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Distributed Leadership Old Wine in New Bottles?

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Abstract

Purpose: The purpose of this thesis is to investigate the practical understanding of distributed leadership in knowledge intensive firms, and what characteristics within the organization that affect this process.

Background: During the last two decades the society has undergone a range of economic and social changes where companies have gradually shifted towards a more decentralized and horizontal organization, which emphasize the group of workers to cope and act autonomously within local emergencies. This has resulted in knowledge intensive firms relying more on self-managed teams which requires different types of leadership and has led to an increasing popularity in distributed leadership and a stronger belief in the teams' ability to organize the accomplishment of work in organizations.

Methodology: The research methodology is a qualitative study inspired mainly by hermeneutics and critical theory in which the empirical data is collected through semi-structured interviews.

Conclusion: Through the research we found that distributed leadership looks different in practice compared to the theory as there are external factors affecting it which is not found in the literature. It could also be questioned whether the concept really is a new phenomenon or just another name for sharing responsibility and influence i.e. an old wine in new bottles.

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1 INTRODUCTION

1.1 BACKGROUND

During the last two decades the society has undergone a range of economic and social changes. The rapid technological development, increasing growth of the knowledge intensive industry and intensified global competition, to mention a few, have given rise to new organizational and management forms. The critique against the dominant rationalistic management perspective has been increasingly displayed, such as being too rigid and inflexible for managing people's work performance (Sandberg & Targama, 2007). A gradual shift towards new organizational structures and management methods has increasingly been developed (Clegg *et al.*, 1996). A strong emphasis on managing knowledge and competence development has strongly emerged in companies. Instead of organizing work in a bureaucratic and hierarchical manner, companies try to gradually shift towards a more decentralized and horizontal organization, which emphasize the group of workers to cope and act autonomously within local emergencies. Thereby levels of management have gradually been reduced and 'self-managed teams are now one of the fastest-growing organizational unit' (Newell *et al.*, 2002, p. 8). Although many larger organizations have significant elements of bureaucracy, the majority of them tend to have particular loose structure forms (Kärreman *et al.*, 2002).

However, many of these firms are generally organized along partnership lines with clear 'up-or-out' career paths and recognized codes of practice (Newell *et al.* 2002). Today companies try to retain and attract qualified personal through a mixture of means, such as wages, career prospect, possibilities for learning and development, and a positive organizational climate and good social relations. In many larger organizations partnership or shareholding is vital in building closer relationship with key employees or even major groups (Alvesson, 2002). Through up-or-out the employees have a future within the company and receive financial reward. The notion of partnership and up-or-out create a belief of an elite character of the firm, and the company either claims having the 'best people' or having the right conditions for high quality work. Boosting ideas of superiority creates both high performance individuals and higher self-esteem (Alvesson, 2001). Hence, there are two main problems that may easily occur with up-or-out. First, the systems build on the notion that people leave and others step forward. When the economy

stagnated, the outcome was decrease job opportunities, and people became less inclined to leave. The second problem may involve the pressure and performance anxiety of climbing up or out. Some form of rivalry between employees seems inevitable to escape. In this notion, the overall team performance will be affected.

1.2 PROBLEM IDENTIFICATION

Despite the problems, knowledge intensive firms rely much more on self-managed teams. The increased amount of teams working autonomously requires different types of leadership based on informal team member interaction rather than hierarchical authority (Newell *et al.*, 2002, p. 8). Yet most research focus too narrowly on leadership as performed by one individual (Rost, 2003).

Gibb (1954) questions the leader-centrism already five decades ago and claimed that leadership 'is probably best conceived as a group quality, as a set of functions which must be carried out by the group' (p. 884). Based on this reasoning, Gibb opened the possibility of a group to have one or several leaders. As a consequence several leaders could carry out leadership and this opened the research of distributed leadership.

Katz and Kahn (1978) argued that team working within spontaneous influence and towards shared goals, can provide organizations with competitive advantages, stronger commitment and they recognize that 'those organizations in which influential acts are widely shared are most effective' (p. 332). Several researchers emphasize the benefits of shared leadership, such as team efficiency, higher motivation and job satisfaction (Katz & Kahn, 1978; Alvesson, 2000). There is an increasing popularity in shared leadership and a stronger belief in the teams' ability to organize the accomplishment of work in organizations (Day *et al.*, 2004). There is an old cliché saying 'two heads are better than one'. This sounds very promising in theory, but still there is little empirical work on shared leadership, and undiscovered consequences and problems. Many observers are also skeptical about the meaning of distributed leadership and whether it is anything new. As Spillane (2005) ironically puts it, 'perhaps distributed leadership is just another old wine in new bottles' (p. 144).

We chose to do a case study for our research. We searched for a larger knowledge intensive firm where one could expect a fairly high degree of autonomous, spontaneous collaboration and where leadership is not concentrated to one individual. After a dozen of applications, Sol Consultancy

accepted our application, and we also thought they were a suitable candidate.

1.3 THE PURPOSE OF THIS THESIS

The purpose of this thesis is to investigate the practical understanding of distributed leadership in knowledge intensive firms, and what characteristics within the organization that affect this process.

1.4 RESEARCH QUESTION

- What characteristics influence the emergence and function of distributed leadership?

1.5 LIMITATIONS

This research is limited to audit work at one consultancy firm. Our attention was not to develop an empirical generalization. It was more a desire to critically reflect on some of the theoretical aspects of shared leadership, and further investigate the empirical limitations and the possibility for undiscovered external problems to evolve. Through our empirical research we concluded a number of factors we thought as important in explaining the notion of shared leadership, such as organizational culture, relationships, planning of work and control. We are aware of the unlimited number of possible factors that affect shared leadership, such as organizational identification, image and rhetoric. It is something worth investigating, but reaches far beyond the boundaries of this thesis.

There will not be any distinctions between shared and distributed leadership as well as between knowledge intensive firms and professional service firms, as the concepts practically refer to the same thing.

1.6 STRUCTURE

In the initial section we present the methodology we have chosen and discuss the quality of the research. We further continue with the theoretical framework, and here we first present the characteristics and managerial challenges within knowledge intensive firms. This continues with a short introduction on leadership. The theoretical section then ends with a presentation of the main literature on shared leadership and some critical voices. Following section, present our

empirical data with a short presentation of Sol Consultancy. The empirical section is divided into the following parts; organizational culture, relationships, planning of work, and controlling. The section is wrapped up with the limitations. In the final section, we present our analysis and discussion. Here we treat the results, with the help of the theories brought up from chapter 3. In the end of this theses, we conclude some of our findings and limitations. Hopefully we will provide new insight to the concept and invite further ideas for future research.

2 METHODOLOGY

In this chapter we will present the main methodology that helped us fulfill the research purpose. We will begin presenting the research approach we have started from. Further we describe how we planned and executed the research, and how we have considered the results. In the end, we will discuss the credibility and contribution of the research.

2.1 RESEARCH PROCESS

In our research we used a qualitative approach which uses research strategies that are able to generate more in-depth descriptions of a person, group or organization. This is done through describing and analyzing the behavior and culture of those being studied. A common method to do this is via unstructured interviews where the interviewee gets little guidance which allows for him or her to elaborate on the answers (Bryman, 1988).

To be able to generate theory out of our research we chose to do use an inductive process. In the inductive approach one collects data and develops a theory from the findings of the analysis. The difference from the deductive approach is that the theory is following data instead of the opposite (Saunders *et al.*, 2007). Because the limited research on shared leadership, we throw our self into the empirical world to research the understanding and characteristic of shared leadership.

Within the qualitative research process, it is common to use the iterative process, where the researcher do a pilot study followed by literature search which lead to the development of the research questions and preliminary theory before going back to do further studies. This process can be done over again until the research question and protocol is good enough for the real research to be conducted (van Drongelen, 2001). In our case this was crucial because our understanding of shared leadership and the characteristic that drive the process forward is limited. Gradually our understanding of this developed as we interpreted our empirical data. This resulted in changes and improvements which we used later on, and opened up for analytical tracks and other theoretical findings that we not could visualize before.

Along with this approach we used the hermeneutic perspective which allowed us as the researchers to discover the underlying meaning of the ambiguous reality and things that are not obvious. This can benefit us as it lets us to get new insight by shifting between part and whole, leading to new pre-understanding and understanding (Alvesson & Sköldbberg, 2008). We consider

this process as most appropriate. In order to understand the workers ability to distribute leadership, we need to understand the whole organizational context, such as organizational culture, relationships, planning of work and control. Through understanding the organizational context, it would help us with new understanding and insight and further understand the underlying meaning from the interviews about distributing leadership.

Throughout the research process we let us be inspired by critical theory and postmodernism to constantly be cautious of the empirical findings. Critical theory let us raise awareness of the political nature of the social phenomena and critically reflect on assumptions that are often taken-for-granted. Since Sol Consultancy did not have a perceived problem, our task was to critical reflect and try to problematize what they reflected as natural and self-evident. One could critically reflect on, for example power, hierarchy and control. Postmodernism deals more with the language which is considered to be very powerful, because it is being the main tool during the social interactions (Alvesson & Sköldberg, 2008).

2.2 PRACTICAL METHOD

To find a company to do our research on we started out at the career fair days at the business school at Lund University. We got in contact with several companies and Sol Consultancy was interested in helping us which made us choose them. Before visiting their office to perform the interviews we collected secondary data to gain more information about the company which was mainly done through researching their webpage and annual report. Saunders *et al.*, (2007) states that secondary data can be both qualitative and quantitative data that has previously been assembled for other purposes, but can still be able to provide useful information to help answering the research question. Along with the secondary data we also researched articles and journals for theoretical information to give us better knowledge on the subject we were going to research. With this background information of theory and of the company we decided to continue by using interviews to collect the primary data in order to follow the qualitative approach. We believed semi-structured questions would work best for us which means that one has a set of questions that the researcher are going to follow, even though they might be in different order and vary between the interviews depending on what comes up during the discussions. Additional questions could also be added as the interview goes along to give a deeper understanding of the researched area. With a semi-structured interview one can let the interviewee speak more freely

at same time as having some control of the interview by having prepared a set of questions to follow (Saunders *et al.*, 2007). We chose to email the questions in advance to the participants to let them prepare for the interviews which Saunders *et al.*, (2007) suggest increases the credibility of the research. The interviews were made at two different occasions which can be referred back to the iterative and hermeneutic approaches where we are shifting between pre-understanding and understanding. To make sure that we did not miss any important information during the interviews we recorded them all which was later transcribed and came out to a total of 67 pages. This was done immediately after the interviews were finished which Saunders *et al.*, (2007) are recommending in order to not forget and lose any important information.

Seven interviews were done at Sol Consultancy's office where the participants would feel comfortable and safe as well as be close to their offices to not lose precious work time. In the beginning of all interviews we started out by introducing ourselves and the purpose of the research to get to know the participants and make them feel comfortable. Along with this we made sure to tell the interviewees that they would be kept anonymous, that we would record the interviews and that they had the right to refuse answering any question. Our seven interviews were divided between the two sessions where four interviews were conducted the first time and three the second time, and the length of the interviews averaged between 40 and 60 minutes. Saunders *et al.*, (2007) argue that when asking the questions one should make sure to state them clearly so that everyone can understand and one should use open questions to avoid bias. They also state that one should try to avoid complex theoretical concepts since the interviewee might not have the same knowledge of those terms. Therefore, when performing the interviews, we used a more day to day language and tried to talk about the concepts in ways the participants would understand.

After the transcription was done we started categorizing all the data from the interviews to get a clear structure of the empirical material. This was inspired by the grounded theory where data is being divided into categories (Alvesson & Sköldbberg, 2008). In the empirical section we let our empirical findings guide us when sorting out the data to get a clearer picture of what the participants really were trying to convey in the interviews. A clear structure also makes it easier to analyze the empirical material which is being reflected on the theoretical framework.

2.3 CREDIBILITY OF RESEARCH FINDINGS

2.3.1 RELIABILITY

Reliability reflects on whether the same data collection and analysis methods would generate consistent results if the observations were to be done on another occasion by a different observer. One can also check for reliability by looking into how the researcher managed to make sense of the raw data collected (Saunders *et al.*, 2007).

Robson (2002) claims that there is a possibility of four threats to reliability.

A first threat is *subject or participant error* where the observer can get different results depending on when the interviews are being conducted. There is a chance that the interviewees' views of their workplace and management are different on a Monday morning compared to a Friday afternoon (Robson, 2002). When conducting our interviews we got assigned time slots which we had no impact on. The interviews were made on a Tuesday and Friday afternoon which we consider to have no impact on how the participants responded.

A second threat is *subject or participant bias* where participants say things that they think others such as their bosses want them to say (Robson, 2002). To prevent this from hurting the reliability of our research we made sure to let the participants know that they would be kept anonymous in order for them to feel comfortable and safe.

A third threat is *observer error*, occurring when there are several observers working on a research project together and are dividing up the interviews. This might lead to questions being asked differently to the interviewees. This goes along with the fourth and final threat that is *observer bias*. This is taking place when interpreting the raw data that can lead to different observers doing the interpretation in different ways and thus coming up with slightly differentiated results (Robson, 2002). In our research, both of us were working together side by side the entire time from creating the questions to analyzing the findings. Through this we prevented ourselves from working towards different directions that could end up with us getting different results.

2.3.2 VALIDITY

Validity is focusing on whether the results are to be trusted and if they really are about what they seem to be about, if there is a relationship between different variables. There may be several factors can threaten the validity and trusting of the results (Saunders *et al.*, 2007).

The research can be affected by many factors and some that we might be concerned about is discussed here. Sweden and the rest of the world have been in a deep financial crisis which has affected people's chances to promotion as well as leaving the company. This might also have affected on what level the participants are in the organization today. Thus they might have different opinions than if Sweden was in a better economic state. Another threat to validation is the translation since the interviews and transcriptions were made in Swedish and later translated to English when located in the empirical section of this thesis. However, in the end possible minor translation errors would not affect the empirical findings as a whole.

2.3.3 GENERALISABILITY

Generalisability, which can be explained as external validity, refers to whether the results of the research are applicable to other settings and organizations. This is important if one is conducting research in only one organization or few smaller ones. In that case the theory generated will not be able to be generalized to all settings as it is too specific (Saunders *et al.*, 2007).

We did our research at an international audit firm which is categorized as being a knowledge intensive firm. Within this sector one might to some extent be able to apply the findings of Sol Consultancy to other audit firms. However, Sol Consultancy has its own unique organizational structure which will make it harder to generalize the results to other firms as they will differ slightly.

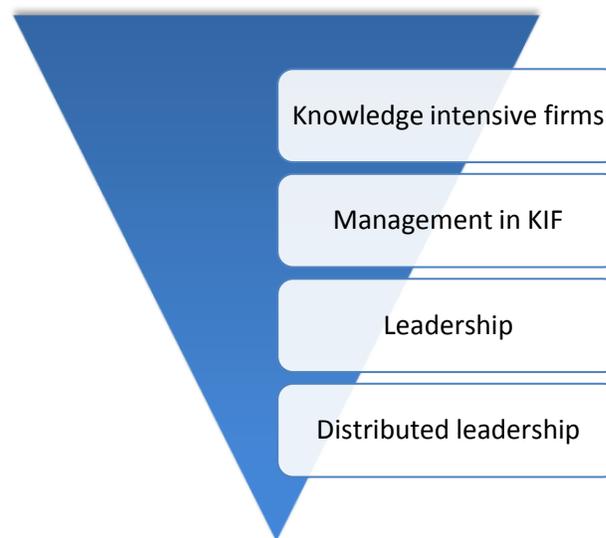
2.4 KNOWLEDGE CONTRIBUTION

With this research we seek to view distributed leadership from a more practical point of view. The theory we have found states how distributed leadership works in theory but we found a knowledge gap in how it actually works in reality. Thus we considered it to be interesting to interview people who are working with what can be referred to as distributed leadership and see whether our findings differ from what the theory is stating. Hopefully we will be able to draw new conclusions of how distributed leadership works and what aspects affect it.

The research tries to conduct some form of contribution on the theoretical aspect. Due to our selection to one organization, it is practically impossible to make an empirical generalization. Our intention is not to strive for this. Instead our intention is to make a theoretical generalization by further develop the concept, through a conceptual study. The theory on distributed leadership has been questioned for being a new concept, with no further meaning. The purpose here is to discover if distributed leadership is a new concept and hopefully contribute with new theoretical aspect.

3 LITERATURE REVIEW

In this chapter we will present the main literature on shared leadership. To do this, we first need to understand the type organization we are dealing with and the workers involved. Further, we need to understand some general characteristics of managerial work, and as these organizations needs different management forms or even non-managerial forms, organizational culture is thereby a vital area for management in knowledge intensive firms. Then we turn our attention towards leadership and introduce the notion of shared leadership. Finally we present shared leadership with a more critical point of view.



3.1 KNOWLEDGE INTENSIVE FIRMS

Knowledge intensive firms can be characterized as an organization that claims to produce fairly qualified products and/or services (Alvesson, 2004). Alvesson (2001, p. 863) describes knowledge intensive firms as ‘companies where most work can be said to be of an intellectual nature and where well-educated, qualified employees form the major part of the workforce’. There seems to be a number of circumstances specific to knowledge intensive firms that separate it from other organizational forms, and it is common to talk about the following seven characteristics. These include the nature of work and how it is managed and organized (Alvesson 2004, p. 21).

1. Highly qualified individuals doing knowledge-based work, using intellectual and symbolic skills in work

2. A fairly high degree of autonomy and the downplaying of organizational hierarchy
3. The use of adaptable, ad hoc organizational forms
4. The need for extensive communication for coordination and problem-solving
5. Idiosyncratic client services
6. Information and power asymmetry (often favoring the professional over the client)
7. Subjective and uncertain quality assessment

There are two major groups in knowledge intensive firms, professional service firms and research and development. Professional service firms typically include law, accountancy and auditor firms. Furthermore, research and development include science based companies, such as pharmaceutical and biotech companies. Research and development companies deal much more with tangible products and a narrower interaction between employees and customers, meanwhile professional service firms have more intangible products and most of its professional interaction is directly with the clients (Alvesson, 2004). Løwendahl (2004) for example, suggest that the most key strategic difference between knowledge intensive firms is the role of the professionals employed. She identifies two dimensions of strategic choices, namely the characteristics of the resource base and the type of projects targeted by the firm, the strategic focus. This generates, as presented in table 3.1, three generic types of strategies; the client based, solution based and problem solving based.

Strategic focus Resource base	Client Relations	Creative Problem Solving	Adaption of Ready Solutions
Org. Controlled Resources			B
Team based/Individual Collective		C	
Individually controlled Resources	A		

Table 3.1 Source: Løwendahl, 2004, p. 132

Knowledge intensive firms can thereby encompass different types of firms and operating across a variety of sectors. Traditional professional firms have been around as long as the organized profession. For example such as law, accountancy and audit firms tend to be seen as a subset of knowledge intensive firms. Many of these firms are generally organized along partnership lines with clear ‘up-or-out’ career paths and recognized codes of practice (Newell *et al.* 2002). According to Maister (1982) the career paths and promotion systems within professional service firm are perhaps the main distinguished to other types of organizations. Hence, as Alvesson (2004, p. 39) states; ‘the category of KIFs is loose and vague, and it is difficult to find strict criteria separating it from that of non-KIFs.’

3.2 MANAGEMENT IN KNOWLEDGE INTENSIVE FIRMS

In the previous section Alvesson (2004) identified several distinctive characteristics that distinguish a knowledge intensive firm from ordinary organization. In addition, Løwendahl (2004) argue that management in professional service firms is maybe more critical for success than in traditional manufacturing firms. She conducts two reasons for this. The first reason is that work consists of human beings with strong opinions regarding what is best for them and for the client. Secondly, the employees work with a higher percentage of exceptions, rather than routine replications of earlier procedures. Employees have considerable autonomy in their work that is characterized by creativity and problem solving (Alvesson, 2004; Newell, 2002). The knowledge workers themselves initiates, plans, organizes and control the work tasks and because they own and posses a high degree of knowledge they are in a certain amount expected to act autonomously (Newell, 2002). A high degree of self-organization is thereby more common in organizations where employees are typically involved in complex and difficult knowledge work (Alvesson, 2004). Flexibility therefore becomes a key factor in the process of adding new clients, services and competent professionals. This is absolutely crucial and the need for strategies and regulating constraints for employees are weaker in professional service firms than in many other organizations (Løwendahl, 2004). In addition, Alvesson (2004) writes; ‘strategies are typically less deliberate –less planned and centrally controlled, with decisions followed by implementations and distinctive steps –and more emergent –more spontaneous and an outcome of the actions of various actors acting deciding almost simultaneously’ (Alvesson, 2004, p. 124).

Still, large organizations may have significant elements of bureaucracy, hence the structure forms are fairly loosely composed (Kärreman *et al.*, 2002).

Employees are highly capable of acting autonomously. The work may involve getting large contacts with clients and initiatives that can affect the whole company in a new direction. Thereby key figures at the top have limited space for influence (Alvesson, 2004). However, regarding the recruitment of new professionals, serving clients and the portfolio of projects requires more managerial focus. The critical issue such as utilize, build upon and expand competence is vital. This section can thereby not be assigned to ad hoc and spontaneous management directions (Alvesson, 2004). Mintzberg and Waters (1985) resemble this as an umbrella setting instead of a command-like structure and Løwendahl (2004) writes that ‘the primary strategy involves the development and communications of a consensus-based vision, clear goals and a set of priorities’ (p. 105). This kind of talk has established a shift from traditional output performance of internal control to a cultural-ideology or clan control. Valid and reliable rules and performance measurements are thereby difficult to establish on a detailed level (Newell *et al.*, 2002). Management in professional service firms resembles as to ‘herding wild cats’ and ‘making ten or twenty racing horses pull a cart together’ (Løwendahl, 2004, p. 69).

As presented above knowledge intensive firms have some unique features, both what involves the work and the workers. In this context culture is thereby important to nurture, as it control employees behaviors. Before entering the literature on shared leadership, we need to understand the importance of culture, as it is the glue that holds all these people together.

3.3 ORGANIZATIONAL CULTURE

The term ‘organizational culture’ dates back in the 1970’s and is by many perceived as a central factor behind organizational success, such as motivation and commitment, prioritizing and competitive advantages. During the last forty years several studies have produced a variety of definitions of organizational culture and in common most of them connect to some form of shared meaning, interpretations, values and norms. Accordingly, it is how people within a particular group think and value the reality in similar ways and how this separates them from other groups. Thereby, culture is not the behavior as such, rather it refers to what stands behind and guides this behavior (Alvesson & Sveningsson, 2003). Culture is thereby a mental phenomenon, and does not refer to social structures and behaviors. Pearce and Ravlin (1987)

regard the psychological importance of a team that is thought to promote greater employee commitment to their work. Organizational culture has become a way of talking about making sense (Peterson & Smith, 2000). Making sense of one's experience, we need to encounter a variety sources of meaning available for the individual, such as, rules of the organization, the degree of formality of the organizations structures, superiors, colleagues, subordinates or the employee himself or herself (Peterson & Smith, 2000:107). Knight and Trowler (2001) emphasize that culture may act in a positive way to create and sustain the conditions for distributed leadership. Culture has connection with leadership, because leadership and culture is both about influencing behaviors. Before entering distributed leadership, we first need to understand leadership.

3.4 IT TAKES TWO TO TANGO

So far, we have examined the fundamental conditions in knowledge intensive firms, some of the managerial impact and the importance of organizational culture. Now, we will have a brief discussion on leadership and then cover the main literature of distributed leadership.

3.4.1 LEADERSHIP AS LEADER-CENTRISM

In leadership research the long-standing conceptualization of leadership, both among researchers and in the general public, is that it is an individual level phenomenon (Rost, 2003). However, with a great amount of research on leadership, it has been difficult to accomplish some form of unified definition. As observed by Bernard Bass (1990) 'there are almost as many different definitions of leadership as there are persons who have attempted to define it' (cited in Jackson & Parry, 2008, p. 12). Leadership is very important to make teams effective and some mean that this is even the most vital part when working in teams (Cohen & Bailey, 1997). Despite this, most studies have viewed leadership in terms of a person (Rost, 2003). However leadership rarely plays out in an individual level, something Gibb (1958) already emphasized more than five decades ago. The leadership process is a complex and dynamic process that involves multiple individuals and is considered as a shared activity (Gronn, 2002; Pearce and Conger, 2003; Storey, 2004). Recent trends in teams show that team leadership is important mainly because of two aspects. First, according to Day *et al.*, (2004) the difficulty and ambiguity of the work that the teams are doing makes it not likely that an external individual leader can carry out the leadership role that is needed. Second, according to DeNisi *et al.*, (2003) with knowledge-based work being

common today, it relies on employees having higher levels of expertise and look for autonomy in their work.

3.5 DISTRIBUTED LEADERSHIP – BACKGROUND AND DEFINITION

The term distributed leadership dates back to the 1950's when Australian social psychologist Cecil Gibb (1954) argued that leadership 'is probably best conceived as a group quality, as a set of functions which must be carried out by the group' (p. 884). It was not until the 1990's that it was being used within organizational studies (Gronn, 2002).

According to Gronn (2002), there are two broad definitions of distributed leadership. The first one views leadership as numerical as the behavior of multiple leaders, while the second one views the leadership as more holistic to see its entirety. According to the numerical view, distributed leadership is the combined leadership of a number of members of the organization. This means that the leadership is not centralized to one organizational role, level or individual, but rather divided among several colleagues. Further this does not privilege any individuals with more leadership than others and it allows all the organizational members to occasionally get the chance of taking the role as a leader. The holistic view on distributed leadership looks at the whole picture of the phenomenon instead of just the sum of the parts as in the numerical view.

To further develop the concept of how leadership is shared among team members Carson *et al.* (2007) defines shared leadership as 'an emergent team property that results from the distribution of leadership influence across multiple team members' (p. 1218). This requires mutual influence that is embedded in the interaction between team members. Barrett (1998, p. 9) explains distributed leadership by putting an emphasis on relations by saying 'everybody acts as leader without appointment simply because they are motivated to do so by feelings of personal responsibility'

Ogawa and Bossert (1995, p. 235) defined it as 'leadership is embedded not in particular roles but in the relationships that exist among the incumbents of roles'. This behavior can be seen in the work of many different organizational tasks no matter if they are anticipated (e.g., performing audit work) or unanticipated (e.g., financial crises) and varying in size and difficulty. No matter what kind of task that is being worked on, employees from different levels of the organization come together and form groups to exchange their expertise, work together and then split up. This

is an ongoing process which leads to that the employees do not have settled roles when working on tasks in the organization (Gronn, 2002).

3.6 INTERDEPENDENCE AND CO-ORDINATION

Interdependence helps explaining the distribution of roles and relationships where people are depending on each other to make the final decisions. Interdependence can occur in two ways; role overlap and complementary. In role overlap the responsibility of individuals might overlap which can help reduce decision errors. The roles might also be complementary which gives the team members a chance to make most out of their individual strengths. As a result of complementary roles every individual specializes on one function that contributes to the accomplishment of the task (Gronn, 2002).

Co-ordination is another part of expressing the work flow in an organization which manages dependencies between activities and can be either explicit or implicit. Explicit co-ordination is concerned with formally expressed responsibilities such as for managerial roles. Implicit co-ordination is more concerning more informal work co-ordination that exists partly as a result of an interest among workers to learn as a part of the routine at work (Gronn, 2002).

3.7 CONDITIONS OF DISTRIBUTED LEADERSHIP

Authors have argued that two fundamental activities must occur for shared leadership to emerge (Katz & Kahn, 1978). First, members of a team must offer leadership and seek to influence the direction, motivation and support of the group. The second activity lies in the willingness of the whole group to delegate the leadership role to multiple team members. Built on this, Carson *et al.*, (2007) considered two key factors in the development of shared leadership, namely the internal and external environment.

The internal environment consist of three dimensions; shared purpose, social support and voice, and explain how shared leadership is developed over time. These three dimensions are complementary and mutually reinforced. Research on these dimensions have resulted in increased motivation, empowerment, commitment and involvement (De Dreu & West, 2001; Kirkman & Rosen, 1999; Marks *et al.*, 2001; Simons, Pelled, & Smith, 1999). The second dimension, external environment, involves the level of support in form of coaching provided by external leaders. External and supportive coaching have shown increased improvement on team

ability to demonstrate leadership (Hackman and Wageman, 2005; Manz & Sims, 1987; Morgeson, 2005).

One important part of shared leadership is the individual ability to adapt to the current situation. In a group-level activity, an individual might step forward to lead or step back to follow depending on the moment and the skills and knowledge required (Pearce and Conger, 2003). It is rather a dynamic process and occurs when the need arises. Friedrich et al., (2009) resembles shared leadership like ‘whack-a-mole’ game, in which the person with the most relevant knowledge ‘pops-up’ at any given time. This process can thereby improve team and organization performance (Day *et al.*, 2004). Similar to this, Pearce *et al.*, (2004, p 48) resemble shared leadership as a ‘simultaneous, ongoing, mutual influence process within a team that is characterized by “serial emergence” of official as well as unofficial leaders.’

To be able to succeed with distributed leadership one has to base it on trust because without it relations and respect will be compromised. One also has to accept the possibilities of each other’s leadership potentials which relies on self-confidence and self-esteem that people need to be engaged in distributed leadership. MacBeath (2005) means that the perception of other employees’ initiatives and ideas is important for whether the leadership style will be successful or not.

Distributed leadership has been endorsed and promoted because it is offering possibilities for individuals to grow and develop. It also allows the right people with the right knowledge to take the necessary decisions and it can be a large motivational factor for employees (Storey, 2004). High job satisfaction, motivation and individual development may lead to a higher amount of loyalty. Loyalty is important in knowledge intensive firms and can be referred to as the absence of exit, where a high level of loyalty means that employees are willing to make sacrifices for the good of the company. Problems can occur if the level of loyalty decreases and employees want to leave the organization which lead to a loss in knowledge embedded with the employee. When people are leaving there are issues with cost of turnover but what is concerning organizations more is when key people leave and bring the clients with them to a new company. Even worse is if a whole group leaves and creates a new competitor to the existing firm. To avoid this and keep the employees loyal, the management of loyalty is crucial to make sure that employees can identify with the organization and its culture (Alvesson, 2000).

We have examined the main ideas about shared leadership and some of the conditions and consequences. The discussion now further continues towards some of the critical voices around leadership and shared leadership.

3.8 CRITICAL VOICES

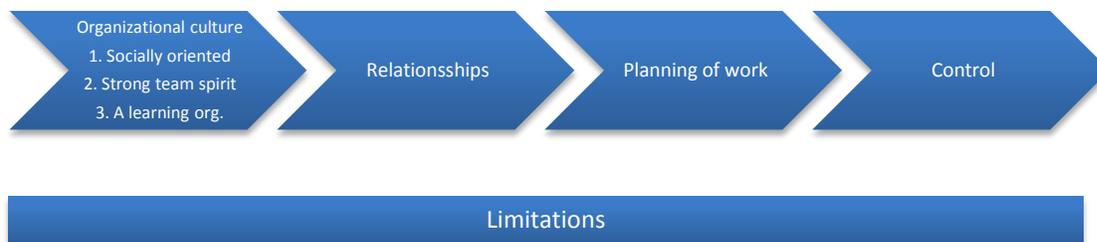
To study leadership we need to make the distinction between leadership and management. Barker claimed that ‘the function of leadership is to create change while the function of management is to create stability’ and ‘leadership creates new patterns of action and new belief systems’ (Barker, 1997 as cited in Alvesson & Sveningsson, 2003a: 3). Management and managers are related to bureaucrats, while leadership and leaders are connected to people that are capable through strong values and ideas make people choose to comply and follow (Alvesson & Sveningsson, 2003a). The authors also critically reflect around the notion of leadership. They question the whole absence of leadership, and conclude that we perhaps should view leadership as a hypothetical construct that has no empirical reality. There is a tendency to romanticize leadership (Alvesson and Sveningsson, 2003b). In addition, Meindl *et al.*, (1985) argues for a heroic development on the view of leadership, and researchers who believe leadership take on a larger-than-life. These thoughts may have some implications for shared leadership.

Matter of fact there are many concepts referring to the same phenomenon as distributed leadership. However, those have not been fully exposed within the literature and most of the discourse is considered to be re-labeling of the distributed leadership. While the rhetoric of the term is commonly used, there is often little knowledge of the possible implications and consequences of it. Distributed leadership has also been challenged because of the complexity concerning distributing and receiving the leadership (Storey, 2004). For example, research on distributed leadership by Storey (2004) has shown that there is a risk of tension between the leaders who are competing with their visions and ideas of how things should work. The criticism of distributed leadership has raised many questions asking if it really is as great as it is viewed to be. Some questions raised are; How far should leadership be distributed? Who is in charge of the distributions? Is there a central leader distributing the tasks and roles or are those taken by the organizational members according to their competencies? How will it be received in the organization? What will be done if the distributed leadership fails and there is not one single

leader that can be replaced? (Storey, 2004). Our intention is not to answer them, but more plant a seed for the reader to critically question some of the thoughts regarding shared leadership.

4 EMPIRICAL SECTION

The following section is describing our empirical work. The purpose is to cover those aspects we admire as important in the development of shared leadership. The presented model has the following arrangements; organizational culture, relationships, planning of work and controlling. It guides the reader through the argument in the empirical section. The last section draws attention to some of the limitations. Furthermore, this model follows the reader into the analysis and how it connects to distributed leadership. But first we turn our attention towards Sol Consultancy.



4.1 THE STORY OF SOL CONSULTANCY

Sol Consultancy is an international consultancy firm offering services within audit, tax, consulting and financial advisory. It has around 170,000 employees worldwide spread over 140 countries making it one of the largest firms in the world within its field. The company is classified as a knowledge intensive firm meaning that it is based around the knowledge that the employees acquire to be able to do the work. The work staff at Sol Consultancy is well-educated and is working autonomously where communication is a vital part. The work mainly is team based where the employees are sharing their knowledge to solve the work tasks. The organization has a hierarchical structure with several career steps where the main ones are assistant, senior, manager and partner. The structure is built up as a pyramid (see figure below) where there are relatively few partners compared to seniors and assistants.

To climb in the organization employees are expected work their way up one step at a time. Sol Consultancy states that they are using an ‘up-or-out’ approach where employees either climb to the next level or leave the organization. The employees mention that this does not create a

competition between them, but that it rather encourages them to improve their own skills and knowledge instead.

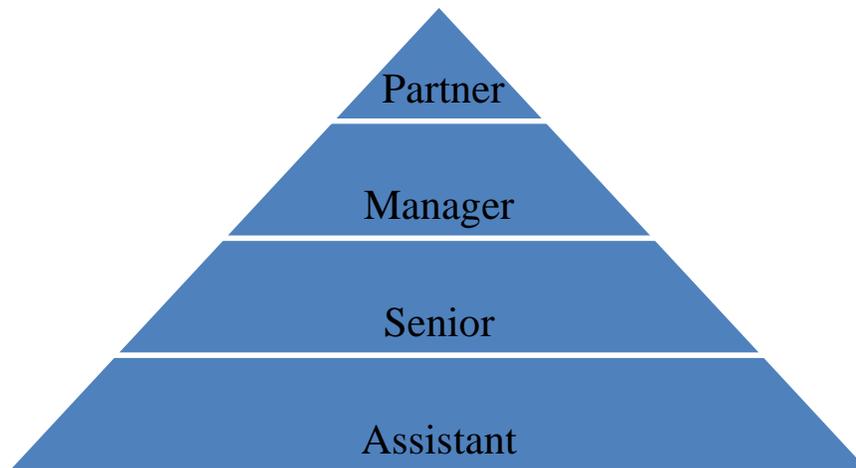


Table 4.1 The structure at Sol Consultancy

The department of Sol Consultancy where the research was conducted is working within audit. The tasks vary depending on the time of the year where they are auditing annual reports in the beginning of the year and tax returns later on beginning in May. In between these periods the auditors are constantly visiting the clients' offices to work on smaller tasks such as the quarterly reports. The partners are legally responsible for the tasks since they are signing the reports before presenting the results to the clients. A partner mentions that they are involved with work concerning auditing, consultation and contacting clients along with being responsible for the tasks for certain clients. The seniors are more like middle manager that run and plan the tasks, allocate the risks, as well as reporting it to the partners. The seniors mentioned that their tasks vary from day to day and that there are two different kinds of days. One day they can be working with a team at the client's office all day from early morning to late night where they start out with a team meeting to make sure everyone is working towards the same goal. The next day they can be at the office the entire day again. The assistants are working on more standardized tasks such as the main auditing. One assistant were saying that when working with larger firms they are working in teams but when dealing with smaller firms they do the entire auditing process alone according to their models. What is common for all three levels is that they usually work in teams

where everyone helps each other out by contributing with different knowledge and experience to solve the tasks.

4.2 ORGANIZATIONAL CULTURE

We first need to examine the culture of Sol Consultancy. Rather than explaining the behaviors of the employees as such, culture can explore what stands behind and guides this behavior (Alvesson & Sveningsson, 2008). All the interviewees expressed Sol Consultancy as a company with strong values. The organizational culture is described as socially orientated, with strong focus on clients, professionalism, sharing knowledge, taking initiative, and team spirit. One of the respondents resembles the organizational culture as

‘What makes our culture great and beneficial is that when we are out on a project, everyone sits in the same boat and people contribute and helps each other with problems and questions regardless of which level you work in.’

(Senior)

The interviewees emphasized three aspects that contribute to the organizational culture at Sol Consultancy; socially oriented, a strong team spirit and a learning organization.

4.2.1 SOCIALLY ORIENTED

One significant aspect at Sol Consultancy is being socially oriented. The employees are customer oriented and a lot of the work consists of interacting with clients, which requires people being socially oriented. One respondent describes:

‘Of the qualities it is probably the socially qualities [...] because of the great amount of interaction with clients. We work very much internally in teams and then the socially qualities are essential.’

(Partner)

As the respondent mentioned the employees need social skills to be able to work close together in teams to share information and help each other out.

In addition, communication is described as a vital part of work and the employees regard the communication as open. This can reduce some of the ambiguity of their work and build trust, in

particular when building relationships with the clients. The landscape of the office is designed to be open and spacious, which may facilitate a more effective communication. The employees can thereby get involved in small talks and social activities more easily. Since they are working in teams it is important to have an open communication between the team members.

4.2.2 A STRONG TEAM SPIRIT

The most common way of working is through teamwork. The teams consist of everyone involved, and as previously discussed; their work consists of different tasks and assignments. Hence there is need for a strong team spirit at Sol Consultancy that is expressed by the employees in different ways. For instance, the work consists of a variety of difficult assignments and several respondents explained that in most cases they need to take advantage of everybody's strengths to improve their own weaknesses. Furthermore, one respondent said:

‘We work almost exclusively in teams, and in 99 % it works really well. One reason is that everyone shares their knowledge. [...] When working in teams, it is very important to adapt to the situation. If someone has been working three years less than me, but know more than me [...] then I must take one step back and take advantages of his or her knowledge, even if I have worked for a much longer time.’

(Senior)

Several participants expressed that they are sharing knowledge and working together. A partner highlights the following thing ‘I do not necessarily need to take decisions alone, instead there is always someone to exchange ideas with [...] and you don't feel lonely, which sometimes can be the case’. The relationship among team members was pointed out by several interviewees as open and friendly. And there was strong emphasis on ‘we’, as a team, instead of me as an individual.

‘It is not like a postman that can go home for the day after delivered mail in his assigned area. If there is an area that has not been delivered, then it is just to turn back and help each other out.’

(Senior)

The main idea behind teamwork is to help each other out and together be more effective than working alone. By sharing information between colleagues everyone gets the chance to learn and develop themselves. This leads to Sol Consultancy being a learning organization.

4.2.3 A LEARNING ORGANIZATION

An important aspect to the development of the employees at Sol Consultancy is the desire to share information and learn from each other. The respondents agree that it is important to learn because when they are newly hired they hold much theoretical information from the university studies which they are not sure how to put into use. It is important for employees to listen to each other and share knowledge and experience with others to be able to develop. Through being open one can learn more and the open work environment at Sol Consultancy is contributing to this.

One respondent said:

‘Above all one should have the desire to learn new things. You should always keep an open mind, a desire to learn and show that you learn. I learn new things everyday and it is really motivating to feel that I am constantly developing.’

(Assistant)

Since the learning process is important in the organization, we can refer to what was previously mentioned about the importance of being socially oriented. When working on tasks, people from different levels are represented, which lead to employees learning from people that have worked for a longer time and therefore have more experience. Through this the employees always have someone to exchange thoughts and ideas with, which is part of the learning process.

4.3 RELATIONSHIPS

As mentioned earlier there are formal positions in the organization according to the pyramid structure with assistants at the bottom, then seniors followed by managers to finally have partners at the top. A participant tells us this is the case in many audit firms where one is expected to work around three years on each level.

‘I worked for two years as an assistant and my role today as a senior is quite different because now I have a completely different responsibility towards clients as well as an internal responsibility both upward and downward. The senior has the operative

responsibility but it is the managers that have a leading role over the seniors and are involved in the sales of services.’

(Senior)

This shows that the formal roles and positions change when reaching new levels within the organization. The new formal positions lead to more responsibility and more new qualified tasks to take care of. A senior means that a clear distribution of roles is important in order to know who is taking the responsibility.

‘I can be with several assistants at one assignment and if I get too busy I can communicate to an assistant and tell him or her that you are responsible for the new person on the team that he or she fulfils the assigned tasks. I believe it is important to get a feeling of responsibility early on and feel that you can deliver and develop as a person.’

(Senior)

Furthermore an assistant expressed her relationship to a senior:

‘It is not a traditional leader position, instead it is a more equal relationship, with someone you can exchange thoughts and ideas with. The importance is that you work forward as a team’

(Assistant)

The seniors at Sol Consultancy said that they feel that they have more influence now, compared to when working as assistants, regarding contacting the clients as well when and where to meet. They feel that they get to know the clients at a deeper level than as an assistant where if they just listen to the clients they get to know what they are dissatisfied with and need to work on. The seniors are constantly having a dialogue with the clients where they have to adjust their work according to the clients’ wants and needs. Their responsibility here is to plan and discuss the deadlines with the clients as well as the teams to make sure that they are being kept. One senior referred to this as having external influence:

External influence means that if you have respect and trust from the clients, then you indirectly have influence on them and they will listen to what you have to say. The trust is

built up through interactions with the clients and if you have the knowledge they will listen to you. That is something that you build on constantly.’

(Senior)

The participants mention that one cannot stay on one level for too many years but rather have to develop to higher stages and be ready to take more responsibility, both internally and externally, that comes with the positions. On the other hand, one participant mentioned that she thinks it is fun and great to have the opportunity to have much responsibility and influence but that it also can be valuable to sometimes work with someone who has a more determined view.

4.4 PLANNING OF WORK

As a senior the work tasks also include gathering their team which usually consists of a number of assistants. The seniors have the operative responsibility for the assignments which basically mean that they are in charge of the planning process. This responsibility means that they are able to have control over the whole process, make sure that the task gets done and that the final report will reach the signing auditor. A senior refers to this as internal influence:

‘Internal influence means that colleagues, both from beneath and above, are listening to what I have to say. It does not have to be correct all the time but then I would like to get feedback on why it was not considered to be good. When dealing with people beneath me it is important to explain to them why I should have influence on them.’

(Senior)

Another senior mentioned that as a senior he plans the whole task including time aspects where he gets much freedom from the company to be able to serve the client in the best way possible. Basically, the only demand from the company is to inform about the deadlines and to get the reports signed at the end of the tasks. Another senior state:

‘We have much responsibility when planning and discussing with the clients so that the deadlines are being kept. There are great possibilities to take the responsibility you want to and probably the other way around as well. If you want to take a lot of responsibility you

can, but if you do not then I think you will have a hard time developing within this organization and perhaps should look for another job.’

(Senior)

The responsibility also includes guiding the assistants and younger seniors in a way that enables them to bring the assignment in the right direction. Usually it is the most experienced senior at the location who has the operative responsibility for the assignment since he or she might have worked with the client previous years. The senior in charge also tries to gather the same assistants who have worked with the client before, so that they already know each other on some level and feel more comfortable. To be able to get everyone on the same track from the beginning of the tasks, the senior holds a brief meeting about the case before going to the client. Here the more specific tasks and roles are being divided and if the employees were working on a specific task last time, they might want to do something new the next time and learn about that. This shows initiative from the assistants and that they are willing to learn.

One assistant mentioned that they have influence to a certain level as they are discussing in groups and are encouraged to come up with ideas. The participants mentioned that as they climb in the organization, they are expected to take more initiative. A senior tells us that even though larger decisions should be planned ahead there are always unexpected events turning up and then they have to make decisions according to that. Hence they have to take smaller initiatives along the way and one participant points out an example of this:

‘Last year we had planned to look at the risks for a client, but we could not find anything new and we could not get any further on that. Then we found an area that we had not looked into that much before and we decided to divide the resources and look more into that area. I took the initiative and then the partner would say either yes or no.’

(Senior)

The amount of initiative and influence that is allowed depends on who is seen as the boss. If it is a person on the level right above then it tends to be easier to share thoughts without hesitation. If it is someone higher up then they do not have the same kind of influence. The assistant said that the influence is increasing with the more knowledge and experience you get and that influence

means that they are able to contribute to the discussions about the important questions and ideas regarding the assignments. People on higher levels in the organization tend to listen to them more carefully and the opinions get more valuable if they show that they have relevant knowledge. There are many discussions within the teams and it is possible to take a larger role the longer one has worked at Sol Consultancy. They start with simpler work tasks that get more advanced the longer they work at the firm and increase their knowledge.

The participants mention that they have a clear structure and a relatively clear deviation of responsibilities, but in the end everyone is responsible for the result as they are all helping each other out. What differentiates the manager and partner is that the partner does not spend as much time at the client but is rather the one who makes the final calls of what to accept. The partner is also responsible for some of the marketing of the firm as well as finding new clients.

4.5 CONTROL

Sol Consultancy is to a large extent relying on formal systems and control mechanisms, such as up-or-out and feedback. Up-or-out was discussed and viewed in a variety of ways by the employees. The general idea about the concept was that it worked as a career ladder, where you after 2-4 years in a position were promoted. Many respondents mentioned that it was nothing that they thought about on a daily basis, perhaps in the situation of a promotion. Sol Consultancy has highly qualified individuals, according to one of the team members.

‘People here are highly actuating and possess much knowledge, and want much responsibility, and like taking decisions [...] and because we are a classic pyramid, people have the opportunity to work their way up constantly.’

(Senior)

Some employees expressed the outcome of up-or-out as ‘healthy and fair, both for the organization and the brand’ (senior) and ‘people push themselves that little extra mile’ (senior). There are, however, some problems and discussions about up-or-out that we discovered. We think two aspects are interesting here. First, the whole system builds upon the assumption that people leave, and others step forward. Due to weak economic activity individuals are less inclined to leave at the same time as less people get promoted. Many respondents had experienced the outcome of this economic situation, some more than others. Hence, this was seen

as a major issue and several expressed it as strenuous and causing performance anxiety. Some claimed it to be a failure not to climb forward and even considered resigning. The second interesting aspect is the rivalry between employees. When talking about the up-or-out issues, some saw the competition as insignificant, only resulting in extra motivation. Despite this, it seems that some kind of rivalry among the employees is inevitable. The interviewees expressed various drivers behind this such as the weak economic climate and the additional candidates for the same position.

Feedback is another way of securing a healthy organization. The process of evaluating each other is a highly developed system. All employees get feedback, both from above and below.

‘We have evaluation systems if you have worked a certain amount of hours. Then you receive an evaluation on that particular work assignment. I think that it is important to get that feedback rapidly so that everyone knows what is considered to be right and what is appreciated, and what is not.’

(Partner)

When elaborating on the standpoint of feedback, several respondents talked about securing the quality of future work and by evaluating each other’s strengths and weaknesses. This is done both to improve performance of work, but also to prepare people for future positions in the organization. Besides the official feedback, there is also an anonymous awkward feedback, in which you are evaluated on your ability to lead. In addition, the company also investigates what the employees think about the organization. Feedback is a powerful tool at Sol Consultancy to develop people and it also builds an employee with good self-perception and it result in an open climate.

The level of responsibility is quite low for assistants but tend to grow the higher one climbs within the firm. An assistant mentioned that after working at Sol Consultancy for a while they are able to work more autonomously with people above them controlling less of their work. In that way the assistants get more responsibility and also want to take more responsibility the longer they have been there. A partner agrees with this and means that already as an experienced assistant they get to work more on their own on their tasks. A senior mentioned that they have the responsibility to make sure that everyone performs their tasks where the managers are there to

lead them on the right track. No one is told that they have to take responsibility for a certain task because everyone is responsible for their own deadlines and makes sure the work gets done. They also make sure that the important questions reach the higher levels where decisions are being made by the partner and signing auditor. A partner states that they are responsible for making sure that the auditing is done properly as well as being a mentor or counselor for younger employees to give feedback and change ideas. The partner runs through the work that is done as a routine but he or she usually has complete trust for the colleagues nevertheless. Regarding what the partner mentioned all of the participants felt confident that they were trusted with their work by their superiors. They mentioned that the signing auditor has the final word but that he or she is listening to what the others have to say since they have done most of the basic work. One of the seniors has the same experience concerning their boss giving them influence.

'It all depends on who is your boss. Some will give you more influence and some will not give you any at all because of their need of control. Then it almost feels like being an assistant again.'

(Senior)

One senior talk about how Sol Consultancy has improved itself in having assistant- and senior-meetings where they discuss what is good and what to do better and the company has become much better at taking in and using the knowledge and influence from below in the organization. One way that everyone has the possibility of influence is through evaluations which the people on higher levels are taking seriously to improve the business. One participant states that with this saying that:

'I have more responsibility now when I am a senior. Before when being an assistant you do not take responsibility because you get told what to do and can escape from taking responsibility. Of course you have some responsibility but not to the same extent. It is more like, do this; you are responsible for this specific task.'

(Senior)

The participants agreed that regarding the roles in the organization one gets to take more responsibility, influence, control and initiative the higher one gets in the organization. The

assistants' work is fairly standardized and controlled by the seniors and partners since they have not been part of the firm for a longer period of time.

4.5 LIMITATIONS

The participants agreed to that there are few limitations of what one cannot take responsibility over. A senior mentioned that there are no limits really. It is very dynamic depending on the task and team that they are working with. It depends on who is above but also who is below them.

‘In reality there is nothing I am not allowed to do as long as it is done with good auditing principles’

(Senior)

There is no written down work manual where the responsibility starts and ends. However, the level of responsibility seems to grow bigger the higher one climbs in the organization as the assistants have certain restrictions to what they can do. It also seems to depend on the size of the office one is working in. One participant mentioned that:

‘When working for Sol Consultancy in Stockholm I could take more responsibility, and it was a little more open. There were all the possibilities to take responsibility and put your best forward. This is appreciated by the manager who gets helped with his or her work load. In Malmö it is different since there are restrictions here.’

(Senior)

The level of limitations also depends on the economic situation as when there is a good economic situation, much is happening which gives more opportunities for responsibility.

Concerning the limitations it was mentioned that the seniors have responsibility for the tasks they are working on and not for the employees. They are responsible for the ones on their teams but they do not set the salaries. It is the same for assistants if they find something odd that they should tell the seniors about. They will discuss it with the entire team before the seniors can look at the different aspects and talk to even more people before rushing to the client telling them they are wrong. Many tasks cannot be done, not because of limitations in responsibility but because of limitations in knowledge. The participants add to this by saying that sometimes they need to

bring in people from other departments within the company because there can be questions regarding tax which they have insufficient knowledge about to solve. In the end it is the signing auditor that has the final say which shows that knowledge and experience are important factors to what is setting the limits. However, this is not seen as a problem because the partners often trust the information that is given to them.

During the interviews the participants came up with good examples of the limitations. They mentioned that there are limitations when taking in new clients to work with. The final decision is made by the responsible partner and depending on how big this new client is the decision might have to be made by a partner responsible for Sol Consultancy in Sweden. As mentioned earlier there is some freedom when taking the roles in the teams. On the other hand it is important that no one misuses this just because someone do not like working with a certain team member. An assistant stated that having the assistant role means that you only get told where to go and what to do and have no influence on what is going to happen and what has happened previously.

However the assistant added that:

‘It is wrong to assume that the assistants do not have that any possibilities to responsibility because they are told to do a certain task. The assistant still have the responsibility for that specific task.’

(Assistant)

One can conclude the limitations with an old cliché expressed by one of the interviewees stating that the employees at Sol Consultancy have independence with responsibility, which means that they have great freedom but it relies on that they do not misuse it.

5 ANALYSIS OF DATA

Now we turn our attention to the analysis of Sol Consultancy. This chapter is a combination of analysis and discussion. We first discuss the importance of leadership and shared leadership. The analysis continue in the same arrangement as the empirical section such as organizational culture, relationships, planning of work and controlling, hence with a connection to shared leadership. Through these we can interpret the responsibility, influence and initiative each employee has. We consider them as relevant in explaining the amount of leadership each employee takes, and help explaining shared leadership. This led us into other factors that may influence and enable shared leadership, such as internal and external conditions. In the end we raise the analysis to the next level, and gain a better understanding of how shared leadership works in practice. Here some external problems are raised that complicate shared leadership.

5.1 WHY WE SHOULD CONSIDER LEADERSHIP AND SHARED LEADERSHIP

As mentioned before in the introduction, there has been a shift from capital-intensive industries to information-intensive companies. Knowledge is increasingly important and the business has simply become more knowledge intensive. The company's most vital competitive advantage is the knowledge embodied within the people of the organization. The rapidly developing technology and intensified global competition have also developed a substantial shift within the practice of management (Clegg *et al.*, 1996). The management has given rise to new organizational forms and as a consequence the workers can act more autonomously and independently (DeNisi *et al.*, 2003). Management rely more on the trust i.e. that the staff act and make judgment in accordance to the company's strategic direction (Sandberg & Targama, 2007). Sol consultancy is no exception. Most people can act fairly autonomously and work close with clients. The complex problems that can come up, call for a high degree of customization and it is thereby important to make independent decisions depending on the situation. For example we can consider the senior, as they are responsible for planning, organizing and controlling the work. Although the organizational structure is fairly hierarchal, they still embrace unconventional organizational relations (Alvesson, 1995) and have a particular loose structure form (Kärreman *et al.*, 2002). The majority expressed a rather flexible approach to their work assignments. The whole organization also expects a high degree of responsibility and this is something that begins in early stages. This is generally expected in the majority of knowledge intensive firms. Cohen

and Bailey (1997) claim that leadership is very important to make teams effective. In our case this is difficult to measure, hence we can outline several statements regarding the importance of leadership, such as coordinating the project and making the process move forward.

The increasing complexity of many organizations make it improbable for one leader to serve as a leader and influence over all team member. Companies today must require a more flexible and autonomous employee to handle the complex environment and information-rich society (Gronn, 2002), thereby leadership is regarded as a shared activity instead of an individual (Pearce and Conger, 2003; Storey, 2004), and shared leadership seem reasonable (Gronn, 2002). This helps filling the gap between top leaders and the rest of the organization. Accordingly, in Sol consultancy we may instead talk about leadership being shared by multiple team members and the fading leader-centrism that Gronn (2002) presents is very apparent at Sol Consultancy.

5.2 DEFINITION

To define the distributed leadership at Sol Consultancy one can look at the two meanings of the concept brought up by Gronn (2002) which are the numerical and the holistic perspectives. Through our research we believe that shared leadership is more appropriate as a holistic concept as it explains the additional dynamics within a team. The main argument is that people work together and help each other out and contribute with a pool of initiative and expertise. The outcome of this conjoint activity is a product or energy that is greater than the sum of their individual actions. We consider this firstly because employees at Sol Consultancy tend to do collaborative work spontaneously when working in teams on different tasks. Since the team members have different levels of knowledge and experience, different people are allowed to take different roles depending on the situation. Within the teams the roles are not as formal as in the company as a whole which gives room for more spontaneous collaborations. Second, synergies within teams that lead to closer relations among employees are constantly in process. At Sol Consultancy the team members do a lot of give and take to share information with each other to steadily improve themselves. Through shifting the team members from time to time the workers get to know each other better and develop collaborations. Since they are working together and completing each other by contributing with different knowledge and experience they will produce more effectively than if their individual efforts were just added together.

5.3 SHARED LEADERSHIP AND ORGANIZATIONAL CULTURE

Shared leadership seems to be working at Sol Consultancy and several of the aspects discussed in the theory resembles our empirical findings. We want to underscore the importance not viewing shared leadership as a defined position. It is rather a dynamic process and occurs when the need arises. Friedrich *et al.*, (2009) resembles shared leadership like a ‘whack-a-mole’ game, in which the person with the most relevant knowledge ‘pops-up’ at any given time. Formal leaders can well execute this dynamic process, but it can also arise through informal channels.

Leadership does not develop in a vacuum, and the same goes for shared leadership. The context is particularly important for the explanation of shared leadership, different context will have different challenges with shared leadership. The culture describes an organization that is socially oriented, has a strong team spirit and is a learning organization. The consequence of this cultural context, as suggested by Knight and Trowler (2001) may act in a positive way to create and sustain the conditions for distributed leadership and our empirical material shows this. The culture at Sol Consultancy results in that people feel free to contribute to the whole team performance. The communication is described as open, the teamwork is intense, dynamic and the team is dependent on every team member. Many respondents used the expression of ‘everyone is sitting in the same boat’, and within each team the group emphasized ‘we’ instead of ‘I’. We interpret this similar to Pearce and Ravlin (1987) regarding the psychological importance of a team that is thought to promote greater employee commitment to their work. Gronn (2002) emphasizes that any organization member may influence, lead or persuade his or her peers. Although we discover these attributes within the teams, there appears to be certain limitations regarding the degree of distributed leadership in the teams. The factors that affect this are the amount of knowledge, experience, formal positions and age each team member possesses. They do not necessarily prevent shared leadership, but we experienced them as limitations. Still, cultural attribute showed that leadership is not the monopoly of managers anymore (Gronn, 2002). As we can see there is an open environment that let people have influence over work but is somewhat regulated that could be seen to reduce the level of distributed leadership.

5.4 SHARED LEADERSHIP AND RELATIONSHIPS

To work at Sol Consultancy each employee needs to have an educational background within accounting. We may consider it as an important part, due to the fact that it is an important

attribute for understanding the work, and being able to take in information and learning. This builds a common trust within the team, because without it relations and respect will be compromised (MacBeath, 2005), and the team will not share influence equally. Knowledge about auditing is needed for the team members to be able to do their work and this is shared within the teams. This also goes for other knowledge intensive firms where employees' knowledge is the real asset to the companies and is hard to grasp because of the implicitly (Gronn, 2002).

At Sol Consultancy employees are working in teams where everyone shares their knowledge and experiences with the rest of the team members. This can be viewed as what Gronn (2002) refers to as interdependence where people are depending on each other to make the final decisions. This can lead to that the roles and responsibilities of the team members overlap which does not have to be negative in any way. From our research we found that there are formal as well as informal roles in the organization. The formal roles are clearly stated and do not overlap to any larger extent. However, the informal roles within the teams are usually divided by the senior on the task but can be renegotiated between the team members. This depends on the experiences of the team members as well as on whether they are eager to learn new things through working on new tasks. This can lead to roles overlapping where the team members are helping each other out to solve the problems since the roles there are not clear. They are all 'in the same boat' and have to work together to finish the tasks. As a result of that, the responsibilities of the team members do not have any certain limitations and may very well intervene. On the other hand, Sol Consultancy has a very open environment where communication is well established and everyone can speak to each other no matter what level they are on. It was also mentioned that the senior can tell an assistant to take responsibility over another assistant, which means that the employee will do some of the work that the senior would have done. This can be seen as roles overlapping as well all depending on the situation and who is on the team. By having the roles overlapping, the risk of decision errors decreases as many people are involved on the tasks. The signing auditor always has to check the work since the partner has the legal responsibility of the work. But as the partner trusts that the work is error free he or she does not have to go through it as thoroughly. Another advantage is that since they are working together they are all given reciprocal support and make sure that nothing is missed out on. This is shown at Sol Consultancy where the employees are encouraged to help each other out with questions no matter what level they are on.

Besides roles overlapping, interdependence can also lead to responsibilities being complementary. Gronn (2002) argues that this gives the chance for team members to make the most of their own individual strengths. When working in teams at Sol Consultancy everyone brings different kinds of knowledge and experience to the team and therefore complement each other. Through complementing each other, people are able to specialize on certain areas and then bring all the skills and attributes together when gathering the group. We found that this was not really the case at Sol Consultancy since the employees were able to switch work tasks from time to time. The formal positions are not changing and the amount of responsibility, initiative and influence is basically the same within the same level in the organization. However, within the teams the roles can change between each task depending on the assignment itself and who else is on the team. Therefore it is hard to say that people specialize on one thing, stick with that, and have that in consideration when forming teams. The teams vary from time to time and employees are encouraged to and want to perform different tasks to learn more and develop personally as well as professionally. They have their areas which they are focusing on such as auditing but within that they are continuously working on getting to learn new things to broaden their knowledge. Through the complementing process, team members are able to learn from each other to become stronger and better as a team. Someone's strengths can cover for someone else's weaknesses and so it continues when exchanging thoughts and ideas during the assignments. Pearce and Conger (2003) suggest depending on the skills and knowledge an assignment requires that individuals can take one step forward to lead or one step back to follow. Leadership at Sol Consultancy is a group-level activity where everyone gets a chance to lead depending on what knowledge and experience that is needed for a specific task.

The significance of the interdependence at Sol Consultancy is that it contributes to the leadership capability of the organization. Letting everyone contribute with what they know best and have influence over the work being performed, the organization is showing signs of distributed leadership. Similar to this, Pearce *et al.*, (2004) resembles shared leadership as a 'simultaneous, ongoing, mutual influence process within a team that is characterized by "serial emergence" of official as well as unofficial leaders' (p. 48), and this resembles the process of teamwork within Sol Consultancy. There are no set roles within the teams which lead to all team members being able to have influence on the work and hence also able to take a leadership role depending on what knowledge and experience they have. On the downside it can be hard to evaluate everyone's

contribution to the task, but at Sol Consultancy they show no uncertainties about this. If someone makes a mistake, which they mention that everyone does, they tend to take full responsibility for it to learn and improve for future tasks. They see it as rather positive to sometimes fail to be able to grow and learn from it. The relationships between the team members are truly important since they are working together and contributing with different skills and knowledge making every individual important. If conflicts arise it will not only hurt the individuals involved but also the entire team. It is important to let people have influence over their own work but at the same time make clear who is doing what in the team to not create uncertainty or too much role overlaps that can slow down the work process. It is significant to let people do what they are best at to motivate them and increase the effectiveness of the team. A downside with a more formal leader in the team, usually the senior, being the contact person with the client can be that another person in the team might have better relations with that client due to previous work. Then that person should be able to be a major part in the communication process as he or she might know the client better.

5.5 SHARED LEADERSHIP AND PLANNING OF WORK

Co-ordination is another part of expressing the work flow in an organization which manages dependencies between activities (Gronn, 2002). At Sol Consultancy there are two main ways of co-ordination which can be either explicit or implicit. By explicit co-ordination we can see that Sol Consultancy have formally expressed roles with responsibilities and liabilities. This describes the managerial roles of organizations which we found in some way represented by employees on the higher levels. Seniors, managers and partners have more responsibility which comes with their formal roles and positions. The longer employees have worked at the firm and the more experience they have, the more formal responsibility they will get. Seniors have the operative responsibility for the teams which includes everything from planning the task and making sure that everyone do their job to completing it and hand it over to the signing auditor. Due to the amount of responsibility the senior also have much influence and can take a great deal of initiative, within the framework of the task. The partner has the legal responsibility of the tasks and is the one signing the annual reports in the end. These are examples of the set roles and certain responsibilities that come with them. On the other hand, Sol Consultancy has a very open environment and people in teams have more informal roles. The roles changes from task to task and the responsibilities changes with the roles although the entire team has the responsibility for

the completion of the task itself. We can conclude that the multiple team members perform a great amount of leadership attributes, and the leadership is not concluded to one individual (Gronn, 2002; Carson et al., 2007).

Team members at Sol Consultancy have a desire of wanting to learn to be able to get better at their work and to be able to climb in the organizational pyramid. This relates to what Gronn (2002) mentions that implicit co-ordination exists partly as a result of an interest among workers to learn as a part of the routine at work. Another reason for Sol Consultancy to use implicit co-ordination is the high rate of tacit knowledge among the employees which is hard to transfer between people. By having team members with different knowledge and experience working together, they can learn from each other and work on tasks they know the most about.

A problem with shared leadership in the planning process might be that team members have different ideas of how to manage a project and need one voice guiding them in the right direction. It is important to lead all the team members in the same direction to make the team as effective as possible. However, the team members still have a say and have the possibility to influence the team leader which can be seen as distributed leadership.

5.6 SHARED LEADERSHIP AND CONTROL

Concerning the impact formal systems and control mechanism has, we must take into consideration the purpose of this. Feedback and up-or-out is an important aspect to control a rather autonomous employee. Up-or-out serves as a mixture of means, e.g. attracting and retaining qualified employees, career prospect and a sense of a future within the company. Through this employees are expected to manage a great deal of leadership attributes in fairly early stages. Employees know if they really show the right qualities they will get promoted. We interpret the up-or-out as creating the right conditions for distributed leadership. Through this individual want to develop and we can see that more individuals take initiative and influence. The second aspect is feedback. Feedback is given to every employee, both from top and below, and the main purpose is to improve your leadership qualities. We think that receiving feedback is of great importance to let employees know how they are performing in order to improve themselves and hence to improve the effectiveness of the entire organization. Through receiving feedback employees get to know what is expected of them to be able to climb to the next level in the hierarchical pyramid in the organization which is directly related with the principle of 'up-or-

out'. It is important to get feedback from both above and below to get a better picture as one might have different views of people depending on whether they are superiors or subordinates. The people higher up in the hierarchy are in some ways controlling the work of their subordinates which can be seen to prevent the distributed leadership. However, the participants mentioned that they feel trusted and that it is only a routine. The teams are still able to be in control of the work process and how they want to divide the work tasks. As a result, the distributed leadership is not threatened and the team members are still able to influence the team work. Even if the teams are self-managed which promotes shared leadership, or the teams are offered a great amount of autonomy, responsibility and trust, it does not necessary result in shared leadership and influence being distributed within the team. There are other factors playing a part as well which will be discussed in the next part.

5.7 INTERNAL AND EXTERNAL CONDITIONS THAT CONSTITUTE SHARED LEADERSHIP

Other factors that may also influence shared leadership are internal and external conditions. Having described distributed leadership at Sol Consultancy, we now turn our attention on the conditions that enable shared leadership. This is to better explain how shared leadership function and to get an overview and make sense of the phenomenon. Based on this, we can discuss the consequence and limitations of shared leadership, and further explain some external problems. The discussion is divided in two broad aspects, namely the internal and external conditions.

5.7.1 INTERNAL CONDITIONS

We analyze the internal team conditions as presented by Day et al., (2007), drawn from a review of research on shared leadership. These consist of three dimensions: shared purpose, social support and voice.

We first consider shared purpose, as it ensures that team members have a similar understanding of the primary objectives and together focus on the collective goals. In SOL consultancy every team go through a pre-stage, this include division of labor and building a collective goals. The seniors involved in a project usually perform this kind of work, and ensures that everybody knows the project, and suggest what each team member should work on. This is a dynamic process, employees' work assignments are not written in stone, and they can mutually influence this by negotiating with a responsible senior. Several respondents expressed the metaphor that everyone sits in the same boat. This metaphor indicates an equal relationship and that team

members takes necessary steps to ensure collective outcomes. Sol Consultancy emphasized the importance of motivating team members by sharing responsibility and letting team members influence the process of work. Those teams that have a common sense and shared purpose will be more likely to feel motivated, empowered and commitment to their team (Kirkman & Rosen, 1999)

The second dimension is social support, which can be described as team members' efforts to provide emotional and psychological strength to one another. It is important that employees' inputs are considered, valued and appreciated, and team's will thereby work more cooperatively together and develop a sense of shared responsibility for team outcomes (Kirkman & Rosen, 1999). This is supported by the culture that exists at SOL consultancy as discussed in the empirical section. Many expressed being socially oriented as a crucial quality, both internally between colleagues and externally regarding customers. This benefits the creation of an environment where individuals feel supported by each other. According to Marks *et al.*, (2001) team member support each other by creating an environment that recognizes and encourages individual and team contribution and accomplishments. The communication is described as open and friendly, something that also resemble the office landscape. This signals that team members should have an open communication, and invite team members to participate in group discussion. Alvesson (1995) resembles this as intentionally expressing the culture in physical expression such as architecture and actions.

Voice is the third dimension and it usually resembles with participation and input. This means that employees are involved in decision-making and discussions around alternative approaches to a task or procedure (De Dreu & West, 2001; Simons, Pelled, & Smith, 1999). Several respondents expressed the importance of using everyone's strengths and taking advantage of the team's knowledge, regardless of position in the company. There is a strong social network at SOL consultancy, and several respondents emphasized an open climate between every level. Many of the respondents mentioned that the organization listen and take advantage of everyone's opinion. This may be a problem, particularly where the authorized accountant have the final signature and decisions. Hence the majority of respondents said that their knowledge and work was seriously taking into account and respected by those who take the final decisions. We experience that the culture, with socially oriented and strong emphasis on team spirit, contribute

to the accepting of alternative approaches regarding task and procedures. This gives team members a key voice and an opportunity to contribute with input.

5.7.2 EXTERNAL CONDITIONS

The second dimension that facilitate shared leadership is the external team coaching. Each team includes one or two external team leaders. Partly a manager that focuses on supportive activities and a partner that makes the final decision and taking responsible for the legally binding signature. Both external leaders are involved in supportive activities with the team exchanging ideas and questions. This resembles what Morgeson (2005) identified as ‘supportive coaching’ behaviors that focus more on developing self-management, initiative and autonomy and thereby reinforcing a team’s self-leadership. Several respondents viewed their external leaders as supportive and someone they could share and exchange ideas with. We interpret the external leaders as a supportive function instead of a controlling activity. The supportive coaching can contribute to shared leadership in a variety of ways. The external leaders must encourage behaviors that demonstrate leadership among team members (Manz & Sims, 1987). This can be demonstrated through Sol Consultancy formal and informal feedback. In every project each team member evaluates each other, both from below and above. Feedback contributes to give you an idea about your leadership abilities, both qualities and weaknesses, and illustrate what to improve. Each employee also allocates a counselor that function as an evaluator of one’s performance and career. Team members can rely more on their own ability, and feel confident to manage the work of their team. Supporting this assertion, Manz and Sims (1987) found that individual’s ability to demonstrate leadership increased when team members believed that they had significant autonomy. Several respondents expressed the ability to take much personal initiative. In a project there are many unexpected events turning up, and personal initiative must be taken or alternative bringing the discussion further up to a manager. Hackman and Wageman (2005) found a connection between external coaching and shared commitment, and this increases the likelihood to take personal initiative.

When looking at the big picture there are several leaders, hence within each team there is a formal leader represented by a senior. However, the cultural context of the organization seems show the opposite. The culture consists of a more open climate where everyone’s opinions are values and appreciated. The team members have the opportunity and are expected to influence

the work and this relationship is a rather dynamic process. The seniors have the operative responsibility to be able to steer the work of the teams in the right direction and pass on information to the higher levels in the organization. Thus they are not leaders in form of regular bosses but rather as mentors.

5.8 EXTERNAL PROBLEMS – JOB SATISFACTION, MOTIVATION AND LOYALTY

The ideal of distributed leadership looks good in both theory and our study. However, we found some challenges that affect the distributed leadership in reality. In real life external factors have an influence on an organization such as the economic situation of the country which can be considered to have a major impact on the workplace. It has an influence on all parts of the organization which may cause imbalance and a sense of uncertainty throughout company. At the moment Sweden and the rest of the world is working its way back from a global financial crisis that has been affecting the financial markets for a couple of years. This has led to fewer customers being able to afford the services of Sol Consultancy which has also affected the job situation at the firm. With fewer assignments, fewer employees are needed and thus problems with the ‘up-or-out’ arise. When there is a set back in the economy less people are promoted to their next level in the hierarchical pyramid which can be frustrating when that has been the goal. At the same time less people are leaving the organization because of the uncertainty of finding new jobs at other companies. As a result people in general might be less motivated because they can neither climb in the organization or leave for better suiting jobs.

A small number of participants of the interviews mentioned that they had worked really hard as a senior but still got the feeling that they would not get promoted to the manager and partner level. They were frustrated over this because this was something they had been working so hard towards for a long time and when realizing that this was not possible they gave the impression of giving up. One respondent talked about the situation of promotion or leaving:

‘To me the promotion is crucial, and I know that I will not climb forward, and that is one reason why you do not what to continue anymore. The same goes for those that have quit, because they would not be promoted’

(Senior)

This can be reflected to what Alvesson (2004) says, that the possibility of promotion to a partner is a big motivator in many cases. As a result some participants did not feel motivated anymore because they had nothing to work for. One can argue that there are extrinsic rewards such as salary that still will motivate people to work but intrinsic rewards often tend to be valued higher in knowledge intensive firms (Alvesson, 2004). This also seems to be the case at Sol Consultancy where we asked the participants what they were motivated by. Their responses included motivational factors such as being able to take responsibility, getting challenging work tasks in order to keep learning, as well as getting to know and work with co-workers and clients. Not one participant mentioned instinctively that they were motivated by financial rewards. These responses can be supported by Løwendahl (2004) who says that professionals' priorities at work are first of all to help clients and enjoy work instead of just maximizing revenue and income. When the employees are not able to get promoted, they feel that their chances of getting to take more responsibility are getting smaller. As mentioned by the participants, the level of responsibility within the organization increases the higher one gets. The assistants barely have any while the seniors have the responsibility for the work done by their teams. Furthermore, the partners have even more responsibility as they are legally liable towards the clients. Thus, when not being promoted to the next level, the amount of responsibility is staying about the same. Since this was stated as a motivational factor, people who do not get promoted risk to feel unmotivated to work at Sol Consultancy. When asking if the company actively worked on motivating the employees with other rewards, the participants could not come up with anything else. We can conclude that the organization relies much on up-or-out to motivate employees.

Day *et al.*, (2004) states that team members need to stay motivated to be willing to learn from each other in the teams. The participants clearly stated that this is the case at Sol Consultancy, since it is a learning organization and employees are also seeing the learning process as a great motivational factor. If employees are not able to get their motivational factors satisfied this will affect the work of the entire organization. It leads to lower job satisfaction among the employees as one of the respondents clarified. A participant demonstrates the decreased job satisfaction and motivation.

‘When you receive a notification that you are not being promoted, you do not care what you perform, no one appreciated it anyway. I have struggled for so many years, and busting

my ass off with overtime and particularly the amount of work I have given, and then not being promoted, fuck it, I do not care anymore, I will only do the minimum that is required of me. Although, this is a bitterness that disappears with time.’

(Senior)

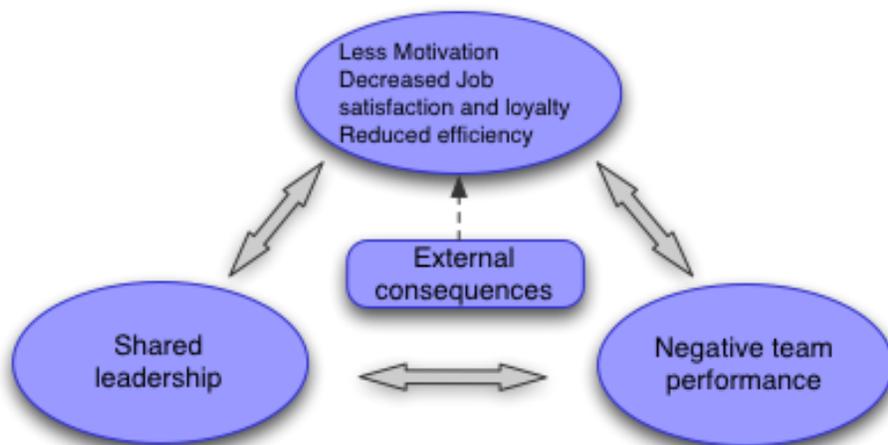
When the level of job satisfaction is getting lower, the employees’ loyalty to the company may be threatened. However, Alvesson (2000) states that motivation and loyalty (absence of exit) do not necessarily go hand in hand. Even though people are loyal to their employer, they might be lazy and not do their job properly because of other reasons. As mentioned earlier, few of the participants were considering leaving because of lack of motivation which in this case links to loyalty. In addition, a senior talked about the distribution of assignments

‘We have x many assignment, some are better and more challenging than others, because you have the possibility to develop yourself. The company then chooses those people they want to stay within the company to get the most developing and interesting assignments. The less qualified and interesting are given to the others [...] it is horrible to say, but it is a kind of bullying’

(Senior)

When considering the level of motivation, loyalty is decreasing radically when employees experience this kind of behavior. With a lower level of loyalty employees tend to be less prone to make sacrifices for the good of the company. Alvesson (2000) says that managing loyalty is thus important to knowledge intensive firms in order to prevent people from leaving and bringing their knowledge with them. In a consulting firm like Sol Consultancy people who leave might not only bring vital knowledge with them, but they might also take away clients from the firm if they decide to stay in the same field. This can be the case when clients are more interested in the work of the individual worker rather than the firm. At Sol Consultancy they are trying to avoid this by always separating from the leaving employees on good terms. They mention that by keeping in touch with former employees, they can build a great network to keep clients as well as gaining new ones.

People want to leave organizations because of lack of motivation since they get a sense of not being able to get any further up in the hierarchy. This might lead to the wrong people leaving since if it was not for the bad economic situation, the company might have invested more in those people to promote them. Because of this Sol Consultancy are risking to lose highly skilled employees who otherwise might have potential to reach the higher levels. This is an example of how ‘up-or-out’ can have a negative effect on organizations. Unmotivated employees can affect the job performance of the entire organization. If a senior who is responsible for an entire team is not feeling motivated it might be hard to motivate the rest of the team members which can harm the collective performance in the end. Since team work is essential to most consulting firms and in particular at Sol Consultancy, the external impacts that was previously presented can hurt the organization as a whole. If the principle of team work does not work out it affects the organizational context where team work is part of the foundation. It makes it harder to put together teams where everyone is motivated to do their best job to satisfy the clients which also affects the work characteristics of the firm. With poor management of the teams it becomes difficult to do the distribution of roles and tasks when not everyone is fully motivated. Employees might not see the point of working hard and do that little extra to get promoted when they get the feeling that they are stuck in the current position. It may hurt the performance of the teams and the sharing of knowledge and influence between team members if there are no clear roles and this might in the long run hurt the distributed leadership in the organization. Through the model below, we can understand how the external problem affects motivation, job satisfaction, loyalty and efficiency. This will have a negative impact on team performance, which affects shared leadership.



5.9 SHARED LEADERSHIP FROM A PRACTICAL PERSPECTIVE

We started this thesis with the expectation of researching the underlying meaning of shared leadership. Leadership is considered as the most important aspect in enabling team efficiency (Cohen & Bailey, 1997). Yet, the majority of existing research often focuses too narrowly on leadership being executed by a single individual (Rost, 2003). This caught our attention to further investigate it. Hence, shared leadership is described in the literature by Storey (2004) as resulting in team efficiency, motivation and increased commitment. Although this may be true, and through our empirical work we can confirm this, distributed leadership is far more complex and external problems could easily unbalance the positive advantages. Through a qualitative research we examined a consultancy firm where you could expect a fairly high degree of autonomous, spontaneous collaboration and where many individuals bring leadership.

As mentioned in the introduction the research purpose is to examine distributed leadership, from a practical perspective. To examine this we tried to examine the context and the work characteristic the employees worked in. Through the following research question we can examine the purpose.

What characteristics within knowledge intensive organizations will influence the emergence and effectiveness of distributed leadership?

5.9.1 THE CULTURE

The organizational culture is important, and sometimes even crucial in the emergences and effectiveness of distributed leadership. As suggested by Knight and Trowler (2001) culture may act in a positive way to create and sustain the conditions for distributed leadership. The culture is characterized as socially oriented, a strong team spirit and a learning organization. Through the analysis we can conclude that the culture helps with the emergence and efficiency of shared leadership. Culture is what stands behind and guides certain behaviors. As the major part of shared leadership is to share influence between multiple team members, the culture must invite this kind of behavior, which we found to be the case at Sol Consultancy. With strong metaphors, such as ‘everyone sits in the same boat’, ‘you're not a postman’ and ‘responsibilities are not cut in stone’, influence is not something executed by a single individual. It is rather a multi-level behavior where everyone is welcome to participate in a ‘whack-a-mole’ game, as the person with the most relevant knowledge ‘pups-up’ (Friedrich *et al.*, 2009). The culture is crucial in securing

a harmless environment, where all team members are recognized and supported. Through the internal environment such as shared purpose, social support and voice, and external supportive coaching the level of shared leadership increases (Carson *et al.*, 2007).

5.9.2 RELATIONSHIPS, PLANNING OF WORK AND CONTROLLING

Another aspect that is important is the work characteristics. It explains how assignments are distributed and how the work flows. Gronn (2002) relates this to interdependence and co-ordination, which help us clarify roles and relationships. Through letting the employees talk about their work situation and what it involved, we can interpret the amount of influence, responsibilities and influence each individual had. The majority of participants talked about a rather flexible approach to their work assignments with a high amount of autonomy. Each team has a formal leader, which is a senior. Although this rather traditional leader-attribute, the team have rather informal overlapping roles and complementary responsibilities. The distinction between leadership and followership is perhaps difficult to apply in this kind of organization, due to the increasing amount of autonomous and influence in work, a stronger focus on clients and the complexity of task. Thereby we cannot talk about followership in the traditional setting. Perhaps the work is better understood as co-workership, suggesting more responsibility and influence regarding the work situation. More people act as leaders instead of followers. Knowledge workers require a leadership based on informal peer interaction instead of traditional hierarchal structure and authority (Sandberg & Targama). Fading leader-centrism that Gronn (2002) present is very apparent at Sol Consultancy.

One of our most important conclusions is that the formal roles says very little of how the reality is and function. Through our empirical work we can see that the roles are rather loose. Both seniors and assistants deemphasized the formal leaders. Assistants did not see the senior as their boss, more of an equal person that you easily could express your thought with. The seniors also mentioned this rather informal role with managers and partners. What resembles the team work at Sol Consultancy is the metaphor of 'every one sits in the same boat'. Several respondents express collaboration and cooperation, and if we also view the culture at Sol Consultancy, then distributed leadership may mean complementing, supporting and helping each other out, and both develop the team and each individual.

As declared earlier, distributed leadership looks to work great in theory and our empirical findings show proof of this being true. At the same time we found that distributed leadership is more complicated than that because of the influence of external factors that are out of control of the organization. This can be in the form of a decline in the economy that no organization can have control over since they tend to take place on irregular basis.

5.9.3 EXTERNAL FACTORS

The weak economic situation has lead to fewer jobs since potential clients might have to cut down their costs during such hard times. The effect of less work can be noticed on all levels of the organization and therefore it is not unusual that for instance managers step down and do work that the seniors usually would have done. As a result, employees on lower levels get less work to do which can be frustrating when they really want to put their best forward in order to show that they are willing and capable of getting promoted to the next level. The seniors in this case get less influence over their work tasks, since the managers are reaching down and managing the work on the lower levels. Since there is less work to distribute among the employees, not everyone gets the chance to work on the larger and more important tasks. The participants mentioned that when distributing the tasks under these circumstances, the people who are considered to be most appropriate for the task are selected. Through this selective distribution of roles and tasks not everyone gets the chance to put their best forward and show that they want to advance within the company because that is in some ways already decided by the management. One can look at this as a way of almost freezing out employees as some are not given the chance to take on the more challenging tasks. This way of distributing the tasks can easily start rumors in the organization which can affect the culture in a negative way. Participants of the interviews mentioned that they have a very open environment at Sol Consultancy where they are trying to make clear what is going on in the organization for the reason of avoiding rumors. However, we think that people ought to get suspicious about why some people get assigned to the larger and more complex tasks and some do not. This can lead to employees starting to work for their own good instead of the greater good of the team and organization as a whole. This can be justified as employees want to show their managers what they are capable of in order to stand out so that they can get promoted in the future. If taken too far, people might want to try elbowing their way to the top which formally is not accepted at Sol Consultancy. But the survival instincts of the employees could make them push it to make it to the next level in the hierarchy. This strictly goes against the

existing culture of team work and collective learning that are major reasons for their success on the market. In worst case it could hurt the success of the company if they work against their culture and norms.

On the other hand, the case can be that distributed leadership is working well and turns out to be effective where everyone is feeling motivated and satisfied with their jobs. One can then ask him- or herself if formal leaders really are necessary when the leadership is distributed among the team members. From our research we found that formal leaders are essential since they have the uttermost responsibility over the teams as well as tasks. It is necessary to have an assigned leader who is responsible for the external communication in the teams. The work performed in the teams need to be communicated both to the clients and people on the higher levels in the organization such as managers and partners who have the legal responsibility. If not one person or position is assigned to this task there is a risk of several team member trying to get the information out simultaneously which can create a sense of uncertainty for the one being communicated to. With only one voice going out from to team, management and the client know who to listen to and use as contact person for the team.

As a result of this we consider it to be important to use both horizontal and vertical leadership in this type of organization. The horizontal leadership should be used within the teams to motivate the members to take responsibility and to make them feel satisfied with their jobs. This is a more informal type of leadership that let everyone within the teams to take on different roles. At Sol Consultancy, the team members get different roles, depending on their knowledge and experience, which are made possible to get switched between each other depending on their interests. The vertical leadership on the other hand should be used to make sure that someone is in charge and has the uttermost responsibility of the team. The person with the more formal type of leadership should be the one responsible for passing on information to the higher levels in the organization. At Sol Consultancy, the seniors usually have the responsibility for the teams' performance as well as reporting the results to the signing auditors. A combination of these types of leadership seems to be a good match for the organization to fully function where team members are able to influence the work at the same time as formal leaders are having the overall responsibility of the work.

6 CONCLUSION

Here we approach a much wider perspective to lift our view from Sol Consultancy to knowledge intensive firms and shared leadership in general and develop the reasoning under more independent manner. We conclude with some limitations and future research.

Distributed leadership is strongly affected by culture, relationships, planning of work and control. In the literature distributed leadership is presented as resulting in a range of positive outcomes. There are practical elements, which may even be out of the organizations control. We have found the decreasing economic activity as an external problem. This resulted in that up-or-out fails, and this affects motivation, job satisfaction and commitment. One consequence is that distributed leadership will be more complex. We can also conclude that distributed leadership is not possible without formal leaders. The formal leaders stand for the traditional leadership, hence many of the elements of distributed leadership still exist and within team's it is rather informality that is the dominant element. We can conclude a mixture of vertical and horizontal leadership and the most appropriate to explain the team work at Sol Consultancy. The vertical leadership mainly helps passing information forward. The horizontal leadership helps creating a more open and dynamic team, where the team recognizes each other.

The ability to use distributed leadership might be easier in Sweden and in cultures like it than in others. The culture in Sweden is less formal than others and more open. People do not have to address one another by their titles or last name and one usually has the ability to speak up about their thoughts and ideas. In other cultures like China this looks completely different where the culture is much more formal. There people are expected to use their working titles and hierarchy plays a big role. It is not as easy for an employee to make his or her voice heard which decrease the possibilities of applying some form of distributed leadership.

Further on we are all raised with dichotomies such as black and white, high and low, wet and dry, which has an impact on how we look at different things. However, when it comes to leadership and distributed leadership it is not as easy and one might think that this mean that he or she can have either one or many leaders. The question is if one really has to choose as they might go better together and complete each other. The common way is to separate the two but in reality they are more drawn together. Organizations are in need of development which is something that

cannot be done by just the top management, but rather through help from the entire organization which is why we believe distributed leadership is necessary. This is important to maintain good levels of innovation and creativity in the organizations.

A study on leadership, within the welfare sector, states that healthy leadership results in healthy employees. According to a study carried out by Professor Ingemar Åkerlind at Mälardalen University the results showed that ‘It pays off to develop a healthy promoting leadership where the co-workers get appreciated for their work, are encouraged to participate in important decision makings and get help to develop their skills’ (Sydsvenskan, 2010). This shows example of what we refer to as distributed leadership where people are welcome to partake and are taken care of, which in the long run leads to a healthier organization.

But we can ask ourselves whether distributed leadership really is something new. The concept dates back to the 1950’s but have not people delegated responsibility and influence before that? Perhaps this phenomenon has been used for a long time but just called something else. We believe that distributed leadership can be linked to empowerment where employees get more freedom and responsibility over their own work. The implications for both of the concepts are similar to each other and can be related to the meaning of a democracy. In a democracy everyone has a say in the organization and are able to influence the decision making. The same goes for distributed leadership where members of the organization are encouraged to take more responsibility and are less controlled. Instead of calling it distributed leadership one might be able to call it co-workship where people are working together to be able to maximize their effectiveness. This is the case at Sol Consultancy where employees are working close to each other by sharing information and learning from each other in their everyday work. Thereby we cannot avoid the possible thought if shared leadership is just old wine in new bottles.

6.1 LIMITATIONS

Due to restrictions in time and resources in our study on distributed leadership, we here clarify some limitations that may have affected the outcome of our research. One limitation is that the research was only done at one company which makes it hard to generalize the findings to other firms. When performing the interviews we talked to seven people in the organization which could have been expanded to get a broader view of the subject. During these interviews five out of the seven participants were seniors which mainly gives us a picture of how distributed leadership

work from the seniors' point of view. We could have talked to more people from the other levels as well to get a broader view of distributed leadership in the entire organization. Our research was only focused on the audit department of Sol Consultancy which implies that it could be difficult to apply the results to the organization as a whole. Even if many things are the same within the company, different departments have different ways of approaching their work.

6.2 SUGGESTION FOR FUTURE RESEARCH

When performing the research on distributed leadership at Sol Consultancy we came across some limitations which opens up for future research within the subject. For further studies it would be interesting to research the same subject in other companies that are working with similar tasks as Sol Consultancy. Further on one could also expand the study to other business sectors to see if the same results will be generated there. Since our study was made in Sweden, research on other knowledge intensive firms in different countries with other cultures could be interesting to perform. One could also go beyond knowledge intensive firms to observe whether distributed leadership is possible to apply in other types of organizations with different structures. Since we found that the distributed leadership is affected by external factors such as economic fluctuations, it would be interesting to further investigate this to observe how distributed leadership work in different economic situations. This could be researched deeper to investigate how other external factors are influencing distributed leadership in organizations.

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