as well as a survey, to explore the relationships between founder personality and organizational culture in small firms. This exploration leads to a new, inductively developed model that describes the founder personality-employee personality-organizational culture connection and can be tested in the second study.

In the second study, I deploy a revised survey on a broader scale to explore founder and employee personality effects on culture at both company and individual levels. Using O'Reilly, et al. (2014) as a blueprint, I confirm support for several of their hypotheses, and also extend the personality-culture connection to include the impact of employee personality and the founder's involvement in the day-to-day shaping of the culture.

Based on these findings, I pose several ideas for additional research into the mechanisms through which founder and employee personalities are embedded into organizational culture, how these might be altered to change organizational culture, and in

turn, how personality and culture might shape business success. I conclude the paper with implications for founders and consultants concerning the personality impact on culture development, hiring strategies, and organizational outcomes.

The following chapters begin with a review of the literature with the specific focus on how founder personality impacts organizational culture. Because this lens has not been used widely in the literature, I examine personality and its impact on culture in top management teams/upper echelon, family business, and organizational imprinting, combined with the Attraction-Selection-Attrition (Schneider, 1987) and Person-Organization fit (O'Reilly, et al., 1991) theories from psychology. These theories are used as a backdrop for exploration of the founder Personality-Organizational Culture effect. Chapter 3 describes a mixed-method interpretive and inductive analysis, where I present four in-depth case studies that serve as theory building for the paper. In Chapter 4, using a positivist approach, these findings are operationalized in a survey to a larger audience and are analyzed quantitatively to determine significant connections between personality and culture in small, entrepreneurial firms. And finally, Chapter 5 is a review of my contribution to theory and management and recommendations for future research.

CHAPTER 2 PERSPECTIVES ON PERSONALITY AND CULTURE

Organizational culture is a construct that describes an array of shared assumptions about how to “perceive, think and feel” within a company (Schein, 2010: 18). It is a huge construct that encompasses a wide variety of ideas and behaviors. Organizational culture refers to the set of values and beliefs that the organization, as a whole exhibits, and is often comparative – discussing the difference between one company versus another. The research in this genre of organizational culture often includes the study of leadership, national culture, organizational effectiveness, and the moderating effect of organizational culture (Schneider, et al., 2013). The vastness of the research that has been conducted can be illustrated by a search of Google Scholar for the term “organizational culture”, producing over 778,000 results. This chapter will narrow the focus of discussion to the literature that includes mentions of organizational culture and founder personality, which incidentally narrows the Google Scholar results to 43.

Organizational culture has been studied using two distinct approaches. The interpretive approach is generally a more intimate look from within a company. Using case studies and ethnographic methods, researchers attempt to understand culture as the people within the company experience it. It offers an insider’s view, taking a subjective and qualitative approach. The positivists study culture from the outside. They try to take an objective look and use tools such as surveys and statistical analysis to test hypotheses. Often seen as at odds with one another, these two approaches can be effectively used together to better understand culture (Lee, 1991).

In this review, I consider organizational culture, rather than climate, although the two constructs are often conflated. Organizational climate is situational. It can be altered by senior leadership or people of influence in the company. Often studied quantitatively with surveys, climate is seen as more of an objective measure of how it “feels” to work within a company. Culture, on the other hand, is viewed as the essence of a company; its provenance. While it can evolve, it is more about values and beliefs of the group, and is more difficult to manipulate or change (Denison, 1996).

Just as all individuals have unique personalities, every company has its own distinctive culture that encompasses everything from values, rules that govern behavior, norms, and shared meanings. Culture is like the tip of the iceberg. One can see parts of it, but the bulk of it is not visible, and is held far below the surface. For every company, the genesis of the culture begins with its founder. Of all the forces shaping culture in the early days of a business, founders seem to have the most significant role (Schein, 2010). Founders choose the core product or service and the design of work processes and flows. Everything from how the founder acts and reacts, to the founders’ initial hires, the traits that are valued and the founder’s choices about structure contribute to culture (Schein, 1983). Each founder responds to challenges in different and unique ways, according to their own “cultural history and personality” (Schein, 2010: 220) and “by force of his or her personalities” shapes the culture of the group (Schein, 1983: 1). “In any organization, then, structures and processes emerge out of day-to-day necessity, but the form and content of those structures and processes are ultimately traceable to the founder” (Schneider, 1987: 443). Several streams of literature reinforce this connection between founder personality

and organizational traits, including culture, but there has been little empirical or theoretical exploration of a mechanism that directly connects the two.

The concept of organizational imprinting provides some hints about how organizations are shaped by the founding environment, including the founder. The founder creates the company “structure, strategy and culture” through decisions that are made pre- and post-founding (Nelson, 2003: 710) when the structure, strategy and culture are still malleable (Becker, 2012). In addition to being imprinted with the environmental factors of the founding environment, the organization is affected by what it values (Perkmann & Spicer, 2014). This theory begins to describe *how* founding conditions – including the founder’s personality – affect their organization’s culture and how an organization absorbs elements of the founding environment (Stinchcombe, 1965). Organizational imprinting theory was originally one of context: The resources that were available to the founders at the time of founding, and the historical milieu in which the organization was created were said to shape organizational components such as the product or service offering, the strategic direction and management structures, and survival rates (Johnson, 2007). Although much of the imprinting literature focuses on external conditions, some studies do look at how founders, especially powerful ones, influence firm behavior over time (Kriauciunas & Shinkle, 2008). For example, in his longitudinal study of Carl Zeiss, Becker (2012) traced the persistence of the “habit” of scientific product development and showed how the structure of the firm, the knowledge passed through mentorship, the stability of the workforce and various reinforcing mechanisms helped to imprint the founder’s habits onto the firm.

As architects of the organization, founders also embed the culture in intentional ways. Schein (2010) describes several primary and secondary mechanisms that are used to mold the culture of a firm. What founders pay attention to signal what is valued and important. This can be seen in the way the founder acts as a role model and how he/she guides and develops staff. Similarly, “rites and rituals” such as banging a gong when a sale is made or having a picnic in the summer contribute to the culture. Finally, vision, mission and value statements that are published and reinforced are deliberate attempts to shape culture (Schein, 2010).

While not often tied directly to founders, upper echelon and top management team research has established a link between the personalities of the CEO and other senior leaders and organizational culture. Leaders transfer their personalities and values into the organization, and the organizational culture reflects the leaders and their personalities (Giberson, Resick, & Dickson, 2005). The personality of a leader affects the decision-making approach and management outcomes of firms (Abatecola, Mandarelli, & Poggesi, 2013). One study established that entrepreneurs with certain altruistic values have a negative impact on firm performance, demonstrating just how influential a CEO or leader can be concerning an element of culture (Tomczyk, Lee, & Winslow, 2013). Similarly, the family business literature, which often reflects an upper echelon perspective, suggests that founder personality influence is profound (Eddleston, 2008; Kelly, Athanassiou, & Crittenden, 2000). Although research has not explored whether or how *founder* personality per se is linked to culture (Abebe & Anthony Alvarado, 2013), Kelly, et al. argue that the organizational culture of the family firm is “inextricably influenced by the personality, values and beliefs of the founding generation” (Kelly, et al., 2000: 30).

The psychological literature provides more insight into specific mechanisms that link founder personality to organizational culture. O'Reilly, et al., (2014) describe personality as “patterns of thought, emotion, and behavior that are relatively consistent over time and across situations” (p. 598). Top management personality traits can have a remarkable influence on organizational culture, especially when these manifest themselves in neurotic styles (Kets de Vries & Miller, 1986). The Attraction-Selection-Attrition (ASA) theory argues that the organizational culture is created by the personalities of the people within it. It starts with the personality of the founder, who is the primary architect of the firm and its resulting structures. “ASA proposes that these so-called structural attributes are reflections of the founder’s personality and further, that people are attracted to the strategy, structure, and culture that the founder creates” (Schneider, Smith, Taylor, & Fleenor, 1998: 463). The organization is a function of the people it attracts, those who are selected or not and those who leave the organization, either voluntarily or involuntarily. ASA is consistent with one of the tenants in Schein’s theory of cultural embedding process that argues that culture is influenced by the people that are selected, promoted, rewarded and ejected from the organization (Schein, 2010).

The Person-Organization (P-O) fit theory focuses less on the founder and more on the interaction and relationship between the personality of the *members* of the organization and the role the members play as they react to and create the organizational culture. (O'Reilly, et al., 1991; Brigham, De Castro, & Shepherd, 2007). That is, P-O theory suggests that the collective, or aggregate personality of a firm’s employees plays a critical role in the evolution of the culture of a firm and in the likelihood that individuals remain with a firm (Bowen, Ledford, & Nathan, 1991). Empirically, Kriauciunas & Shinkle

(2008) found that employees who fit the culture are selected into and retained within an organization, while O'Reilly et al. (1991) found relationships between certain personality traits and cultural traits, for example, those who had low deference preferred highly innovative cultures. Their results also suggested that a given personality would have higher job satisfaction and would stay in a particular culture. Anderson, Spataro, & Flynn (2008) showed that employees who fit the culture have more influence within the firm and so further enhance the culture. Finally, in one of the few empirical studies of the link between a leader's personality to organizational culture, O'Reilly et al. (2014) show a positive association between specific CEO personality traits (Openness, Conscientiousness and Agreeableness) and certain cultural dimensions (Adaptability, Detail Orientation and Results Orientation).

Ultimately, the importance of any founder personality-organizational culture connection lies in the impact of this connection on performance. In his seminal article "Organizational Culture: Can it be a Source of Sustained Competitive Advantage" Barney, (1986) established that certain cultural attributes can be the source of superior financial performance for some firms. Although O'Reilly et al. (2014) was able to build only a tenuous connection from personality to culture to performance, Denison and various coauthors (Denison & Mishra, 1995; Denison, Janovics, Young, & Cho, 2006) has linked four cultural traits – involvement, consistency, adaptability, and mission – to organizational effectiveness and financial outcomes, including growth and profitability. While I hope to eventually explore the connections between founder personality, organizational culture and performance, this study focuses on establishing the founder personality – organizational culture connection.

Schneider, et al. (2013) discusses two methodological approaches to the study of organizational culture: “organizations are cultures” versus “organizations have cultures”. The first is generally studied using inductive approaches in an effort to describe and explore how individuals experience their organizations. The latter is more focused on a comparative approach and generally uses surveys and quantitative methods to explore how organizations differ from one another. This dissertation uses both approaches. Study One, reported in Chapter 3, employs an inductive, qualitative case study approach to build theory, and Study Two, presented in Chapter 4, uses a quantitative survey analysis to test elements of theory.

CHAPTER 3 DEEP DIVE INTO FOUR COMPANIES

This chapter details the case studies of four businesses based on ethnographic data, interviews and a survey that utilizes the Big-Five (Goldberg, 1992) personality inventory and the Organizational Culture Profile (O'Reilly, et al., 2014). The results lead to a refined model of founder impact on culture and illuminates several phenomena between founder personality, employee personality, founder involvement and culture and propositions that are explored in more depth in Chapter 4.

Taken together, the literature suggests that company founders have a lasting impact on the firms that they create. Certain personality traits of the founder(s) should be evidenced in the resulting cultures of their organizations. At the same time, the personality of the employees seems likely to interact with the founder personality in creating culture, even as the founder might try to increase her/his influence through intentional efforts to cultivate a specific culture.

More specifically, the literature suggests a primary association between founder personality traits and certain cultural attributes. O'Reilly, et al. (2014) found support for the relationships between CEO Openness to Experience and Adaptable cultures, CEO Detail Orientation and Detail Oriented cultures and low CEO Agreeableness and cultures that are Results Oriented. However, the Personality-Organization fit literature suggests that this primary association may well be affected by the aggregate personality of the employees working with the founder, while Schein (2010) suggests that the founder personality-organizational cultural link might be moderated by the founder's efforts to articulate and promote a certain culture, regardless of his or her personality.

To explore the mechanisms that link founder personality to organizational culture, I employed a mixed methods case study approach in which I triangulated ethnographic, interview and survey data both to generate a rich description of the phenomenon and to illuminate new relationships (Eisenhardt, 1989). My goal with this study was to develop a conceptual model and to tease out possible relationships in more depth, in particular:

1. *How the personality traits of a company's founder(s) associate with components of the company's organizational culture?*
2. *How the aggregate personality of the employees interacts with founder personality to affect culture?*
3. *How the founder's intentional efforts affect culture?*

Four founder-led firms were selected for this research, out of convenience, on the basis of existing consulting relationships that gave me extensive access to the firms. The selected companies had asked me to help them improve their operations, and as such, had given me permission to study them in great detail. Each firm had specific characteristics that lent themselves to this research. Each had only one founder and had been in business long enough to have established a distinctive culture. Each founder viewed their culture as an integral part of their success or failure, and each founder, and culture, were clearly different than the others.

The research for this study was conducted from November 2015 through April 2016. The consulting assignments gave me unlimited access to the founders and employees and permission to speak in detail, on any subject, to every employee in the firm. In several cases I was given a company email address and access to the company's shared file stores and communication platforms. The amount of time on-site with these companies ranged

from five to 100 hours, during which time I interviewed the founder and the key employees that the founder believed were integral to the culture and the future improvement of the business. These interviews were relatively unstructured and drew from my experience in consulting and running businesses over the last 30 years. During every interaction, I recorded the main themes in notebooks. I also reviewed documents such as company presentations, training manuals, and other streams of founder-to-employee communications in programs such as Slack. During every interaction, field notes were meticulously recorded. Table 1 details these visits.

Table 1. Summary of Investigator Interaction with Companies

	Company 1	Company 2	Company 3	Company 4
	Digital transformation consultancy	Intermodal shipping containers	Back-office financial services	Mortgage investment company
Hours with Founder	10	20	10	50
Hours of interviews with team	10	20	5	10
Hours on site	40	40	5	100
Pages of notes	51	59	8	101

As a participant-observer, I had uncommon access to the inner-workings of the company and was able to experience, in person, each company’s culture. Although my paid-consultant role led me to uncover aspects of each company’s operations that had opportunities for improvement, I also endeavored to keep my notes on culture as unbiased and objective as possible, and I triangulated between notes, interview findings and survey findings. Even so, the consultative nature of my work may have biased my observations by guiding me to the most “improvable” aspects of each culture.

Having collected the field notes, interview notes and documents, I wrote detailed descriptions of the offices, interactions between founders and employees, founder behavioral traits and cultural observations. I also analyzed the notes to find recurring key words. Reading through notebooks, I highlighted recurring words and tallied the occurrence of the most common words and themes. The top sixteen recurring words are included below as part of each company descriptions.

To enhance my observations, I conducted a survey (Appendix A) of all employees of each firm. The survey consisted of a personality and an organizational culture assessment, including open-ended descriptive questions that are also included as part of the company summaries. Response rates were excellent, as summarized in Table 2.

Table 2. Survey Response Summary

	# of Surveys Sent	Completed	Response Rate
Company 1	10	10	100%
Company 2	16	15	94%
Company 3	43	36	84%
Company 4	8	8	100%

There is widespread consensus in the academic literature that the Five-Factor model of personality describes and includes the primary aspects of personality (Dingman, 1990; Anderson, et al., 2008; O'Reilly, et al., 2014). Further, Hofmann & Jones (2005) posit that the Big-Five can be used to assess and describe the aggregate personality of a firm. For the survey, I used O'Reilly, et al.'s (2014) operationalization of Goldberg's (1992) well-validated version of the Big-Five traits, summarized in Table 3.

Table 3. Goldberg’s Big-Five Traits

Factor	Name	Description (John & Srivastava, 1999: 105)
Factor I	Extraversion	(Surgency) Being talkative, assertive and energetic.
Factor II	Agreeableness	Being good-natured cooperative and trustful
Factor III	Conscientiousness	(Dependability) Being orderly, responsible and dependable
Factor IV	Emotional Stability	(vs. Neuroticism) Being calm, not neurotic and not easily upset
Factor V	Openness to Experience	(Culture or Intellect) Being intellectual, imaginative, and independent-minded

Building on Goldberg’s (1992) instrument, respondents were asked to rank 40 personality traits according to a nine-point scale from 1, Extremely Inaccurate, to 9, Extremely Accurate. Appendix B lists the traits, the factors and how each contributed to the score based on the nine-point scale; note that some were reverse coded. Because of the small dataset, actual factors could not be calculated from the data collected, so I assigned the traits to the factors reported by previously by O’Reilly, et al. (2014) in keeping with the methodology suggested in Goldberg (1992) (Table 4). To aid with interpretation, box plots of the factors are shown in Appendix D.

Table 4. Personality Traits that Affect Culture (O’Reilly, et al., 1991; 2014)

Personality Trait	Culture Trait
High Openness	High Adaptability
High Conscientiousness	High Detail Orientation
Low Agreeableness	High Results
High Agreeableness and Low Neuroticism	High Collaboration

To assess culture, I used the 54-item Organizational Culture Profile (OCP) instrument first described in O’Reilly, et al. (1991) and applied in O’Reilly, et al. (2014), described in Table 4. Although the O’Reilly methodology called for a Q-Sort (O’Reilly, et

al., 1991: 509), pre-testing suggested that respondents found it too difficult to sort the 54 items into nine categories. Instead, I used a nine-item scale and applied the labels as used in Goldberg (1992) and O’Reilly (1991). Appendix B lists the traits, the factors and how each contributed to the score based on the nine-point scale.

Table 5. Organizational Culture Profile Factors (O’Reilly, et al., 1991; 2014)

Factor	Description
Adaptability	Innovation, speed, and risk-taking
Integrity	Honest, fair, ethical
Collaborative	Working together, team-oriented
Results Oriented	High expectations for performance, achievement oriented
Customer Oriented	Market driven, listening to customers
Detail Oriented	Emphasizing quality, paying attention to detail

As with the personality factors, the small dataset prevented me from empirically calculating the cultural factors, so I assigned the traits to the factors reported in O’Reilly et al. (2014) in keeping with the methodology suggested in Goldberg (1992). Unlike the Big-Five factors, the Organizational Culture factors do not have the same number of traits associated with each. Therefore, to normalize the scales, the scores for each factor were added together and then divided by twelve, which was the minimum factor group size. These normalizing numbers can be seen in the last column of Appendix C and box plots for each factor are shown in Appendix D. Because each company had a different number of employees, a median score of all company respondents was used in the culture-comparison-by-company charts, reported in the case study summaries below. Finally, for reference throughout the analysis, Table 4 summarizes the links between Big-Five traits

and organizational culture elements reported by O’Reilly (2104). In the cases that follow, I use the O’Reilly findings to set initial expectations of what I might find – although the actual findings yield surprising insights about the role of employee personality in impacting the connection between founder personality and organizational culture.

Study One - Findings

In this section, I present a profile of each company in the first study, followed by an analysis of the findings. Each of the descriptions includes an anecdotal snapshot of the company, founder and culture, a table of the words and themes derived from the field notes and documents, and founder, aggregated employee personality and culture charts summarized from the surveys. Each description also highlights relationships that are consistent with, or challenging of, expectations. Table 6 is a summary of the cases presented.

Table 6. Summary of Case Study Demographics

	Company 1	Company 2	Company 3	Company 4
Year Founded	2014	1969	2002	2002
Age of founder	56	48	51	43
Gender of founder	M	M	F	M
Industry	Consulting	Transportation	Fin. Services	Second Liens
2016 Revenue	\$5M	\$27.5M	\$9M	\$35M
# of Employees	10	23	43	7
Avg. Emp Tenure	1.2 yrs	10.75 yrs	3.15 yrs	4.43 yrs

Company One – The Customer is King

Founded in 2014, this company calls itself a Digital Transformation Consultancy and is on track to achieve \$5M in revenue in 2016. Its sole owner is the founder, who is CPA by training, in his late 50s, and has held senior leadership positions in several Fortune 500 companies. The company has ten full-time employees, with an average tenure of just over one year. Company One rents an office in an upscale co-working building in Midtown Manhattan. The building is part-industrial, part chic and has a sophisticated start-up feel. There is a centrally located conference room and kitchen area, where one might meet a model from a fashion company that share the space. Overall, there is a good buzz of activity in the co-working space and a sense of companies that are going places.

Company One has one of the larger spaces in the co-working space, with two interior offices, one of which is dedicated to the founder, and a private conference room. The rest of the office areas feature countertop desks with bright red and white chairs. The mood is collegial and upbeat. People ask questions freely, and there is a lot of back-and-forth discussion and brainstorming. The founder's door is open and employees are unafraid to stop in and chat.

The company developed vision, mission and values statements in August, 2015. The values include Attention to Detail, Integrity, Customer Orientation and Innovation. In early Fall 2015, Founder One instituted all-company meetings to begin to foster a specific culture by reinforcing these values. While he describes the culture as “A fun place to work, doing great work for our clients,” he has also championed attention to detail, client focus and excellence in his all-company meetings and communications. Below are snippets of

employees’ free-response descriptions of the company culture from the open-ended survey questions, and Table 7 lists the themes found in written materials.

“By viewing customer satisfaction and employee satisfaction as interdependent goals, [the company] creates an atmosphere that encourages diligence and respect. This culture is practiced at the highest level of the organization.”

“Customer oriented.”

“Focused, driven but fun and collaborative.”

“[T]he company encourages you to take ownership of tasks and ideas. They recognize each person brings something to the table and taps into that to make the best solution for a problem. If you are a self-motivated individual who likes taking responsibility and solving problems you will enjoy working with this company. If you require direction and need/want a detailed path for completing tasks, this company may be a stressful environment.”

Table 7. Word Themes – Company One

Add value	Excellence	Careful	Fun
Quality	Respect	Client Service	Process
Honest	Transparency	Team	Detailed
Flexible	Creativity	Expertise	Knowledge

Figure 1 shows Founder One’s personality factors in red and employee personality factors in grey. Founder One is relatively high on Openness, Conscientiousness and Emotional Stability, and is lower for Extraversion and Agreeableness. 89% (1 of 9) of the employees rank lower than the founder on Extraversion, Conscientiousness, and Openness, and 78% (7 of 9) are more Agreeable. The founder is higher on Emotional Stability than all but one employee. Interestingly, the employee personalities appear to be complementary to that of the founder, rather than similar as the ASA and P-O models might predict.

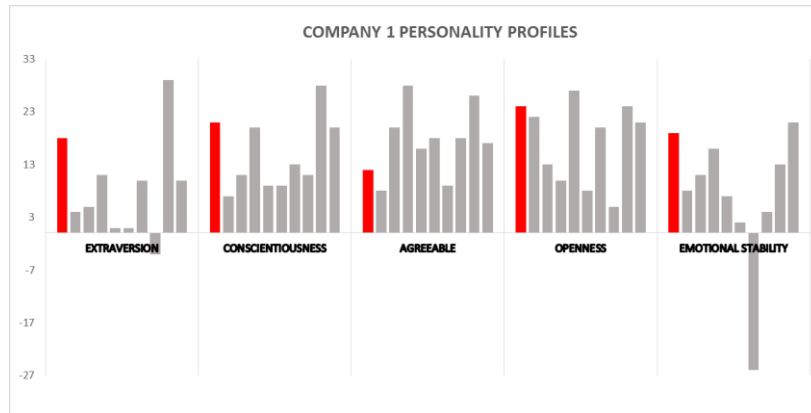


Figure 1. Founder-Employee Personality Profile Comparison for Company One

Figure 2 shows the aggregated OCP scores for each cultural factor for of all employees. Note that the different colors in the graph represent individual responses to illuminate how each individual scored the six aspects culture. This clearly shows that the values of Customer Orientation, Integrity and Detail Orientation have been embedded into the organization. While innovation (contained within Adaptability) on this chart appears low, Company One has the highest Adaptability rankings of the four companies in this study. Interestingly, Founder One is high on Openness, and O'Reilly et al.'s (2014) model predicts a link between high founder Openness and high cultural Adaptability. Similarly, Founder One is the second lowest on Agreeableness, and has the highest culture for Results Orientation, another association suggested by O'Reilly, et al. (2014). On the other hand, although Founder One ranks high on Conscientiousness, the culture does not rank as high on Detail Orientation, the OCP trait associated with Founder Conscientiousness.

In short, the founder of Company One has had some success in shaping the culture to fit his goals of client focus and excellence. Consistent with this, the founder's low rating in Agreeableness ties nicely with a Results Oriented culture. On the other hand, despite

his efforts to insist on attention to detail and his high Conscientiousness rating, the culture does not rate high in Detail Orientation. Could this be because of the relatively low Conscientiousness rating of most employees?

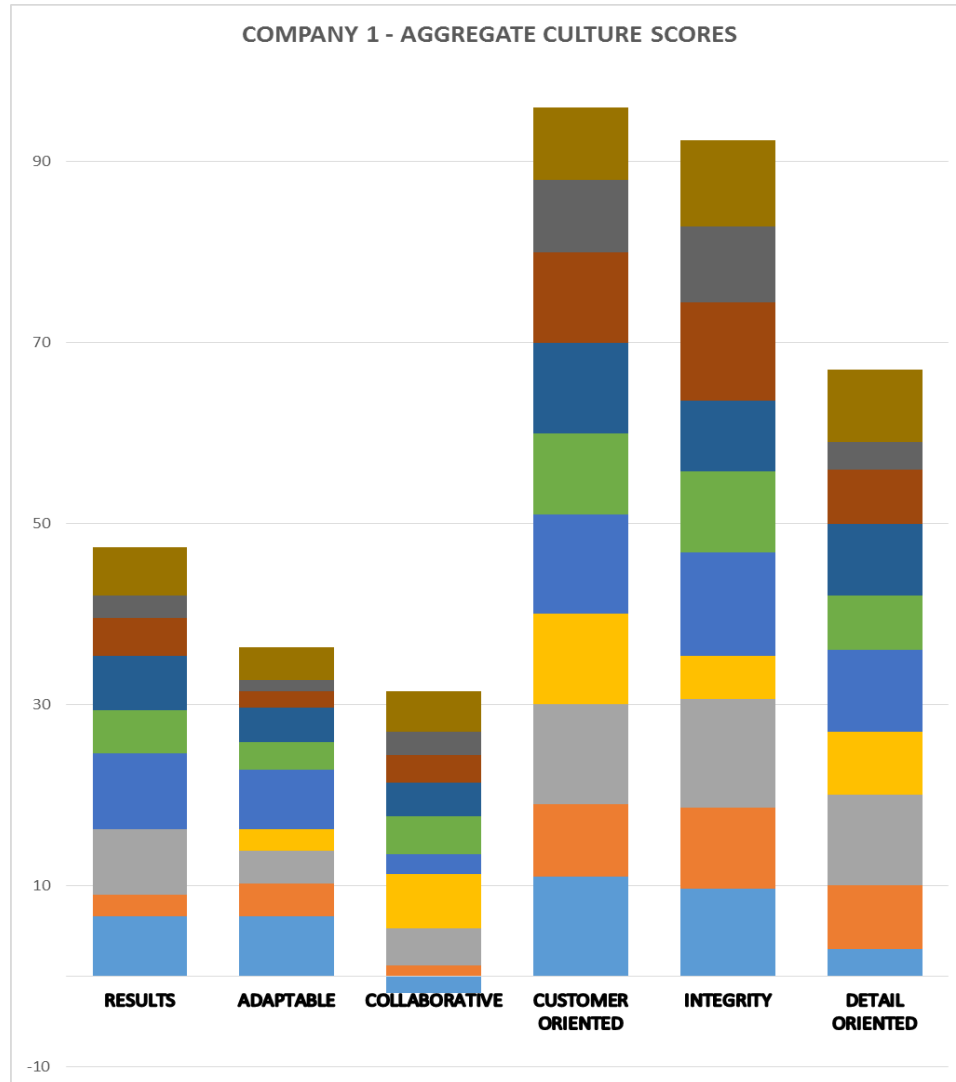


Figure 2. Organizational Cultural Profile Scores for Company One

Company Two – Hands-off Containers

Company Two is a 47-year-old Intermodal Shipping Container company located in Northern New Jersey, USA. The founder, who is in his late 40s, started working at the company 24 years ago, and bought it from the original founder upon his retirement a year later. (Since all but two of the employees were hired by the new owner, I am considering the new owner as the “founder.”) Founder Two has taken the business from about \$3M in revenue when he bought it to \$27.5M expected in 2016. The average employee tenure is more than ten years.

This company is buried in the backroads of a highly industrial area, outside of GPS map-range. Its entrance is obscure and one gets the feeling that a mobster might be buried somewhere near the company grounds. The drive in is an unpaved, unmarked gravel road that runs under the highway, over rail tracks (without any railroad crossing gates or warnings) and into what looks to be a real-world Tetris game, with huge shipping containers stacked eight to ten high.

The office itself is made of multiple shipping containers that have been modified and formed into an office that seats about fifteen people. The office is neat, clean and no-nonsense – function follows form in every way. Hard hats, work boots and florescent clothing are staples of the dress code. The people are friendly and open and describe the company as a “family.” Founder Two has grown up in Company Two and has really never worked anywhere else. He is smart and incredibly detail oriented, using textbook-perfect grammar in everything he says and writes. Even though the founder is clearly from a wealthy family that gave him access to an excellent education, most of the employees are from blue-collar, working-class backgrounds.

The founder and employees all seem willing to give the shirt off their backs to someone in need. In fact, the founder is very involved in charity work and often spends days flying his personal airplane in support of his charity (transporting kids to doctors). He is hands-off and leaves the business to run itself. Several of the employees described him as “not being around that much.” He has not actively fostered any particular culture in the company, although he describes it as “accommodating, candid, cautious, ethical, fair, family-like, grateful, informal, jovial, laissez-faire, open, supportive, tolerant, and unstructured.” He rarely participates in meetings and does not actively lead the executive team.

Below are snippets of employees’ free-response descriptions of the company culture from the open-ended survey question responses, although it is notable that most employees answered “no” to the question of “has your company tried to foster a specific culture” and therefore did not provide answers. Table 8 lists the themes found in written materials.

“Professional, yet relaxed atmosphere.”

“Casual friendly place to work. all levels are accessible to all employees and there truly is a door always open atmosphere.”

“[The company] is a company where there are many silos. Upper management tries to break them down, but it doesn't happen. So because of this, we are no one cohesive unit. On the flip side, [the company] is like a big "family"”.

Table 8. Word Themes – Company Two

Silos	Quality	Generous	Paternalistic
Customer	Safety	Ecosystem	Flexible
Environment	Legacy	Yard	Procedures
Mistakes	Loyalty	Reputation	No Accountability

Figure 3 shows how the Founder and each employee ranks on the personality factors. Founder Two, in the first column in red, has relatively high levels of Conscientiousness and Agreeableness. Fully 78% (11 of 14) of the employees are higher in Extraversion and Conscientiousness than the founder, and 93% (13 of 14) of the employees are higher in Agreeableness than the founder. Further, 57% (8 out of 14) report higher Openness scores than the founder. The founder is very unassuming and humble, which may be responsible for his low self-reporting in this area. The employees are evenly split on Emotional Stability, with 50% higher and 50% lower.

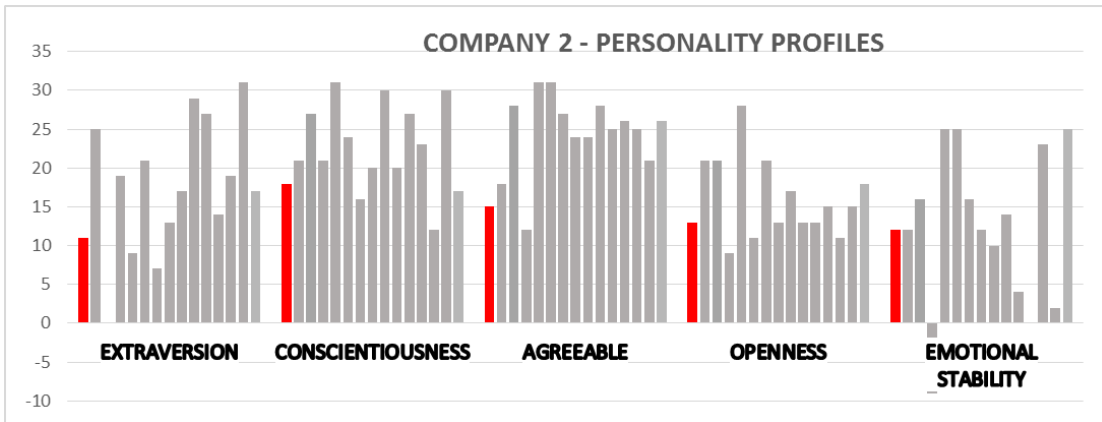


Figure 3. Founder-Employee Personality Profile Comparison for Company Two

Figure 4 shows a culture that is high in Integrity, Detail and Customer Orientation. Again, the colors indicate individual responses. This culture reflects a very traditional, low-tech, blue-collar, union-influenced business that has been run in much the same way since its inception. Because the founder lets the “company run itself” significant silos have formed between sales, the yard workers and the finance team. The low Collaborative and Results Oriented scores may be illustrative of this phenomenon.

In Company Two, both the founder and employees rate high in Conscientiousness, and, as predicted by O'Reilly, Company Two's culture reflects a high level of detail orientation. While this founder has not created formal statements of what the company values, the customer is highly visible in day-to-day conversations. As noted previously, this particular founder is extremely modest and has never worked outside of this firm. Therefore, while his scores for many of the personality traits are lower than others in the study, the force of his personal integrity, generosity and detail orientation seem to have transmitted into the culture of Company Two.

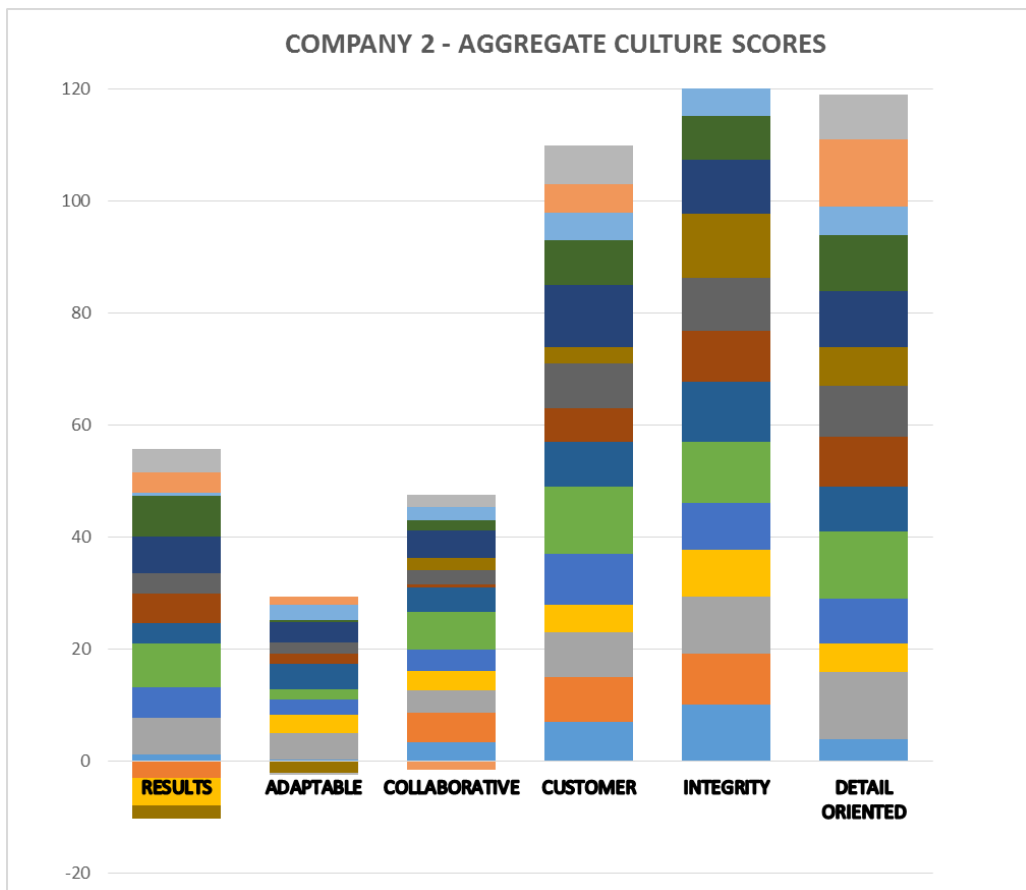


Figure 4. Organizational Cultural Profile Scores for Company Two

Company Three – Employee Assets

Founded in 2002, Company Three is a back-office service provider for venture and private equity funds. It is the largest firm in this study in terms of employees, but its revenues are only \$9M. Company Three is located in a quiet office park in Northern New Jersey. The office is in a professional building, with a marble-floored lobby and ample amounts of glass and wood. The main door is unassuming, but when the door opens, one is met by a smiling employee who happened to be walking by and shown to a homey chair in a small waiting area with magazines and flowers. The office walls feature plaques and awards for such things as being the Best Place to Work in NJ in 2015. The lighting is bright and inviting. Even though there are private offices along the windows and cubicles in the center, the place feels open and sunny. Employees have decorated their cubes with family pictures. The kitchen looks a grandmother's with a mid-century dinette set and a large screen TV that always has the most important game on. The refrigerator is overflowing and snacks are plentiful and free.

The founder is a woman in her early 50s who is cheerful and always enthusiastic. She is positive and encouraging and walks through the office comfortably, stopping by to ask employees about a new grandson or how a diet is going. The average tenure here is a little over three years, reflective of the company's recent growth curve. Founder Three has a co-founder but he is primarily an equity partner who is not involved in the day-to-day business. While the founder has a spacious corner office, her door is always open. Employees report that she encourages managers to talk, rather than email, their direct reports, saying "You always have time to talk to your team." People are consider the greatest asset in this company. Company Three's business model depends on high levels

of integrity, excellent customer service and attention to detail. They have a rigorous hiring process that includes interviews by people who are unrelated to the hire because teamwork is so important to the company. Further, the founder meets with every candidate before an offer is made. Finally, Company Three does an annual employee survey to identify and respond to any issues.

Company Three celebrates everything. On every new hire's first day, the company buys lunch and the employee is publicly welcomed. Wednesday is bagel day. Friday is dress down day. They have corn beef and cabbage on St. Patrick's Day, ice cream days in the summer and turkey around Thanksgiving. Every month, they celebrate birthdays, listing the names of people who have birthdays in that month on the cake. Employees refer to the company as a "family," and they love coming to work. Several employees are currently doing the "biggest loser" contest and often go out together after work. Founder Three describes the culture as "Collaborative dissent with trust and respect with the goal of making the company better and stronger for all." Many of the employees describe it with words like caring, happy and supportive. The below snippets and Table 9 summarize the culture well.

"[The company's] culture can be described as a team of employees where there is mutual respect between co-workers. There is an open door policy for all managers and we know we can go to any manager here and have a conversation where we feel comfortable. The company, the work and the employees are equally as important. In addition, we have a great work/life balance and the company truly cares about its employees."

"Talented and willing to share knowledge."

"Work hard but have time to enjoy life."

"Collaborative, entrepreneurial, progressive"

“We are growing and receptive to new ideas. The company views its employees as an integral part of the culture and will do its very best to keep them happy.”

Table 9. Word Themes – Company Three

Open Door	Transparency	Team	Empowerment
Clients	Family	Happiness	Down-to-earth
Comfortable	Flexibility	Collaborative	Trust
Fair	Even tempered	Caring	Work hard-play hard

Founder Three is the only woman in the study, and has the highest level of Agreeableness relative to the other three founders. When comparing Founder Three’s personality to that of the aggregated employee base (Figure 5) 71% (25 of 35) of the employees score lower on Agreeableness than the founder, and 89% (31 of 35) score lower than the founder on Emotional Stability. Interestingly, 66% (23 of 35) of the employees score higher than the founder on Conscientiousness – a trait that is highly valued in the business and one that the staff says the founder is not known for. Perhaps because the most common job function in the company is accounting, 86% (30 of 35) score lower on Extraversion, and 94% (33 of 35) employees score lower on Openness than the founder.

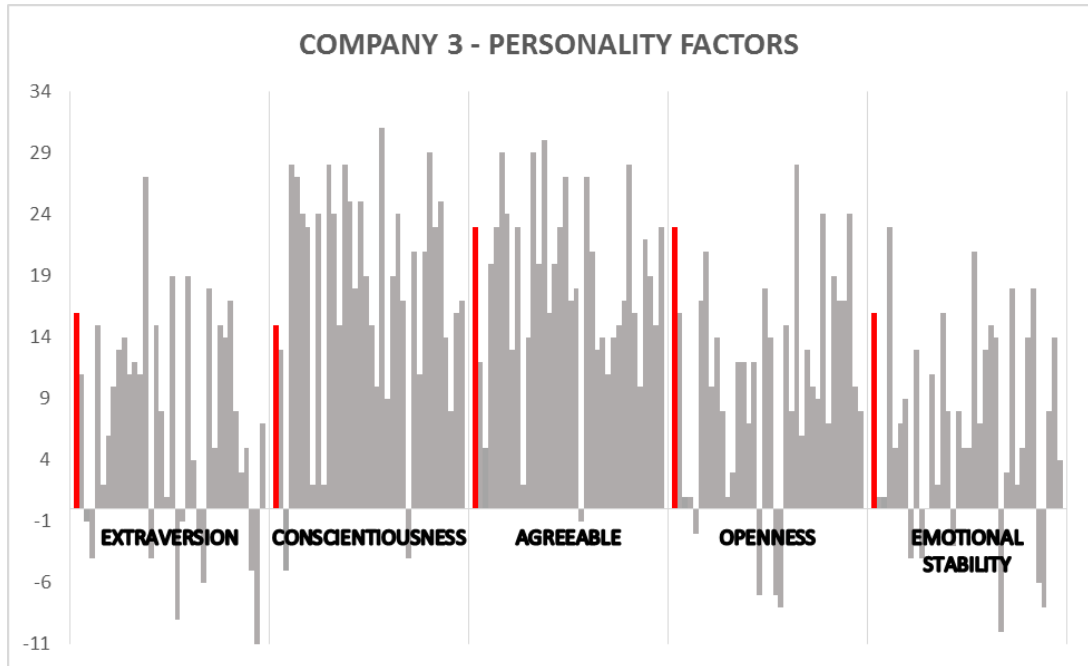


Figure 5. Founder-Employee Personality Profile Comparison for Company Three

Although Founder Three rates high on both Agreeableness and Emotional Stability, the culture does not rate as highly collaborative (see Figure 6, colors represent individual responses) as the O’Reilly study would predict. This may be in part because there are several questions in the collaborative factor that include conflict, and Founder Three actively advocates “collaborative dissent” thus lowering the collaboration score. More telling, Founder Three rates low on Conscientiousness, but the culture is highly detail-oriented, reflecting more of the aggregated personality of the employees; this contradicts the O’Reilly findings. Finally, the high Integrity score may reflect the intentionality around trust and respect.

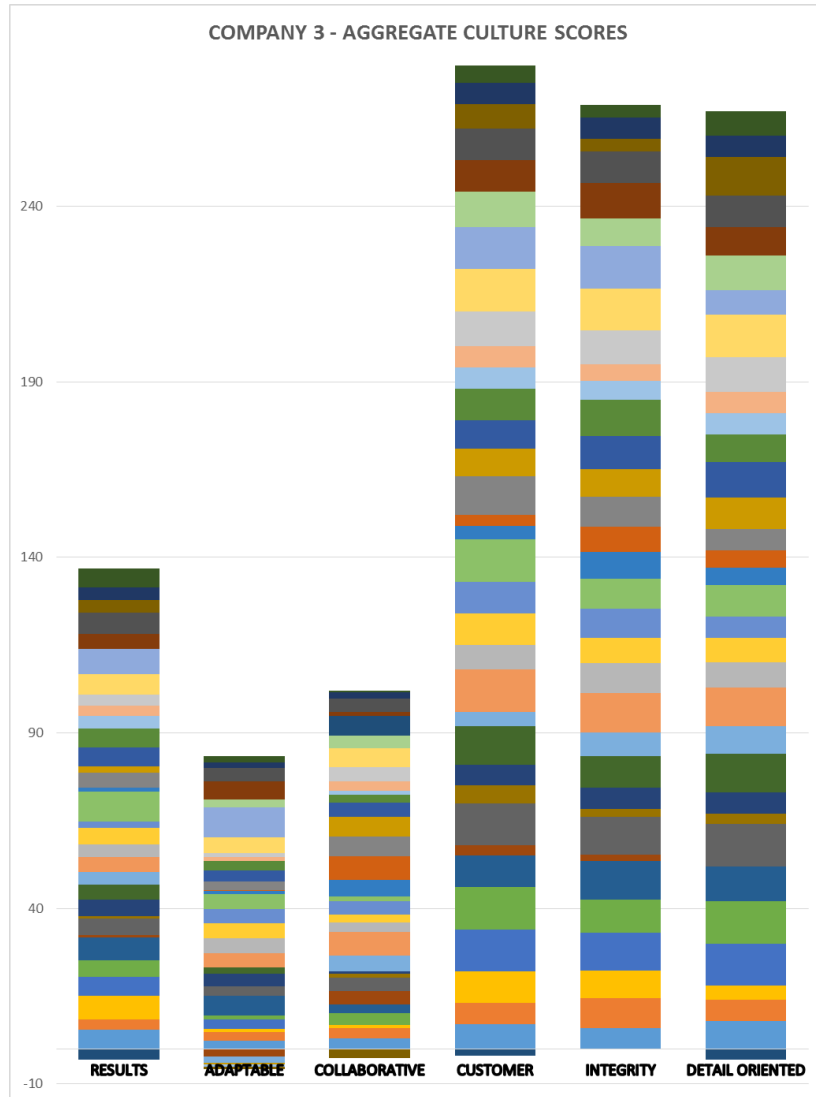


Figure 6. Organizational Cultural Profile Scores for Company Three

Company Four – Management by Baseball Bat

Company Four is a fourteen-year-old “private mortgage investment company which specializes in the acquisition, management and liquidation of defaulted residential mortgages nationwide.” The company has eight employees and expects to book \$35M in revenue in 2016. The office is located on Wall Street, right in the heart of New York’s financial district. The company occupies an entire floor of the building – 10,000 square

feet. Upon exiting the elevators, one is greeted by a number of unmarked, locked doors and no signage. If one gains entrance, it is into a cavernous suite with fireplaces and high ceilings that hint of a time long ago. Only two of the offices are occupied; the well-appointed corner-office houses the founder. There is a receptionist and a few employees in the common area, surrounded by empty cubicles, a ghost town. There is no chatting, and often no noise except for the founder, who is in his early 40s, yelling on the phone. Sometimes he uses his wireless headset and paces the floor with a baseball bat in his hands. He curses often and loses his temper on the phone, clearly dealing with a legal battle. The company is involved in several sizable lawsuits which are currently occupying most of the founder's time.

The employees hide behind their monitors, hoping not to be seen or heard. The founder must be copied on every email and he must approve every email before it goes out. This causes frustration and lots of waiting around for work because the Founder is not able to review these emails in a timely manner. The average tenure is four and a half years, but this is skewed by the founder's father and an employee that has been with the company for eleven years. Several of the employees have been there less than one year.

While the stated values of the company are liquidity, efficiency and humanity, these can be found on the company website and nowhere else. As indicated in the quotes below and Table 10, the founder's top-down approach makes collaboration impossible and leads to high levels of employee and customer dissatisfaction. He controls every interaction, including all emails before they go out. This causes frustration and idle time while employees wait around for approval because the founder is not able to review everything in a timely manner.

“Do what we say, when we say it, in a systematic way, at a high level, quickly.”

“Authoritarian bordering on a culture of fear”

“It feels like a place of constant uncertain culture. The current mood and culture of the company may very well depend on how our CEO is reacting to certain events/situations.”

“The company's environment/ temperament can change daily based upon the CEO's interaction or mood.”

“Overly top down, leads to boss being overburdened and some things left undone, fear, boss yells too much, generally boss does not like to be contradicted and usually has to have last word, although not always, can-and-will-do attitude, demanding, cooperation, hard work, great flexibility and understanding for personal needs such as doctor visits, etc., no tolerance for excuses, screw-ups tolerated if responsibility taken and mistakes learned from”

Table 10. Word Themes – Company Four

Control	Micromanagement	Silos	Tyrant
Restricted	Permission	Process	Systematize
Top-down	Thick-skinned	Follow directions	Precise
Expectations	Bullying	Speed	Plan

Founder Four is clearly different from the other founders in this study, and both his personality and that of the employees are marked by extremes. As seen in Figure 7, Founder Four rates low on Agreeableness and Emotional Stability, but quite high on Extraversion and Openness; indeed, in one-on-one interactions and on sales calls, Founder Four can be remarkably charming. Still, all (100%) employees rate *much* higher on Agreeableness, and all (100%) rate higher on Emotional Stability. Only 14% (1 of 7) of the employees rate higher than the founder on Extraversion, and all rate *much* lower than the founder on Openness. It is only on Conscientiousness that the employees and founder are roughly aligned. While it may seem counterintuitive that the employees of this company would be so high on Agreeableness, it seems that employees have to be Agreeable

to be able to tolerate the tirades of the founder. Relative to the rest of the aggregated employee profiles, this group of employees is the highest in Emotional Stability, which again may be required to be able to work with the founder. This case is reminiscent of the neurotic style described in Kets de Vries & Miller (1986).

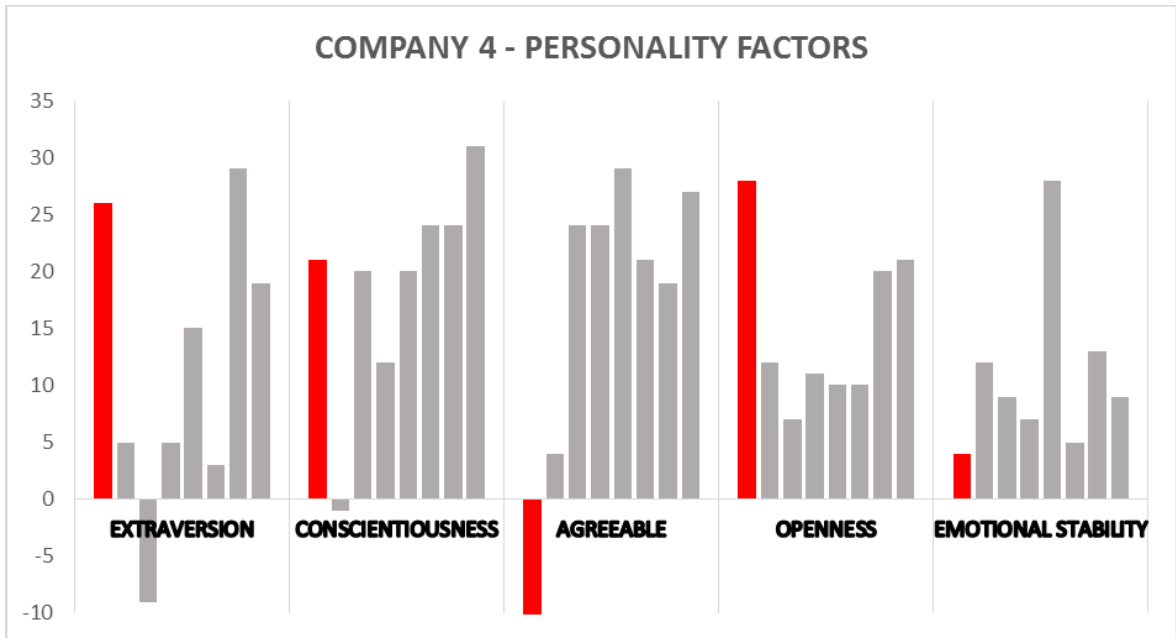


Figure 7. Founder-Employee Personality Profile Comparison for Company Four

Finally, as can be seen in Figure 8 (colors represent individual responses), the culture of Company Four is also much different from the others, with markedly lower levels of Adaptability, Collaboration, Customer Orientation and Integrity. The low score on Customer Orientation reflects the founder’s need to review every customer interaction, leading to delays of days or even months in response to inquiries. Founder Four makes all decisions and does not ask his employees for input, thus the low Collaboration score. Company Four does seem to reflect O’Reilly’s association of low Agreeableness and high

Results. It is interesting that this founder has low scores on Agreeableness and Emotional Stability (ie. high Neuroticism), and the culture is low on collaboration. This is the inverse of the O'Reilly's link between high Agreeableness, high Emotional Stability and a Collaborative culture. On the other hand, Founder Four shows high levels of Openness, but the culture is *not* highly Adaptable, as O'Reilly would predict. Similarly, the founder's and employee's high level of Conscientiousness do not translate into the predicted high in Detail Orientation, possibly because of the corrosiveness of the need to control.

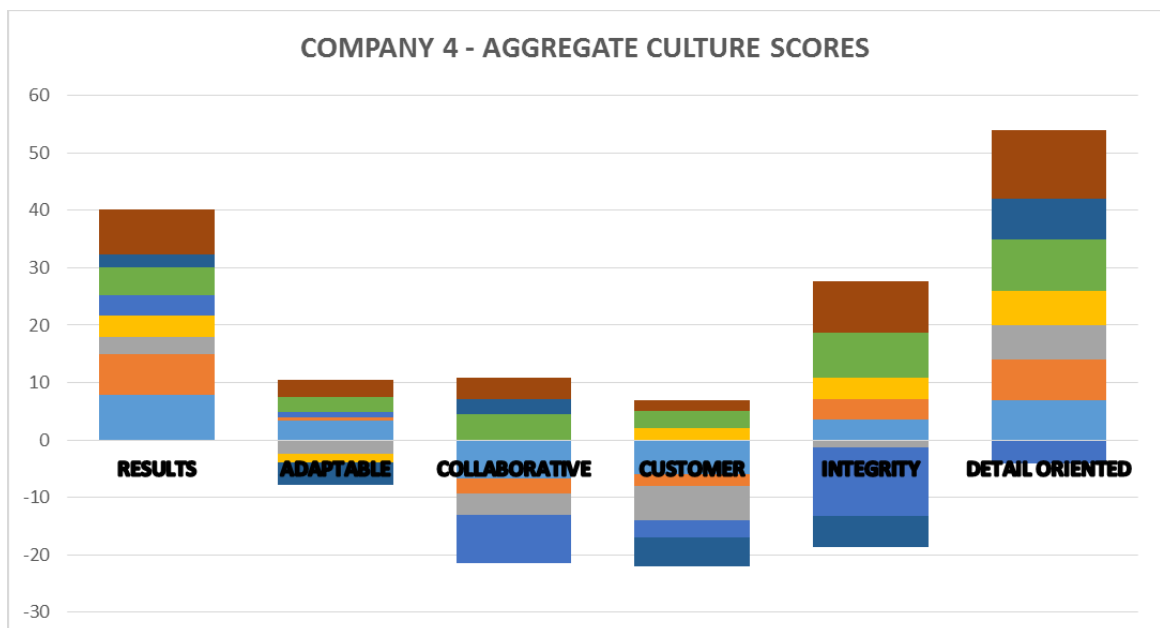


Figure 8. Organizational Cultural Profile Scores for Company Four

Theory Development

The case studies reinforce that there are several influences on company culture including founder personality, founder's involvement, and aggregated employee personality. At the same time, they suggest a more complex relationship between founder personality, employee personality and culture than suggested by the literature. They also

suggest that force of personality as well as founder involvement in the intentional efforts to build culture are important factors to consider.

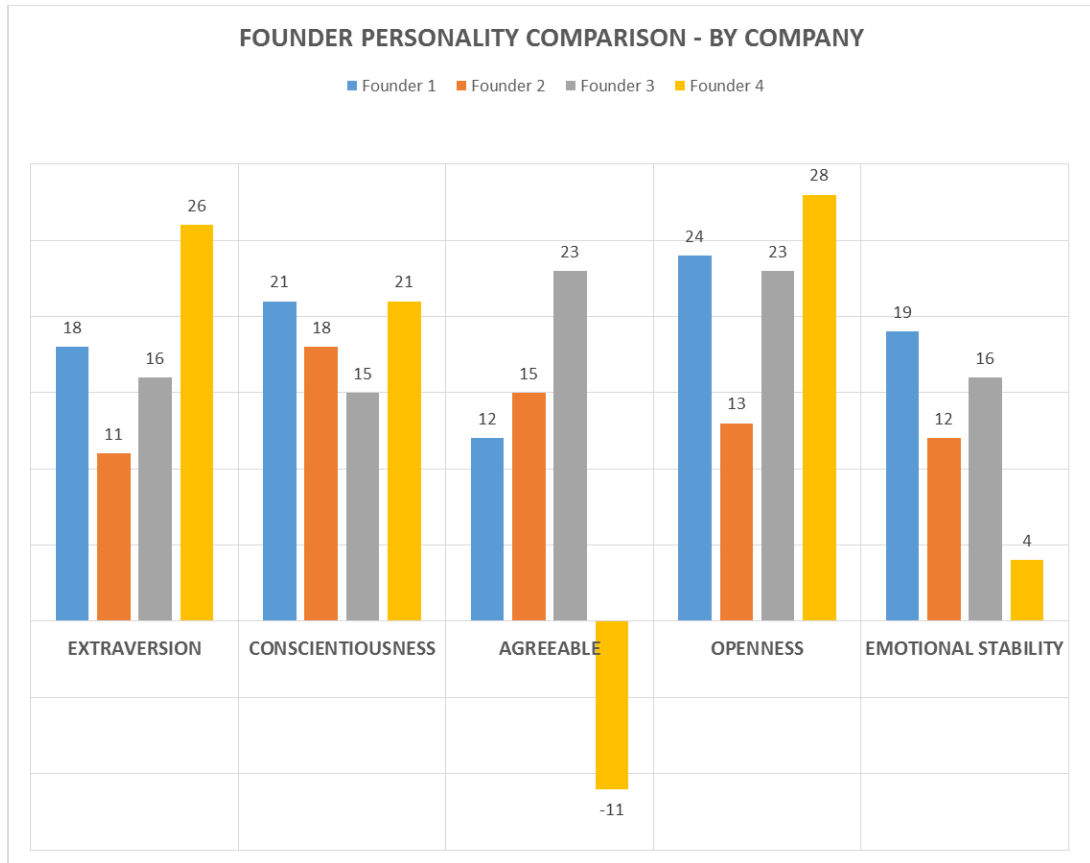


Figure 9. Founder Personality Comparison by Company

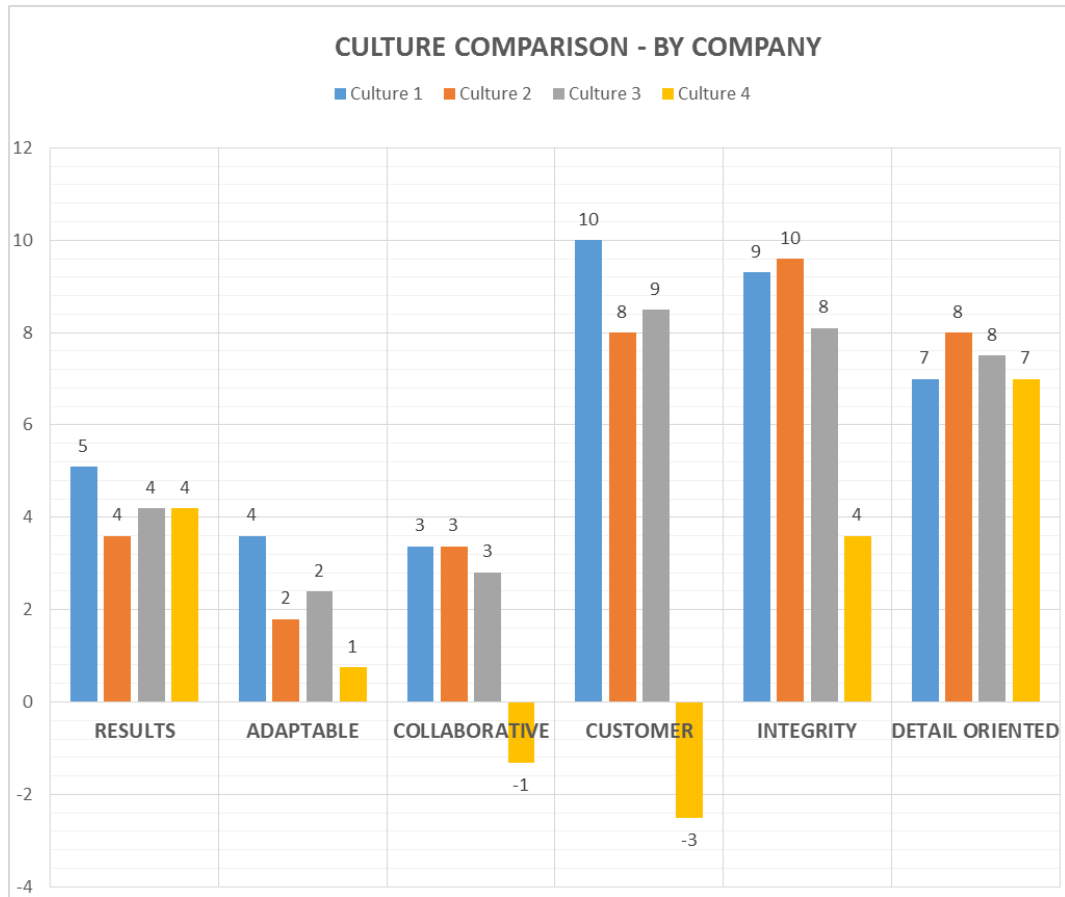


Figure 10. Culture Comparison by Company

Table 11. Comparison of Expected to Case-Reported Personality-Culture Mappings

Expected Relationship		Case-Reported Relationship			
Personality Trait	Culture Trait	Case 1	Case 2	Case 3	Case 4
High Openness	High Adaptability	Yes	(Reverse, Low/low)	No	No
High Conscientiousness	High Detail Orientation	No	No	No	No
Low Agreeableness	High Results Orientation	Yes	No	No	No
High Emotional Stability and Low Neuroticism	High Collaboration	No	No	No	Reverse, low/low/low

Looking at Figures 9 and 10 (as summarized by Table 11), only one of the four cases seems to be consistent with two of O’Reilly, et al.’s observations – that high founder Openness is associated with high Adaptability and low founder Agreeableness is associated with a highly Results Oriented culture. Much more interesting is that the cases consistently contradict the rest of O’Reilly’s predictions – that high founder Openness is associated with high cultural Adaptability, high founder Conscientiousness with high cultural Detail Orientation and high founder Agreeableness with high cultural Collaboration.

Reflecting again on the cases, I suggest an alternative mechanism linking founder personality to organizational culture: 1) Employee personality may often complement, not reinforce, founder personality; and 2) In some cases, it is the employee personality that links to organizational culture. That is, employee personality mediates between founder personality and organizational culture, and founder involvement serves as a moderator. Further, I suggest that the precise combination of mediation and moderating will be contingent on the personality and organizational cultural traits involved. This new, inductively developed conceptual model is detailed in Figure 11.

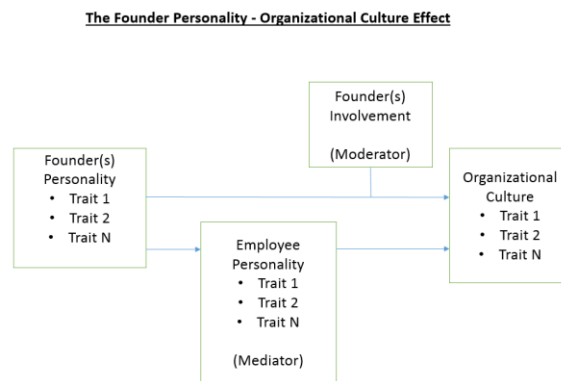


Figure 11. Generalized Founder Personality – Organizational Culture Effect Model

Contrary to the theory of Attraction-Selection-Attrition, the findings in Study One point to a complementary relationship between the founder’s personality and the type of people that are hired and retained in the firm. In the extreme (Company Four), employees need to be Agreeable and Emotionally Stable because the founder is not (and vice versa – in Company Three). This can be seen in the reverse in Companies One, Two and Three in which the emotional stability of founder is paired with more volatility in employees. Thus,

Proposition 1: Founders hire employees with complementary personalities.

Table 12. Employee Personality Compared to Founder Personality

	Company 1	Company 2	Company 3	Company 4
Extraversion	L	H	L	L
Conscientiousness	L	H	H	H
Agreeable	H	H	L	H
Openness	L	H	L	L
Emotional Stability	L	L	L	H

Interestingly, the combined effect of the employees’ personalities seems to overwhelm the founder’s personality. For example, in Company One, although the founder rates high in Conscientiousness, the employees do not, and the culture also rates low in Detail Orientation (not high, as predicted). In Company Three, the reverse is true: The Founder rates low in Conscientiousness but her employees rate high in Conscientiousness and the culture rates high in Detail Orientation. Similarly, although Founders One, Three and Four all rated *high* in founder Openness, they also related *low* in *employee* Openness and *low* (not high) in cultural Adaptability – suggesting that aggregate employee personality trumps founder personality when setting organizational culture. The general pattern seems to be that:

Proposition 2: Where employee personality is complementary to founder personality, it has a greater impact on the organizational culture than founder personality.

But there are also examples in which founder personality and employee personality align – such as for Companies Two and Four (otherwise very different employees and cultures) in which both the founder *and* employees rate high in Conscientiousness, and their cultures reflect a high level of Detail Orientation. These instances combine with the findings about complementarity to suggest a more general proposition:

Proposition 3: Employee personality mediates the relationship between founder personality and organizational culture.

Further complicating the picture are the founder's attempts to shape culture directly. Thus, Founder One and Founder Three were able to intentionally foster a culture high in Customer Orientation and Integrity, while Founder Two accomplished both through projection (unintentionally) and modelling of his own personal caring and integrity. And of course, Founder Four's scarily forceful personality seems to have contributed to low Customer Orientation and Integrity. Given this, I suggest:

Proposition 4: Intentional efforts to shape the culture reduce the impact of the employee personality on organizational culture.

In summary, it appears that the relationship between founder personality and organizational culture is not as straightforward as originally posited. In some cases, the

founder's personality is enhanced by his/her employee's personalities, and in others, it is complemented. These interactions then impact the culture differently. The employee personalities may become the primary participants in culture-building. And, depending on how involved the founder is in creating and fostering the culture, s/he may be able to alter the impact of the employee personality on it.

The next chapter will describe a second study that was conducted to test parts of these propositions. Using the findings from Study One and drawing from O'Reilly, et al., (2014), I develop three sets of supporting hypotheses. Utilizing the data collected from a revised survey, I then show the analysis, results and implications of each.

CHAPTER 4
FOUNDER V. EMPLOYEE EFFECT ON ORGANIZATIONAL CULTURE

Study One provided a glimpse into some of the relationships between founder personality, employee personality and culture and led to several exploratory propositions and a new model for the founder personality-employee personality-culture interaction. O'Reilly et al. (2014) suggests that founder-CEO personalities, enhanced by the ASA process (Schneider, 1987) of employee selection, would have the most impact on culture. On the other hand, the P-O Fit theory (O'Reilly, et al., 1991) and the findings of Study One combine to suggest that Founders may hire employees whose personalities complement the founder's personality – and that the collective force of employee personalities will overwhelm the founder personality's effect on organizational culture. In Study Two, I propose to test the relative merit of these mechanisms by examining a simplified version of the model of the impact of founder personality, employee personality and founder involvement on organizational culture that was developed in Study One.

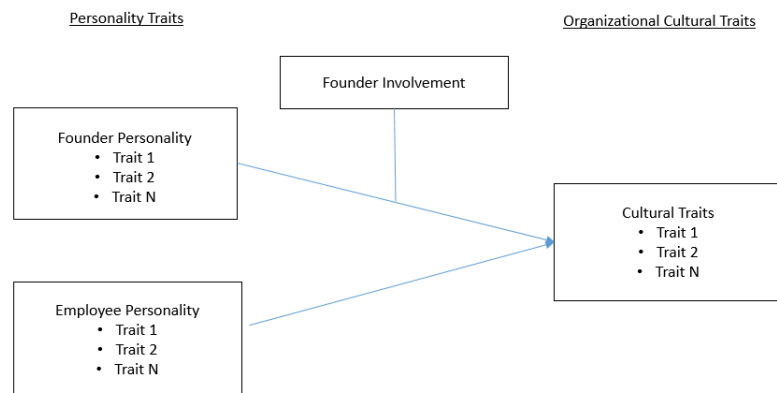


Figure 12. Founder Personality, Founder Involvement and Organizational Culture

To test this model, and to compare these alternating explanations of organizational culture, I collected data from 432 founders, co-founders and employees of 57 small, established, founder-led companies. I then used a hierarchical series of regressions to test how much each element - founder personality, employee personality, founder involvement and the interaction between founder involvement and founder personality, contribute to the personality-organizational culture puzzle.

Hypothesis Development

Because there are myriad possible relationships between founder personality traits and organizational cultural traits, I concentrate on the three personality-organizational culture trait pairs documented in O'Reilly, et al.'s (2014) paper linking CEO personality and organization culture in large publicly traded companies. These combinations are CEO personality trait "Openness to Experience", linked to the organizational cultural trait of "Adaptability"; CEO "Conscientiousness" linked to "Detail Orientation"; and CEO "Agreeableness" linked (negatively) to "Results Orientation". Within my setting of small, founder-led organizations where the decision-making power is centralized, I expect the effects of the *founder*-CEO personality on culture to be even more pronounced (Kets de Vries & Miller, 1986).

Because Study One led me to believe that employees also have a significant impact on culture, I added the employee personality trait-organizational culture trait relationships to each hypothesis. Further, drawing on both hints in Study One and previous literature (Schein, 2010), I explore how founder involvement affects the founder personality trait-

organizational culture trait relationship by adding a moderation effect between founder personality and culture. Figure 13 summarizes the expected relationships.

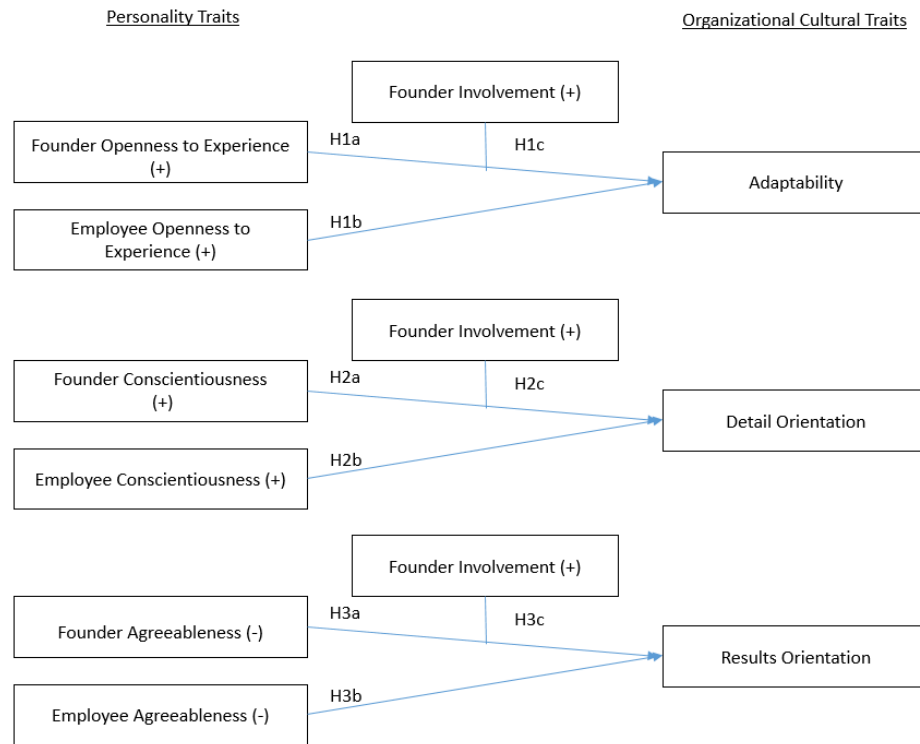


Figure 13. Hypothesized Relationships between Founder Personality, Founder Involvement and Organizational Culture

Founder Openness to Experience and Adaptable Organizational Culture.

Openness to Experience is a trait that embodies imagination, creativity and unconventionality (Gosling et al., 2003). These characteristics are often associated with the entrepreneurial personality (Brandstätter, 2011), so it follows that this trait would be associated with my particular sample of entrepreneurial companies. Adaptable organizational cultures are those characterized by entrepreneurial behavior, innovation, and speed of change (O’Reilly et al., 2014). O’Reilly et al. (2014) found that CEOs who

have high Openness to Experience have cultures that are highly Adaptable. The case studies in Study One, however, suggest that this relationship is more complex, and may be affected both by the personalities of the employees and the amount of the founder's involvement in the day-to-day operations of the company. As such, I propose the following hypotheses:

H1a: Founder Openness to Experience will be positively related to organizational culture Adaptability.

H1b: Employee Openness to Experience will be positively related to organizational culture Adaptability.

H1c: Founder involvement will positively moderate the impact of founder Openness to Experience on culture Adaptability.

Founder Conscientiousness and Detail Oriented Organizational Culture. The personality trait of Conscientiousness is characterized by being organized, dependable, self-disciplined and hard-working (Gosling et al., 2003). Founders who are high in this trait seem to produce organizational cultures that are more fastidious and careful, that is, more Detail Oriented (O'Reilly, et al., 2014). Using the ASA theory (Schneider, 1987), highly Conscientious founders should hire employees that are also high on Conscientiousness. However, this was not obvious in the cases in Study One, which allows for the possibility that a Conscientious founder might end up with a set of employees who are less conscientious, and whose collective personality overwhelms the founder's and leads to a less Detail Oriented organizational culture. Whether the Founder's personality or the aggregated effect of the employees personalities dominate, I expect:

H2a: Founder Conscientiousness will be positively related to organizational culture Detail Orientation.

H2b: Employee Conscientiousness will be positively related to organizational culture Detail Orientation.

H2c: Founder involvement will positively moderate the impact of founder Conscientiousness on culture Detail Orientation.

Founder Agreeableness and Results Oriented Cultures. The Agreeableness trait embodies kindness, trust, cooperation, and sympathy (Gosling et al., 2003). A Results Oriented culture is one where competitiveness and achievement are highly valued and should be evident when the founder is low on Agreeableness (O'Reilly, et al., 2014). Here again, Study One showed that *less* Agreeable founders may hire *more* Agreeable employees, leading to the possibility of testing whether the employees' or the founders' personalities have more effect on organizational culture. In this case, I posit that:

H3a: Founder Agreeableness will be negatively related to organizational culture Results Orientation.

H3b: Employee Agreeableness will be negatively related to organizational culture Results Orientation.

H3c: Founder involvement will positively moderate (make more negative) the relationship between founder Agreeableness and Results Orientation.

The Survey

To collect the data to test these hypotheses, I used a simplified 16-question survey, coded in Qualtrics and deployed on-line (Appendix F). Respondents were asked to indicate if they were the founder, co-founder or employee. Depending on the response to these questions, the survey displayed questions that were appropriate to either founders or employees. The survey was pre-tested by several of my colleagues and was found to take five minutes to complete on average. Table 13 below describes each question, its audience, its purpose and its role in analysis.

Table 13. Survey Questions

Question	Audience	Items/Scale	Analysis
Indicate if you are Founder, Co-Founder, Employee	All	1=Founder 2=Co-founder 3=Employee 4=Other	Descriptive: used to display appropriate questions and to differentiate responses
Position in the company (Sr. Manager, Manager, Staff)	Employee	1=Sr. Manager 2=Management 3=Staff	Descriptive: may be used to determine if there are relationships between position in the company and personality or cultural results
Number of years worked for the company	Employee	Data input, numeric	Descriptive: establish tenure
Year company was founded	Founder	Data input, numeric	Descriptive: years in business
Number of full-time employees	Founder	Data input, numeric	Descriptive: number of employees
2016 Revenue expectations	Founder	Data input, numeric	Descriptive: Revenue
Industry selection	Founder	Select numeric from the list	Descriptive: Industry
Description of founder's personality	Employee	Data input, text	Qualitative: will be analyzed to determine personality characteristics and compared to founder TIPI

Table 13. Survey Questions, Continued

Question	Audience	Items/Scale	Analysis
TIPI (Ten Item Personality Inventory)	All	10 questions, 7-pt Likert scale from Strongly Agree to Strongly Disagree	Quantitative: derive 5 personality factors. Compare empirically to cultural attributes
How involved is your founder in day-to-day operations	Employee	1=Not very involved 2=Somewhat involved 3=Very Involved	Quantitative: to indicate level of involvement
Has your company actively tried to foster a specific type of culture	All	1=Yes 2=No	Quantitative: to indicate level of involvement
Describe the ways that your company has tried to foster specific culture	All	Data input, text	Qualitative: will be analyzed to determine involvement methods
Describe your company's culture	All	Data input, text	Qualitative: will be analyzed to determine cultural traits
6 questions from the OCP that factor into the cultural attributes of: Adaptability, Integrity, Collaborative, Results Oriented, Customer Oriented, Detail Oriented.	All	12 questions, 7-pt Likert scale from Strongly Agree to Strongly Disagree	Quantitative: will be compared to TIPI personality traits. Will be used in conjunction with and compared to qualitative data to form cultural descriptions.
Gender	All	1=Male 2=Female 3=Other	Descriptive: will be used to determine if there are gender differences in culture and personality.

To improve efficiency and response rates, I reduced the size and complexity of the personality and culture assessments used in Study One. For personality, I utilized the Ten-Item Personality Inventory (TIPI) developed by Gosling, Rentfrow, and Swann (2003) (Appendix E) and used in a number of studies including Back, et al. (Back, Stopfer, Vazire, Gaddis, Schmukle, Egloff & Gosling, 2010) and O'Reilly, et al. (2014). Gosling et al. (2003) found convergent correlations between the simplified TIPI and the original Big-

Five Inventory of 0.65 for Openness to Experience, 0.70 for Agreeableness and 0.75 for Conscientiousness, all with p values < .01.

In Study One, I found O'Reilly, et al. (2014)'s OCP questionnaire to be too long and cumbersome for email distribution to my small-company population. A literature review of 70 cultural assessment tools (Jung, Scott, Davies, Bower, Whalley, McNally, & Mannion, 2009) made it clear that there is no single instrument that is geared towards small, privately held companies; captures the rich uniqueness found in smaller firms; and is short and clear enough to be sent via email with limited explanation. Many of the surveys reviewed were directed towards larger, more formal companies and asked questions about interdivisional policies and politics which do not apply to these smaller firms. "Given the need to test aspects of instruments in different contexts and with different populations, instrument development is a potentially open-ended process" (Jung, et al., 2009: 1094), I simplified the organizational cultural assessment instrument by selecting the twelve questions from the OCP that had the highest factor loadings to the six dimensions of culture in the O'Reilly, et al. (2014) study. Table 14 describes the twelve questions that were selected for Study Two to assess culture based on their factors, and factor loadings on O'Reilly et al. (2014). Both personality and culture scores were measured on a seven-point Likert scale for which seven was the highest or most like the attribute and one was the lowest, or least like the attribute.

As descriptive as these personality and organizational culture instruments are, they, by necessity, leave out some of the idiosyncratic nature of each culture and set of personalities. Further, they constrain descriptions of personalities and cultures to theoretical categories. For these reasons, I augmented the Likert scale items with free-text

response questions designed to encourage respondents to describe in their own words, their founder’s personalities, cultures and intentional efforts that had been used to shape culture in their organizations.

Table 14. O’Reilly, et al. (2014: 608) OCP Factor Loadings

Cultural Factor	Question	Loading
Adaptability	Being Innovative	.60
Adaptability	Being Willing to Experiment	.59
Integrity	Having Integrity	.77
Integrity	Having High Ethical Standards	.76
Collaborative	Working in Collaboration with Others	.71
Collaborative	Being Team Oriented	.65
Results Oriented	Being Results Oriented	.60
Results Oriented	Having High Expectations For Performance	.58
Customer Oriented	Being Customer Oriented	.80
Customer Oriented	Listening to Customers	.79
Detail Oriented	Paying Attention to Detail	.74
Detail Oriented	Being Precise	.62

Particularly when the measures that are used are perceptual, there may be concerns about common method bias when collecting both dependent and independent variables using a single questionnaire collected at a single point in time (Chang, van Witteloostuijn, & Eden, 2010). While I collected data through a single survey, I avoided common method bias by separating the source of the independent variables from the source of our dependent variable (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). The independent variables related to personality are self-reported, but both the independent variable concerning employee personality and the dependent variable of cultural reflect the collective self-reported responses of all employees in the company. Further, I have included an observer qualitative question on founder personality that can be compared to the self-reported founder personality results. That is, while all the inputs come from one survey, the data

used is distinct: self-reported assessments of personality, an aggregate measure of culture, and an observer qualitative measure of founder's personality and culture.

Survey Deployment

To gain access to founders and their employees, I used a convenience sample based in the NJ-area of small business and high-technology networks. I sent multiple email solicitations to these networks and posted several requests for participation on LinkedIn and through various entrepreneurial Meetup.com and Slack groups. Recruitment began shortly after IRB approval on November 22, 2016 and continued through February, 2017. To entice founders to participate, I promised to send individual analysis of founder personality, aggregated employee personality, culture and any insights that were gleaned from the study in a personalized report to each participating founder. Once a founder agreed to participate in the study, I sent a link to the survey. Because IRB specified that I could only contact company founders (and not employees), I had to rely upon founders to send out employee solicitations and follow up on responses, which reduced response rates.

Throughout the data collection period, I followed up with the all of the founders, including those who didn't have corresponding employee survey records. The reasons for this were various: the companies had no employees or the founders didn't want to allocate time for their employees to take the survey. The most common reason was that something had changed recently in the business environment such as a key employee departure or a recent sale/investment, so the founder felt that it was an inopportune time to analyze the culture. Several founders asked if they could take the survey at a later date. It should also be noted that I contacted Qualtrics in an attempt to hire them to find company founders

willing (and paid) to participate in my research and they came back after several weeks of trying and stated that “this population is particularly resistant to participating in surveys”.

By March 1, 2017, I had received 432 individual survey responses representing 57 unique companies, of which 27 included responses from *both* founders and employees. Upon further examination, it became clear that 23 of these had single founders and were appropriate for my analysis, for a sample size of 336 respondents, including 23 founders. Table 15 describes the analyzed companies. Response rates ranged from 10-100% of total head count, and companies represented a variety of years in business (from 2-40 years), sizes (from 3-150 employees), and employee tenure (1-14 years). Fourteen of the twenty-three founders reported their revenues (Table 15).

Table 15. Companies with Single Founders included in the Analysis

Case #	Year Founded	Company Age	# of Employees	# of Surveys	% Response	Reported Revenue	Industry	Avg. Tenure (years)
1	2013	4	20	8	40%	\$4M	Finance & Insurance	2
2	1986	31	140	14	10%	\$45M	Construction	7
3	1977	40	33	11	33%	n/a	Accommodation & Food Service	7
4	1981	36	35	5	14%	n/a	Manufacturing	14
5	2014	3	13	12	92%	n/a	Real Estate & Rental & Leasing	2
6	2012	5	2	2	100%	\$250k	Finance & Insurance	1
7	1981	36	29	12	41%	n/a	Arts, Entertainment & Recreation	4
8	2007	10	150	43	29%	\$80M	Health Care and Social Assistance	3
10	2001	16	21	12	57%	\$5M	Professional, Scientific & Technical Services	3
12	1988	29	67	48	72%	n/a	Professional, Scientific & Technical Services	5
14	1996	21	14	11	79%	n/a	Information	6
16	2014	3	10	8	80%	\$15M	Professional, Scientific & Technical Services	3
17	2011	6	13	11	85%	\$6M	Construction	2
18	2012	5	150	92	61%	n/a	Professional, Scientific & Technical Services	1
19	2008	9	2	2	100%	\$250k	Professional, Scientific & Technical Services	2
20	2012	5	100	38	38%	\$9M	Professional, Scientific & Technical Services	2
21	2000	17	4	4	100%	\$750k	Management of Companies & Enterprises	2
22	1986	31	6	5	83%	\$1.5M	Professional, Scientific & Technical Services	4
23	2005	12	7	3	43%	\$2.5M	Transportation & Warehousing	7
24	2002	15	50	16	32%	n/a	Professional, Scientific & Technical Services	2
25	2008	9	50	10	20%	n/a	Information	3
26	2015	2	3	3	100%	\$200k	Accommodation & Food Service	1
27	2010	7	4	4	100%	\$625k	Finance & Insurance	2
23	Averages	15	40	16	41%			4

The analyzed firms are skewed to Professional Services (NAICS code 54), Finance and Insurance (NAICS code 52), Accommodation and Food Service (NAICS code 72), Construction (NAICS code 23) and Information (NAICS code 51), which is reflective of

my own business network. Table 16 below compares my sample to the percentage of US companies with fewer than 500 employees in these industries (<https://www.sba.gov/advocacy/firm-size-data>).

Table 16. SBA Industry Data for US Companies 500 Employees or Less vs. Sample

Industry	% of All Companies in USA	% of Sample
Professional Services	13%	39%
Finance and Insurance	4%	13%
Construction	11%	9%
Information	1%	9%

Data Analysis

I exported the Qualtrics data into Excel to consolidate and clean the data, and then ran statistics and hypotheses tests in SPSS and Stata. Several of the companies had two or more founders, so the responses for these companies were excluded from the data, resulting in twenty-three usable companies for which founder personality and culture scores could be included. For the data analysis, I removed the founder records from the data and updated the 336 individual employee records with their company's number of employees, company age, and industry as reported by the founder as well as the founder's five self-reported personality scores and the means of the six company-level culture scores.

For the TIPI scale measure of personality traits, I collected the responses to various items into Extraversion: 1, 6R (R indicates the scale had to be reversed); Agreeableness: 2R, 7; Conscientiousness: 3, 8R; Emotional Stability: 4R, 9; Openness to Experiences: 5, 10R (Gosling et al., 2003). For the culture measures, I used a mean of the two questions for each trait calculated to create an individual score for each trait (O'Reilly, 2014). A confirmatory factor analysis was conducted for the three factors used in the regression

testing, and the two questions each for Adaptable, Detail Oriented and Results Oriented (Table 17) did factor accordingly. Additional factor analysis can be found in Appendix G.

Table 17. Factor Loadings for the Three Cultural Attributes: Adaptability, Detail Orientation and Results Orientation

Cultural Factor	Question	Factor 1	Factor 2	Factor 3
Adaptability	Being Innovative	.190	.908	.165
Adaptability	Being Willing to Experiment	.122	.923	.157
Detail Oriented	Paying Attention to Detail	.856	.149	.319
Detail Oriented	Being Precise	.865	.174	.292
Results Oriented	Being Results Oriented	.469	.295	.695
Results Oriented	Having High Expectations for Performance	.304	.143	.894

Because culture is at a company-level of analysis, each company’s scores for the six culture traits were computed by calculating the mean of all of the individual reports for each trait within the company (O’Reilly, et al., 2014). Founder involvement was reported as one of three levels 1 = Not very involved, 2 = Somewhat involved, 3 = Very Involved. The control variables were company Age; size by Employee count (0 = 1-50 employees and 1 = 51+ employees) and Industry by type, with 0 = blue collar (construction, manufacturing) and 1 = white collar (professional services, financial services) industries.

Results

In this section, I report the results of the hypotheses tests for each of the three sets of hypotheses. Additional summary statistics and output can be found in Appendix G.

H1: The Relationship between Founder Openness to Experience, Employee Openness to Experience, Founder Involvement and an Organizational Culture of Adaptability. To test these relationships, I performed a hierarchical regression with

culture Adaptability as the dependent variable, first adding the control variables and then adding, in succession, founder Openness to Experience, employee Openness to Experience, founder Involvement and finally moderation variable of founder Openness to Experience * Involvement. Table 18 lists descriptive statistics and correlations for the variables in these hypotheses. Table 19 shows the results of the hierarchal regression.

Model 1 includes the control variables only. The model is significant and accounts for 34.6% of the variability in culture Adaptability, with the number of employees and company age both being significantly negatively related to Adaptability. This suggests that smaller, younger companies are more likely to have Adaptable cultures.

Model 2 adds founder Openness to Experience, but the addition is not significant (F change is not significant) and does not account for any additional variation in the data. Founder openness to experience remains non-significant across the models, providing no support for H1a.

Model 3 adds employee Openness to Experience, a positive and significant addition which explains an additional 4% of the variability in the dependent variable, bringing the total variability accounted for to 38.2%. Employee Openness to Experience remains positive and significant across the remaining models, providing support for H1b.

Model 4 adds Involvement of the founder, another significant addition, one that accounts for an additional 6.5% of the variability in the dependent variable; this and the fact that the coefficient is positive and significant suggests that founder involvement does have some effect organizational culture Adaptability.

However, when the moderation variable, founder Openness to Experience * Involvement, is added in model 5, the significance of the model does *not* improve,

suggesting that whatever impact that founder involvement may have, it is not related to founder openness to experience. Thus, H1c is not supported.

In summary, *employee* Openness to Experience, but *not* founder Openness to Experience is positively related to organizational culture Adaptability, and founder Involvement is also related to organizational culture Adaptability, but *not* through an interaction with founder Openness to Experience. Thus, in the case of the Openness to Experience-Adaptability relationship, Employee personality and founder involvement are important considerations.

Table 18. Descriptive Statistics and Correlation Table - Culture Adaptability with Openness to Experience

Descriptive Statistics and Correlations													
	N	Mean	Std. Deviation	Skewness	Kurtosis	Industry	Company Age	Employees	Culture Adaptable	Founder Openness	Employee Openness	Intentionality	Founder Open *
Industry	336	0.917	0.277	-3.029	7.216	1	-.209**	.143**	0.103	.238**	.115*	-0.054	.146**
Company Age	336	14.342	11.520	0.864	-0.792	-.209**	1	-.263**	-.572**	-.463**	-.288**	-.181**	-.307**
Employees	336	0.685	0.465	-0.798	-1.372	.143**	-.263**	1	0.081	.488**	0.059	-0.045	.210**
Culture Adaptable	336	5.797	0.968	-0.563	-1.163	0.103	-.572**	0.081	1	.240**	.363**	.405**	.423**
Founder Openness	336	6.417	0.890	-1.643	1.841	.238**	-.463**	.488**	.240**	1	.228**	.181**	.551**
Employee Openness	336	5.890	1.075	-0.833	0.124	.115*	-.288**	0.059	.363**	.228**	1	.280**	.304**
Involvement	331	2.553	0.669	-1.201	0.174	-0.054	-.181**	-0.045	.405**	.181**	.280**	1	.898**
Founder Open * Intentionality	336	16.254	5.473	-0.914	-0.142	.146**	-.307**	.210**	.423**	.551**	.304**	.898**	1

** . Correlation is significant at the 0.01 level (2-tailed).
 * . Correlation is significant at the 0.05 level (2-tailed).

Table 19. Model Summary of Hierarchical Regression of Culture Adaptability with Openness to Experience

Variable	Model 1			Model 2			Model 3			Model 4			Model 5		
	B	S.E.	Sig.	B	S.E.	Sig.	B	S.E.	Sig.	B	S.E.	Sig.	B	S.E.	Sig.
Industry (dummy)	-.166	.168	.324	-.173	.169	.306	-.193	.164	.242	-.064	.157	.685	-.029	.158	.856
Company Age	-.052	.004	.000	-.051	.004	.000	-.047	.004	.000	-.045	.004	.000	-.045	.004	.000
No. of Employees (dummy)	-.211	.097	.031	-.227	.107	.035	-.185	.104	.077	-.091	.100	.362	-.086	.100	.386
Founder Openness to Experience				.022	.061	.718	-.017	.060	.772	-.074	.058	.202	.187	.183	.307
Employee Openness to Experience							.190	.041	.000	.133	.040	.001	.132	.040	.001
Involvement										.397	.063	.000	1.076	.451	.019
Moderator (Founder Openness * Involvement)													-.106	.071	.135
Constant	6.583	.196	.000	6.720	.415	.000	5.786	.451	.000	5.248	.435	.000	3.591	1.187	.003
R2	.352			.352			.392			.457			.461		
Adjusted R2	.346			.344			.382			.447			.449		
F change	59.092			.131			21.236			39.282			2.250		
Sig. of F change	.000			.718			.000			.000			.135		

H2: The Relationship between Founder Conscientiousness, Employee Conscientiousness, Founder Involvement and an Organizational Culture of Detail Orientation. Table 20 lists descriptive statistics and correlations for the variables in this set of hypotheses. This particular group of founders is highly Conscientious with a mean of 6.58, the highest mean for any of the Big-Five personality traits in this survey. In addition, seven of the twenty-three founders rated themselves as a seven, or the highest score, for this trait.

Once again, I performed a hierarchical regression of the dependent variable culture Detail Orientation with control variables and then added founder Conscientiousness, employee Conscientiousness, founder Involvement and finally the moderation variable founder Conscientiousness * Involvement. Table 21 shows the model summary for this regression.

Model 1 includes the control variables of industry, company age and number of employees. The model is significant and explains 9.8% of variability of the dependent variable organizational culture Detail Orientation. Across all of the models, both company age and number of employees are significant in this model, suggesting that older and larger companies are more likely to have Detail Oriented cultures.

Model 2 adds founder Conscientiousness which provides a significant explanation for 38.5% of the variability of culture Detail Orientation. This provides support for H2a.

Model 3 adds *employee* Conscientiousness, an addition that does not improve the model's ability to account for variability in the dependent variable. Since neither change in F nor the coefficient are significant, there is no support for H2b: Employee Conscientious is *not* associated with organizational culture Detail Orientation.

Model 4 adds Involvement of the founder, which is a significant addition, increasing the adjusted R-squared to 0.449, and explaining 44.9% of the variability of the dependent variable; this suggest that founder involvement does have some effect on culture Detail Orientation, and indeed, adding the moderation variable, founder Conscientiousness * Involvement in Model 5 results in a significant change in the F statistic and brings the total explanation of dependent variable variance to 46.5%. The beta of the moderation variable is significant, and negative (-0.151). Figure 14 shows a graph of the three possible values of the Involvement variable, overlaid on a scatterplot of the scores for Detail Orientation in the dataset (Statistical Consulting Group, n.d.). Details of the regression and plotting process can be found in Appendix G. This illustrates that, increased founder Conscientious remains associated with increased Detail Orientation. However, depending on how Conscientious a founder is, involvement will have a different impact on the culture. Very Conscientious founders can afford to be less involved and will still encourage the Detail Orientation of the culture. Less Conscientious founders have to be more involved to yield similar results. This provides support for H2c.

In summary, this set of regression tests show us that older, larger companies in this study were more likely to have Detail Oriented cultures, and that the founder personality trait of Conscientious is, as was true in O'Reilly, et al. (2014), positively and significantly associated with an organizational culture with a Detail Orientation, and, depending on the degree to which the founder is Conscientious, increased involvement has a positive effect. For its part, *employee* Conscientiousness did not factor into organizational culture Detail Orientation.

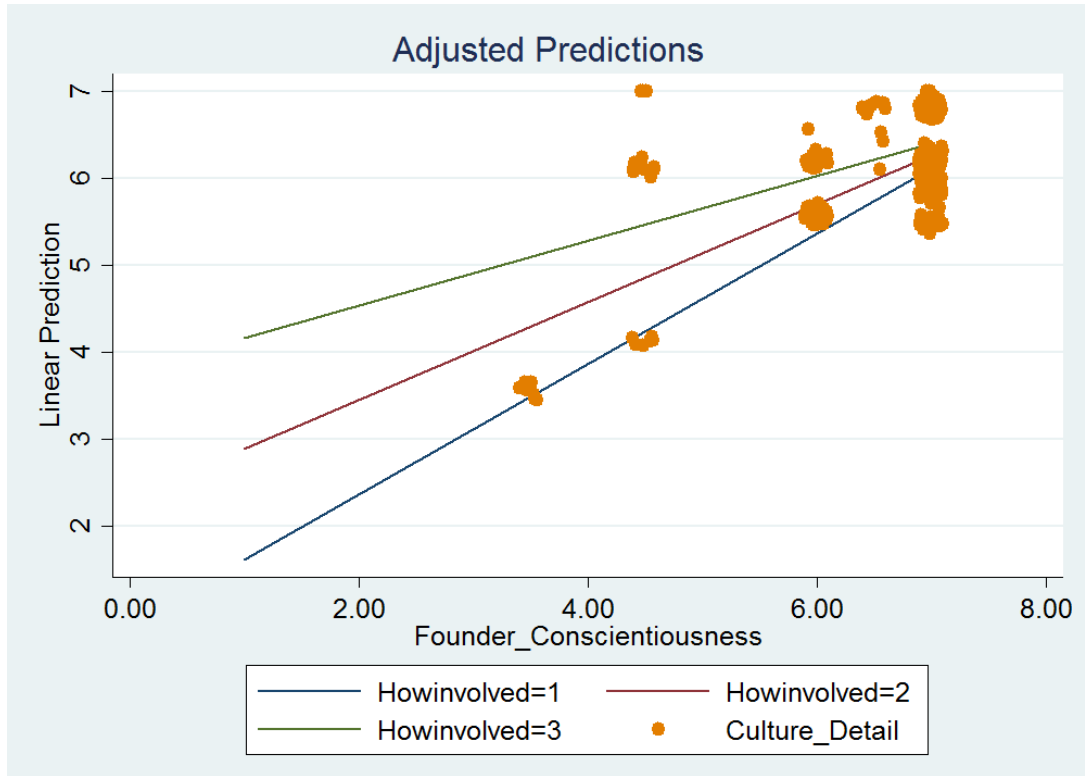


Figure 14. Scatterplot of Culture Detail Orientation and Founder Conscientiousness showing the impact of Founder Involvement

Table 20. Descriptive Statistics and Correlation Table – Culture Detail Orientation with Conscientiousness

Descriptive Statistics and Correlations													
	N	Mean	Standard Deviation	Skewness	Kurtosis	Industry	Company Age	Employees	Culture Detail Orientation	Founder Conscientiousness	Employee Conscientiousness	Intentionality	Founder Conscientiousness * Intentionality
Industry	336	0.917	0.277	-3.029	7.216	1.000	-.209**	.143**	-0.021	0.015	0.040	-0.054	0.065
Company Age	336	14.342	11.520	0.864	-0.792	-.209**	1	-.263**	0.047	-0.085	-.120*	-.181**	-.182**
Employees	336	0.685	0.465	-0.798	-1.372	.143**	-.263**	1	.298**	.361**	-0.023	-0.045	.148**
Culture Detail Orientation	336	6.138	0.689	-1.607	3.965	-0.021	0.047	.298**	1	.624**	0.056	.246**	.410**
Founder Conscientiousness	336	6.577	0.839	-2.246	4.393	0.015	-0.085	.361**	.624**	1	0.015	0.047	.413**
Employee Conscientiousness	336	6.284	0.935	-1.419	1.239	0.040	-.120*	-0.023	0.056	0.015	1	.124*	0.090
Involvement	331	2.553	0.669	-1.201	0.174	-0.054	-.181**	-0.045	.246**	0.047	.124*	1	.909**
Founder Conscientiousness *	336	16.577	5.314	-1.038	0.230	0.065	-.182**	.148**	.410**	.413**	0.090	.909**	1

** . Correlation is significant at the 0.01 level (2-tailed).
 * . Correlation is significant at the 0.05 level (2-tailed).

Table 21. Model Summary of Hierarchical Regression of Culture Detail Orientation with Conscientiousness

Variable	Model 1			Model 2			Model 3			Model 4			Model 5		
	B	S.E.	Sig.	B	S.E.	Sig.	B	S.E.	Sig.	B	S.E.	Sig.	B	S.E.	Sig.
Industry (dummy)	-.023	.138	.865	-.022	.114	.847	-.027	.114	.811	.040	.108	.710	.041	.107	.699
Company Age	.008	.003	.015	.008	.003	.005	.008	.003	.003	.011	.003	.000	.009	.003	.001
No. of Employees (dummy)	.492	.080	.000	.184	.070	.009	.190	.070	.007	.235	.067	.001	.226	.066	.001
Founder Conscientiousness				.470	.038	.000	.468	.038	.000	.453	.036	.000	.812	.116	.000
Employee Conscientiousness							.048	.031	.129	.029	.030	.332	.030	.029	.312
Involvement										.262	.043	.000	1.248	.307	.000
Moderator (Founder Conscientiousness * Involvement)													-.151	.047	.001
Constant	5.707	.161	.000	2.833	.268	.000	2.536	.331	.000	1.944	.328	.000	-.363	.781	.642
R2	.106			.392			.397			.459			.476		
Adjusted R2	.098			.385			.387			.449			.465		
F change	12.951			153.404			2.318			37.479			10.537		
Sig. of F change	.000			.000			.129			.000			.001		

H3: The Relationship between Founder Agreeableness, Employee Agreeableness, Founder Involvement and an Organizational Culture of Results Orientation. To test these relationships, I performed a hierarchical regression with Culture Detail Orientation as the dependent variable, first adding the control variables and then adding, in succession, founder Agreeableness, employee Agreeableness, founder Involvement and finally the moderation of founder Agreeableness * Involvement. Table 22 lists descriptive statistics and correlations, and Table 23 shows the results of the hierarchical regression.

Model 1 includes the control variables only. The model is significant and accounts for 17.3% of the variability in organizational culture Results Orientation. Company age is significantly and negatively correlated with a Results Oriented culture (-.267), while the number of employees is significantly and positively correlated with a Results Oriented culture (.388). Both of these relationships hold across the models, suggesting that the younger and larger the company, the more likely it is that its organizational culture will be Results Oriented.

Model 2 adds founder Agreeableness, and the addition is significant and negative, accounting for 19.0% of the variability in Results Orientation. The beta of -0.052 indicates that as predicted in H3a, founder Agreeableness is negatively related to organizational culture Results Orientation.

Model 3 adds *employee* Agreeableness to the mix. While it is significant and explains 20.6% of the variability in Results Orientation, employee Agreeableness is, contrary to H3b, *not* negatively correlated with Results Orientation; that is, employee Agreeableness is positively associated with Results Orientation.

Model 4 adds founder Involvement, which is significant and increases the explanation of dependent variable variance to 31.2%, and the moderation variable founder Agreeableness * founder Involvement increases the significance and explanatory value of the model further - to 32.8%. When the interaction terms is added, founder Involvement becomes negative and insignificant, but the interaction is positive and significant suggesting, as illustrated in Figure 15, that the impact of Involvement depends on the degree of Agreeableness of the founder. Because lower Agreeable founders are associated with higher Results Oriented companies, the less Agreeable founder will see a lower impact of Involvement. The higher Agreeable founder will see a much greater impact of involvement on Results Orientation, thus providing support for H3c, which predicted a positive moderation effect. Note that the standard deviation of the variable Results Orientation is .0391, the lowest of the three culture variables in the hypotheses tests (Table 22). This relatively low standard deviation helps to explain why the variability that this model is able to explain is less than the other two culture variables.

In summary, this set of regression tests show us that newer, larger companies in this study were more likely to have Results Oriented cultures, and that the founder personality trait of Agreeableness is, as was true in O'Reilly, et al., (2014), *negatively* and significantly associated with a Results Orientated of organizational culture. Involvement does moderate the effect of founder Agreeableness in that a less Agreeable founder needs to be less involved to have the same impact on the Results Orientation of his/her culture than a more Agreeable founder needs to be.

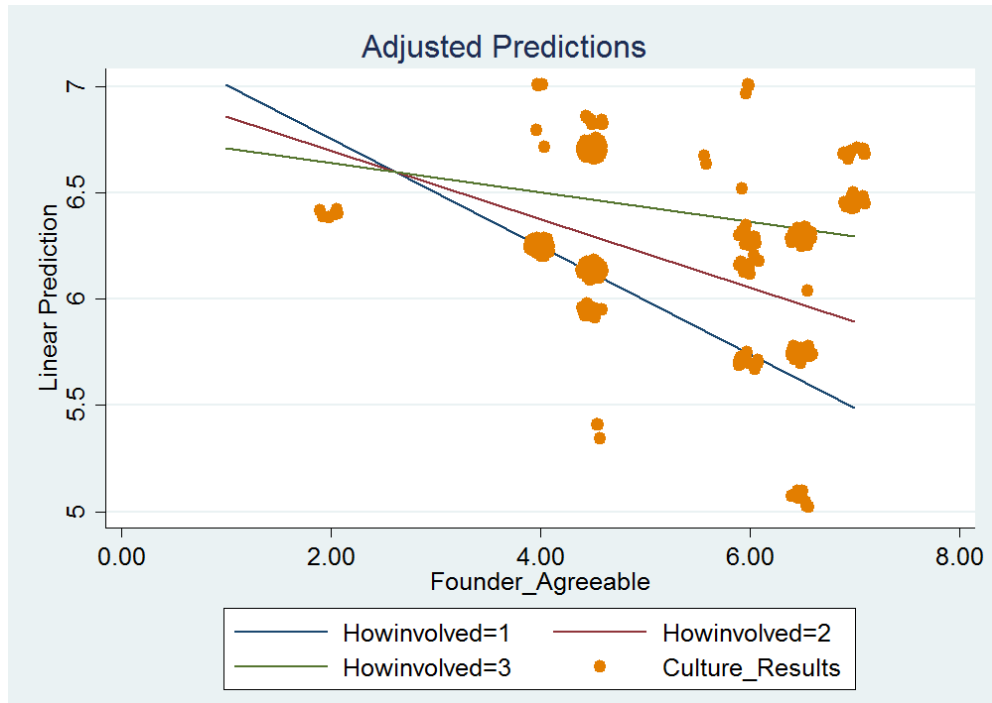


Figure 15. Scatterplot of Culture Results Orientation and Founder Agreeableness showing the impact of Founder Involvement

Table 22. Descriptive Statistics and Correlation Table – Culture Results Orientation with Agreeableness and Involvement

Descriptive Statistics and Correlations													
	N	Mean	Standard Deviation	Skewness	Kurtosis	Industry	Company Age	Employees	Culture Results Orientation	Founder Agreeableness	Employee Agreeableness	Intentionality	Founder Agreeableness *
Industry	336	0.917	0.277	-3.029	7.216	1	-.209**	.143**	0.076	-.265**	0.016	-0.054	-.121*
Company Age	336	14.342	11.520	0.864	-0.792	-.209**	1	-.263**	-.267**	.228**	-0.087	-.181**	0.091
Employees	336	0.685	0.465	-0.798	-1.372	.143**	-.263**	1	.388**	-.286**	-0.050	-0.045	-.120*
Culture Results Orientation	336	6.329	0.391	-1.011	1.409	0.076	-.267**	.388**	1	-.279**	.117*	.318**	0.089
Founder Agreeableness	336	5.122	1.122	0.142	-0.654	-.265**	.228**	-.286**	-.279**	1	0.081	.121*	.656**
Employee Agreeableness	336	5.442	1.239	-0.636	-0.223	0.016	-0.087	-0.050	.117*	0.081	1	0.067	0.085
Involvement	331	2.553	0.669	-1.201	0.174	-0.054	-.181**	-0.045	.318**	.121*	0.067	1	.771**
Founder Agreeableness *	336	12.960	4.903	-0.319	-0.277	-.121*	0.091	-.120*	0.089	.656**	0.085	.771**	1

**. Correlation is significant at the 0.01 level (2-tailed).
 *. Correlation is significant at the 0.05 level (2-tailed).

Table 23. Model Summary of Hierarchical Regression of Culture Results Orientation with Agreeableness and Involvement

Variable	Model 1			Model 2			Model 3			Model 4			Model 5		
	B	S.E.	Sig.	B	S.E.	Sig.	B	S.E.	Sig.	B	S.E.	Sig.	B	S.E.	Sig.
Industry (dummy)	.011	.075	.885	-.039	.077	.615	-.046	.076	.541	-.013	.071	.859	-.017	.070	.813
Company Age	-.006	.002	.001	-.006	.002	.002	-.005	.002	.005	-.002	.002	-.066	-.005	.002	.013
No. of Employees (dummy)	.279	.044	.000	.251	.044	.000	.256	.044	.000	.274	.041	.000	.228	.043	.000
Founder Agreeableness				-.052	.019	.005	-.057	.018	.002	-.073	.017	.000	-.293	.077	.000
Employee Agreeableness							.043	.015	.006	.040	.014	.006	.039	.014	.007
Involvement										.195	.027	.000	-.228	.146	.120
Moderator (Founder Agreeableness * Involvement)													.085	.029	.003
Constant	6.216	.088	.000	6.540	.144	.000	6.326	.162	.000	5.846	.165	.000	7.008	.427	.000
R2	.180			.199			.218			.324			.342		
Adjusted R2	.173			.190			.206			.312			.328		
F change	23.938			7.906			7.804			50.892			8.684		
Sig. of F change	.000			.005			.006			.000			.003		

CHAPTER 5
DISCUSSION: THE COMPLEX INTERPLAY OF FOUNDER AND EMPLOYEE PERSONALITY IN DETERMINING ORGANIZATIONAL CULTURE

Based on deep immersion into four small companies, I designed a conceptual model to illustrate the interaction between founder personality, employee personality and culture and the moderating effect of founder involvement on the relationship between founder personality and organizational culture in small, durable companies. I then tested part of the model through a survey-based study of 23 companies and found support for most of the hypothesized relationships. Taken together, these tests in the setting of small, founder-led companies supports the notion that both employee and founder personalities shape organizational culture, and that founder involvement has important effects that can support and compensate for a founder’s personality traits. Table 24 and Figure 16 summarizes the results.

Table 24. Summary of Personality – Organizational Culture – Involvement Findings

Role	Trait/Mechanism	Culture Attribute	Support?
Founder	Openness to Experience	Adaptability	H1a: No
Employee	Openness to Experience	Adaptability	H1b: Yes
Founder	Involvement	Adaptability	Yes
Founder	Involvement Moderation	Adaptability	H1c: No
Founder	Conscientiousness	Detail Orientation	H2a: Yes
Employee	Conscientiousness	Detail Orientation	H2b: No
Founder	Involvement	Detail Orientation	Yes
Founder	Involvement Moderation	Detail Orientation	H2c: Yes
Founder	Agreeableness (-)	Results Orientation	H3a: Yes
Employee	Agreeableness (-)	Results Orientation	H3b: No, positive
Founder	Involvement	Results Orientation	Yes
Founder	Involvement Moderation	Results Orientation	H3c: Yes

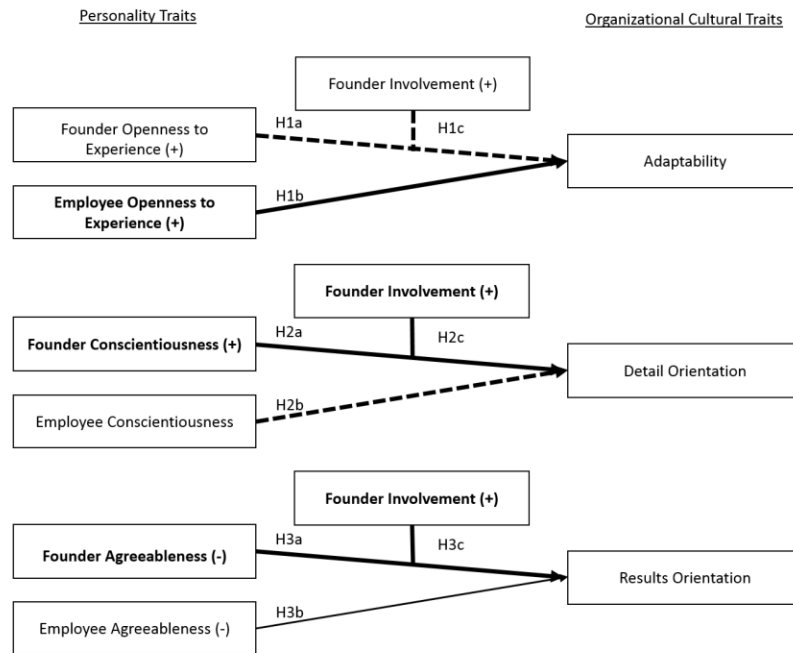


Figure 16. Tested Relationships between Founder Personality, Founder Involvement and Organizational Culture

Regarding the relationship between founder and employee Openness to Experience, where O'Reilly, et al. (2014) predict that founders with high levels of Openness to Experience would create cultures that were highly Adaptable, I found no support for this relationship in my data. However, I did find that *employees* with high Openness to Experience were likely to be in cultures high in Adaptability. And, while founder involvement had no moderating effect, it was a significant contributor to the analysis. These relationships reflect back to some of the findings in Study One in which founders seemed to hire complementary personalities while actively trying to shape the culture (through involvement, not personality).

The relationship between Detail Oriented cultures and the personality trait Conscientiousness was also interesting. As was true in O'Reilly, et al. (2014),

Conscientious founders produce cultures high in Detail Orientation. Again, reflecting Study One, employee Conscientiousness in Study Two did not have an impact on culture Detail Orientation, suggesting a complementary relationship between founders and the employees they hire as it relates to the personality trait Conscientiousness. The involvement of these highly conscientious founders had a significant impact on the culture, and had a positive moderating effect, depending on the level of Conscientiousness of the founder. This tells us that that a founder can compensate for his/her lower Conscientiousness by being more involved. Similarly, the impact of highly Conscientious founders on the Detail Orientation of the culture requires them to be less involved than their lower Conscientious founders to have the same level of impact on the Detail Orientation of the culture (Figure 17).

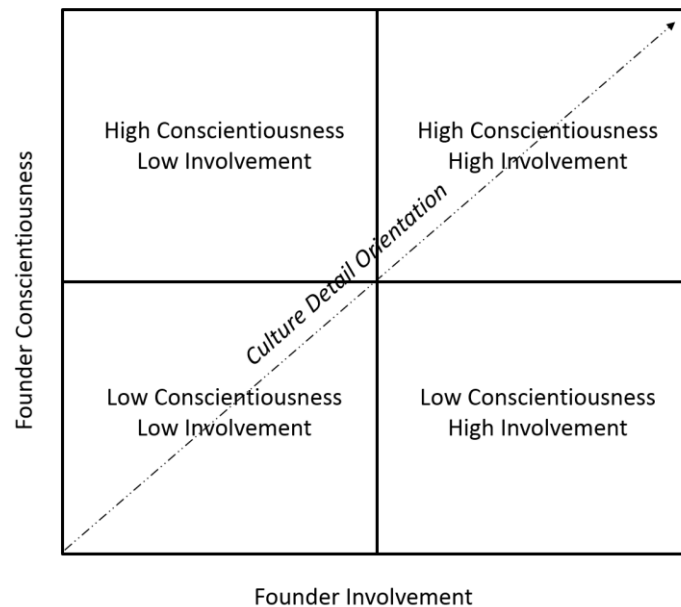


Figure 17. Impact of Founder Involvement on the Detail Orientation of culture

Also consistent with O'Reilly, et al. (2014), I found support for the notion that less Agreeable founders will have more Results Oriented cultures. Employee Agreeableness was positively correlated with Results Orientation, again reflecting a complementary relationship between founder and employee personality. Founder involvement here again was significant, and, again moderated the relationship between founder Agreeableness and culture Results Orientation. Figure 18 illustrates the impact of various levels of Agreeableness and Involvement on the Results Orientation of the culture.

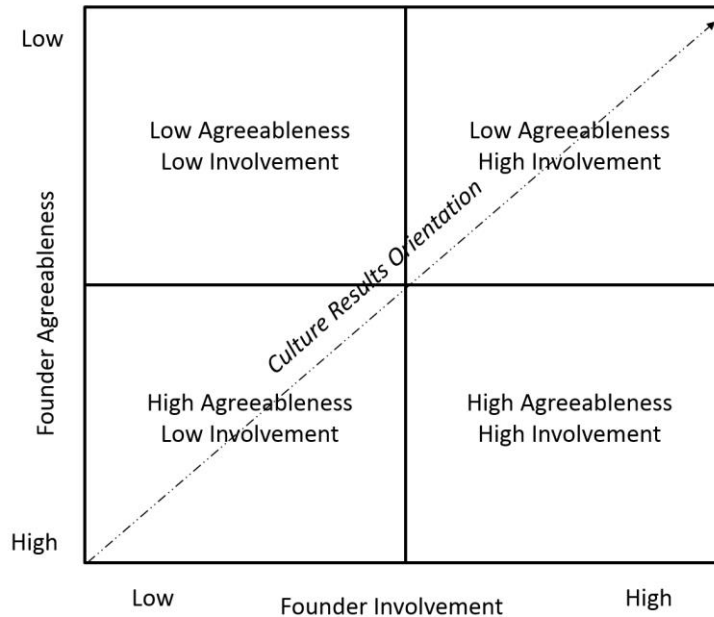


Figure 18. Impact of Founder Involvement on the Results Orientation of the culture

Taken together, these results reinforce the idea, surfaced in Study One, that founders may tend to hire employees with complementary traits, which would be an interesting future study. The results also paint a picture of a complex relationship between founder personality, employee personality and organizational culture, with sometimes

founder personality and sometimes employee personality dominating the culture. The moderating effects of founder Involvement is very exciting. This clearly shows that founders who are lower on Conscientiousness can still have a Detail Oriented culture if they are highly involved. As well, more Agreeable founders can still have Results Oriented cultures if they remain highly involved. Further studies would be useful to explore this puzzle in more detail by testing other trait-culture associations and by looking for clusters of trait-culture associations that might be determined by founder or employee personality, as the case may be. I have already collected data on all five of the Big-five personality traits and six OCP culture characteristics and look forward to utilizing this data to explore what other relationships between personality and culture might exist.

It would also be interesting and useful to test whether, and how, founder Involvement affects organizational culture. Could the relationship be an inverted U, in which more involvement strengthens the founder personality-organizational culture connection up to a point, then flattens, and perhaps even reduces the influence of personality on culture? Similarly, does founder involvement moderate *employee* personality effects, and if so, does founder involvement perhaps matter more than her personality?

Following a different line of inquiry, the age and size controls provided some clues about additional important relationships, as summarized in Table 25 and Figure 19. Younger, smaller firms were more likely to have Adaptable cultures. Conventional wisdom suggests that the older the company, the less Adaptable the culture becomes, and this was supported in my analysis. (It should be noted that the mean age of the companies in my study is fifteen years.) All of the companies in the study had 150 employees or less, so it

might be interesting to study the idea that employees in smaller companies are more likely to be high in Openness to Experience than their large-company counterparts. The data also indicated that younger companies and larger companies would be more Results Oriented.

Table 25. Summary of Demographic – Organizational Culture Findings

Company Attribute	Qualifier	Culture Attribute
Company Age	Younger	Adaptability
Number of Employees	Smaller	Adaptability
Company Age	Older	Detail Orientation
Number of Employees	Larger	Detail Orientation
Company Age	Younger	Results Orientation
Number of Employees	Larger	Results Orientation

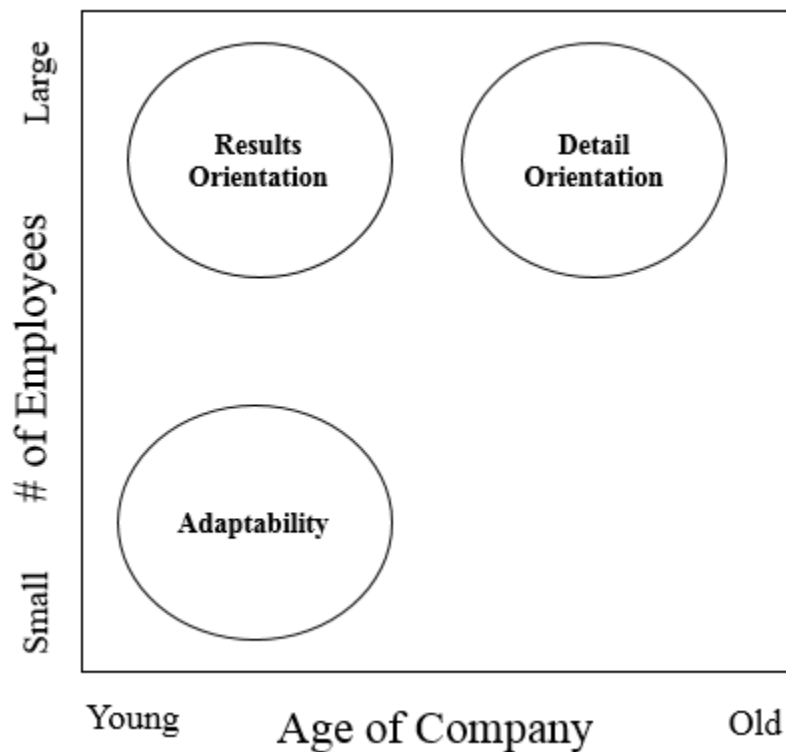


Figure 19. Summary of Age and Size Relationships

Limitations

There are several limitations that I look forward to overcoming in future work. Time, company environmental factors and IRB restrictions limited my ability to secure a larger population with a higher percentage of respondents per company. With such a small dataset, and an average response rate of 40%, some relationships may not be generalizable to a larger population. Further research should be conducted on a larger population of companies with a higher percentage of participating employees.

Another concern may be that the sample does not represent the distribution of firm types across the US economy. The usable survey population came from five locales: Indiana, Minnesota, New York, New Jersey and Pennsylvania, and India, but most are located in the Mid-Atlantic region of the United States. This sample may be limited in generalizability to the extent that mid-Atlantic firms are in some systematic way different from firms from other regions. Further, my sample was also skewed towards professional services and financial firms. Research such as this should be conducted using a sample that is more representative of the national geographic and industry mix of companies.

The Personality-Culture relationship is complex and therefore may not be the appropriate application for the TIPI because it is not granular enough to capture subtleties of personality-culture relationships (Gosling, et al., 2003). In Study Two, I used twelve of the 54 questions from O'Reilly et al.'s (2014) OCP, which may have been too simplistic and brief (although the confirmatory factor results were promising!). Further, respondents were not required to rank or sort their answers using the Q-Sort methodology, which meant that respondents could (and did) rank each of the cultural characteristics equally (such as all 7s, for example). There is a real opportunity to develop a simple cultural instrument that

is appropriate for the small entrepreneurial company. Towards this end, I collected open-ended descriptions of founder personality, organizational culture, and founder efforts to shape culture. I would like to mine these findings for clues about the mechanisms of organizational culture creation.

Finally, my study did not capture growth rates or success. While the median age of the company in Study Two was fifteen years, which is an indication of success, it would be interesting to link these findings to company success. This would enable founders and managers to direct hiring efforts to correspond with the type of culture that they want to create in order to be more successful.

Contributions & Future Research

Turning to contribution to theory, this paper adds several dimensions to the Personality-Culture investigations. First, it presents a new, inductively developed model of the relationship between founder and employee personality to organizational culture, including the moderating effect of founder involvement. It also extends O'Reilly et al.'s (2014) work to the small, privately-held company setting and adds the *employee* personality-organizational culture relationship as well as founder involvement moderation effects. In particular, my results suggest that the Person-Organization fit (O'Reilly, et al., 1991) and the Attraction-Selection-Attrition (Schneider, 1987) mechanisms work together in some complex way to link founder and employee personalities with organizational culture. Indeed, both studies suggest that there is an effect happening that is contrary to the ASA – the phenomenon of founders hiring complementary personalities. Finally, my findings suggest that founder involvement can help founders compensate for personality

characteristics that would, without involvement, be counter to the cultures they want to create. I look forward to the exploring these interactions in more depth.

In Study One, I explored the notion of “aggregate” personality, or the notion that the collective personalities of the employees “add up” to an overall personality that is meaningful. This concept might have significance and be an important contributor to culture, and could be tested in future studies.

In Study Two, I tested the founder involvement as a moderator for the relationship between founder personality and culture. Since several of the tests revealed that employee personality also had a significant impact on the culture, a future study might examine founder involvement as a moderator for the relationship between employee personality and culture.

In the end, my goal remains to learn enough about the interacting effects of founder personality, employee personality, founder action and organizational cultural on each other and on firm performance so that I can help founders, managers and consultants understand the specific attributes of their cultures whether, and under what conditions, such attributes might contribute to a more effectively managed and profitable company. So many of the existing instruments are tailored to fit a large company profile with thousands of employees, multiple locations, and vast resources. It is my hope in the future to create an appropriate cultural assessment for this small business setting that is both simple and instructive and can be combined with success factors so that founders can shape their businesses into companies that survive and thrive over time.

Conclusion

In these studies, I found new insights into the impact of founder personality and involvement on organizational culture in small, entrepreneurial companies. Study One was a deep-dive into the cultures and personalities of four companies, which illuminated that, while founders certainly have influence on their cultures, the personalities of their employees may sometimes trump founder personality. And, the amount of the founder's involvement in the day to day, both intentional (in the case of Founder One) and unintentional (in the case of Founder Four), showed up in cultural characteristics as well.

In Study Two, I began the process of teasing out the relative impact of founder and employee personality, as moderated by founder involvement. I confirmed support that the O'Reilly, et al. (2014) CEO personality connection to culture holds in small, privately held companies run by founder-CEOs. In addition, I contributed by extending the Personality-Culture effect to include the impact of employee personality on culture and the moderating effect of founder involvement in the day-to-day operations of their businesses, and found support for these as well.

While founder personality seems to be the most important relationship, in some cases, contrary to much theory, employee personality overrides founder personality to determine culture. The median age of the companies in Study Two was 15, which is quite long enough for the ASA theory to take hold and create a homogeneous culture (Schneider, et al., 1995). However, my research suggests that the ASA and P-O fit theories might conspire to create a culture that escapes the founder's influence, unless intentional efforts are made to shape it.

These findings support the literature of top management teams and upper echelon theory (Giberson, et al., 2005; Abatecola, et al., 2013; Abebe, et al., 2013; Tomczyk, et al.,

2013), but also may be contradictory in some cases where, in the case of Openness to Experience and Adaptability, my study suggests that founder-CEO personality doesn't have the primary effect on organizational culture, but rather the collective weight of the personalities within the firm does. Founders still shape their firms through the decisions they make (Schein, 2010), the people they hire (Schneider, 1987) and the way they interact with their teams. In addition, through other specific day-to-day involvement and efforts such as reinforcing mission and vision in weekly meetings or fostering a specific type of culture, they have the ability to shape their organizations into the companies of their founding visions.

These findings may inform founders and managers that specific personality types will be most successful in building certain cultural attributes. If a founder wants to create a more Adaptable culture, s/he can hire employees with higher levels of Openness to Experience. If s/he wants to promote a more Detail Oriented culture, s/he should hire employees who are high on the Conscientiousness scales, but s/he needs to take heed not to be a micromanager and undermine his/her efforts. This study also suggests that as a company ages, it will become less Adaptable, thus informing founders that this will be a cultural attribute to intentionally develop as time goes on.

These findings should alert founders and managers that they cannot depend upon their own personalities to shape their cultures. Cultures will be shaped by the people that are hired. If a specific culture is desired, founders and managers will need to be intentional in their efforts to fashion the firm into what they want it to be. These connections may also inform founders, managers and consultants of the possibility that, unless managed explicitly, employees may complicate efforts to create the kind of culture a founder intend

to create. That is, to the extent that employee personality shapes culture and founders inadvertently hire complementary personalities, not clones, founders could find themselves working in a culture of their employees' making, not their own.

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APPENDIX A

SURVEY FOR STUDY ONE

Q1 Thank you for your participation in our research at Temple University. This questionnaire will help us to test our thesis that "the organizational culture in a founder-led company is a reflection of the founder's personality". We hope to establish a link between personality traits and organizational culture in entrepreneurial firms. The below questions will ask you to assess your personality using the Big Five Factor scale. If you are not the founder of the company, this data will be aggregated to determine a "company-wide" personality profile. Individual responses will not be reported. If you are the founder or co-founder, your personality will be individually analyzed. The Organizational Culture Profile is used to assess cultural traits. All data will be kept confidential.

Q2 Pick the statement that best describes your relationship to the company

- Founder (1)
- Co-founder (2)
- Employee (3)
- Other: Please describe (4) _____

Q3 Please select the position that best fits your position in the company

- Senior Management (1)
- Management (2)
- Staff (3)

Q4 YOUR PERSONALITY: Please use this list of common human traits to describe yourself as accurately as possible. Describe yourself as you see yourself at the present time, not as you wish to be in the future. Describe yourself as you are generally or typically, as compared with other persons you know of the same sex and of roughly your same age. Next each trait, please indicate how accurately that trait describes you, using the following rating scale: 1. Extremely Inaccurate. 2. Very Inaccurate 3. Quite Inaccurate. 4. Slightly Inaccurate 5. Neither Inaccurate or Accurate 6. Slightly Accurate 7. Quite Accurate 8. Very Accurate 9. Extremely Accurate

	Extrem ely Inaccur ate (1)	Very Inaccur ate (2)	Quite Inaccura te (3)	Slightly Inaccura te (4)	Neither (5)	Slight ly Accur ate (6)	Quite Accura te (7)	Very Accur ate (8)	Extrem ely Accura te (9)
Bashful (1)
Bold (2)
Careless (3)
Cold (4)
Complex (5)
Cooperative (6)
Creative (7)
Deep (8)
Disorganized (9)
Efficient (10)
Energetic (11)
Envious (12)
Extroverted (13)
Fretful (14)
Harsh (15)
Imaginative (16)
Inefficient (17)

Intellectual (18)	.	.	.	.	.	.	.	.	.
Jealous (19)	.	.	.	.	.	.	.	.	.
Kind (20)	.	.	.	.	.	.	.	.	.
Moody (21)	.	.	.	.	.	.	.	.	.
Organized (22)	.	.	.	.	.	.	.	.	.
Philosophical (23)	.	.	.	.	.	.	.	.	.
Practical (24)	.	.	.	.	.	.	.	.	.
Quiet (25)	.	.	.	.	.	.	.	.	.
Relaxed (26)	.	.	.	.	.	.	.	.	.
Rude (27)	.	.	.	.	.	.	.	.	.
Shy (28)	.	.	.	.	.	.	.	.	.
Sloppy (29)	.	.	.	.	.	.	.	.	.
Sympathetic (30)	.	.	.	.	.	.	.	.	.
Systematic (31)	.	.	.	.	.	.	.	.	.
Talkative (32)	.	.	.	.	.	.	.	.	.
Temperamen tal (33)	.	.	.	.	.	.	.	.	.
Touchy (34)	.	.	.	.	.	.	.	.	.
Uncreative (35)	.	.	.	.	.	.	.	.	.

Unenvious (36)	•	•	•	•	•	•	•	•	•
Unintellectua l (37)	•	•	•	•	•	•	•	•	•
Unsympathet ic (38)	•	•	•	•	•	•	•	•	•
Warm (39)	•	•	•	•	•	•	•	•	•
Withdrawn (40)	•	•	•	•	•	•	•	•	•

Answer If Pick the statement that best describes your relationship to the company
 Founder Is Not Selected Or Pick the statement that best describes your relationship to the
 company Co-founder Is Not Selected

Q5 Please enter the number of years you've worked for the company:

Answer If Pick the statement that best describes your relationship to the company
 Founder Is Selected Or Pick the statement that best describes your relationship to the
 company Co-founder Is Selected

Q6 What year was the company formed?

Answer If Pick the statement that best describes your relationship to the company
 Founder Is Selected Or Pick the statement that best describes your relationship to the
 company Co-founder Is Selected

Q7 How many full-time employees do you have?

Answer If Pick the statement that best describes your relationship to the company
 Founder Is Selected Or Pick the statement that best describes your relationship to the
 company Co-founder Is Selected

Q8 What total revenue does your business expect to achieve in 2016 (answer as a whole
 number)

Answer If Pick the statement that best describes your relationship to the company
Founder Is Selected Or Pick the statement that best describes your relationship to the
company Co-founder Is Selected

Q9 In which industry does your business operate? (select the one that most closely
applies)

- Please select your industry (1)
- Accommodation and Food Services (2)
- Administrative and Support and Waste Management and Remediation Services (3)
- Agriculture, Forestry, Fishing and Hunting (4)
- Arts, Entertainment, and Recreation (5)
- Construction (6)
- Educational Services (7)
- Health Care and Social Assistance (8)
- Information (9)
- Finance and Insurance (10)
- Manufacturing (11)
- Management of Companies and Enterprises (12)
- Mining, Quarrying, and Oil and Gas Extraction (13)
- Other Services (except Public Administration) (14)
- Professional, Scientific, and Technical Services (15)
- Public Administration (16)
- Real Estate and Rental and Leasing (17)
- Retail Trade (18)
- Transportation and Warehousing (19)
- Utilities (20)
- Wholesale Trade (21)

Answer If Pick the statement that best describes your relationship to the company
Founder Is Not Selected And Pick the statement that best describes your relationship to
the company Co-founder Is Not Selected

Q10 How involved is your company's founder or co-founders in the day-to-day
operations of the company?

- Not very involved (1)
- Somewhat involved (2)
- Very involved (3)

Q11 Has your company actively tried to foster a specific type of culture?

- Yes (1)
- No (2)

Answer If Has your company actively tried to foster a specific type of culture? Yes Is Selected

Q14 Please describe the ways in which your company has tried to foster a specific type of culture.

Q13 In your own words, please describe how you view your company's culture

Q12 YOUR COMPANY'S CULTURE: Organizational culture is a system of shared assumptions, values, and beliefs, which governs how people behave in organizations. These shared values have a strong influence on the people in the organization and dictate how they dress, act, and perform their jobs. Please use the below list of traits to describe your company's culture as accurately as possible. Describe the culture as you see it at the present time, not as you wish it to be in the future. Next each trait, please indicate how accurately that trait describes YOUR COMPANY'S CULTURE, using the following rating scale: 1. Extremely Inaccurate 2. Very Inaccurate 3. Quite Inaccurate 4. Slightly Inaccurate 5. Neither Inaccurate or Accurate 6. Slightly Accurate 7. Quite Accurate 8. Very Accurate 9. Extremely Accurate

	Extremely Inaccurate (1)	Very Inaccurate (2)	Quite Inaccurate (3)	Slightly Inaccurate (4)	Neither (5)	Slightly Accurate (6)	Quite Accurate (7)	Very Accurate (8)	Extremely Accurate (9)
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Achievement oriented (1)
Action oriented (2)
Adaptability (3)
Avoiding conflict (4)
Being aggressive (5)	.	.	.	.	.	.	.	.	.
Being analytical (6)	.	.	.	.	.	.	.	.	.
Being calm (7)	.	.	.	.	.	.	.	.	.
Being careful (8)	.	.	.	.	.	.	.	.	.
Being competitive (9)	.	.	.	.	.	.	.	.	.
Being customer oriented (10)	.	.	.	.	.	.	.	.	.
Being decisive (11)	.	.	.	.	.	.	.	.	.
Being easygoing (12)	.	.	.	.	.	.	.	.	.

Being fair (13)	•	•	•	•	•	•	•	•	•
Being honest (14)	•	•	•	•	•	•	•	•	•
Being innovative (15)	•	•	•	•	•	•	•	•	•
Being market driven (16)	•	•	•	•	•	•	•	•	•
Being people oriented (17)	•	•	•	•	•	•	•	•	•
Being precise (18)	•	•	•	•	•	•	•	•	•
Being quick to take advantage of opportunities (19)	•	•	•	•	•	•	•	•	•
Being reflective (20)	•	•	•	•	•	•	•	•	•
Being results oriented (21)	•	•	•	•	•	•	•	•	•
Being rule oriented (22)	•	•	•	•	•	•	•	•	•

Being supportive (23)	.	.	.	.	.	.	.	.	.
Being team oriented (24)	.	.	.	.	.	.	.	.	.
Being tolerant (25)	.	.	.	.	.	.	.	.	.
Being willing to experiment (26)	.	.	.	.	.	.	.	.	.
Confronting conflict directly (27)	.	.	.	.	.	.	.	.	.
Cooperative (28)	.	.	.	.	.	.	.	.	.
Emphasis on professional growth (29)	.	.	.	.	.	.	.	.	.
Emphasizing quality (30)	.	.	.	.	.	.	.	.	.
Fast moving (31)	.	.	.	.	.	.	.	.	.
Hard-driving (32)	.	.	.	.	.	.	.	.	.
Having high ethical standards (33)	.	.	.	.	.	.	.	.	.

Having high expectations for performance (34)	.	.	.	.	.	.	.	.	.
Having integrity (35)	.	.	.	.	.	.	.	.	.
High levels of conflict (36)	.	.	.	.	.	.	.	.	.
Individual goals are transparent (37)	.	.	.	.	.	.	.	.	.
Learning from mistakes (38)	.	.	.	.	.	.	.	.	.
Listening to customers (39)	.	.	.	.	.	.	.	.	.
Making your numbers (40)	.	.	.	.	.	.	.	.	.
Not being constrained by many rules (41)	.	.	.	.	.	.	.	.	.
Paying attention to detail (42)	.	.	.	.	.	.	.	.	.
Predictability (43)	.	.	.	.	.	.	.	.	.

Putting organization's goals before unit's goals (44)	.	.	.	.	.	.	.	.	.
Respecting individuals (45)	.	.	.	.	.	.	.	.	.
Risk-taking (46)	.	.	.	.	.	.	.	.	.
Security of employment (47)	.	.	.	.	.	.	.	.	.
Sharing information freely (48)	.	.	.	.	.	.	.	.	.
Stability (49)	.	.	.	.	.	.	.	.	.
Taking individual responsibility (50)	.	.	.	.	.	.	.	.	.
Taking initiative (51)	.	.	.	.	.	.	.	.	.
Urgency (52)	.	.	.	.	.	.	.	.	.
What you know matters more than who you know (53)

Working in collaboration with others (54)
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APPENDIX B

STUDY ONE – BIG-FIVE FACTORS – RECODED SURVEY RESPONSES

			Inaccurate				Accurate				
		Survey Response	1	2	3	4	5	6	7	8	9
Trait	Factor	+/-	1	2	3	4	5	6	7	8	9
Cooperative	Agreeableness	+	-4	-3	-2	-1	0	1	2	3	4
Kind	Agreeableness	+	-4	-3	-2	-1	0	1	2	3	4
Sympathetic	Agreeableness	+	-4	-3	-2	-1	0	1	2	3	4
Warm	Agreeableness	+	-4	-3	-2	-1	0	1	2	3	4
Cold	Agreeableness	-	4	3	2	1	0	-1	-2	-3	-4
Harsh	Agreeableness	-	4	3	2	1	0	-1	-2	-3	-4
Rude	Agreeableness	-	4	3	2	1	0	-1	-2	-3	-4
Unsympathetic	Agreeableness	-	4	3	2	1	0	-1	-2	-3	-4
Efficient	Conscientiousness	+	-4	-3	-2	-1	0	1	2	3	4
Organized	Conscientiousness	+	-4	-3	-2	-1	0	1	2	3	4
Practical	Conscientiousness	+	-4	-3	-2	-1	0	1	2	3	4
Systematic	Conscientiousness	+	-4	-3	-2	-1	0	1	2	3	4
Careless	Conscientiousness	-	4	3	2	1	0	-1	-2	-3	-4
Disorganized	Conscientiousness	-	4	3	2	1	0	-1	-2	-3	-4
Inefficient	Conscientiousness	-	4	3	2	1	0	-1	-2	-3	-4
Sloppy	Conscientiousness	-	4	3	2	1	0	-1	-2	-3	-4
Relaxed	Emotional Stability	+	-4	-3	-2	-1	0	1	2	3	4
Unenvious	Emotional Stability	+	-4	-3	-2	-1	0	1	2	3	4
Envious	Emotional Stability	-	4	3	2	1	0	-1	-2	-3	-4
Fretful	Emotional Stability	-	4	3	2	1	0	-1	-2	-3	-4
Jealous	Emotional Stability	-	4	3	2	1	0	-1	-2	-3	-4
Moody	Emotional Stability	-	4	3	2	1	0	-1	-2	-3	-4
Temperamental	Emotional Stability	-	4	3	2	1	0	-1	-2	-3	-4
Touchy	Emotional Stability	-	4	3	2	1	0	-1	-2	-3	-4
Complex	Intellect	+	-4	-3	-2	-1	0	1	2	3	4
Creative	Intellect	+	-4	-3	-2	-1	0	1	2	3	4
Deep	Intellect	+	-4	-3	-2	-1	0	1	2	3	4
Imaginative	Intellect	+	-4	-3	-2	-1	0	1	2	3	4
Intellectual	Intellect	+	-4	-3	-2	-1	0	1	2	3	4
Philosophical	Intellect	+	-4	-3	-2	-1	0	1	2	3	4
Uncreative	Intellect	-	4	3	2	1	0	-1	-2	-3	-4
Unintellectual	Intellect	-	4	3	2	1	0	-1	-2	-3	-4
Bold	Surgency	+	-4	-3	-2	-1	0	1	2	3	4
Energetic	Surgency	+	-4	-3	-2	-1	0	1	2	3	4
Extroverted	Surgency	+	-4	-3	-2	-1	0	1	2	3	4
Talkative	Surgency	+	-4	-3	-2	-1	0	1	2	3	4
Bashful	Surgency	-	4	3	2	1	0	-1	-2	-3	-4
Quiet	Surgency	-	4	3	2	1	0	-1	-2	-3	-4
Shy	Surgency	-	4	3	2	1	0	-1	-2	-3	-4
Withdrawn	Surgency	-	4	3	2	1	0	-1	-2	-3	-4

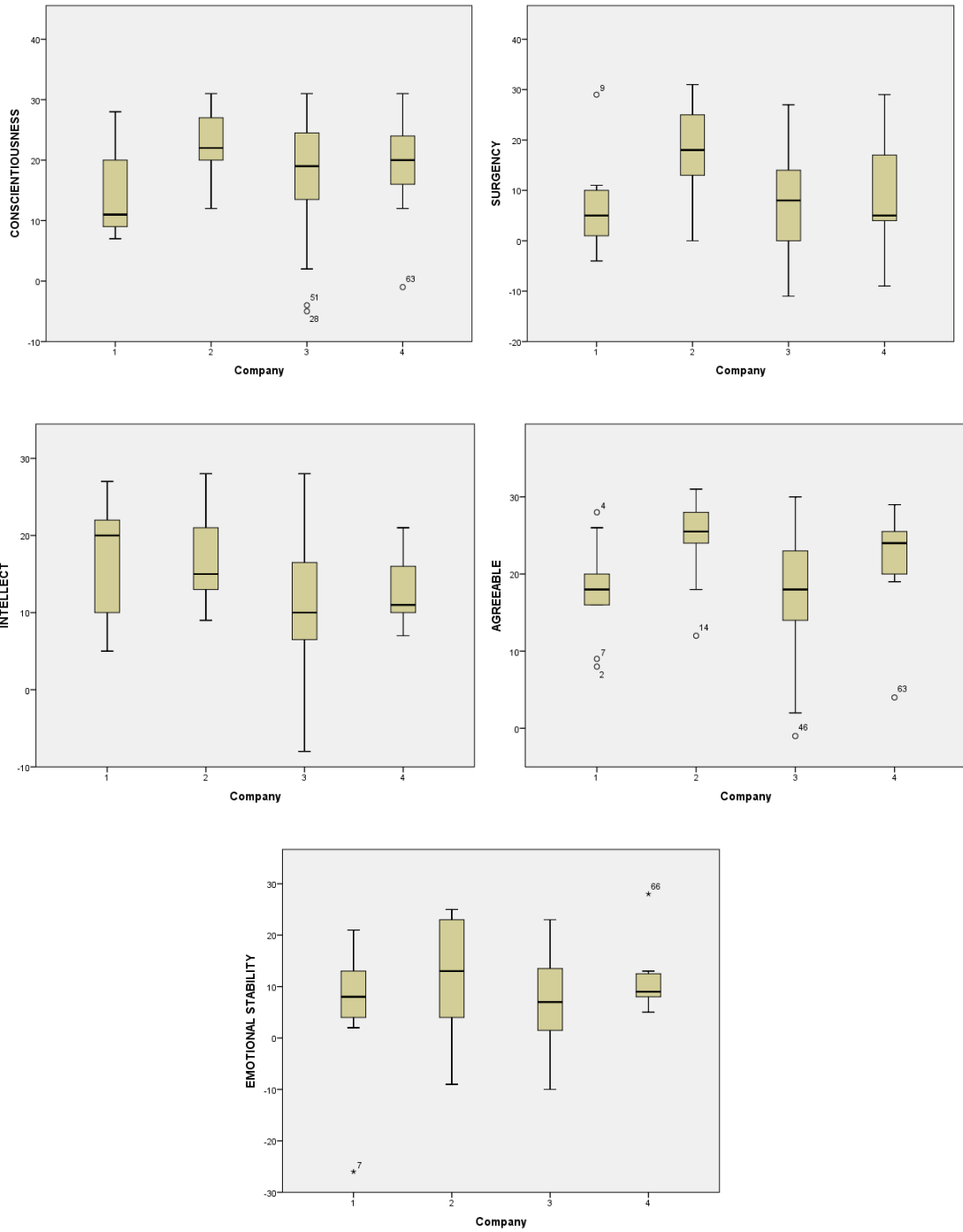
APPENDIX C

STUDY ONE – ORGANIZATIONAL CULTURE PROFILE RECODED SURVEY
RESPONSES

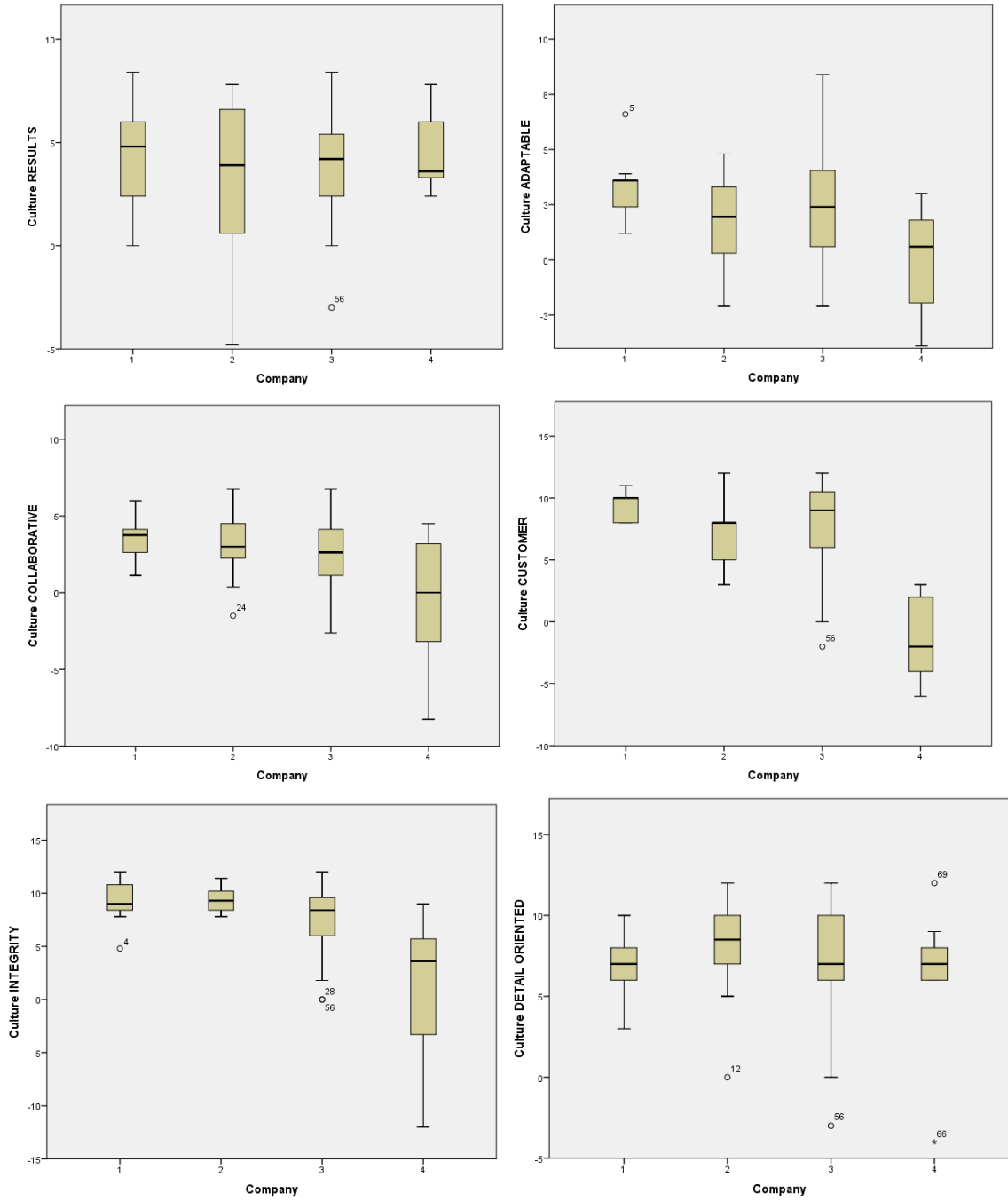
	Survey Response		Inaccurate					Accurate				Normalizing
Trait	Factor	+/-	1	2	3	4	5	6	7	8	9	
Achievement oriented	Results Oriented	+	-4	-3	-2	-1	0	1	2	3	4	
Being results oriented	Results Oriented	+	-4	-3	-2	-1	0	1	2	3	4	
Having high expectations for performance	Results Oriented	+	-4	-3	-2	-1	0	1	2	3	4	
Making your numbers	Results Oriented	+	-4	-3	-2	-1	0	1	2	3	4	
Security of employment	Results Oriented	-	4	3	2	1	0	-1	-2	-3	-4	
							Maximum Factor Total				20	0.600
Being quick to take advantage of opportunities	Adaptability	+	-4	-3	-2	-1	0	1	2	3	4	
Risk-taking	Adaptability	+	-4	-3	-2	-1	0	1	2	3	4	
Adaptability	Adaptability	+	-4	-3	-2	-1	0	1	2	3	4	
Being innovative	Adaptability	+	-4	-3	-2	-1	0	1	2	3	4	
Being willing to experiment	Adaptability	+	-4	-3	-2	-1	0	1	2	3	4	
Fast moving	Adaptability	+	-4	-3	-2	-1	0	1	2	3	4	
Not being constrained by many rules	Adaptability	+	-4	-3	-2	-1	0	1	2	3	4	
Being careful	Adaptability	-	4	3	2	1	0	-1	-2	-3	-4	
Being rule oriented	Adaptability	-	4	3	2	1	0	-1	-2	-3	-4	
Predictability	Adaptability	-	4	3	2	1	0	-1	-2	-3	-4	
							Maximum Factor Total				40	0.300
Avoiding conflict	Collaborative	+	-4	-3	-2	-1	0	1	2	3	4	
Cooperative	Collaborative	+	-4	-3	-2	-1	0	1	2	3	4	
Being supportive	Collaborative	+	-4	-3	-2	-1	0	1	2	3	4	
Working in collaboration with others	Collaborative	+	-4	-3	-2	-1	0	1	2	3	4	
Being team oriented	Collaborative	+	-4	-3	-2	-1	0	1	2	3	4	
Confronting conflict directly	Collaborative	-	4	3	2	1	0	-1	-2	-3	-4	
Hard-driving	Collaborative	-	4	3	2	1	0	-1	-2	-3	-4	
Being aggressive	Collaborative	-	4	3	2	1	0	-1	-2	-3	-4	
							Maximum Factor Total				32	0.375
Being customer oriented	Customer Oriented	+	-4	-3	-2	-1	0	1	2	3	4	
Being market driven	Customer Oriented	+	-4	-3	-2	-1	0	1	2	3	4	
Listening to customers	Customer Oriented	+	-4	-3	-2	-1	0	1	2	3	4	
							Maximum Factor Total				12	1.000
Being fair	Integrity	+	-4	-3	-2	-1	0	1	2	3	4	
Being honest	Integrity	+	-4	-3	-2	-1	0	1	2	3	4	
Having high ethical standards	Integrity	+	-4	-3	-2	-1	0	1	2	3	4	
Having integrity	Integrity	+	-4	-3	-2	-1	0	1	2	3	4	
Respecting individuals	Integrity	+	-4	-3	-2	-1	0	1	2	3	4	
							Maximum Factor Total				20	0.600
Precise	Detail Oriented	+	-4	-3	-2	-1	0	1	2	3	4	
Emphasizing quality	Detail Oriented	+	-4	-3	-2	-1	0	1	2	3	4	
Paying attention to detail	Detail Oriented	+	-4	-3	-2	-1	0	1	2	3	4	
							Maximum Factor Total				12	1.000

APPENDIX D

STUDY ONE PERSONALITY FACTORS – ALL NON-FOUNDER RESPONSES



STUDY ONE – ORGANIZATIONAL CULTURE FACTORS – ALL RESPONSES



APPENDIX E

TEN ITEM PERSONALITY INVENTORY (TIPI)

Here are a number of personality traits that may or may not apply to you. Please write a number next to each statement to indicate the extent to which *you agree or disagree with that statement*. You should rate the extent to which the pair of traits applies to you, even if one characteristic applies more strongly than the other.

Disagree strongly	Disagree moderately	Disagree a little	Neither agree nor disagree	Agree a little	Agree moderately	Agree strongly
1	2	3	4	5	6	7

I see myself as:

1. ____ Extraverted, enthusiastic.
2. ____ Critical, quarrelsome.
3. ____ Dependable, self-disciplined.
4. ____ Anxious, easily upset.
5. ____ Open to new experiences, complex.
6. ____ Reserved, quiet.
7. ____ Sympathetic, warm.
8. ____ Disorganized, careless.
9. ____ Calm, emotionally stable.
10. ____ Conventional, uncreative.

TIPI scale scoring (“R” denotes reverse-scored items): Extraversion: 1, 6R; Agreeableness: 2R, 7; Conscientiousness: 3, 8R; Emotional Stability: 4R, 9; Openness to Experiences: 5, 10R.

(Gosling, Rentfrow, & Swann, 2003)

APPENDIX F
SURVEY FROM STUDY TWO

Q1 Title of the research study: Personality-Culture Effect

Name and Department of investigator: TL Hill, Business MA/MS/PH.D Program (15230)

This study involves research. The purpose of the research is to establish a link between personality traits and organizational culture in entrepreneurial firms..

What you should know about a research study:

Someone will explain this research study to you.

You volunteer to be in a research study.

Whether you take part is up to you.

You can choose not to take part in the research study.

You can agree to take part now and later change your mind.

Whatever you decide, it will not be held against you.

Feel free to ask all the questions you want before and after you decide.

By signing this consent form, you are not waiving any of the legal rights that you otherwise would have as a participant in a research study.

The estimated duration of your study participation is 15 minutes.

The study procedures consist of a computer-based survey.

The reasonably foreseeable risks or discomforts are the time it will take to fill out the survey.

The benefit you will obtain from the research is knowing that you have contributed to the understanding of this topic and you may request a white paper of the overall findings of this study.

The alternative to participating is not to participate.

Please contact the research team with questions, concerns, or complaints about the research and any research-related injuries by calling 917-882-7558 or e-mailing dianakyser@temple.edu.

This research has been reviewed and approved by the Temple University Institutional Review Board. Please contact them at (215) 707-3390 or e-mail them at: irb@temple.edu for any of the following: questions, concerns, or complaints about the research; questions about your rights; to obtain information; or to offer input.

Confidentiality: Efforts will be made to limit the disclosure of your personal information, including research study records, to people who have a need to review this information. However, the study team cannot promise complete secrecy. For example, although the study team has put in safeguards to protect your information, there is always a potential risk of loss of confidentiality. There are several organizations that may inspect and copy your information to make sure that the study team is following the rules and regulations regarding research and the protection of human subjects. These organizations include the IRB, Temple University, its affiliates and agents, Temple University Health System, Inc., its affiliates and agents, the study sponsor and its agents, and the Office for Human Research Protections.

Q1 By clicking on the below, you are giving your permission to take part in this research.

I agree

Q2 Pick the statement that best describes your relationship to the company

- Founder (1)
- Co-founder (2)
- Employee (3)
- Other: Please describe (4) _____

If Co-founder Is Selected, Then Skip To YOUR PERSONALITY: Please use this lis...If
Founder Is Selected, Then Skip To YOUR PERSONALITY: Please use this lis...

Answer If Pick the statement that best describes your relationship to the company
Founder Is Not Selected Or Pick the statement that best describes your relationship to
the company Co-founder Is Not Selected

Q3 Please select the position that best fits your position in the company

- Senior Management (1)
- Management (2)
- Staff (3)

Answer If Pick the statement that best describes your relationship to the company
Founder Is Not Selected And Pick the statement that best describes your relationship to
the company Co-founder Is Not Selected

Q4 Please describe your founder's personality as you experience it around the office. How does s/he act in the office? What type of person is s/he? How does s/he treat employees and customers? Please be as descriptive and specific as possible.

Q5 YOUR PERSONALITY: Here are a number of personality traits that may or may not apply to you.. Please write a number next to each statement to indicate the extent to which you agree or disagree with that statement. You should rate the extent to which the pair of traits applies to

you,, even if one characteristic applies more strongly than the other. 1=Disagree strongly
 2=Disagree moderately 3=Disagree a little 4=Neither disagree or agree 5=Agree a little 6=Agree
 moderately 7=Agree strongly

I see myself as:

Extroverted, enthusiastic (1)	.	.	.	.	.	.	.
Critical, quarrelsome (2)	.	.	.	.	.	.	.
Dependable , self- disciplined (3)	.	.	.	.	.	.	.
Anxious, easily upset (4)	.	.	.	.	.	.	.
Open to new experiences, complex (5)	.	.	.	.	.	.	.
Reserved, quiet (6)	.	.	.	.	.	.	.
Sympathetic , warm (7)	.	.	.	.	.	.	.
Disorganized, careless (8)	.	.	.	.	.	.	.

Calm, emotionally stable (9)	.	.	.	.	.	.	.
Conventional, uncreative (10)	.	.	.	.	.	.	.

Answer If Pick the statement that best describes your relationship to the company
 Founder Is Not Selected Or Pick the statement that best describes your relationship to
 the company Co-founder Is Not Selected

Q6 Please enter the number of years you've worked for the company (use decimals for partial
 years: ex. 1.3 = 1 year, 4 months):

Answer If Pick the statement that best describes your relationship to the company
 Founder Is Selected Or Pick the statement that best describes your relationship to the
 company Co-founder Is Selected

Q7 What year was the company formed?

Answer If Pick the statement that best describes your relationship to the company
 Founder Is Selected Or Pick the statement that best describes your relationship to the
 company Co-founder Is Selected

Q8 How many full-time employees do you have?

Answer If Pick the statement that best describes your relationship to the company
 Founder Is Selected Or Pick the statement that best describes your relationship to the
 company Co-founder Is Selected

Q9 What total revenue does your business expect to achieve in 2016 (answer as a whole number)

Answer If Pick the statement that best describes your relationship to the company
Founder Is Selected Or Pick the statement that best describes your relationship to the
company Co-founder Is Selected

Q10 In which industry does your business operate? (select the one that most closely applies)

- Please select your industry (1)
- Accommodation and Food Services (2)
- Administrative and Support and Waste Management and Remediation Services (3)
- Agriculture, Forestry, Fishing and Hunting (4)
- Arts, Entertainment, and Recreation (5)
- Construction (6)
- Educational Services (7)
- Health Care and Social Assistance (8)
- Information (9)
- Finance and Insurance (10)
- Manufacturing (11)
- Management of Companies and Enterprises (12)
- Mining, Quarrying, and Oil and Gas Extraction (13)
- Other Services (except Public Administration) (14)
- Professional, Scientific, and Technical Services (15)
- Public Administration (16)
- Real Estate and Rental and Leasing (17)
- Retail Trade (18)
- Transportation and Warehousing (19)
- Utilities (20)
- Wholesale Trade (21)

Answer If Pick the statement that best describes your relationship to the company
Founder Is Not Selected And Pick the statement that best describes your relationship to
the company Co-founder Is Not Selected

Q11 How involved is your company's founder or co-founders in the day-to-day operations of the
company?

- Not very involved (1)
- Somewhat involved (2)
- Very involved (3)

Q12 Has your company actively tried to foster a specific type of culture?

- Yes (1)
- No (2)

Answer If Has your company actively tried to foster a specific type of culture? Yes Is Selected

Q13 Please describe the ways in which your company has tried to foster a specific type of culture.

Q14 Please describe the culture of your organization. What does it value? What makes is unique? How does it feel to work there?

Q15 YOUR COMPANY'S CULTURE: Organizational culture is a system of shared assumptions, values, and beliefs, which governs how people behave in organizations. These shared values have a strong influence on the people in the organization and dictate how they dress, act, and perform their jobs. Please use the below list of traits to describe your company's culture as accurately as possible. Describe the culture as you see it at the present time, not as you wish it to be in the future. Next each trait, please indicate how accurately that trait describes YOUR COMPANY'S CULTURE, using the following rating scale: 1=Extremely Inaccurate 2=Moderately Inaccurate 3=A Little Inaccurate 4=Neither Inaccurate or Accurate 5.=A little Accurate 6=Moderately Accurate 7=Extremely Accurate

Being Innovative	•	•	•	•	•	•	•
Being Willing to Experiment	•	•	•	•	•	•	•
Having Integrity	•	•	•	•	•	•	•
Having High Ethical Standards	•	•	•	•	•	•	•
Working in Collaboration with Others	•	•	•	•	•	•	•

Being Team Oriented	.	.	.	.	.	.	.
Being Results Oriented	.	.	.	.	.	.	.
Having High Expectations for Performance	.	.	.	.	.	.	.
Being Customer Oriented	.	.	.	.	.	.	.
Listening to Customers	.	.	.	.	.	.	.
Paying Attention to Detail	.	.	.	.	.	.	.
Being Precise	.	.	.	.	.	.	.

Q16 Please indicate your gender

- Male (1)
- Female (2)
- Other (3)

APPENDIX G
SURVEY DATA STATISTICS

Summary Statistics

Descriptive Statistics									
	N Statistic	Minimum Statistic	Maximum Statistic	Mean Statistic	Std. Deviation Statistic	Skewness		Kurtosis	
						Statistic	Std. Error	Statistic	Std. Error
Industry	336	0	1	.92	.277	-3.029	.133	7.216	.265
company age	336	3	40	14.34	11.520	.864	.133	-.792	.265
Number of Employees	336	0	1	.68	.465	-.798	.133	-1.372	.265
Employee Agreeableness	336	1.0	7.0	5.442	1.2388	-.636	.133	-.223	.265
Employee Conscientious	336	2.5	7.0	6.284	.9354	-1.419	.133	1.239	.265
Employee Openness	336	2.0	7.0	5.890	1.0747	-.833	.133	.124	.265
Founder Agreeableness	336	2.0	7.0	5.122	1.1217	.142	.133	-.654	.265
Founder Conscientiousness	336	3.5	7.0	6.577	.8393	-2.246	.133	4.393	.265
Founder Openness	336	4.0	7.0	6.417	.8897	-1.643	.133	1.841	.265
How involved	331	1	3	2.55	.669	-1.201	.134	.174	.267
Culture_Results	336	5.062500000	7.000000000	6.329201436	.3910999142	-1.011	.133	1.409	.265
Culture_Detail	336	3.562500000	7.000000000	6.138153021	.6891442969	-1.607	.133	3.965	.265
Culture_Adapt	336	4.142857143	7.000000000	5.796983704	.9675247410	-.563	.133	-1.163	.265
Valid N (listwise)	331								

Factor Analysis of OCP Culture Variables:

Factor Analysis

Correlation Matrix

		Q16_1Adpt	Q16_7Adpt	Q16_4RO	Q16_10RO	Q16_6D	Q16_12D
Correlation	Q16_1Adpt	1.000	.780	.461	.345	.348	.367
	Q16_7Adpt	.780	1.000	.413	.324	.304	.316
	Q16_4RO	.461	.413	1.000	.669	.635	.632
	Q16_10RO	.345	.324	.669	1.000	.581	.572
	Q16_6D	.348	.304	.635	.581	1.000	.730
	Q16_12D	.367	.316	.632	.572	.730	1.000

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.787
Bartlett's Test of Sphericity	Approx. Chi-Square	831.907
	df	15
	Sig.	.000

Communalities

	Initial	Extraction
Q16_1Adpt	1.000	.887
Q16_7Adpt	1.000	.892
Q16_4RO	1.000	.790
Q16_10RO	1.000	.911
Q16_6D	1.000	.857
Q16_12D	1.000	.864

Extraction Method: Principal Component Analysis.

Anti-image Matrices

		Q16_1Adpt	Q16_7Adpt	Q16_4RO	Q16_10RO	Q16_6D	Q16_12D
Anti-image Covariance	Q16_1Adpt	.367	-.274	-.054	.007	-.007	-.022
	Q16_7Adpt	-.274	.388	-.020	-.020	.002	.004
	Q16_4RO	-.054	-.020	.407	-.183	-.085	-.082
	Q16_10RO	.007	-.020	-.183	.500	-.073	-.061
	Q16_6D	-.007	.002	-.085	-.073	.406	-.209
	Q16_12D	-.022	.004	-.082	-.061	-.209	.410
Anti-image Correlation	Q16_1Adpt	.684 ^a	-.727	-.141	.017	-.018	-.058
	Q16_7Adpt	-.727	.669 ^a	-.051	-.046	.005	.009
	Q16_4RO	-.141	-.051	.858 ^a	-.405	-.209	-.200
	Q16_10RO	.017	-.046	-.405	.864 ^a	-.162	-.134
	Q16_6D	-.018	.005	-.209	-.162	.818 ^a	-.512
	Q16_12D	-.058	.009	-.200	-.134	-.512	.822 ^a

a. Measures of Sampling Adequacy(MSA)

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.512	58.533	58.533	3.512	58.533	58.533	1.845	30.749	30.749
2	1.195	19.913	78.446	1.195	19.913	78.446	1.836	30.598	61.348
3	.494	8.239	86.685	.494	8.239	86.685	1.520	25.337	86.685
4	.312	5.205	91.890						
5	.270	4.499	96.388						
6	.217	3.612	100.000						

Extraction Method: Principal Component Analysis.

Component Matrix^a

	Component		
	1	2	3
Q16_1Adpt	.693	.636	.052
Q16_7Adpt	.653	.682	.017
Q16_4RO	.846	-.161	-.219
Q16_10RO	.774	-.274	-.487
Q16_6D	.802	-.347	.306
Q16_12D	.805	-.322	.335

Extraction Method: Principal Component Analysis.

a. 3 components extracted.

Rotated Component Matrix^a

	Component		
	1	2	3
Q16_1Adpt	.190	.908	.166
Q16_7Adpt	.122	.923	.157
Q16_4RO	.469	.295	.695
Q16_10RO	.304	.143	.894
Q16_6D	.856	.149	.319
Q16_12D	.865	.174	.292

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 4 iterations.

Component Transformation Matrix

Component	1	2	3
1	.634	.527	.566
2	-.444	.847	-.292
3	.633	.066	-.771

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

Additional Regression Results

Hierarchical Regression Results: Culture Adaptable with controls, founder Openness to Experience, employee Openness to Experience, Involvement, and moderation variable (founder Openness to Experience * Involvement).

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	df1
1	.593 ^a	.352	.346	.7819773082	.352	59.092	3
2	.593 ^b	.352	.344	.7830184338	.000	.131	1
3	.626 ^c	.392	.382	.7597916016	.040	21.236	1
4	.676 ^d	.457	.447	.7186448464	.066	39.282	1
5	.679 ^e	.461	.449	.7172621536	.004	2.250	1

Model Summary

Model	Change Statistics	
	df2	Sig. F Change
1	327	.000
2	326	.718
3	325	.000
4	324	.000
5	323	.135

- a. Predictors: (Constant), Employee, Industry, Company Age
- b. Predictors: (Constant), Employee, Industry, Company Age, Founder Openness to Experience
- c. Predictors: (Constant), Employee, Industry, Company Age, Founder Openness to Experience, Employee Openness to Experience
- d. Predictors: (Constant), Employee, Industry, Company Age, Founder Openness to Experience, Employee Openness to Experience, Involvement
- e. Predictors: (Constant), Employee, Industry, Company Age, Founder Openness to Experience, Employee Openness to Experience, Involvement, (Founder Openness to Experience * Involvement)

Coefficients^a

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.853	.196		34.890	.000
	Industry	-.166	.168	-.045	-.988	.324
	company age	-.052	.004	-.621	-13.094	.000
	Employees	-.211	.097	-.101	-2.173	.031
2	(Constant)	6.720	.415		16.191	.000
	Industry	-.173	.169	-.047	-1.024	.306
	company age	-.051	.004	-.615	-12.004	.000
	Employees	-.227	.107	-.109	-2.120	.035
	Founder_Openness	.022	.061	.020	.362	.718
3	(Constant)	5.786	.451		12.833	.000
	Industry	-.193	.164	-.053	-1.173	.242
	company age	-.047	.004	-.566	-11.139	.000
	Employees	-.185	.104	-.089	-1.776	.077
	Founder_Openness	-.017	.060	-.016	-.290	.772
	Ind_Openness	.190	.041	.211	4.608	.000
4	(Constant)	5.248	.435		12.063	.000
	Industry	-.064	.157	-.017	-.406	.685
	company age	-.045	.004	-.538	-11.145	.000
	Employees	-.091	.100	-.044	-.913	.362
	Founder_Openness	-.074	.058	-.067	-1.278	.202
	Ind_Openness	.133	.040	.148	3.330	.001
	How involved	.397	.063	.275	6.268	.000
5	(Constant)	3.591	1.187		3.027	.003
	Industry	-.029	.158	-.008	-.182	.856
	company age	-.045	.004	-.542	-11.236	.000
	Employees	-.086	.100	-.041	-.868	.386
	Founder_Openness	.187	.183	.172	1.023	.307
	Ind_Openness	.132	.040	.147	3.316	.001
	How involved	1.067	.451	.739	2.367	.019
	Fint*FO	-.106	.071	-.564	-1.500	.135

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	108.402	3	36.134	59.092	.000 ^b
	Residual	199.957	327	.611		
	Total	308.359	330			
2	Regression	108.483	4	27.121	44.234	.000 ^c
	Residual	199.876	326	.613		
	Total	308.359	330			
3	Regression	120.742	5	24.148	41.831	.000 ^d
	Residual	187.617	325	.577		
	Total	308.359	330			
4	Regression	141.029	6	23.505	45.512	.000 ^e
	Residual	167.330	324	.516		
	Total	308.359	330			
5	Regression	142.187	7	20.312	39.483	.000 ^f
	Residual	166.172	323	.514		
	Total	308.359	330			

a. Dependent Variable: Culture_Adapt

b. Predictors: (Constant), Employees, Industry, company age

c. Predictors: (Constant), Employees, Industry, company age, Founder_Openness

d. Predictors: (Constant), Employees, Industry, company age, Founder_Openness, Ind_Openness

e. Predictors: (Constant), Employees, Industry, company age, Founder_Openness, Ind_Openness, How involved

f. Predictors: (Constant), Employees, Industry, company age, Founder_Openness, Ind_Openness, How involved, Fint*FO

Additional Regression Results

Hierarchical Regression Results: Culture Detail Orientation with controls, founder Conscientiousness, employee Conscientiousness, Involvement, and moderation variable (founder Conscientiousness * Involvement).

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	df1
1	.326 ^a	.106	.098	.6430021980	.106	12.951	3
2	.626 ^b	.392	.385	.5310500196	.286	153.404	1
3	.630 ^c	.397	.387	.5299793638	.004	2.318	1
4	.678 ^d	.459	.449	.5025264296	.063	37.479	1
5	.690 ^e	.476	.465	.4952901258	.017	10.537	1

Model Summary

Model	Change Statistics	
	df2	Sig. F Change
1	327	.000
2	326	.000
3	325	.129
4	324	.000
5	323	.001

- a. Predictors: (Constant), Employee, Industry, Company Age
- b. Predictors: (Constant), Employee, Industry, Company Age, Founder Conscientiousness
- c. Predictors: (Constant), Employee, Industry, Company Age, Founder Conscientiousness, Employee Conscientiousness
- d. Predictors: (Constant), Employee, Industry, Company Age, Founder Conscientiousness, Employee Conscientiousness, Involvement
- e. Predictors: (Constant), Employee, Industry, Company Age, Founder Conscientiousness, Employee Conscientiousness, Involvement, (Founder Conscientiousness*Involvement)

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.707	.161		35.338	.000
	Industry	-.023	.138	-.009	-.170	.865
	company age	.008	.003	.137	2.452	.015
	Employees	.492	.080	.336	6.169	.000
2	(Constant)	2.833	.268		10.582	.000
	Industry	-.022	.114	-.009	-.193	.847
	company age	.008	.003	.130	2.820	.005
	Employees	.184	.070	.126	2.612	.009
	Founder_Conscientiousness	.470	.038	.574	12.386	.000
3	(Constant)	2.536	.331		7.669	.000
	Industry	-.027	.114	-.011	-.239	.811
	company age	.008	.003	.138	2.986	.003
	Employees	.190	.070	.130	2.704	.007
	Founder_Conscientiousness	.468	.038	.572	12.369	.000
	Ind_Conscientious	.048	.031	.066	1.523	.129
4	(Constant)	1.944	.328		5.927	.000
	Industry	.040	.108	.016	.372	.710
	company age	.011	.003	.195	4.350	.000
	Employees	.235	.067	.161	3.509	.001
	Founder_Conscientiousness	.453	.036	.553	12.584	.000
	Ind_Conscientious	.029	.030	.040	.972	.332
	How involved	.262	.043	.259	6.122	.000
5	(Constant)	-.363	.781		-.465	.642
	Industry	.041	.107	.016	.386	.699
	company age	.009	.003	.157	3.440	.001
	Employees	.226	.066	.154	3.407	.001
	Founder_Conscientiousness	.812	.116	.992	6.987	.000
	Ind_Conscientious	.030	.029	.041	1.013	.312
	How involved	1.248	.307	1.234	4.069	.000
	Fint*FC	-.151	.047	-1.103	-3.246	.001

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	16.063	3	5.354	12.951	.000 ^b
	Residual	135.199	327	.413		
	Total	151.262	330			
2	Regression	59.325	4	14.831	52.591	.000 ^c
	Residual	91.937	326	.282		
	Total	151.262	330			
3	Regression	59.977	5	11.995	42.707	.000 ^d
	Residual	91.285	325	.281		
	Total	151.262	330			
4	Regression	69.441	6	11.574	45.830	.000 ^e
	Residual	81.821	324	.253		
	Total	151.262	330			
5	Regression	72.026	7	10.289	41.944	.000 ^f
	Residual	79.236	323	.245		
	Total	151.262	330			

a. Dependent Variable: Culture_Detail

b. Predictors: (Constant), Employees, Industry, company age

c. Predictors: (Constant), Employees, Industry, company age, Founder_Conscientiousness

d. Predictors: (Constant), Employees, Industry, company age, Founder_Conscientiousness, Ind_Conscientious

e. Predictors: (Constant), Employees, Industry, company age, Founder_Conscientiousness, Ind_Conscientious, How involved

f. Predictors: (Constant), Employees, Industry, company age, Founder_Conscientiousness, Ind_Conscientious, How involved, Fint*FC

Additional Regression Results

Hierarchical Regression Results: Culture Results Orientation with controls, founder Agreeableness, employee Agreeableness, Involvement, and moderation variable (founder Agreeableness * Involvement).

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	df1
1	.424 ^a	.180	.173	.3514529797	.180	23.938	3
2	.447 ^b	.199	.190	.3477997240	.019	7.906	1
3	.467 ^c	.218	.206	.3442263069	.019	7.804	1
4	.570 ^d	.324	.312	.3205036087	.106	50.892	1
5	.585 ^e	.342	.328	.3167693943	.018	8.684	1

Model Summary

Model	Change Statistics	
	df2	Sig. F Change
1	327	.000
2	326	.005
3	325	.006
4	324	.000
5	323	.003

- a. Predictors: (Constant), Employee, Industry, Company Age
- b. Predictors: (Constant), Employee, Industry, Company Age, Founder Agreeableness
- c. Predictors: (Constant), Employee, Industry, Company Age, Founder Agreeableness, Employee Agreeableness
- d. Predictors: (Constant), Employee, Industry, Company Age, Founder Agreeableness, Employee Agreeableness, Involvement
- e. Predictors: (Constant), Employee, Industry, Company Age, Founder Agreeableness, Employee Agreeableness, Involvement, (Founder Agreeableness * Involvement)

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.216	.088		70.423	.000
	Industry	.011	.075	.007	.144	.885
	company age	-.006	.002	-.183	-3.425	.001
	Employees	.279	.044	.334	6.411	.000
2	(Constant)	6.540	.144		45.275	.000
	Industry	-.039	.077	-.026	-.504	.615
	company age	-.006	.002	-.165	-3.100	.002
	Employees	.251	.044	.300	5.658	.000
	Founder_Agreeable	-.052	.019	-.151	-2.812	.005
3	(Constant)	6.326	.162		39.027	.000
	Industry	-.046	.076	-.032	-.612	.541
	company age	-.005	.002	-.148	-2.802	.005
	Employees	.256	.044	.306	5.834	.000
	Founder_Agreeable	-.057	.018	-.166	-3.102	.002
	Ind_Agreeable	.043	.015	.139	2.793	.006
4	(Constant)	5.846	.165		35.371	.000
	Industry	-.013	.071	-.009	-.178	.859
	company age	-.002	.002	-.066	-1.303	.194
	Employees	.274	.041	.328	6.700	.000
	Founder_Agreeable	-.073	.017	-.213	-4.229	.000
	Ind_Agreeable	.040	.014	.127	2.756	.006
	How involved	.195	.027	.338	7.134	.000
5	(Constant)	7.008	.427		16.421	.000
	Industry	-.017	.070	-.011	-.236	.813
	company age	-.005	.002	-.139	-2.488	.013
	Employees	.228	.043	.273	5.253	.000
	Founder_Agreeable	-.293	.077	-.853	-3.827	.000
	Ind_Agreeable	.039	.014	.124	2.712	.007
	How involved	-.228	.146	-.395	-1.560	.120
	Fint*FA	.085	.029	1.030	2.947	.003

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.870	3	2.957	23.938	.000 ^b
	Residual	40.391	327	.124		
	Total	49.261	330			
2	Regression	9.827	4	2.457	20.309	.000 ^c
	Residual	39.434	326	.121		
	Total	49.261	330			
3	Regression	10.751	5	2.150	18.147	.000 ^d
	Residual	38.510	325	.118		
	Total	49.261	330			
4	Regression	15.979	6	2.663	25.926	.000 ^e
	Residual	33.282	324	.103		
	Total	49.261	330			
5	Regression	16.850	7	2.407	23.990	.000 ^f
	Residual	32.411	323	.100		
	Total	49.261	330			

a. Dependent Variable: Culture_Results

b. Predictors: (Constant), Employees, Industry, company age

c. Predictors: (Constant), Employees, Industry, company age, Founder_Agreeable

d. Predictors: (Constant), Employees, Industry, company age, Founder_Agreeable, Ind_Agreeable

e. Predictors: (Constant), Employees, Industry, company age, Founder_Agreeable, Ind_Agreeable, How involved

f. Predictors: (Constant), Employees, Industry, company age, Founder_Agreeable, Ind_Agreeable, How involved, Fint*FA

Moderation Test and Specifics – Founder Conscientiousness and How Involved

```
. sum Culture_Detail Founder_Conscientiousness Howinvolved FintFC
```

Variable	Obs	Mean	Std. Dev.	Min	Max
Culture_De~l	336	6.138153	.6891443	3.5625	7
Founder_Co~s	336	6.577381	.8393105	3.5	7
Howinvolved	331	2.55287	.6692936	1	3
FintFC	336	16.57738	5.313595	0	21

```
. regress Culture_Detail c.Founder_Conscientiousness##c.Howinvolved
```

Source	SS	df	MS	Number of obs	=	331
Model	67.3933651	3	22.464455	F(3, 327)	=	87.59
Residual	83.8687342	327	.256479309	Prob > F	=	0.0000
				R-squared	=	0.4455
				Adj R-squared	=	0.4405
Total	151.262099	330	.458369998	Root MSE	=	.50644

Culture_Detail	Coef.	Std. Err.	t	P>|t|	[95% Conf. Interval]	
Founder_Conscientiousness	.9377856	.114365	8.20	0.000	.7128017	1.16277
Howinvolved	1.460007	.3045845	4.79	0.000	.8608151	2.0592
c.Founder_Conscientiousness#c.Howinvolved	-.1884214	.0458814	-4.11	0.000	-.2786814	-.0981614
_cons	-.5874742	.7574989	-0.78	0.439	-2.07766	.9027117

```
. margins, dydx(Founder_Conscientiousness) at(Howinvolved=(1(1)3)) vsquish
```

```
Average marginal effects Number of obs = 331
Model VCE : OLS
```

```
Expression : Linear prediction, predict()
dy/dx w.r.t. : Founder_Conscientiousness
1._at : Howinvolved = 1
2._at : Howinvolved = 2
3._at : Howinvolved = 3
```

	Delta-method				[95% Conf. Interval]	
	dy/dx	Std. Err.	t	P>|t|		
Founder_Co~s						
_at						
1	.7493642	.0718129	10.43	0.000	.6080906	.8906378
2	.5609428	.0380138	14.76	0.000	.4861603	.6357254
3	.3725214	.044082	8.45	0.000	.2858013	.4592415

```

. margins, at(Founder_Conscientiousness=(1 7) Howinvolved=(1(1)3)) vsquish
Adjusted predictions          Number of obs   =       331
Model VCE      : OLS

Expression   : Linear prediction, predict()
1._at       : Founder_Co~s   =           1
              Howinvolved   =           1
2._at       : Founder_Co~s   =           1
              Howinvolved   =           2
3._at       : Founder_Co~s   =           1
              Howinvolved   =           3
4._at       : Founder_Co~s   =           7
              Howinvolved   =           1
5._at       : Founder_Co~s   =           7
              Howinvolved   =           2
6._at       : Founder_Co~s   =           7
              Howinvolved   =           3

```

	Delta-method				
	Margin	Std. Err.	t	P>|t|	[95% Conf. Interval]
_at					
1	1.621897	.4041885	4.01	0.000	.8267595 2.417035
2	2.893484	.2136817	13.54	0.000	2.473119 3.313848
3	4.16507	.2496644	16.68	0.000	3.673918 4.656221
4	6.118083	.0777382	78.70	0.000	5.965153 6.271013
5	6.25914	.0401393	155.94	0.000	6.180176 6.338104
6	6.400198	.0375989	170.22	0.000	6.326232 6.474164

Moderation Test and Specifics – Founder Agreeableness and How Involved

```
. sum Culture_Detail Founder_Agreeable Howinvolved
```

Variable	Obs	Mean	Std. Dev.	Min	Max
Culture_De~l	336	6.138153	.6891443	3.5625	7
Founder_Ag~e	336	5.122024	1.121695	2	7
Howinvolved	331	2.55287	.6692936	1	3

```
. regress Culture_Results c.Founder_Agreeable##c.Howinvolved
```

Source	SS	df	MS	Number of obs	=	331
Model	11.010168	3	3.67005601	F(3, 327)	=	31.37
Residual	38.2510705	327	.116975751	Prob > F	=	0.0000
Total	49.2612385	330	.14927648	R-squared	=	0.2235
				Adj R-squared	=	0.2164
				Root MSE	=	.34202

Culture_Results	Coef.	Std. Err.	t	P>|t|	[95% Conf. Interval]
Founder_Agreeable	-.3452722	.0723049	-4.78	0.000	-.4875136 -.2030307
Howinvolved	-.2405662	.1344461	-1.79	0.074	-.5050546 .0239223
c.Founder_Agreeable#c.Howinvolved	.0918831	.0270844	3.39	0.001	.0386015 .1451647
_cons	7.503994	.3556352	21.10	0.000	6.804373 8.203616

```
. margins, dydx(Founder_Agreeable) at(Howinvolved=(1(1)3)) vsquish
```

```
Average marginal effects          Number of obs      =      331
Model VCE      : OLS
```

```
Expression      : Linear prediction, predict()
dy/dx w.r.t.    : Founder_Agreeable
1._at          : Howinvolved      =      1
2._at          : Howinvolved      =      2
3._at          : Howinvolved      =      3
```

	Delta-method	dy/dx	Std. Err.	t	P>|t|	[95% Conf. Interval]
Founder_Ag~e						
_at						
1	-.2533891	.0464023	-5.46	0.000	-.3446738 -.1621044	
2	-.161506	.0233555	-6.92	0.000	-.207452 -.11556	
3	-.0696229	.0201224	-3.46	0.001	-.1092086 -.0300373	

```
. margins, at(Founder_Agreeable=(1 7) Howinvolved=(1(1)3)) vsquish
Adjusted predictions                                Number of obs      =       331
Model VCE      : OLS
```

```
Expression  : Linear prediction, predict()
1._at      : Founder_Ag~e   =       1
             Howinvolved   =       1
2._at      : Founder_Ag~e   =       1
             Howinvolved   =       2
3._at      : Founder_Ag~e   =       1
             Howinvolved   =       3
4._at      : Founder_Ag~e   =       7
             Howinvolved   =       1
5._at      : Founder_Ag~e   =       7
             Howinvolved   =       2
6._at      : Founder_Ag~e   =       7
             Howinvolved   =       3
```

_at	Delta-method					[95% Conf. Interval]	
	Margin	Std. Err.	t	P>|t|			
1	7.010039	.1827625	38.36	0.000	6.6505	7.369578	
2	6.861356	.0936641	73.25	0.000	6.677096	7.045616	
3	6.712673	.0867415	77.39	0.000	6.542031	6.883315	
4	5.489704	.1124934	48.80	0.000	5.268402	5.711007	
5	5.89232	.0555235	106.12	0.000	5.783091	6.001548	
6	6.294935	.0433965	145.06	0.000	6.209564	6.380307	