An exploration of the leadership and innovation practices of growth and high growth SMEs, in Wales

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Declaration and Statements

DECLARATION

This work has not previously been accepted in substance for any degree and is not being concurrently submitted in candidature for any degree.
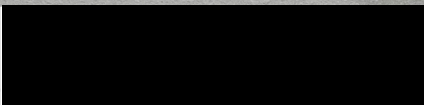
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STATEMENT 1

This thesis is the result of my own investigations, except where otherwise stated. Where correction services have been used, the extent and nature of the correction is clearly marked in a footnote(s).

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Abstract

This study explores the leadership and innovation practices of growth and high growth Small to Medium Enterprises (SMEs), in Wales (a region of the UK). Developed economies are becoming dependent upon the SME service and manufacturing base in order to provide high levels of value added, high levels of employment and as sources of innovation. Contemporary leadership literature draws extensively from large company concepts of leadership and uses large scale quantitative survey instruments to test theories. However, SMEs are heterogenous in their production processes, innovativeness and productivity levels. The dearth of contemporary SME studies means that the long tail of UK productivity is poorly understood as studies of SMEs have failed to capture the different complex contexts within which leadership is practiced, not least the high growth setting.

The researcher determined that theory building would be necessary in order to understand the contextually rich environment of high growth firms. A realist approach, using a cross comparative case study strategy, involving multiple phases of research was duly developed. Data was collected from leaders and their followers and was analysed using data displays (an accepted and legitimate research methodology in the social sciences).

The findings of the phased study clearly indicate the importance of 'place 'a dimension of leadership behaviour that has been underexplored. The researcher duly developed a model of high growth SME leadership from the empirical research and his initial conceptual model was developed during the structured literature review. The study concludes that SME leadership, whilst sharing some similarities with 'big company theories', is not adequately explained by such previous research. The key aspects of place mediated leadership incorporate leader's personality traits, an appreciation of place mediators and the application of an idiosyncratic blend of elements of transformational, pragmatic and distributed leadership models. The resultant model is offered for theory testing to other researchers that are eager to understand the leadership and innovation practices of growth and high growth SMEs.

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Chapter One: Introduction and Overview

1.0 Introduction

Organisational 'Leadership' is a subject area that has generated huge interest for many decades and yet much remains to be researched. Alvesson *et al* (2017) concede "*Leadership is an extremely popular topic. An enormous amount of literature has appeared on the subject.*" (p. vii) yet Collinson (2018) argues little is truly understood especially within the most typical organisational form – the small and medium sized business. Large scale manufacturing and service businesses have dominated leadership models. Whilst most traditional studies have focused on leadership within large, formalised and departmentalised hierarchies, leadership of Small and Medium-sized Enterprises (SME) has gone almost unnoticed. Most modern economies rely upon the employment and value added of SMEs which typically account for 60% of all private sector employment in the UK with a combined annual turnover of approximately £2 trillion in 2018 (Federation of Small Businesses, 2019).

With the economic significance of SME businesses (the modal form of UK employment) and the lack of studies of leadership in such a context, there remains a major gap in the academic body of knowledge. There are many potential reasons for this void which includes an inability to identify such businesses and practical issues in terms of gaining and maintaining access in order to study them and longitudinally assess the leadership and innovation practices of growth and high growth SMEs. This challenge frames this thesis.

1.1 The Research Gap and Media Attention

Traditional leadership research has has drawn from large business models of leadership, from early leadership theories of high profile political, military and public administration operating models and has been dominated by the leadership behaviours of organisations from the United States. Many researchers believe that this large company model dominance has little utility for studies of SMEs (Burns, 2016). Franco and Matos (2015) proposed *"despite the vast quantity of studies in the domain of leadership very little work has been done on small and medium-sized enterprises"* (p425). Leckel *et al* (2020) asserted "*some*

firms, especially smaller ones, face resource and capability constraints"(p425), contemporary authors agree that SMEs find innovation more challenging than large firms (Carayannis & Meissner, 2017).

The lack of SME leadership studies is a cause for concern and cannot be ignored especially for regional policy makers. The Federation for Small Businesses (FSB) recently proposed *"If the UK is to boost the competitiveness of its small firms and reduce the productivity gap, it must address the factors that prevent many firms from developing their leadership and management capabilities."* (FSB March 2016, p13). Furthermore, the Centre for Economic Performance (London School of Economics and Political Science), following a 10-year longitudinal study, found SME businesses play an important role in regional and national performance. They argued *"…management does indeed appear to be important in accounting for the large differences in cross-country Total Factor Productivity (TFP) as well as within-country differences."* (Bloom *et al*, 2014, p2). These reports echo a Welsh Government (2008) report that highlighted the challenge: "*If we fail to improve workforce, leadership and management skills, and to apply those skills in the workplace, Welsh businesses will gradually find it more difficult to compete"* (p6). The economic and pragmatic importance of studying SME leadership is timely and critical to close the academic knowledge gap.

1.2 Personal Motivations for the Study

The researcher has a keen interest in small businesses and frequently interacts with them in his role at Swansea University. Initially, conversations with established academic researchers proved that there was a growing dissatisfaction with leadership theories and issues for practicing leaders of SME businesses. Wider discussions with policy makers and conference attendance showed the context of high-growth SME firms presented the greatest opportunity to close the 'leadership gap'. The researcher also later chose the principality of Wales as the context of the study because of its 'representativeness' and his access to businesses that could help inform new theory.

1.3 The Intentions of this Study

This study improves the academic understanding of SME leadership and innovation practices of high growth SMEs.   The subject area is contemporary, and the intention of this study is to reduce this gap in knowledge and to build theory based on the practices of SME (High Growth Firm) leaders. The intention of the researcher is to select businesses where high growth has been achieved and to use these businesses to inform a better understanding of effective SME leadership. An objective of this study is to go beyond the traditional dyadic approach (studying a leader and a subordinate 'follower') in order to explore a situated and, context dependent dynamic set of relationships.

High Growth Firms (businesses that have grown by 20% or more on average over a three-year period) are the focus of the study. Previous studies of the researcher confirmed this SME context to be the mode important knowledge gap. The general theme of the research is declared as:

Theme: "What leadership styles and innovation practices exist in growth and high growth SME businesses?"

Derived from this central guiding theme are two research questions:

1. **What <u>leadership</u> processes and practices are employed at successful growth and high growth SMEs?**

2. **What <u>innovation</u> processes and practices are employed at successful growth and high growth SMEs?**

The scope of the study, drawn from an identified gap in the literature, infers a qualitative research framework design, to understand the context of leadership is critical and a "systems approach" was needed (which also necessitated multiple triangulated data collection methods for rigour). A phased study was designed to explore the situated leadership and innovation practices of, purposively selected, growth and high growth SMEs. The study data was analysed using qualitative methods based largely on the search for patterns and outlier behaviours (Zacher *et al*., 2016; Brown, Mawson & Mason, 2017; Collinson, 2018). The design satisfies Henrekson and Johannson's (2010) claim that "*evidence for the UK on high-growth firms is very limited…. what is conspicuous in the literature is the very limited contribution of UK studies*" (cited in Anyadike-Danes 2012, p.8-

9) and to contribute to regional economy discussion of policy makers, seeking to enhance SME leadership skills (Welsh Government, 2015; Scottish Funding Council, 2013).

1.4 Leadership of Innovation: Setting the Scene

Modern 'large organization derived' leadership models suggest transformational leaders are able to engage employees and create superior performance, but these models are poorly evidenced by cases from the SME sector (Franco & Matos, 2015; Cope et al, 2011). This contemporary era of "new leadership" is a shift away from more traditional theories of traits, style and situational leadership. Transformational and Charismatic leadership theories involve greater vision and engagement of the workforce with organisational goals to align workers with business challenges and growth strategies. The special issue of *Leadership Quarterly* (2004) contended that leaders facilitate organisational innovation and the "*nature and success of creative efforts",* but their practices are complex and poorly understood (Mumford and Licuanan, 2004, p163).

A meta-analysis study of "the leadership of innovation" (Rosing *et. al.,* 2011) found transformational leadership *"…correlates positively with innovation. But … there is a high degree of variation in the results…*[and] *…the extant literature does not provide a consistent picture of this relationship"* (p962) which provides further evidence that SME leadership needs to be understood and in particular what practices enable innovation and growth. Another issue is that leadership of innovation has tended to concentrate on 'the individual' ignoring the organisational context (Mumford 2002; Franco & Matos, 2015). The AIM (2005) research confirms this gap and proposed the SME context as a priority focus for British management research.

The 'post-millennial 'or 'post-heroic' and 'post structuralist' schools of leadership thought reject traditional transformational theories and include Ideological, Pragmatic, Servant, Authentic, Ethical, Spiritual, Distributed, Delegated Leadership theories (Anderson and Sun, 2017). These theories are more dynamic and are "*… fluid and emergent, rather than as a fixed, phenomenon*" (Gronn, 2002, p24). Uhl-Bien (2006) proposes leadership involves process-based behaviours within an organization, therefore it is complex and polyadic and can only be understood by deep contextual research (Cope et al, 2011; Grint, 2005).

Anderson and Sun (2017) propose 'extensive overlaps 'exist between transformational leadership and the 'post-heroic 'theories and yet a gap remains, in terms of the practices and processes leaders enact within growth and high growth in the SME context (Scaleup Institute, 2020; Brown, Mawson & Mason, 2017).

Figure 1. 1 The Challenge of SME Leaders
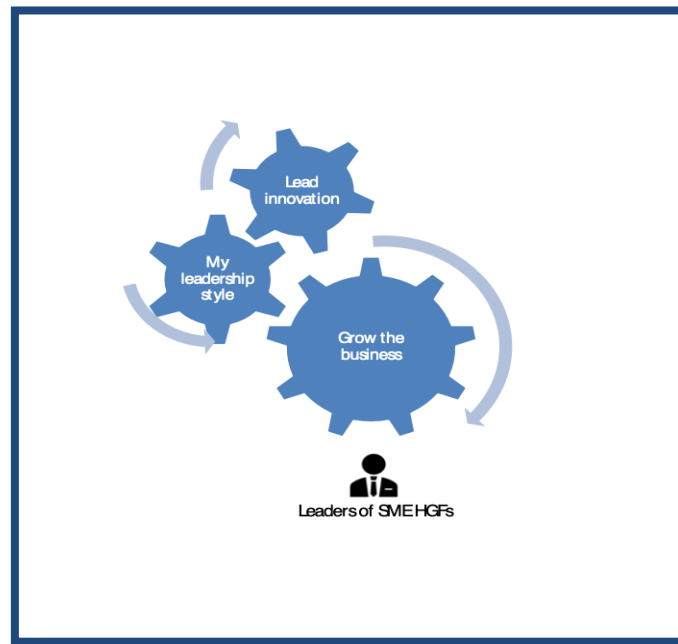
Source: The Researcher

The review thus far has painted a fragmented picture of leadership, innovation and growth. However, studies of High Growth Firms (HGFs) [1] do exist (Lee, 2014; Mason and Brown, 2013; ScaleUp Institute, 2020). Henrekson and Johansson (2010); Lee, (2013) and Mason and Brown, (2013); Mason et al, (2017) all reach similar conclusions that leadership processes and practices are not well understood for HGFs. Such a gap is surprising given reports from The Scaleup Institute who contend: *"Scaleups remain the most innovative and international of our SMEs. They contributed £1 trillion to the UK economy in 2018"* (2020 p.4). However, they are not homogenous.

High growth SMEs tend to disseminate innovation throughout the wider economy (Scaleup Institute, 2020; Lee, 2013). Mole *et al. (*2011) and later Brown et al (2017) advised that

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[1] The OECD (2010) defines HGFs as those that achieve 20% employment growth per annum, for three consecutive years or an 60% increase in a three-year period.

policymakers should focus their limited business support resources on high growth firms. Similarly, Lee (2013; 2014) argued quantitative analyses, self-reporting surveys and other methods have failed to support new theory and that case study research is needed. A point previously identified by Oke *et al,* (2007) and McAdam *et al*, (2010). A recent UK Government report (BEIS, 2020) on innovation stated: *"Evidence shows a positive and statistically significant link between innovation and organisational growth"* (p6), therefore the value in studying both the leadership and innovation practices of HGFs is salient and timely.

The literature gap identified during the literature review proved that such leadership research was important and case studies would allow the researcher to understand leadership, practice and context. A study was therefore designed which included:

- Interviews with key informants, predominantly academics, to inform the literature and policy context

- Thirty semi-structured interviews of high growth SME leaders conducted to better understand their leadership and innovation practices.

- Nine case studies of growth and high growth SMEs were subsequently developed. To do this, data was collected via semi-structured interviews with business leaders, senior managers as well as secondary data including observation, company information and photographs of site visits as well as researcher reflections (self-memos) post site visits.

The gap in the body of knowledge and guiding research questions, executed using a purposive selected case study approach and phased research programme was deemed appropriate to generate new theory from the practices of SME and HGF leaders.

1.5 Chapter Summary and Thesis Outline

This chapter has outlined the broad issues that affect the subject of SME leadership studies. To assist the reader, this thesis is structured into a number of chapters that build incrementally. The second chapter will present the structured literature review which positions leadership of Small and Medium Sized Enterprises (SME) and the high growth SME

context in particular. Chapter Three presents and defends the research strategy and methods employed to effectively study leadership within the realist tradition of organisational studies. Chapters Four to Six will present the research findings, then Chapter 7 will present the discussion and analysis of this research before concluding the thesis in Chapter 8. Figure 1.2 presents a graphical outline of this study.

Figure 1.2: Outline of this Research Study

Introduction	• Research Gap • Motivations • Context of SMEs
Literature Review	• Leadership Literature • Innovation Literature • SME Literature
Research Design	• Philosophy of Knowledge • Research Methods • Data Collection Methods
Findings	• Semi-Structured Interviews (Phase 1) • Semi-Structured Interviews (Phase 2) • Case Studies
Discussion	• Leadership Practices of HGFs • Innovation Practices of HGFs • A Place Mediated leadership Model
Conclusion	• The Learning Journey • Main Findings and Contribution • Implications of the Study

Chapter Two: Literature Review

2.0 Introduction and Purpose

This chapter shall outline and discuss the extant academic literatures that frame the subject of leadership of SME businesses (Figure 2.1). There is a dearth of literature published on leadership of SMEs and 'leadership and innovation of SMEs'. This study seeks to better understand the leadership and innovation practices of high growth firms (HGFs) and growth Small to Medium Enterprises (SMEs) with a focus on the geographical region of Wales. This study identified High Growth Firms and gained access in order to collect data on their leadership and innovation practices, to address the paucity of empirical research in this subject area (Leckel et al, 2020).

The researcher employed key word searches of established academic publications databases including ProQuest, EBSCO (Emerald), Science Direct, ABI Inform, Scopus and Google Scholar to review the extant academic literature. In order to reduce the sources to those that were credible the researcher limited journal articles to peer reviewed journals. The article search strategy (of the above databases) included three phases, starting with a narrow first search and concluding with wider final search. The below keywords were employed: (including wildcards * % etc. to collect permeations of terms in various databases)

- Small firm* and Leader* and UK (United Kingdom also added)
- Small to Medium Enterprise* and Leader* and UK (including SMEs and Leader* and UK)
- High Growth Firms and Leader* and UK (and United Kingdom)
- Small firm* and innovat* and UK
- Small to Medium Enterprise* and innovat* and UK (also SMEs and innovation and UK)
- High Growth Firm* and innovate* and UK
- Leader* and innov* and UK
- Leader* and regional econom* and UK
- Business Leadership and innovate* and UK

The second searches were run without 'and UK'. The third search was performed with the search terms narrowed by 'last 5 years' filter. The researcher selected articles by reading

the journal title (and abstract when ambiguous) and exported the searches into .csv files and directly into Endnote. Duplicated sources were removed by filtering in csv (deleting duplicates) and using 'remove duplicates' in Endnote.

The researcher obtained and read key academic textbooks that were listed in contemporary Masters' level module reading lists of Cardiff University Business School and Swansea University School of Management for the following subjects: leadership, business management, innovation, small business management, entrepreneurship, regional economics. The researcher accessed Government (UK and EU) published material and accessed grey literature recommended by academic colleagues or articles referenced in journal articles, e.g. The Financial Times and The Economist. The researcher regularly accessed 'The Leadership Quarterly' and 'Leadership' journals. The researcher also obtained references from attending and presenting at academic conferences including BAM, ISBE and ISLC.

The structured literature scan, using the eligible publications reviewed of direct relevance to this study revealed a paucity of published research concerning high-growth firms (HGFs) and a relatively limited body of research around leadership and innovation practices of SMEs. The low number of key publications was detected which implies the need for exploration and theory-building from this identified gap. This study found that leadership is the independent variable in the relationship between leadership and innovation and therefore the literature review focused on the leadership literature. This chapter will review and position this study within the key subject fields of; Leadership of SMEs, Innovation and SMEs, SME characteristics and growth, Leadership and Innovation for higher performance of SMEs and HGFs.

Figure 2.1: Literature Review Framework
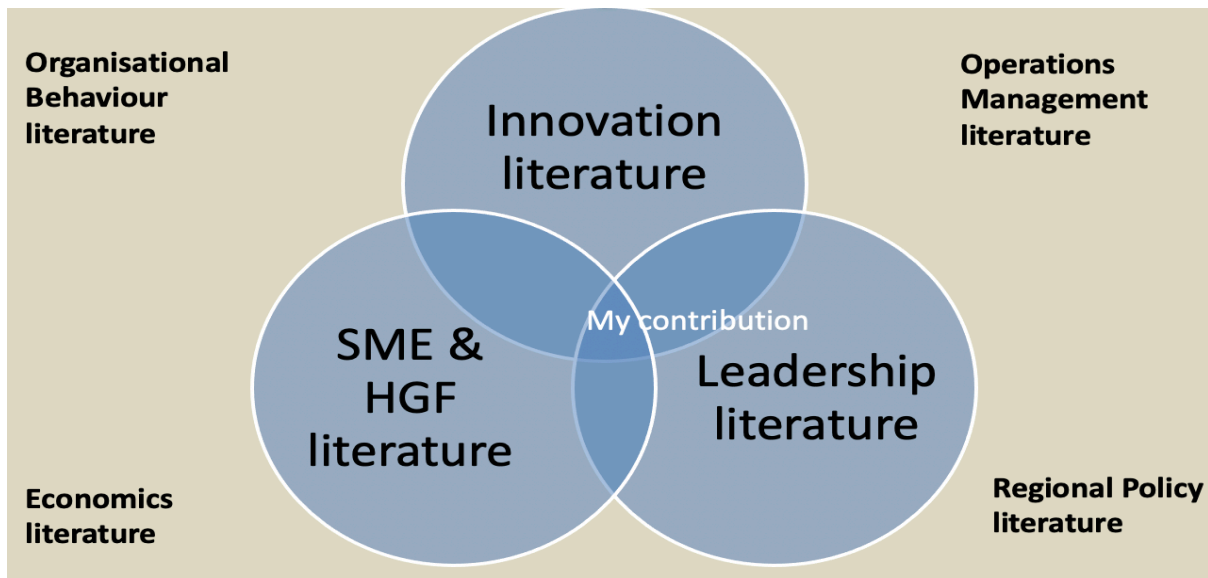
Source: The Researcher

This chapter explores the gaps in the literature and also relates these gaps to the generation of insights for the professional practice of leadership in the SME context. This chapter will firstly review the literature concerning organisational leadership research (section A) before moving on to look at research relating to business innovation (section B). This chapter will then look at literature that discusses the leadership of innovation and conclude through a discussion of the literature that specifically reports on leadership and innovation in high-growth SMEs (section C), creating a conceptual model in so doing.

2.0.1 Key Terms

The chapter will present definitions for the key terms to be introduced in this thesis. The terms presented in this section are drawn from relevant published works (outlined in table 2.1) and are provided to familiarize the reader with the subject area. A single authoritative source is reproduced for succinctness, further exploration and definitions of the key terms are included in subsequent sections.

Table 2.1: Key Terms and Definitions

Term	Definition	Author
SME	An enterprise that employs fewer than 250 people, has a turnover less than €50 million or has a balance sheet total of less than €43 million.	www.ec.europa. eu Accessed July 2019
Innovation (Business)	The definition of innovation activity here includes any of the activities described below that enterprises were engaged in during the period. These activities are as follows: 1. Introduction of a new or significantly improved product (good or service) or process; 2. Engagement in innovation projects not yet complete or abandoned; 3. New and significantly improved forms of organisation, business structures or practices and marketing concepts or strategies. 4. Investment activities in areas such as internal research and development, training, acquisition of external knowledge or machinery and equipment linked to innovation activities.	Department for Business, Energy & Industrial Strategy (UKG Department). Innovation Report 2020.
Leadership (organisation)	"the core of what is important about leadership in organisations, which involves systems for combining various forms of inputs to create outputs with higher value."	Dinh et al. (2014)
High Growth Firm	A firm of 10 or more employees that grows either its staff or turnover by an average of more than 20 per cent per annum for three consecutive years.	www.Nesta.org. uk accessed July 2019

Source: The Researcher

2.0.2 Overview of the Literature Chapter

The purpose of this chapter is to provide an overview of the key literature using a structured literature review to identify gaps in the body of knowledge and practical professional studies of SMEs.

The challenge facing the researcher, in reviewing the literature, was multi-fold as even a simple search of Amazon.com offers approximately 70,000 'leadership books '(10 May 2020) and a Google scholar search of 'leadership theory 'revealed 3,450,000 results (10 May 2020). Dinh *et al (2013),* reflected on the vast literature that is available and advise caution

around "*the enormity of the leadership field that has proliferated since the new millennium"* (2013, p42)*.* The challenge of reducing the literature concerning organisational innovation is similar although the body of peer reviewed published work is comparatively smaller. The addition of the terms 'small firm 'and 'small firm growth 'reduces the number of rigorous studies and published works to a manageable size (approximately 1956 peer reviewed publications since 2000, via scopus). Practicing leadership in the context of the small firm is the focus of this study whereas much of the existing literature concerns studies of larger organizations with much more formalized structures and processes. The small business sector, or Small to Medium Enterprises (SMEs) as often referred to in the literature, is the modal size of business in established and developing economies so to avoid such a setting seemed paradoxical to the researcher. The literature concerning the focal geography of South Wales (UK) is the selected geography for this study (determined in the Research Methods chapter) offered few published and peer reviewed publications in the practice of leadership for Welsh SME businesses. Having stated this, the review of the focal and background literatures will commence with a synopsis of the issues detected by contemporary researchers in the field.

2.1 Leadership Literature (Section A)

The next section will explore the concept of organisational leadership from a historical perspective in order to position the latest views and theories of modern leaders.

2.1.1 Early Theories of Leadership: What is Leadership?

This section will outline how the subject of organisational leadership has been defined and how it has developed over the last few decades. It is acknowledged that there is significant diversity of published theory and the various schools of thought often conflict in their definition and depiction of effective leaders. Leadership is a term used in the common vocabulary, it has many meanings and varies significantly based on the ontological and epistemological positions of researchers (Collinson & Tourish, 2015). This study is concerned with organisational leadership which, according to Grint (2005) should be treated as an 'Essentially Contested Concept 'and therefore looking for a 'universally accepted 'definition may be quixotic. Yukl in his seminal book 'Leadership in Organizations '(2013) suggests that the study of modern leadership is challenging, and such complexity has pervaded the

subject for over 50 years. Bennis (1959) proposed "*always, it seems, the concept of leadership eludes us or turns up in another form to taunt us again with its slipperiness and complexity. So, we have invented an endless proliferation of terms to deal with it…. and still the concept is not sufficiently defined*" (quoted in Yukl, 2013 p18).

In essence, organisational leadership describes a workplace relationship between people which Stogdill (1974) helpfully qualifies as *"…leadership is a relationship that exists between persons in a social situation, and that persons who may be leaders in one situation may not necessarily be leaders in other situations"* (p63). Focusing attention within an organisational setting reveals that leadership is '*the behaviour of an individual…. directing the activities of a group toward a shared goal."* (Hemphill & Coons, 1957 in Yukl 2013, p19). This latter quote defines the individual leader as directly influencing a group of people (followers) to achieve organisational aims or goals. By the late 1970s, the attention had shifted to leadership as "*the influential increment over and above mechanical compliance with the routine directives of the organization."* (Katz & Kahn, 1978) which implied leadership is more than task delegation and 'telling people what to do' as it requires an ability to motivate people to achieve organisational aims. This sentiment is echoed into the 1980s by Rauch & Behling (1984) who suggested leadership is "*the process of influencing the activities of an organised group toward goal achievement*" (Yukl 2013, p19). Therefore, an organisational leader is a person that motivates and aligns employees with organisation goals. Burns (1978) added the view that "*Leadership is exercised when persons…mobilize…institutional, political, psychological and other resources so as to arouse, engage and satisfy the motives of followers"* (p78) and Richards & Engle (1986) suggest organisational leadership is a relatively complex task involving "*… articulating visions, embodying values, and creating the environment within which things can be accomplished.*". Yukl (2013) argues that organisational leadership is not only about influencing people it's also about creating a vision, articulating values and creating a positive working environment. This quasi spiritual role of an organisational leader echoes earlier studies of Jacobs & Jaques (1990) who found that "*Leadership is a process of giving purpose (meaningful direction) to collective effort, and causing willing effort to be expended to achieve purpose."* (in Yukl, 2013, p19) and similarly House et al., (2002) returned to the

definition that leadership is *"the ability of an individual to influence, motivate and enable others to contribute toward the effectiveness and success of the organization."* (House et al, p5).

Organisational leadership also encompasses the creation of a perspective or mind-set amongst organisational followers as Smircich & Morgan (1982) proposed *"leadership is realized in the process whereby one or more individuals succeed in attempting to frame and define the reality of others"* (p258). The concept of a leader creating or managing meaning and thus organisational culture featured within Schein's (1992) definition of leadership where he contends leaders "*step outside*" cultural norms to set visions and evolutionary change programmes that enhance the adaptability and learning capabilities of the business. Table 2.3 (below) summarises definitions of leadership in chronological order to illustrate how the multifaceted dimensions and levels of leadership have evolved and have been articulated differently by authors, over the past six decades.

Table 2. 2: Levels of Leadership

Leadership Level	Relationship	Internal/External
Individual (dyadic)	One to one	Internal
Team (and organization)	One to one & one to many	Internal
Strategic	One to one & one to many	Internal and External

Source, Adapted from Denti & Hemlin (2012)

The recent literature and definitions of organizational leadership depict three levels or dimensions that include the individual level, the team or group level, and at the firm or organisational level (Denti and Hemlin, 2012). Table(2.2) summaries leadership levels and outlines the dyadic and polyadic relationships leaders have with followers, it also demonstrates that leaders' practices might differ in one-to-one and one-to-many situations. In this respect, studies of leadership demand an understanding of how the individual reflects on their own practice, shapes the practices of others and designs the strategic and operational context of a business including the workplace culture.

Table 2. 3: Definitions of Leadership

Definition	Author & Year
"the behaviour of an individual… directing the activities of a group toward a shared goal".	Hemphill & Coons (1957, p.7)
"influential increment over and above mechanical compliance with the routine directives of the organization."	Katz & Kahn (1978, p. 528)
"Leadership is exercised when persons…mobilize…institutional, political, psychological, and other resources so as to arouse, engage, and satisfy the motives of followers."	Burns (1978, p.18)
"Leadership is realized in the process whereby one or more individuals succeed in attempting to frame and define the reality of others."	Smircich & Morgan (1982, p.258)
"the process of influencing the activities of an organized group toward goal achievement."	Rauch & Behling (1984, p. 46)
"Leadership is about articulating visions, embodying values, and creating the environment within which things can be accomplished."	Richards & Engle (1986, p.206)
"Leadership is a process of giving purpose (meaningful direction) to collective effort, and causing willing effort to be expended to achieve purpose."	Jacobs & Jacques (1990, p.281)
"is the ability to step outside the culture… to start evolutionary change processes that are more adaptive."	Schein (1992, p.2)
"Leadership is the process of making sense of what people are doing together so that people will understand and be committed."	Drath & Palus (1994, p.4).
"the ability of an individual to influence, motivate, and enable others to contribute toward the effectiveness and success of the organisation…"	House et al., (1999, p.184)
"Leadership is the property and consequence of a community, rather than the property and consequence of an individual leader"	Grint (2005, p.38)
"the appropriate leadership style for an SME depends to a great extent on characteristics of its operating environment"	Franco and Matos (2013, p.445)
"the core of what is important about leadership in organisations …. involves systems for combining various forms of inputs to create outputs with higher value"	Dinh et al, (2014, p.43)
"there is no single way to enact or study leadership"	Collinson & Tourish (2015, p.590)
"leadership does not occur in a vacuum, but rather exists in a context where leaders function"	Burak Oc (2017, p.218)

Source, Adapted from Yukl (2013), Dinh et al, (2014), Jackson & Parry (2018)

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An extensive systematic review of leadership theory involving ten top tier academic journals was conducted by Dinh et al (2014) who suggested that leaders and the leadership team (senior team) of an organisation is responsible for the development, operational deployment and execution of organizational strategy. The recent addition of the 'execution ' of change duties for leaders reveals a modern requirement to be 'all-encompassing 'and pervasive for leaders in all forms of decision making as well as to design organisational processes that motivate others to achieve organisational goals. Dinh et al (2014) promote the role of the leader as a networker and relationship manager and assert *"…it is the leaders combined effects of intrapersonal and interpersonal processes that produce emergent phenomena in organizations. For example, cognitions, emotions, and aspects of physical embodiment simultaneously operate within individuals to produce emergent phenomenon such as decisions. Similarly, social obligations and contractual norms operating at more interpersonal levels work together to influence the emergence of collective resources, knowledge, and skill that constrain an organization's adaptive potential. However, this dynamic systems perspective is largely unexplored in leadership theory and research that tends to be cross-sectional rather than longitudinal. Yet skilled practitioners must address these intertwined processes when they are leading."* (Dinh et al., 2014, p52). This seminal research work provided support for a contemporary theme that asserts the organisation leader is immersed in the innovation and goal management processes, in contrast to traditional views where leaders were distanced from such matters (and spent their time planning rather than holistically managing processes of strategic importance).

Contemporary theorists suggest that the focus on the individual as leader is misplaced. Grint (2005) argued *"leadership is the property and consequence of a community, rather than the property and consequence of an individual leader"* (2005, p38). The earlier definitions of leadership, reproduced above, implicitly suggested leadership was the property of an individual. This thesis will therefore look at and discuss leadership through the ages in order to more fully understand one of the key terms studied. The holistic approach is also recognised in the definition of Dinh et al (2014). They propose a contemporary critical (non-positivist) perspective and argue that organisational leadership is less about the individual level and is a polyadic, multi-level, dynamic phenomenon. This

study adopts the succinct definition of Dinh *et al* (2014) as its working definition: *"the core of what is important about leadership in organisations …. involves systems for combining various forms of inputs to create outputs with higher value"* (2014, p.43).

In summary, leadership within organisations has moved from an individual level assessment of personal skills and actions towards a holistic, complex, and emergent phenomenon. The review of definitions from the 1950s reveals a qualitative shift in contemporary thinking. The contemporary definitions reflect the diversity of contexts within which leadership is practiced. Such diversity goes well beyond the static 'trait definitions' of leaders that were popular in the era of mass production and scientific management ('The one best way ' approach). As the contexts of leadership have expanded, theorists have followed contingency theories ('The One Best Way 'in specific context, yet multiple contexts) and recently a more holistic understanding of leadership based on the leaders' traits and the context within which leadership is practiced. The current diversity of thinking creates an environment where much is contested and, for the context of the small and medium sized enterprise, there remains much to know and to build theory from this modal form of business enterprise. The next section will present a historical account of leadership thinking.

2.1.2 Leadership Theory Through the Ages

This section will review the leadership theories and models that are prevalent in the contemporary literature. This outline of the business leadership literature will provide an understanding of context and reference points that will be used later in the data analysis chapters. The identified theories will also be used to build a conceptual model, which will frame the gap in knowledge and the area of interest of this study. The models and theories presented in this section outline the behaviours, processes and practices that leaders perform which have an impact on followers and in turn result in organisational growth. The chapter will also identify the current dominant models that exist within the context of high growth SMEs.

The literature review will investigate contemporary leadership theories and pay particular attention to Transformational Leadership (TL) and post transformational (post-heroic) leadership that are correlated with innovation and growth in SMEs. The study will then

provide a critique of transformational, post transformational and more recent leadership theories. The study will then assess the literature that comments specifically on models and theories of leadership that have a positive impact on innovation at the firm level.

The researcher adopted a chronological review of theory as advocated by van Maurik (2001) who identified four 'generations 'of leadership theories. He proposed *"Although it is true that the progression of thinking tends to follow a sequential path, it is quite possible for elements of one generation to crop up much later in the writings of someone who would not normally think of himself or herself as being of that school. Consequently, it is fair to say that each generation has added something to the overall debate on leadership and that the debate continues."* (p3)

2.1.3 Great Man or Trait Theory

Great Man or Trait Theory (the 'first generation 'of leadership theory) has a long-established history, dating back to ancient Greek philosophers, including Plato. Modern Trait theory research was most prominent between the 1920s and 1950s (Antonakis et al., 2004). The main studies that established leadership traits were Stogdill (1948) and Mann (1959), although it should be noted that Carlyle (1846) and Galton (1869) had published earlier theories of the same nature, focused on military leadership. Lord et al (1986) conducted a meta-analysis which re-analysed the Mann data and established that intelligence was strongly linked to leader emergence, later studies supported Mann's research (Kenny and Zaccaro, 1983; Zaccaro, Foti & Kenny, 1991). McClelland and Burnham (1976) and House, Spangler and Woycke (1991) confirmed in their studies that subconscious drivers or personality motivators were linked to leadership effectiveness and defacto business growth.

The two major trait domains that predict leadership emergence and performance, were identified as cognitive ability and innate personality (a view held since Plato). The "personal ability inventory" domain is dominated by intelligence. In Plato's *Republic* successful individuals have innate characteristics (predictors of their ability to lead). He argued few were born with this ability to lead and argued "*we are not alike; there are diversities of natures among us which are adapted to different occupations*"(p50). He advises that those

who are appointed to lead should be the best qualified in terms of abilities and training based upon intelligence and personality. He proposed 'courage, magnificence, apprehension (in terms of learning and perception) and memory 'as well as 'skill in asking and answering'.

Antonakis (2011) agreed with Plato that intelligence, knowledge and skills were important traits of leaders. He argued that trait theory models "*are like aspirin: discovered many decades ago but still effective today.*" (in Bryman et al, 2011, p270). There is intuitive appeal in Antonakis (2011) assertions that traits are psychological or biological characteristics that determine more effective performance. The essential properties identified by trait theorists include "*measurable traits, traits that vary by individual, temporal and situational stability and predictable attitudes, decisions or behaviour and consequently outcomes*"(p270) ibid.

The intelligence trait is generally regarded as the ability to learn (process information, abstracting, acquiring knowledge), these abilities suggest that intelligence is a useful predictor of leadership ability. Whilst there are epistemological and ontological issues with the construct of intelligence, as all constructs are invented by humans and grouped together in a theory explaining natural phenomena. However, Antonakis (2011) argues the operationalisation of the 'intelligence concept' has predictive ability of performance. Antonakis (2011) identified higher intelligence and the ability to apply intelligence in an organisational role as context specific (as some organisations allow much greater autonomy than others). Therefore, Antonakis (2011) contends trait and process models should also consider the contextual constraints that leaders operate under.

Traits can be difficult to assess, and intelligence cannot always be differentiated as a success indicator. It is also argued that traits are not identified with successful leaders as they do not seem important to those selecting the leaders. Grint (2010) points out that the majority of leaders of US Fortune 500 businesses are tall, handsome white alpha males that hale from privileged backgrounds, however that does not mean people without these personality and aesthetic characteristics cannot be successful leaders. As such, trait theory may be challenged on a number of fronts.

Two other obvious traits that can affect leadership outcomes are sex and age. Research suggests women are disadvantaged as leadership is usually conceived as a male domain and therefore women are less likely to emerge as leaders and unlikely to be rated highly as leaders (Eagli and Carly, 2004). Statistically less women occupy senior roles and are therefore less likely to be seen as effective leaders even though women have been rated as exhibiting more effective leader behaviours than men in some business settings (Antonakis et al, 2003). The latter phenomenon could be explained by the fact that only the most competent women make it through existing discriminatory mechanisms and have managed to survive ('survival of the fittest 'phenomenon). Age is a strong proxy for leadership (based on work experience) and yet neither age nor experience appear to be strongly correlated to successful leadership (Antonakis, et al., 2009).

Personality traits, using psychometrics, has been researched extensively since the 1950s and this approach has proliferated since the 1980s especially "the big five model" (Goldberg, 1990). The "big five model" of McRae and Costa (1987) and their NEO-PI tool has been extensively researched (Costa and McRae, 1992; Loehlin, McRae, McRae and Costa, 1997 and Costa and John, 1998). The Costa and McRae (1992) NEO-PI model identifies five main personality traits:

1. neuroticism
2. extraversion
3. openness
4. agreeableness
5. conscientiousness

Recent research reveals these five personality traits still have strong predictive leadership capability (Judge et al, 2002) and the meta-analysis of Bono and judge (2004) linked the 'big 5 'to a transformational form of leadership. Antonakis (2011) cautions that personality models for prediction lack a meta-analysis examination but concedes the strong results of the Costa and McRae (1992) NEO-PI model is likely to pass meta-analytic test. He also states that the same utility cannot be claimed for other personality-based models of EI, MBTI, HBDI, NLP and DISC as there is insufficient research that suggests they have an impact on leader performance or emergence.

As early as 1948, Bird questioned the explanatory value of trait theory and showed how researchers had identified a wide range of traits but focused on just a few that they agreed upon. Furthermore, Wright (1996) highlighted the common traits of both followers and leaders and questioned whether the same traits are relevant for the battlefield and boardroom, he suggested traits are context specific. Sadler (1997) suggested that trait theory academics had mixed traits without differentiating between behaviours', qualities and skills. Rosener (1997) pointed to the flaw, in earlier trait theory authors assertions, around the 'maleness 'of traits and suggested that there are obviously successful women who the traits describe less well. Having discussed Trait Theory this study will turn to outline the next generation of leadership theory, behavioural theories.

2.1.4 Behavioural Leadership or Leadership Styles

The renowned Michigan and Ohio studies found limitations to trait theory as it failed to describe what effective leaders actually did or the behaviours required for effective leadership. The Michigan Survey Research Centre (Katz, Maccoby and Morse, 1950) identified two dimensions of leadership behaviour; 'Employee Centred Behaviour', a 'leadership style 'which focuses on personal relationships and 'Job Centred Behaviour', a 'leadership style 'that focuses on tasks and getting the job done, as key to effective leadership. The Ohio research identified two similar categories of leadership behaviour, 'consideration 'and 'initiating structure 'that were supportive of effective leadership. The considerate leader is relationship orientated and the initiating structure leader is task orientated.

These dimensions were similar to McGregor's (1960) Theory X leaders (concerned with tasks using a 'directive style') and Theory Y leaders (concerned for people and using a 'participative style'). Similarly, Blake & Mouton's Managerial Grid (1964) developed the style theory into a two-by-two grid (figure 2.3) and suggested leaders were orientated, based on their personality preference, towards one of four 'leadership styles 'that were based on their: concern for task or concern for people, which resulted in directive leadership or participative leadership respectively. They argued that leaders who had a high

concern for production and a high concern or preference for people would be the most effective in leading people. Therefore, Blake & Mouton (1964) suggested that a 'Team style', as evident in the below table, was likely to be the most effective 'leadership style', a 'leadership style 'that is high on concern for production and people.

Figure 2. 2 Blake & Mouton Managerial Grid (1964)
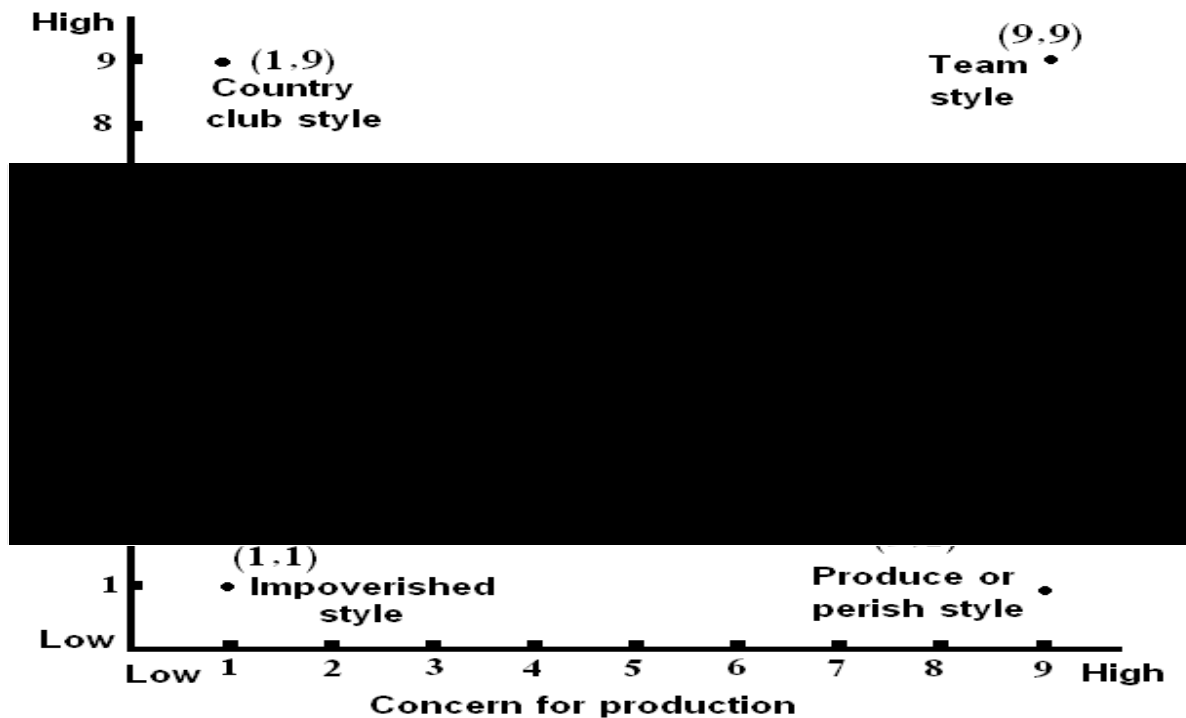
Source: Google images

The Ohio and Michigan studies identified a dichotomy between democratic and autocratic leadership and suggested leaders could be one or both (Lewin, Lippitt & White, 1939) and a Michigan researcher (Likert, 1961) developed the work of his colleagues to suggested four leadership classifications:

1. Exploitative Autocratic

2. Benevolent authoritative

3. Participative

4. Democratic

Likert asserted that 'systems 3 and 4', which he called 'alternative organisational lifestyle', were practiced by the most effective supervisors. The Michigan an Ohio studies surveyed

military personal, public administration and large manufacturing businesses. The research was not conducted in small businesses and often studied supervisors/ team leaders and not organisation leaders. This study has outlined behavioural theory and will now turn to discuss contingency theories.

2.1.5 Contingency Theory and Situational Leadership Theory

Contingency leadership and Situational leadership theorists advised a leader's ability to influence and drive performance of followers was dependent or contingent on the characteristics of their followers and their organisational environment. Lippitt and White (1939) proposed that leaders should adopt an *Autocratic, Democratic or Laissez Faire* style of leadership that was contingent on the organizational context and the characteristics of followers. Tannenbaum and Schmidt (1958) developed this model to suggest that one leadership style might not be effective in all situations and the best 'style ' was contingent on the business, the situation and ability (knowledge and skills) of followers. Tannenbaum and Schmidt (1958) proposed an 'autocratic to democratic continuum', suggesting leaders should adopt a position on the continuum depending on the situation and the organisational context.

Figure 2.3: Tannenbaum and Schmidt, Autocratic-Democratic Continuum (1958)
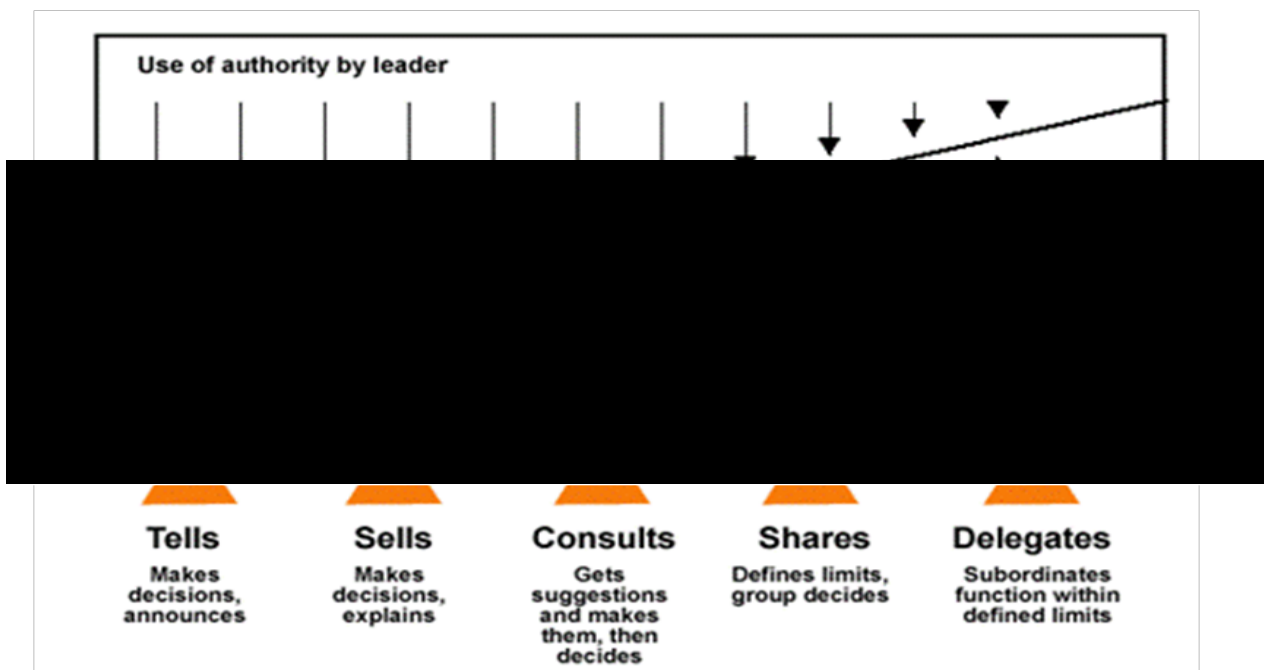
Source Google Images

Fiedler (1967) added another dimension to the model and asserted that leaders must diagnose organisational situations and decide on a 'best style 'at that time and place. Fiedler & Chemers (1974, 1984) then presented a systematic approach to measure a leader's approach with their 'Least preferred co-worker 'score which suggested that the leaders 'context varied dependent on the level of structure of the tasks being managed.

Figure 2.4: Hersey & Blanchard Situational Leadership Theory
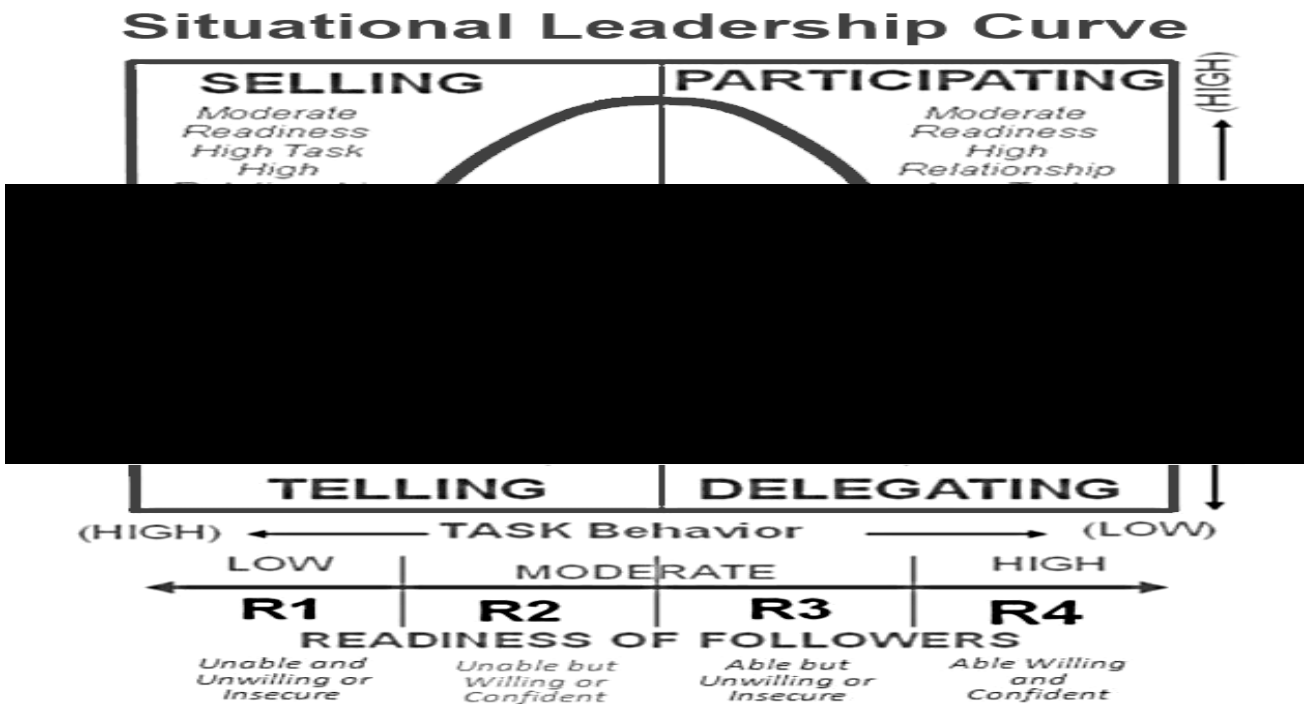
Source, Google images

Hersey and Blanchard (1988) agreed with Fiedler's assertion that leaders should diagnose the context and "fit" but argued that leaders should alter their style to fit the context or situation (terming this situational leadership). Situational leadership developed the concept of leadership influencing skills for situations and follower management. Hersey and Blanchard (1977, 1988) developed situational leadership and their model remains the most recognized (see figure 2.5). They suggest four basic leadership styles using a 'two by two ' grid: Telling (S1), Selling (S2), Participating (S3), and Delegating (S4). The proposed leaders should adopt one of the styles dependent on the 'maturity or readiness 'of an individual follower, based on their competence and confidence to carry out a given task. Further developments by Fiedler (1967), House (1971) and Vroom and Yetton (1973) added more

dimensions of followers that leaders should consider. This study has outlined Situational Leadership and will now turn to discuss the third generation of leadership theory, Transformational Leadership Theory.

2.1.6 Transformational Leadership Theory

Dianz-Saenz (2011) advised *"Transformational leadership is the process by which a leader fosters group or organisation performance beyond expectation by virtue of the strong emotional attachment with his or her followers combined with the collective commitment to a higher moral cause."* (p299). Bass (Bass, 1985; Bass & Avolio, 1994; Bass & Riggio, 2006), developed the most popular and researched version of transformational leadership, which extended Burns '(1978) theory, as outlined below.

Table 2. 4: Transformational Leadership

	Behaviour/attribute	Description
1	*charisma / inspirational*	*provides followers with a clear sense of purpose that is energizing, is a role model for ethical conduct and builds identification with the leader and her articulated vision*
2	*Intellectual stimulation*	*Asks followers to question the tried and trusted ways of solving problems, encourages them to question the methods they use to improve upon them*
3	*Individualized Consideration*	*focuses on understanding the needs of each follower and works continuously to get them to develop to their full potential;*
4	*Contingent Reward*	*clarifies what is expected from followers and what they will receive if they meet expected levels of performance*
5	*Active Management-by-Exception*	*focuses on monitoring task execution for any problems that might arise and correcting those problems to maintain current performance levels*
6	*Passive-Avoidant Leadership*	*tends to react only after problems have become serious to take corrective action, and often avoids making any decision at all*

Source: Adapted from Bass and Riggio (2006)

Bass (1985) described transformational leadership as an individual leader's effect on followers and the behaviours used to achieve this impact. He argued that followers felt greater trust, respect and affection towards the transformational leader and this in turn led to the follower expending additional discretionary effort. Bass (1985) differentiated transformational from transactional leadership as the former emphasized intrinsic motivation and the positive development of followers and the latter was founded on a contractual or transactional exchange from leader to follower that ensures compliance

through a set of organizational processes and practices. Bass & Avolio (1994) proposed that the best leaders displayed both transformational and transactional leadership characteristics to be successful, therefore arguing against the notion of Burns (1978) continuum with transformational and transactional at opposite ends. The major contribution of Bass & Avolio (1994) was their assertion that leaders should be both transactional and transformational.   The different behavioural concepts found in transformational and transactional leadership are measured by the Multifactor Leadership Index (MLI), initially the Multifactor Leadership Questionnaire (MLQ), completed by followers who comment on the frequency of the behaviours exhibited by their leaders. The MLI has been developed to include additional transactional and transformational behavioural components over time (Bass, 1985; Bass & Avolio, 1995; Avolio, Bass & Jung, 1999; Bass & Riggio, 2006).

Lowe, Kroeck and Sivasubraniam (1996) reviewed thirty-nine studies (that used the MLQ) and concluded the key elements of transformational leadership correlated positively with follower performance and satisfaction. Research conducted by Bennis & Nanus (1985) and Tichy & Devana (1986), using descriptive methods, supported this view of transformational leadership effectiveness in different contexts. Podsakoff et al (1990) tested and confirmed six transformational leadership factors that supported effective leadership practice. The authors stopped short of suggesting these could apply to small businesses but identified the concepts of vision articulation, role modelling, fostering the acceptance of goals, communication of high-performance expectations, provision of individualised support to key followers and intellectual stimulation and challenge to followers.

These features are similar to Bass's transformational and transactional tenets and are based on the individual (leader) as the unit of analysis. Alimo-Metcalfe and Alban-Metcalfe (2001) developed a Transformational Leadership Questionnaire (TLQ) that measured nine factors of transformational leadership. The nine factors identified are a genuine concern for others, empowers and develops potential, integrity, trustworthy, honest and open, accessibility and approachability, clarifies boundaries, involves others in decisions, encourages critical and strategic thinking, inspirational networker and promoter, decisiveness, determination, self-confidence, and political sensitivity and skills.

Later, the Alimo-Metcalfe and Alban-Metcalfe (2001) factors and measures of leadership paper did not contain a transactional component and confirmed the measures found by Kouzes and Posner (1998). Bass and his colleagues suggested that the practice of transactional leadership was necessary and that the practice of transformational leadership served to move followers to perform beyond their expectations. This suggestion was supported by Den Hartog et al (1997) who argued that transactional leadership by itself was necessary as the transaction is the basis of human interaction and it is the combination of transactional leadership and transformational leadership that produces optimal organisational performance.

2.1.7 Transactional Leadership Theory

Burns (1978) first identified Transactional and Transformational Leadership theories. Transactional leadership, an element of transformational leadership theory, includes contingent reward, passive management by exception and active management by exception. Bass & Riggio (2006) further developed the theory of transactional and transformational leadership. The transaction between employer (leader) and employee (follower) is a fundamental aspect of the employment relationship and therefore relevant to this study, particularly with small businesses as there is a direct relationship between the business leader and the majority of employees. Most factor-based studies support the distinction between transformational and transactional leadership behaviours (Bass & Riggio, 2006).

Transactional leadership involves an exchange or transaction between leaders and followers; the follower complies and performs in exchange for rewards in the form of remuneration and other formal exchanges (employment contract). Burns characterised leadership as a dyadic exchange between leader and follower. The idea of leadership as an "exchange" (exchange concept) was present in the organisational behaviour and psychology literature as outlined in the path-goal model of House & Mitchell (1974). The major contribution Burns made was his assertion that certain types of leaders inspire and increase aspirations, which subsequently transform both leaders and followers. Burns suggested charismatic leaders could be transformational in terms of their impact on followers and

organisations by appealing to their higher ideals and creating a vision. It could be suggested that Burns had incorporated motivational theories of Maslow (1954) and Herzberg (1959) into leadership theory through suggesting followers are motivated through satisfying their 'higher order needs', which in turn leads to more engaged followers and higher productivity.

Bass (1985) suggested transactional leaders typically led through 'management by exception', which has two variants, 'active management by exception 'and 'passive management by exception'. The former is characterised by leaders looking for exceptions or deviations from followers expected behaviour and then taking corrective action and the latter is characterised by leaders waiting for exceptions or mistakes to occur before suggesting corrective action. The latter is similar to 'laissez faire leadership 'situational leadership and 'concern for task '(Burns, 1978). Burns (1978) contribution to the transactional/transformational leadership debate was significant as he brought together the behavioural and process-based approaches into one theory, which unlike earlier theories suggested individual leaders were at a place on a continuum, with transformational leaders at one end and transactional leaders at another. Burns 'work was based on analysis of political leaders and therefore its applicability to organisational contexts was limited. However, the Burns (1978) work led to a plethora of organisational based research around transactional and transformational leadership.

In summary, Burns amalgamated leadership theory from previous decades and launched a new area of research. The transaction between employer and employee and the performance of employees is fundamental to the success of a small business, therefore this study needs to understand how leaders through their leadership style can enhance the productivity of their followers. This study will now outline Charismatic Leadership, which many authors argue is an element of transformational leadership (Jackson & Parry, 2018).

2.1.8 Charismatic Leadership Theory

Max Weber (1947) articulated the charismatic leadership model as a term to describe forms of authority based on perceptions of an extraordinary individual (a modern trait theory), he suggested the holder of charisma was *"set apart from ordinary men and is treated as*

endowed with…. exceptional powers and qualities…. not accessible to the ordinary person but are regarded as of divine origin or as exemplary" (Weber, 1947 p358-359). However, Weber's characterization was set within a religious context written from a sociological perspective and not discussed by mainstream social and political science writings until the 1960s (Conger, 2011).

Charismatic Leadership and transformational leadership are often seen as interchangeable. Jay Conger (2011) asserted: *"For Burns, transformational or charismatic leaders offered a transcendent purpose as their mission - one which addressed the higher order needs of their followers."* (p87 in Bryman et al, 2011). Conger (2011) treats transformational and charismatic leadership as the same by referring to the work of Bass (1985) who developed the theory of transformational leadership with an implicit reference to charisma. Much of the research on charismatic leadership centred on political leaders and high-profile big business leaders, during the last few decades of the twentieth century (Jackson & Parry, 2018). The key variable or tenet, and hence similarity with transformational leadership theory, is the alacrity and allegiance that charismatic leaders illicit from followers through their ability to heighten the self-concept of followers to achieve more (Shamir, 1992). Shamir (1992) suggested that charismatic leaders could generate heightened self-esteem, self-worth as well as increased self-efficacy in followers, which in turn leads to both individual and collective internalisation of the leaders 'values. This study will ensure it analyses the data to assess charisma within leaders of SMEs and assesses the impact charisma has on followers' innovation and productivity. This study will now turn to discuss criticisms of Transformational and Charismatic theories.

2.1.9 Criticisms of Charismatic and Transformational Leadership

Yukl (1999) provided a critique of transformational leadership theory, detailing a number of conceptual weaknesses. A number of other studies (Huxham et al., 2000; Gronn, 2002; Khurana, 2002; Alvesson, 2003; Maccoby, 2004; Offerman et al., 2004; Gardner et al., 2005; and Collinson, 2006) have since explored these weaknesses and the criticisms have proliferated since the turn of the century, these will be outlined in the below section.

Yukl (1999) argued some important leadership behaviours were omitted, and ambiguity existed around other factors of the transformational behaviours. The Alimo-Metcalfe and Alban-Metcalfe (2001) Transformational Leadership Questionnaire addressed some of the omissions that Yukl highlighted, yet Yukl (1999) argued that transformational leadership theory did not provide sufficient specification of situational variables and contained a 'Heroic Leader Bias'. Yukl (1999) also argued that transformational leadership overemphasized dyadic processes arguing that leadership is not a one-to-one relationship of a leader influencing a follower. This criticism is leveraged by a number of 'post-transformational 'or post heroic theories, in particular distributed, delegated and relational leadership theories.

The majority of Transformation Leadership (TL) and Transactional Leadership theories were conceptualised at the individual level, they tend to measure and report on influence that leaders have on followers as individuals. Therefore, detractors argue there is little explanation of how leaders impact groups within the organization and little on how they affect organizational processes. Yukl (1999) suggests group level processes are an important aspect of organizational performance and he outlined eight group-level processes that TL had insufficiently explained.

The eight listed were:

1) how well the work utilises personnel and resources.

2) how well inter-related group activities are coordinated.

3) the amount of member agreement about objectives and priorities.

4) mutual trust and co-operation amongst members.

5) the extent of member identification with the group.

6) member confidence in the capacity of the group to attain its objectives.

7) the procurement and efficient use of resources.

8) and external coordination with parts of the organization and outsiders

Source: Yukl (1999, p287).

Yukl (1999) also argued that transformational leadership did not sufficiently detail the negative effects of 'transformational leaders'. The negative aspects of charismatic

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leadership and transformational leadership relate to the abuse of power that charismatic leaders accumulate, sometimes referred to as the 'narcissistic tendencies 'of charismatic leaders. Maccoby (2000) and Khurana (2002) detailed the downsides of charismatic narcissists, the latter refers to the 'incredible pros 'and the 'inevitable cons 'of the approach, the 'cons' being narcissists poor listening skills and sensitivity to criticism. The downsides of TL have been identified in recent high profile organisational failures (Northern Rock, Enron and the general financial crisis) where questionable practices were overlooked by senior managers in pursuit of the leaders 'vision (Tourish, 2013). Having outlined the criticisms of TL this study will now turn to discuss post heroic leadership theory, the fourth generation of leadership theory.

2.1.10 Post Transformational or Post Heroic Leadership Theory

Contemporary leadership theory has moved away from transformational leadership to a fourth generation of leadership theory, named 'post-heroic 'or 'post transformational 'that incorporated more critical perspectives of leadership (Northhouse, 2016). The van Maurik (2001) above quote suggests there are seldom clear dividing lines and timelines that separate research in the field and so this thesis shall refer to all critical, post heroic or post transformational theories as 'post-heroic'.

Jim Collins in his publication 'Good to Great '(2001) empirically contradicts the heroic leadership model with his 'Level 5 Leadership'. Collins argued successful leaders of Fortune500 US organisations (enjoying success over a twenty-year period) were not charismatic but possessed 'humility and fierce resolve'. He termed these 'Level 5 leaders ' whereas charismatic leaders were deemed level 4. He departs from the features of the individual charismatic leader and replaces this with an emphasis on the senior leadership team (the concept of executive group) and the ability of leaders to engage and leverage the different knowledge and skills of others in the organization to achieve business aims (follower engagement). Badarcco (2002) supported Collins arguing the most effective leaders work 'quietly 'in the background, working through and with followers, in his book 'Leading Quietly'. It could be argued that Collins (2001) was one of the first to criticize the notion of 'heroic leaders', in the mainstream literature. Porras & Collins (1995) suggested

that leadership was not simply about leaders but distributed across a leadership team. Guthey and Jackson (2005) suggested the media in the US reduced its emphasis on celebrating charismatic and heroic leaders after the dot.com bubble burst and looked to promote leaders with more ethical and sustainable perspectives, the dominant 'heroic leader 'narrative the mainstream media pushed had proved to be flawed. The criticism of the 'heroic leader model 'lead to the development and publication of numerous 'post heroic 'theories, which this study will now discuss.

Authentic Leadership (AL) proponents argued against the 'heroic leader 'perspective and dispelled the normative position that transformational leadership took. Dinh et al (2013) advised: "*Gardner et al (2011) provided comprehensive assessments of the construct development of authentic leadership and offered suggestions for future research.*" (Dinh et al, 2013 p42). Avolio and Gardner (2005) described authentic leadership as "*ongoing processes whereby leaders and followers gain self-awareness and establish open, transparent, trusting and genuine relationships, which in part may be shaped and impacted by planned interventions such as training*" (2005, p322).

Authentic leadership dismantles the myth of a heroic individual (leader) who charismatically engages followers with a vision and replaces with a more natural, open approach which includes self-awareness and an aim to encourage trusting relationships with followers, in this respect leadership becomes 'co-created 'based on trust and engagement. They suggested "*The positive outcomes of authentic leader-follower relationships to include heightened levels of follower trust in the leader, engagement, workplace well-being, and sustainable performance*" (Avolio & Gardner, 2005 p321).
Gardner et al (2011 p.236) characterised Authentic Leadership as:

- *Self-Awareness: The ongoing process of reflection and re-examination by the leader of his or her own strength, weaknesses, and values*
- *Relational Transparency: Open sharing by the leader of his or her own thoughts and beliefs (values)*
- *Balanced Processing: obtaining other and opposing viewpoints and fair consideration*

- *Internalized Moral Perspective: A positive ethical foundation adhered to by the leader in his or her relationships and decisions that is resistant to outside pressures.*

Avolio and Gardner (2005) suggested AL could operate at the individual, dyad, group and organisational level.   They acknowledged that the theory draws on the motivation theory of Rogers (1963) and Maslow (1971) in aiming to satisfy followers higher order needs and intrinsically motivate followers. The concept of self-awareness is an obvious departure from transformational leadership and was popularised by Daniel Goleman (1998) and his assertion that leaders were more effective if they were both self-aware and self-regulated. Goleman's (1998) concept of emotional intelligence in some respect addresses the issue of narcissism levelled at transformational leaders.   AL popularized and embedded individual and organisational values into post heroic theory, addressing issues of transformational leaders who abuse their power.   Shamir and Eilam (2005) asserted values based authentic leaders effectiveness is "*achieved by followers who follow leaders for authentic reasons and have an authentic relationship with the leader*" p322. Therefore, introducing the concept of a leader operating from a values-based perspective.

Authentic Leadership has detractors, a number of authors suggested there is a tension and paradoxes within the constructs (Algera & Wiersman, 2011; Nyberg & Sveningson, 2014). Algera and Wiersman (2011) suggest that individual leaders and businesses often find it impossible to maintain authenticity when faced with the three structural tensions of power, time and purpose that face all profit-making organizations.   They advised "*AL is not alone in finding it almost impossible for leadership theory to move away from the person of the leader. Yet the very label of 'leader (and possibly also 'leadership 'as long as we are not able to separate it from 'the leader') can create inauthenticity when it sets intentions or behaviours of some human beings apart from that of others, or when it labels human contributions as 'leadership 'only to the extent that they meet the objectives of the organisation." (*Algera & Wiersman, 2011, p129). However, Nyberg & Sveningson (2014) argued there is an inherent tension in leaders remaining authentic whilst simultaneously attempting to be liked and respected as leaders, they suggest that leaders face the challenge of retaining an authentic persona through a process of constructing 'fragmented and conflicting selves'. A comprehensive meta-analysis by Hoch et al, (2018) asserted: "*The*

results also revealed that authentic and ethical leadership display significant construct redundancy as evidenced by their high correlations with transformational leadership and their overall similar pattern of associations with other measures." (p526). Due to the vagaries of post-heroic theories in the SME context, this perspective was accepted as a gap in the literature which required to be closed. This study will turn to discuss other post-heroic theories.

2.1.11 Distributed, Servant, Pragmatic, Instrumental and Entrepreneurial Leadership

Distributed and Dispersed Leadership theories are post-heroic theories that are slightly different and yet all assert leadership is not merely a two-way relationship between leaders and followers (not dyadic).   The theories suggest that leadership and indeed power resides, but can move, at different levels and areas of an organization, but is not necessarily the property of leaders and leadership teams.   Manz and Sims (1991), Lorenzi (1992), Gronn (2002), Alvesson (2003), Keller (2003), Gardner et al (2005), Dickson (2006), Collinson (2006) have added to the development of Distributed, Delegated and Dispersed Leadership theories.   Gronn (2002) supported Yukl's assertion in terms of the limitations of the individual leader – follower conceptualisation and the over emphasis of TL on the dyadic relationship between individuals.

Gronn's (2002) theory of Distributed Leadership contends that leadership exists across an organisation and is distributed, both formally and informally, amongst a large number of individuals and teams.   Gronn (2002) defined leadership "*as a status ascribed to one individual, an aggregate of separate individuals, sets of small numbers of individuals acting in concert or larger plural-member organizational units.*" (p428), arguing that leadership is not the property of individuals. Grint (2005), similarly suggested, "*leadership is the property and consequence of a community, rather than the property and consequence of an individual leader*" (p38). The notion that leadership is context dependent is a feature of post heroic and relational leadership theories. Gronn (2002) also asserted that leadership could also be found in processes and practices as well as in professional bodies and organisational structures, later echoed by Avery (2004) and her 'substitutes for leadership'. Such a focus is

absent from modern studies of SME businesses and this study will gather data on the processes and practices of SMEs to explore this way of framing modern leadership practices.

Spillane (2006) added to the discussion with his research on leadership within schools and advised most accounts "…*pay scant attention to the practice of leadership. They dwell mostly on people, structures, functions, routines, and roles. And they focus on the "what" rather than the "how" of leadership, shortchanging how leadership gets done through the ordinary, everyday practices involved in leadership routines and functions. While knowing what leaders do is important, knowing how they do it is also essential in understanding the practice of leadership.*" Spillane (2006, p5). Spillane agreed with 'post-heroic 'authors and asserted that the interactions between leaders, followers and their context should not be ignored within the study of leadership. Spillane (2006) contends that "*In a distributed perspective on leadership, three elements are essential: Leadership practice is the central and anchoring concern. Leadership practice is generated in the interactions of leaders, followers, and their situation; each element is essential for leadership practice. The situation both defines leadership practice and is defined through leadership practice.*" (p4). Therefore, this study will place emphasis on understanding the 'how 'leadership is delivered and enacted in SMEs. It will also assess how leadership is 'distributed 'and examine how leadership is delivered by followers in a small business.

Parry & Bryman (2006) identify five main constituents of Distributed Leadership including "Self" or "Super" Leadership where leaders use self-awareness in order to understand their strengths and weaknesses and those of their colleagues to exploit a better division of labour. The second constituent is the ability and aptitude to develop the competence of colleagues and the leader's recognition that an implicit part of their role should be to develop individual followers to support organisational development and growth. An ability to reduce bureaucratic processes and procedures in order for followers to develop the organisation is an integral aspect of this. A third common theme is that of developing the skills and knowledge of managers and other leaders throughout the organisation. Skills like networking (Hosking, 1991) and organisation specific leadership practices (Knights and Willmott, 1992) are often quoted. A fourth theme of distributed leadership, an appreciation

of power and power structures and their influence on leadership, was outlined by Gordon (2002). Through discourse analysis, he asserted that deep power structures maintain traditional notions of the distinction between leaders and followers through symbols and structures in the form of titles, remuneration, contracts, procedures and even seating arrangements. He argued that power structures have to be understood and addressed by organisations in order to distribute leadership. A fifth element of Distributed Leadership is the complexity of leadership within 'knowledge economy' organisations (Parry & Bryman, 2006). Brown and Gioia (2002) and Avolio et al (2001) suggest that the abundance and availability of information through the increase in e-commerce and social media has reduced the traditional power base of managers and leaders and enhanced that of followers. They contend that leadership is an emergent property of a social system and leaders/followers share in the process of enacting leadership. Therefore, this study understands that effective leadership depends on multiple leaders for decision-making and taking action and leadership is distributed across structures within organisations (and is not necessarily the property of individuals with certain roles).

Servant Leadership (Greenleaf, 1977) is described as a holistic leadership approach that places an emphasis on 'serving' followers by developing and growing their capabilities. Servant Leadership asserts followers are more effective and engaged in their work when their well-being and growth is prioritised (Eva et al, 2019). However, servant leaders also focus on the sustainable performance of the organisation which follows through the development of followers (Chen et al, 2015). Servant leadership is not dissimilar to authentic leadership and the detractors suggest there is a tension between focusing on the development of followers and leaders delivering organisational performance. Servant Leadership also ignores power and power structures and their influence on leadership (Jackson & Parry, 2018). Eva et al (2019) pointed to the limited number of empirical studies of Servant Leadership and the overlaps with Transformational, Authentic and Distributed Leadership, stating "*further studies are needed before a definite conclusion that servant leadership is empirically distinct from the three other leadership theories*" (p114).

Pragmatic Leadership theory (Mumford et.al, 2008) offered a further dimension to leadership theory as it emphasised the importance of Problem Awareness and Problem

Solving. Mumford et.al, (2008) argued Pragmatic leaders employed logical appeals in communication, draw on rational influence tactics and relied on their functional expertise and problem-solving skills within their practice. *'High intelligence, critical thinking, judgement and wisdom',* features within Pragmatic Leadership, although first featured as an element of Trait Theory, is included in the authors model as there are a significant number of empirical studies that suggest successful business leaders apply these knowledge and skills. Mumford et el. (2008) advised *"The tendency of pragmatic leaders to build prescriptive mental models around causes-that is, those key controllable causes subject to influence-implies that these leaders will prefer logical arguments to emotionally evocative arguments. These arguments, moreover, will not be framed to appeal to people in general but rather to knowledgeable elites who understand, and can induce control, over relevant causes and contingencies. The commitment of these elites to the leader will, in turn, be based on mutual interest rather non-personal commitment to the leader…... Pragmatic leaders, moreover, see causes as involving both people and situations or factors, subject to varying degrees of control, with actions being framed in terms of key controllable variables."* (p147).

Mumford et el. (2008) argued Franklin enjoyed success through a leadership style that was pragmatic and centred around problem solving, asserting his success derived from the way solutions he proposed solved problems of others and their shared goals. This pragmatic leadership style requires a deep understanding of the challenges and motivations of followers and stakeholders as well as knowledge of the political and economic contexts of partners and stakeholders. In essence, pragmatic leaders draw on a deep understanding of structures, systems and antecedents of a challenge and articulate solutions that achieve goals that meet the interests of partners and stakeholders. Pragmatic leadership offers an interesting alternative to the traditional heroic leader model. The author included these empirically derived behaviours in his model as they had not featured in earlier models and they supported key concepts such as recognition of power structures, problem solving, problem awareness and engaging stakeholders, which this study recognises and has included in its model.

A Theory of 'Entrepreneurial Leadership' has been published within the entrepreneurial literature and was recently described as *"still evolving, lacks definitional clarity and has not yet developed appropriate tools to assess it characteristics and behaviours"* (Leitch & Volery, 2017, p147). Therefore, Entrepreneurial Leadership was not extensively reviewed as part of this study. Antonakis and House (2014) published their newly identified "Instrumental Leadership" which they described as an extension to transformational and transactional leadership theory, a fuller full-range style. They added new behaviours of environmental monitoring, strategy formulation, path-goal facilitation and outcome of monitoring. Instrumental Leadership theory is close to pragmatic leadership and added new behaviours into a robust of constructs that have been empirically tested (Anderson and Sun, 2017). Having outlined the main contemporary theories that have aimed to replace transformational leadership this study will now discuss other theories that could be described as 'post heroic'.

2.1.12 Relational Leadership

Sayles (1964) advocated a greater focus on a "lateral relationship" concept and described organizations as systems in which the actions of managers are embedded in an organizational and environmental context that is dynamic and involves a role bounded history of interpersonal relationships. Sayles argues organizations function through a web of interpersonal relationships that are built through ongoing interaction and suggests leaders should *"build and maintain a predictable, reciprocating system or relationship"* (quoted in Uhl-Bien, 2006 p663). Murrel (1997) and Drath (2001) evolved 'Relational Leadership ,'with Drath (2001) suggesting leadership is a process of 'relational dialogue 'where organizational members interact to construct knowledge systems together, implying leadership is an iterative constructed concept that is developed by the actors within a business. Murrell (1997) prioritises the shared responsibility and not leader – follower exchange or a set of individual behaviours and suggests we should study the 'collective act 'of leadership to fully understand organizational leadership: *"Relational leadership puts the emphasis of study squarely on human processes of how people decide, act, and present themselves to each other."* (p39).

Hosking (1988) and Dachler (1992) write from a relational ontology, which approaches the study of leadership by asking how the processes of leadership and management in organisations emerge. The relational perspective identifies relationships as the unit of analysis, not individuals. The focus of relational perspectives is on processes of interaction, conversation, narrating, dialoguing, and multilogue (Dachler & Hosking, 1988). Abell & Simons (2000) suggest relational perspectives adopt a narrative metaphor that forces: *"A shift in our understanding of organisations as 'things 'towards experiencing them more as an array of stories, always in the act of construction whose meaning, and relevance is context dependent. Meaning is constantly negotiated and renegotiated in the relational act of conversation, deriving its meaning within the context of its particular sociocultural location. The world is seen as being brought into being via our collaborative 'storying 'of our experience, implying that as humans, we can actively intervene in constructing the societies and organisations we'd like to see emerge. It could be argued, in a relational constructionist perspective, what is and how we know are viewed as ongoing achievements constructed in sequences of acts or events"* (p.161).

An entity perspective was proposed by Lord (1999) and Hogg (2001). They argue for two concepts – the Relational and Collective self. The latter is where the 'social 'self-concept is central to leadership patterns of behaviour and is described as the way individuals define themselves in terms of their relationship to others. There are two constructs within this theory, firstly 'relational self 'that develops from relationships with significant others and secondly 'collective self 'that develops from identity with a social group. A 'Social Networks 'theory was developed by Balkundi & Kilduff (2005) that combines social network theory and leadership to suggest networks play a key role in supporting or negating the actions of leaders. Balkundi & Kilduff (2005) suggest network theory has four core principles:

1. the importance of relations between individual actors;
2. actors' embeddedness in social fields;
3. the social utility of network connections;
4. the structural patterning of social life.

This theory suggests three levels of analysis can be adopted, which are the cognitions in the minds of leaders, the broader social structure of the organization and thirdly the inter-organisational realm.

Relational Leadership Theory (RLT) was further developed by Uhl-bien (2006), describing RLT as "*a view of leadership and organization as human social constructions that emanate from the rich connections and interdependencies of organizations and their members*" (p655). Cunliffe and Eriksen (2011), RLT theorists, asserted "*Relational leadership requires a way of engaging with the world in which the leader holds herself as always in relation with, and therefore morally accountable to others; recognizes the inherently polyphonic and heteroglossic nature of life; and engages in relational dialogue. This way of theorizing leadership also has practical implications in helping sensitize leaders to the importance of their relationships and to features of conversations and everyday mundane occurrences that can reveal new possibilities for morally-responsible leadership.*" (p1425).

Graen (2006) developed LMX-MMX network theory that integrated network theory and relational leadership theory, suggesting organizations are systems of inter-dependent dyadic (leader – follower) relationships where both formal and informal influences on individuals should be considered. Graen (2006) suggested research should move beyond dyadic relations to consider LMX (vertical leadership relations) and MMX (multi-directional leadership relations). Offenstein et al (2006) extended LMX by suggesting a 'triadic' rather than dyadic level of analysis should be adopted, using statistic modelling to analyse relationships.

The Relational Leadership theorists, whilst writing from different ontological perspectives, argue that the relationships between actors in businesses should be studied and the narratives that exist rather than the behaviours and attributes of leaders. Therefore, this study shall analyse the dialogue and narrative of leaders and followers within SMEs. However, there few other elements of relational theory that will feature in the conceptual model of the researcher. This study will turn to discuss Critical Leadership Studies.

2.1.13 Critical Leadership Studies

Critical Leadership Studies (CLS) is a branch of Critical Management Studies (CMS), a contemporary (post-modern) theory, described as "*the focus is on critiquing rhetoric, tradition, authority and objectivity and on addressing what is neglected, absent or deficient in traditional research (Collinson, 2011)." (*quoted by Leith and Volery, 2017, p153). CLS theories are germane to post heroic theories, their primary difference is their rejection of normative or prescriptive models of leadership and generalizable theories. The CLS authors reject the notion of a 'leadership model', their position is summarised by Collinson and Tourish (2015) who advised "*just as there is no single way to enact or study leadership, so there is considerable diversity in the ways that leadership is conceived and taught. Scholars in different business schools emphasise different theories, approaches, and themes often informed by their own research interests, ontological perspective and epistemological concerns." (*p590). They argue leadership theory should "*seek to encourage students to question the taken for granted and to rethink leadership dynamics in new and innovative ways*" (ibid. p590). CLS authors maintain that context is all important and therefore a single model or theory is quixotic.

CLS authors Mumford and Fried (2014) questioned the "*plethora of new models proposed that attempt to describe the ideal behaviour of leaders from a positive prosocial perspective*" and argue that whilst the new models have a more ethical and moral orientation that give leaders more 'right 'behaviours they make erroneous assumptions. Firstly, the evidence that validates the new models can be questioned on empirical grounds. Secondly the assumptions made about the nature of leaders and their performance should be questioned, they argued "*The development of ideological models of leadership is predicated on the critical assumption that there is one best way to lead*", an erroneous assumption particularly when studying the leadership of heterogenous SMEs.

Mumford and Fried (2014) argued the recent models of Authentic Leadership (Avolio, Gardner, Walumba, Luthans & May 2004) Character-based leadership (Wright & Quick, 2011), Servant Leadership (Liden et al 2004) Ethical leadership (De Hoogh & Den Hartog,

2008) Spiritual Leadership (Fry et al 2011) and Aesthetic leadership (Hansen et al, 2007) are more moral, ethical and prosocial developments of a large number of similar prescriptive models of leadership proposed over the last five decades. CLS authors therefore argue that publishing new normative models or theories of leadership without introducing a critical perspective and reflective practice is unlikely to yield different results, as leaders will always be required to learn the newest model. Mumford and Fried (2014) conclude, *"these models simply do not work in the real world. They are unlikely to result in better leadership education, more effective leader development, or stronger systems for the appraisal and selection of leaders."* (p630). Grint (2011) echoed this sentiment, *"there are no perfect leaders or perfect leadership systems out there to be imitated and, to quote an old Hopi Indian saying, 'We are the ones we have been waiting for'."* (p14).

CLS authors argue the context leaders operate within cannot be ignored and the assumption that a general model of leadership can be applied across all contexts, the traditional normative approach of positivist (mainly North American) theorists, is flawed. Recent research on context ('place 'as CLS authors describe it) by Burac Oc (2017) asserted: "*for the most part, the empirical research provides evidence for the effects of contextual factors on leadership. Context makes a difference. It has frequently been shown to influence the observed range or base rates of the leadership variables of interest, to change the nature of examined relationships, and to threaten the generalisability of findings*" (p230). Therefore, context of leadership is important, and he advised "*Contextual factors such as national culture, institutional forces, the sex composition of groups, the economic conditions of countries and organisations, and crises affect the leadership process and leadership outcomes.* " (p230). The researcher understands the emphasis placed on context and yet laments the lack of alternatives models or theories that describe SME leadership.

The interest in national culture and organisational dynamics, promoted by CLS authors is shared by Social Identity theory (Haslam, 2004), this approach asserts that followers have an image or construct of leadership that leaders should conform with in order to be successful. Jepson (2009) advised: "*Social identity theory is concerned with how individuals self-categorise themselves into different social categories, reflecting different levels of self-perception and belonging to social groups that dynamically relate to each other*" (p47).

Haslam (2004) argued the most effective leader is one that displays the most prototypical actions of a group with considerable power to set the agenda, mobilise members and influence the identity of a group. Haslam (2004) argues the link between leadership and social identity theory means that followers think more positively about their leader if the leader is able to share and create a common identity with a group and this link between the leaders prototypicality of the shared identity evolves and changes over time. Therefore, followers develop a common construction of their 'leadership model 'conforming with their social identity which is moderated by the region and sector they operate within. This contention is accepted by the researcher as it provides an interesting insight into the leader-follower dynamic and its construction within heterogenous SMEs.

Avery (2005) introduced the concept of 'substitutes for leadership', described as "*Related to the systems view of leadership is the concept of substitutes for leaders. This refers to how elements of the system, culture or operating environment can replace the need for supervision or other traditional leader roles. Substitutes for leaders are many and varied but include professional education for employees, closely knit teams, computer monitoring systems and guidelines. Another form of leader substitute is creating self-leading members in an organisation.* "(p133). The substitutes for leadership described above can moderate and mediate the leadership behaviour of leaders and 'style 'of leadership that followers within an organisation expect to experience. These arguments reinforce the need to explore the operational context and place mediators of leadership which have received little attention in the academic literature.

Grint (2005), a leading CLS author, advocated that leadership should be understood more as a framework than as a model of how a leader should lead, dispelling the normative approach. He argued leadership can be viewed through a four-fold framework and we should ask ourselves is leadership:

> *Position: Is it WHERE leaders operate that makes them leaders?*
>
> *Person: is it WHO leaders are that makes them leaders?*
>
> *Result: is it WHAT leaders achieve that makes them leaders?*
>
> *Process: Is it HOW leaders get things done that makes them leaders?*
>
> (Grint, 2005): p1

The above framework is useful as it allows us to move away from a single definition and 'normative model 'of leadership to a broader understanding of this 'contested concept ' (Gallie, 1956). Grint (2005) argued against the notion of leadership being the property of an individual, suggesting leadership is the property of, and is constructed by organisations and communities. There appears to be value in the contentions of CLS authors who collectively argue against a 'one best way 'to lead (normative models) and assert that leadership resides in structures and processes, the 'substitutes for leadership '(Avery,2004) and influenced by 'place 'mediators. The researcher reflected on these key concepts of place and considered for inclusion into his conceptual model. However, the CLS authors offer very few empirical studies of the leadership of SMEs. The author will therefore analyse the data collected with reference to the above framework, resisting the immediate urge (as normative authors might) to adopt a taxonomic approach to the study of context rich SMEs. Having discussed the leadership literature this study will now turn to look specifically at the literature that discusses the impact leadership has on innovation in organisations.

2.1.14 Leadership and Impact on Innovation

This review will now focus the subject of organisational innovation which also suffers a paucity of studies in the context of SME businesses. Leadership is proposed as the most influential predictor of worker innovation and organizational development (Zacher et al. 2016; Hunter et al. 2011; Bledow et al. 2009) and influences employee creative behaviour (Elenkov & Manev 2005; Jung, 2001; Amabile, 1998). Jung, Chow, and Wu (2003) found that transformational leadership was directly related to organizational innovation and concluded this created a culture in which employees felt empowered and encouraged to freely discuss and experiment.

Research shows the creativity of followers (directly and indirectly) is influenced by leadership style (Yukl, 2012). A direct effect occurs when leaders influence the intrinsic motivation of followers or adjust the psychological contract of employment to unleash higher order motivations to be creative (Maslow, 1954; Tierney et al., 1999). Indirect influences encourage creativity by establishing a working environment that allows employees to make suggestions and try ideas without fear (Amabile et al, 1998; Zacher et al. 2016). In general, leadership

influence on innovation research has concentrated on the individual rather than organisational level (Mumford et al., 2002) but shows combined intrinsic and extrinsic rewards for effort, to ideas and creativity at work creates an innovation culture (Jung, 2001; Rosing et al., 2011). Hater & Bass (1998) found Transformational leaders faced less resistance to change and acted as role models by displaying high expectations and having confidence in employees 'abilities to align with the organisation's vision and values. The positive effect of transformational leadership on organisational innovation has been established in the literature (Mumford, Scott, Gaddis & Strange, 2002; Rosing et al, 2011) yet studies of SME businesses have not explored or confirmed this relationship.

Leaders affect creativity in different ways in that they set the organisational context within which employees work, define goals and solve problems (Amabile, 1998; Zacher et al. 2016). Higher levels of innovation show Leaders who create vision, emphasise longer-term goals over short-term outcomes and encourage employee (individual and collective) efforts enhance work processes and behaviours (Amabile, 1998). As such, leaders affect organisational culture (Schein, 1992) and support innovative behaviours whilst simultaneously engaging and empowering staff by creating a 'no fear 'working environment (Yukl, 2012). Encouraging employee interaction and the diffusion of learning within the organisation has also been found to be a leadership responsibility (Yukl, 2012). However, such a delicate relationship between leaders, followers and innovation, in the SME context has yet to be explored in any systematic manner.

A number of research studies of big businesses test the relationship between particular leadership styles and creativity in organisations (Mumford, 2002; Rosing et al., 2011; Zacher et al. 2016). Bass & Avolio (1997) argued that transformational leadership is universally effective in all contexts whereas Elenkov & Manev (2005) then Zacher et al. (2016) proposed it is a micro level issue only. Transformational leadership has a qualitatively different approach to motivating followers to other leadership styles (Gardner & Avolio, 1998). It promotes organisational innovation through employee engagement by appealing to the personal value systems of followers and uniting effort by conveying a vision, setting organisational goals and investing in methods to align personal values (Concept of Employee

Engagement) to raise performance and exploit collective effort (Shamir et al, 1993; Bass & Riggio, 2006). Transformational leadership therefore relies on intellectual stimulation of followers for innovation and problem-solving (Bass & Avolio, 1997; Bass & Riggio, 2006) which encourages followers (Concept of Employee Engagement) to challenge existing working practices and processes (Sosik et al, 1997). Zacher et al. (2016) found these practices of delegated challenges (Concept of Effective Delegation) positively influenced performance, in their study of R&D project teams in large organisations.

There is a strong theoretical basis for asserting 'new leadership 'practices of employee engagement and effective delegation enhances follower creativity. West et al (2003) presented standardised regression coefficients above 0.50 in their research within the health sector when leaders cultivated this approach and Yoshida et al (2014) concluded that servant leadership also fostered employee creativity and team innovation. These studies show significant gaps and potential for study in the context of SMEs. However, cross-cultural researchers (Elenkov & Manev, 2005) have argued such leadership styles are culturally specific and follower expectations of leader behaviour is likely to result in more effective leadership, and followers 'expectations depend on the socio-cultural context. The implication is that a study SMEs would be best served, for theory building, by selecting a common national culture so as to reduce the potential of such an influence distorting the results of a study.

2.1.15 Complexity of Leadership-Innovation Function

Kearney & Gebert (2009) found positive correlations based on the organisational context and nature of the innovation, based on the leadership style. Rosing et al. (2011) presented a meta-analysis of 31 published studies and found a high correlation between innovation at the organizational level when leaders practiced transformational leadership. Their research found a heterogeneity of practices existed yet leadership styles have very different impact on innovation dependent on contextual factors (including sector, size and maturity of the organization). Yukl (2009) identifies this gap for exploration and it is evident that the complexity of innovation ensures a single leadership style cannot always support innovation effectively in complex business contexts (Mitchel & James, 2001; Macpherson & Holt, 2007; Zacher & Rosing, 2016). The under-research of contextual moderators and temporal leadership styles presents a challenge for SME research where businesses are dynamic and

relationship variety is reduced. Having outlined the literature that specifically discusses the impact of leadership on organizational innovation the study shall now discuss the innovation literature.

2.2 Innovation Literature (Section B)

2.2.1 Introduction

A recent UK Government report (BEIS, 2020) on innovation stated: *"Evidence shows a positive and statistically significant link between innovation and organisational growth"* (p6), therefore the value in studying both the leadership and innovation practices of HGFs is salient and timely. DiMaggio (1995) suggested that leadership that fosters an innovation culture is associated with high growth in SMEs although there is much less agreement concerning the relationships and causalities that support higher performance and the key constructs that explain the relationship between leaderhip, innovation and the growth. This is a major gap in the current body of academic knowledge.

There is substantial body of literature on organisational 'innovation'. A Google Scholar search returned 4,280,000 results (12 May 2020) and found articles analyzing various levels (including Macro economy or national levels, the regional Meso-level, networks, and supply chains including market or sector levels and the Micro (organisational level) as well as a traditional focus on the individual leader. This study uses the firm or organisational level as the focus of analysis and the literature was filtered using search words and strings reflecting peer reviewed journal papers that explored organisational level innovation. The review confirmed Crossan and Apaydin's (2010) assertion that innovation as a process and innovation as an outcome should combine analyses of the individual leader and organisational level features/working environments. As such this study is interested in 'what' innovations support contemporary models of SME high performance. The chapter will now review the literature in the subject area, identify issues with the orthodox innovation literature and outline contemporary gaps in the body of knowledge.

2.2.2 Defining Innovation

The organisational behaviour literature reveals that a single definition of innovation is problematic, the literature uses a relatively 'narrow' definition of innovation. A number of

definitions were found to exist.   The UK Government definition, outlined in a BEIS (2020)
report 'UK Innovation Survey 2010: Main report 'is reproduced below:

"*The definition of innovation activity here includes any of the activities described below that
enterprises were engaged in during the period. These activities are as follows:*

1. *Introduction of a new or significantly improved product (good or service) or process.*

2. *Engagement in innovation projects not yet complete or abandoned.*

3. *New and significantly improved forms of organisation, business structures or
   practices and marketing concepts or strategies.*

4. *Investment activities in areas such as internal research and development, training,
   acquisition of external knowledge or machinery and equipment linked to innovation
   activities.*

*A business that had engaged in any of the activities described in points 1 to 3 given above is
defined as being 'innovation active'. For the purpose of this report, a business that has
engaged in any of the activities described in points 1 to 4 given above is defined as a **broader
innovator**. The businesses classed as a **wider innovator** are those that have engaged in the
activity described in point 3 given above.*" (p4 abridged quote)

The UK government definition of innovation is comprehensive and therefore this study shall
obtain data on the activities outlined within both the broader innovator and wider
innovator definitions. The study suggests that the leader of an SME, based on the leadership
literature above, is likely to be involved in all innovation activity. Myers and Marquis (1969)
offer a seminal definition of innovation: "*Innovation is not a single action but a total process
of interrelated sub processes. It is not just the conception of a new idea, nor the invention of
a new device, nor the development of a new market. The process is all these things acting in
an integrated fashion.*" (Trott, 2017, p15). Trott suggests "*Innovation is the management of
all the activities involved in the process of idea generation, technology development,
manufacturing and marketing of a new (or improved) product or manufacturing process or
equipment.*" (p15) which echoes the definition Van de Ven (1986) who argued innovation is
"*the development and implementation of new ideas by people who over time engage in
transactions with others in an institutional context*" (p591).

Crossan and Apaydin (2010) systematically reviewed the literature on organisational innovation and proposed "*Innovation is: production or adoption, assimilation, and exploitation of a value-added novelty in economic and social spheres; renewal and enlargement of products, services, and markets; development of new methods of production; and establishment of new management systems. It is both process and outcome.*" (p1155).

The above definitions show innovation is a series of complex inter-related processes that require organizational management within the business over time and as part of daily operations. Therefore, this study will obtain data on the processes and practices within business that manage innovation activity. The Crossan and Apaydin (2010) contemporary, comprehensive definition was considered of value and adopted by this study. Firstly, it usefully delineates between innovation as a process and innovation as an outcome, the difference between the 'how 'of innovation and the 'what'. Secondly, it includes internally generated innovation as well as externally adopted innovation and it suggests innovation is much more than a creative process by including application or exploitation of an existing innovation. Thirdly, it suggests innovation is relative (not absolute) and so a new process for one organisation might well be commonplace in others. Fourthly, it emphasises the intended or perceived benefits of innovation for organisations with the 'value-added ' inclusion.

2.2.3 Types of Innovation

Many types of organisational innovation, beyond new product development, exist. The typology of Trott (2017) provides a frame of reference (table 2.5) and delineates the different forms of organizational innovation. The innovation typologists highlight the importance of knowledge (integral to all types of innovation) and very few of the innovation types result in physical changes to organisations (Trott, 2017). For instance, management innovations involve changes in the tasks and processes that people perform without changing the characteristics of the product or service the organisation offers.

Table 2.5: Types of Innovation

Type of innovation	Example
Product innovation	The development of a new or improved product
Process innovation	The development of a new manufacturing process such as Pilkington float glass process
Organisational innovation	A new venture division, a new internal communication system;
Management innovation	TQM (Total Quality Management) systems, BPR (business process re-engineering); introduction of SAPR3
Production innovations	JIT manufacturing system, new production planning software, e.g. MRP, LEAN
Commercial/marketing	New financing arrangements, new sales approach, e.g. direct marketing innovations (bid-up TV)
Service innovations	eBay; Internet banking, etc.

Source: adapted from Trott (2017)

Trott (2017) suggests businesses engage in three broad innovation types: new product or service solution development innovation (NPD/SS), process innovation or continuous improvement (CI) and business model innovation. Product or service innovation is the introduction of a new product or service to the market in a timely fashion. A product or service can be new to the market (Lee and Tsai, 2005), new to the organisation (Davila et al., 2006) or new to the customer (Wang and Ahmed, 2004). Process innovation is internal to the firm or organisation and is the *"introduction of new production methods, new management approaches, and new technologies that can be used to improve production or and management processes"* (Wang and Ahmend, 2004 p. 305). Business Model innovation is "*how a company creates, sells and delivers value to its customers"* (Davila et al., 2006 p32), which includes new offerings to the market, customers or the firm itself.

2.2.4 Contemporary Innovation Literature

Having established an innovation definition and typology, the chapter will now explore the issues of innovation at the firm level, its antecedents and processes. The modern theory of economic growth suggests that sustained economic growth arises from competition

amongst firms, because firms aim to increase their profits and grow by investing resources into developing and enhancing their product and service offerings (Romer 1986a). The economic literature assumes that all firms are 'innovation active'. Early organizational innovation theories suggested efficiency gains were the main focus of organizations (Child 1984). However, contemporary studies challenge this orthodox literature and argue innovation is not a 'thing', "*objectification leads to a limited and flawed understanding"* (Clark & Staunton 1989, p.8).

Clark & Staunton (1989) synthesised the literature on innovation from two separate perspectives, the 'economics of innovation '(Clark N.G, 1985; Coombs, Saviotti and Walsh, 1987) and the 'management of technology 'approach (Rhodes & Wield, 1985; Roy & Wield, 1986; Foxall, 1984). Economists propose a three-stage linear innovation process: invention, commercial innovation and the diffusion of innovations. Existing research tended to follow either a) Innovation-diffusion, or b) Innovation-design studies and their link to corporate culture. Clark & Staunton (1989) bridged this divide and proposed a 'new mainstream 'using a framework of two dimensions (figure 2.5 below). The horizontal dimension separates two orientations in theory and in practice, namely an 'efficiency orientation 'and an 'innovation-design orientation'. The former suggests efficiency is the organizing principle of organisations and is prevalent in equilibrium models and the functionalist models of organisation theory. The latter, their opposing theory, suggests an orientation towards innovation-design as the organizing principle and efficiency as a subset.

Figure 2.5 Innovation Framework.

Adapted from Clark & Staunton (1989): Core Framework and quadrants

Frictionless structural transitions in homogenous time, fast pace

Orthodox Organisational design theory

Longitudinal smoothing of innovation dynamics

Focus on efficiency of operating units

Focus on designed innovation for whole enterprise

Archetypes (mintzberg 1983)

Leaps & Momentum (miller & Friesen 1982)

New Agenda of innovation & structural repertoires

Uneven restructuration in event time

Source: The Researcher, adapted from Clark & Staunton (1989)

Clark & Staunton (1989) argued little research focused on the capability of an organisation to innovate and suggested knowledge of an organisations techno-structure, and the roles of technocrats should be studied in order to understand an organisations' innovative capabilities.   They suggested innovation is "*an iterative process occurring in parallel to ongoing processes at the shop-floor level*" (p.24) and identified four states for creating new processes, products or new forms of work organisation. The states (of innovation) are often "*convoluted, iterative, and often abortive processes*" p24.

The four states include:

1. Establishment of a design group,

2. Translation of design into factory build and selection and training,

3. Commissioning,

4. New operating system.

Clark & Staunton (1989) identified five main developments within the innovation literature that form part of their 'new agenda of innovation and structural repertoires', the bottom right quadrant of their 'Core Framework'.

- Firstly, the analysis of innovation should look at the macro global, the meso-institution and micro-organisation levels not merely at institutional and shop floor level.   The position of a firm within an inter-firm network should also be considered or 'mapped'.

- Secondly, the consideration of the historical dimension in terms of economies and organisations should be considered. The idea of techno-paradigms that influence firms' behaviour within a sector and a country are relevant.

- Thirdly the issue of international comparisons of regions or country's economic performance is of relevance to innovation study (Maurice, Sellier and Sylvestre, 1986; Cusumano,1985).

- Fourth, the notion of a new techno- economic paradigm based on microelectronics as a form of systemofacture and the notion of systemofacture replacing machinofacture as the direction of future innovations.

- Fifth, the approach to the theory of knowledge is different from orthodox organisational design theory as it treats knowledge as a 'fuzzy product' that is often deeply seated in tacit understandings. The focus on knowledge reflects the movement from machinofacture to systemofacture.   The mapping of organisational knowledge based in individuals is of increasing importance as is the ways in which human resources are able to share knowledge and interact with each other in order to solve organizational problems and 'innovate' for the organisation.

It is evident that innovation has to be led by senior members of the business and the context a business operates within influences their approach. The importance of the involvement of leaders and the context of the business echoes the assertions in the leadership literature (Trott, 2017). Moreover, as Clark & Staunton (1989) argued too much attention was previously placed on R&D when the majority of innovation activity is a consequence of leadership processes and practices that engage followers within the workplace to make improvements to the processes that deliver the business products or services. The work of Womack & Jones (1993, 1996, 2003) and more latterly Spear (2009) and Leckel et al (2020) detailed how highly innovative businesses incorporated product and process innovation into all of their practices, from design to shop floor processes and developed mechanisms for followers to suggest and implement innovation. This study will now assess contemporary innovation models and frameworks in order to develop a frame of reference to assess the empirical data.

2.2.5 Contemporary Innovation Models and Frameworks

To better understand the current debate concerning innovation frameworks and its antecedents, Hobday (2005) critically reviewed firm level innovation models (from the 1950s) and affirmed Rothwells (1991, 1993) contingency approach that models of innovation varied between sectors. He also suggested processes within firms are often contingent on exogenous factors, like the pace of technological change and sector pressures. The study has reproduced the five generations of innovation models below (Table 2.5) in order to provide a reference point for this study, a discussion of the fifth and fourth generation models, those most pertinent to this study will now be reviewed. This section will conclude with a critical discussion of innovation models relevant to successful SMEs.

Table 2. 6: Five Generations of Firm Level Innovation Models

1st Generation: Technology Push, 1950s-mid 60s	Simple linear sequential process. Emphasis on R&D push that is received by the market.
2nd Generation: Market Pull, mid 1960s-70s	Simple linear sequential process. Market pulls as is source of ideas. R&D reactive and greater emphasis on marketing.
3rd Generation: Coupling Models, mid 1970s-1980s	Sequential Model, including non-sequential feedback loops between stages. Push and Pull combinations. Emphasis on integration of R&D and Marketing.
4th Generation: Integrated Model, early 1980s-1990	Team based parallel developments. Coupling (relationships) with suppliers, leading edge customers and development of partnerships. Emphasis on integrating R&D and manufacturing. Horizontal collaboration – joint ventures and strategic partnerships.
5th Generation: Systems integration and networking model, post 1990.	Fully integrated parallel development supported by information technology. Use of expert systems and simulation modelling in R&D. Strong customer focus and links with customers. Strategic integration with suppliers including co-development of new products and linked CAD systems. Horizontal links – joint ventures, collaborative research groups, collaborative marketing. Emphasis on corporate flexibility and speed of development with and increased focus on quality and other non-price variables.

Source: adapted by researcher, based on Hobday (2005)

Trott (2017) proposed an 'interactive model' that combined traditional market pull and technology push models of innovation, primarily to describe and explain new product development (NPD). The view that innovation occurs as a result of interaction with the marketplace, the knowledge and capabilities within an organisation and the science base (figure 2.6 below) reinforces a contingency approach to business studies. The model contends there is no explicit starting point for an innovation process and supports the episodic view of innovations, which can be initiated by internal and external stimuli. The study found both leader and followers can initiate innovation and yet innovation is often the product the complex interactions with internal and external relationships (with empowered leadership approaches).

Figure 2. 6 Interactive Model of Innovation
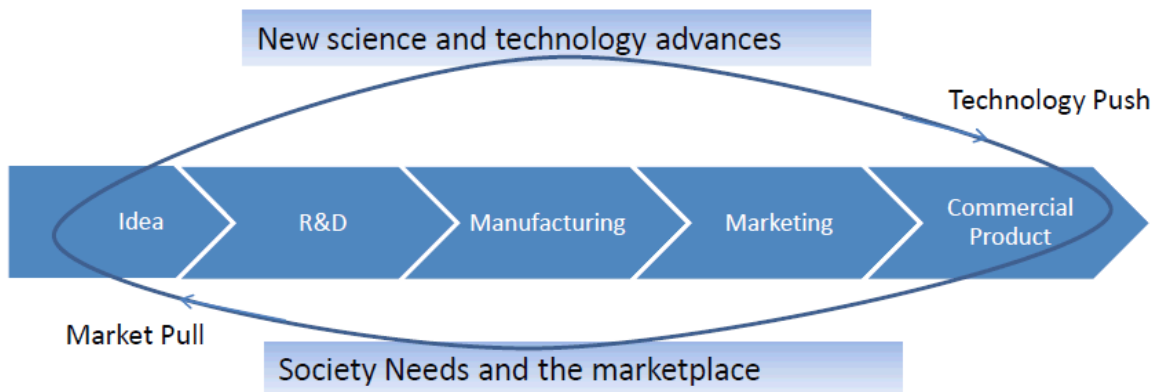
Source: The Researcher, adapted from Trott (2017)

The Newell et al. (2009) model is a fifth-generation model that places emphasis on the central role of knowledge and provides a useful framework, outlined below (figure 2.7), for describing innovation as a process or "*a set of recursive and overlapping 'episodes', which move from initial awareness of new ideas to the selection (or rejection) of particular ideas, through to implementation*" (p.151). The model argued the role of knowledge management within the firm was integral to all forms of innovation.

Figure 2. 7 Innovation Stages

Source: The Researcher, adapted from Newell et al,. (2009)

The Newell et al. (2009) model outlines the four stages of successful innovation: Agenda

formation, Selection, Implementation and Routinization. The Newell et al. (2009) model outlines the processual nature of the stages and their iterative nature, therefore suggesting innovation is iterative and non-linear whilst suggesting an explicit process takes place. The above outlined contemporary model emphasised the central role of leaders within the business and the processes they create that facilitate innovation. The model emphasised the importance of leveraging followers knowledge and knowledge management within businesses. It also emphasised the importance of engaging with the external environment in order to understand technological developments and assess market demands. This study shall therefore incorporate knowledge, knowledge management and environmental engagement.

A common theme in contemporary innovation models (post 1990s) is the importance of learning and the iterative, recursive and non-linear nature of innovation (Leckel et al, 2020). Clark & Staunton (1989) rejected the traditional objectivist approach, which equated innovation with equipment knowledge alone whereas the authors found greater support for broader definition of "knowledge" as a concept. They identify four facets of organisational knowledge:

- embodiment in equipment,
- in raw materials,
- in the built environment and
- in standard operating procedures.

Parry & Bryman (2006) identified reduction of bureaucratic processes as an element of Distributed Leadership, asserting leaders enhance working relationships with followers by encouraging followers to innovate processes and procedures. The 'embodiment of knowledge 'provides this study with a refence point and underlines the importance of leaders engaging followers and their knowledge to facilitate innovation. Having outlined contemporary innovation models this study will turn to discuss an appropriate multi-dimensional framework this study can adopt as a reference point.

Figure 2. 8 An Innovation Configuration
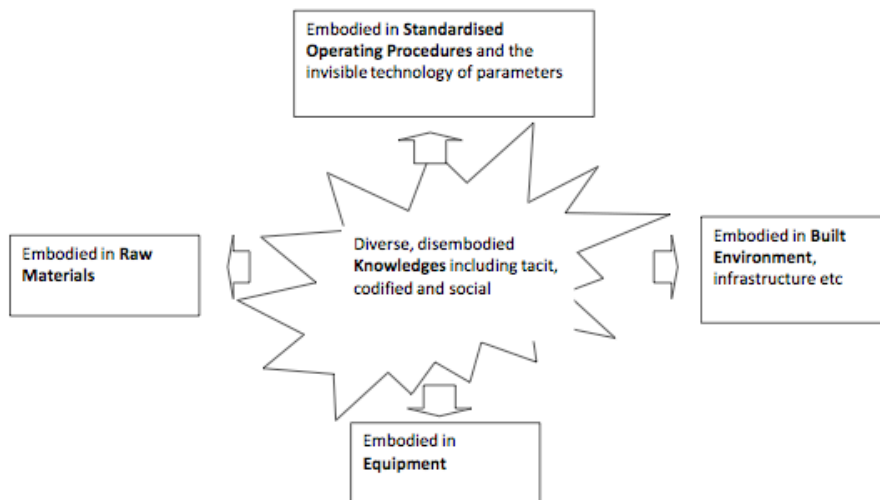
Source: The Researcher, adapted from Clark & Staunton (1989)

2.2.6 A Multi-Dimensional Framework of Organisational Innovation

The reviewed models provide considerable insight for this study but show a holistic model is critical to the contemporary understanding of SME leadership. Crossan & Apaydin (2010) conducted a systematic review and proposed a multi-dimensional framework consisting of three sequential components: innovation leadership, innovation as a process, and innovation as an outcome. The framework. The Crossan & Apaydin (2010) framework (figure 2.9) provided value to this study as it explicitly separated determinants of innovation and dimensions of innovation whilst advising that innovation has multiple causes and complex feedback loops. It suggested the dimensions of innovation should be divided into process and outcomes, which they describe as the 'how 'and the 'what 'of innovation, but they stopped short of providing advice for SME business leaders. The framework provided a theoretical basis for each of the areas and offered a holistic view of organisational innovation, from a practice and theoretical basis. The Crossan & Apaydin (2010) framework asserts that innovation as a process will always precede innovation as an outcome, and therefore innovation as an outcome appears in the furthest right-hand column with innovation as a process forming the preceding sequential category, within their 'dimensions of innovation'. This study will outline the elements within the framework below and discuss their value.

Figure 2.9 A Multi-Dimensional Framework of Organisational Innovation
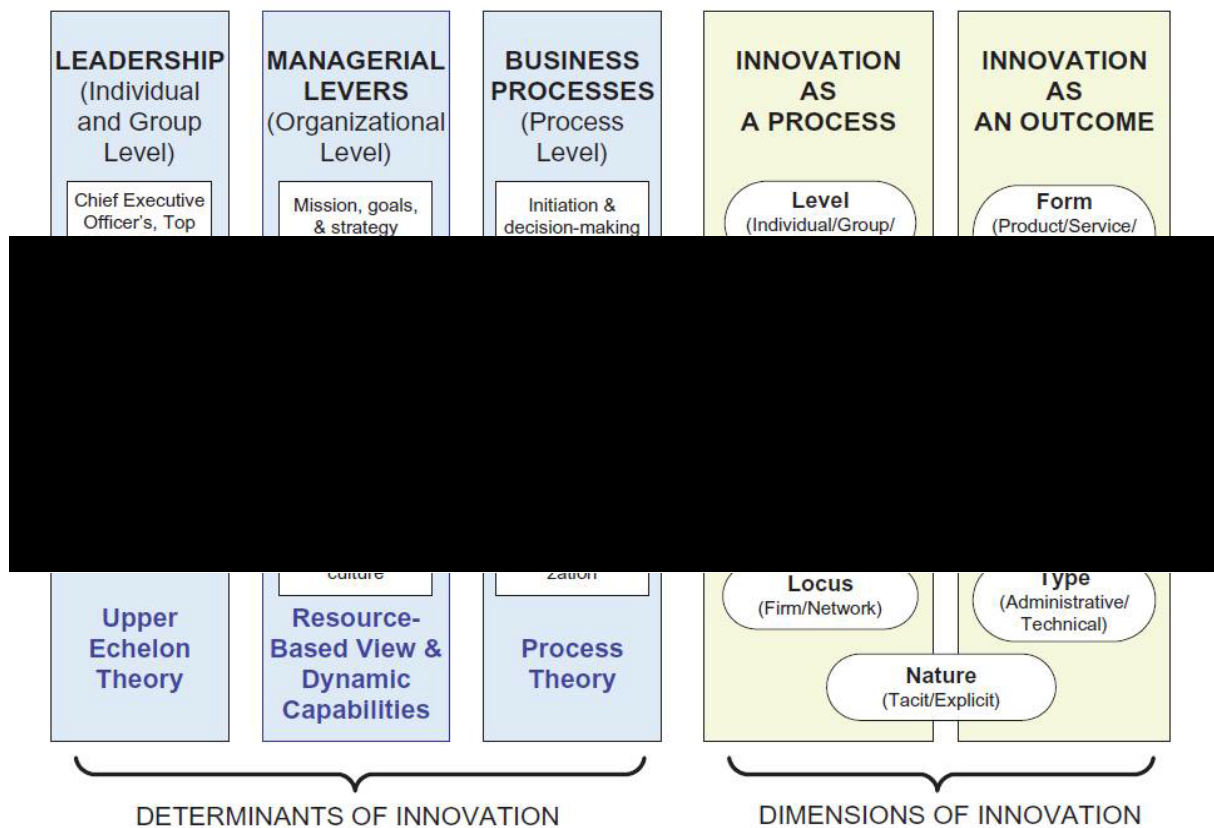
Source: Crossan & Apaydin (2010, p455)

2.2.6.1 Dimensions of Innovation

The ten dimensions that constitute the two categories of 'innovation as process 'and 'innovation as outcome', within 'dimensions of innovation 'provide this study with a detailed framework to understand and explore the micro processes within the SMEs studied. The dimensions within the innovation as an outcome category help explain the 'what kind of innovation'. The nature of innovation as an outcome can be tacit as innovations in service delivery can often go unarticulated, whereas innovation as a product is largely explicit. The study will now turn to look at the left-hand side of the framework proposed by Crossan & Apaydin (2010) and discuss their proposed 'determinants of innovation'. The useful delineation between process and outcomes will enable this study to assess the processes within the SMEs studied and analyse the role leaders play in development and facilitation of processes.

2.2.6.2 Determinants of Innovation

There are three distinct meta-theoretical determinants of innovation within the Crossan & Apaydin (2010) framework; innovation leadership, managerial levers, and business processes as shown on the left of the framework. The three constructs are supported by three separate distinct theories, innovation leadership is supported by upper echelon theory, managerial levers by dynamic capability theory and business processes by process theory. Upper echelon theory, developed by Hambrick and Mason (1984) to explain agents 'characteristics and behaviours with organisational outcomes, is used by Crossan & Apaydin (2010) to theoretically underpin the innovation leadership construct.   Dynamic Capabilities theory and research (Teece et al., 1997; Eisenhardt and Martin, 2000; Teece, 2007) explores organisational resources and capabilities yet fails to discuss the role of agents or how organisational processes change inputs into outputs. Organisatonal Process theory (Engstrom, 1993; Van de Ven and Poole, 1995) outlines how organisational processes convert inputs into outputs. The 'determinants 'of innovation, including their relevant background theories, provided this study with concepts to analyse the role of HGF leaders in supporting innovation and the extent to which leaders incorporated the determinants within their personal practices.   This study shall discuss the determinants in sequential order to assess their value, to the study of the practices of leaders of SMEs.

Crossan & Apaydin (2010) used upper echelon theory to underpin the innovation leadership meta-construct and proposed that leaders 'behaviours are a function of their values, experiences and personalities (Hambrick and Mason, 1984). The frameworks assert leader's personality traits are important and list thirteen 'factors '(values, personality traits, and experiences etc.) that ranged from 'tolerance of ambiguity 'to 'personal initiative'. Interestingly, this assertion aligns with trait theory (Antonakis, 2011).   However, the framework also asserts that the characteristics of the top management team (TMT) impacts organisational innovation outcomes which aligns with Distributed Leadership authors (Parry & Bryman, 2006) assertions. The 'Leadership 'meta construct therefore offers this study a concept to analyse the data collected.

Managerial Levers is a meta-construct that links *Leadership* (innovation) within the framework as decisions that delegate management to implement *Businesses Processes* in order to deliver organisational outcomes. Helfat et al (2007) asserted that a firms 'ability to

innovate and assimilate innovations is a type of (or aspect of their) dynamic capability. Managerial Levers are a function of a firms 'dynamic capability and that Managerial Levers enable a firm's core innovation processes. The *Business Processes* meta-construct within the framework describes the determinants at the process level, within an organisation, and describes the processes that enable an organisation to convert inputs into outputs. The framework uses the Van de Ven and Poole (1995) definition of process, "*a category of concepts of organisational actions, such as rates of communications, workflows, decision making techniques, or methods for strategy creation*" (p1173). The framework articulates the 'business processes 'from research published by Bessant (2003), O'Reilly and Tushman (2004) and Bard et al, (1988). The Crossan & Apaydin (2010) framework enables this study to align innovation theory with the leadership theory reviewed above and provides interesting conceptual links. The framework has an evident large firm bias, as do many contemporary innovation frameworks, and therefore this study argues there is value in testing this robust framework against the practices of SMEs. This study will now discuss dynamic capability theory and its relevance to innovation.

2.2.7 A Dynamic Capabilities Model

Dynamic Capability theory (Eisenhardt and Martin, 2000; Teece, 2007) asserts that firms 'possess different resource bases and core capabilities that they combine to develop their commercial and competitive position. Leckel et al (2020) suggested that a firms 'ability to innovate and assimilate innovations is a type of (or aspect of their) dynamic capability and resource constraints faced by SMEs diminishes their ability to develop dynamic capabilities (Carayannis & Meissener, 2017). Spear (2009) published empirical research on the most successful manufacturers in the world, including Toyota and Alcoa. Spear (2009) argued that Toyota's rise from relative obscurity to the most successful automotive manufacturer in the world is based on their dynamic capabilities: "*25 years ago, it was just one of a heard of Asian interlopers selling fuel – efficient econoboxes, and Detroit snickered at the notion that Americans would ever want to but many of them…….Toyota's Camry has been the bestselling car in the U.S. since 2002, and the Lexus LS 430 has been the leading luxury car brand for seven straight years. The company's long-term strategy is as green as anyone's. Sales of the Prius, which runs on a gas electric hybrid engine, passed 100,000 units in 2006.*" Fortune Magazine, America's Most Admired Companies (5th March 2007)

Spear (2009) argued *"there's no doubt that Toyota's success is largely attributable to its 'velocity of discovery- the speed with which the company improves, innovates and invents."* Spear (2009) described Toyota as a '*High Velocity Organisation* 'that placed innovation at the centre of its growth strategy and suggested Alcoa adopted similar methods *"No team can design a perfect system in advance, planning for every contingency and nuance. However, as Alcoa realised, people can discover great systems and keep discovering how to make them better."* (p36). Spear (2009) suggested that the 'High Velocity Organisations 'detailed in his book shared an approach to innovation which he described as 'capabilities', outlined by this study below:

Table 2.7 High Velocity Skills

S.J.Spear (2009)	High Velocity Skills
Capability 1: System Design	Work systems are designed in terms of what output is being pursued, who will perform what steps in what sequence along a pathway to generate that outcome, how exchanging of material and information (Including the informational triggers to start work) will be made across the connections between steps, and what methods will be used at each step. Design systems (jidoka) with tests built in to immediately identify any gaps between what was predicted and what happens.
Capability 2: Problem Solving & Improvement	Improvements to systems and processes are made constantly by 'swarming' of problems the moment they are seen so that they can be contained, investigated, and resolved quickly. People that are affected by the problem should help resolve it, using the discipline of the scientific method to ensure that solving problems also builds additional useful knowledge on ways to increase the chance for success in the future.
Capability 3: Knowledge Sharing	Knowledge in terms of process development is shared throughout the organization, whatever is learned locally. The discovery process is shared as well as the particular solution, so new insights can be put to wider use and have broader benefits.
Capability 4: Developing High – Velocity Skills in Others	The organisation constantly develops problem solving capabilities of employees and these core capabilities are encouraged and valued by the organisation.

Source: Adapted from Spear (2009)

2.2.8 Innovation Literature Summary

It is evident that leaders facilitate innovation in successful organisations (Rosing et al, 2011, Trott, 2017). This chapter has presented a review of the extant literature at the firm level and has discovered gaps in the literature, particularly in the SME literature (Carayannis & Meissner, 2017). These gaps include the efficacy of certain leadership styles of small business leaders where there are less followers to cultivate within a transformational, distributed and empowered model. An empowered working environment that has created problem-solving and collective action, in a 'safe-fail' setting means most innovations will focus on products and processes ('fifth generation 'innovation) and this necessitates a contextually rich understanding of such innovations as non-linear, dynamic, complex and knowledge bound processes that occur over a longitudinal time period.

The literature review demonstrates that the Hobday (2005), Rosing et al. (2011), Trott (2017) and Leckel et al (2020) present innovation models that could be employed to assess firms 'innovativess' across sectors and be able to detect contingent exogenous factors that can inform new theory building. The researcher therefore accepted that the environment which firms operate within must be accommodated by a contemporary study to meet the demands of Clark & Staunton (1989) to study these processes and to identify "*their basic patterns and structure*" (p12) that result in higher performance. The innovation literature reviewed found successful organisations embed innovation processes throughout the organization, facilitated by leaders as they asserted "*The role of leadership at all levels of an organisation, although sometimes tacit, is paramount for spearheading innovation as a process and maintaining its momentum until innovation as an outcome ensues.*" (Crossan & Apaydin, 2010, p1156).

2.3 Small to Medium Enterprise Literature (Section C)

The next section of the chapter will focus on the contingencies that affect the resource-constrained and dynamic context of SME businesses.

2.3.1 Definition and importance of Small to Medium Enterprises (SMEs)

The UK Government adopts the EU definition for SMEs, which is determined by staff numbers and turnover, as detailed in the below table (table 2.6).

Table 2.8 SME Definition (EU and UK)

Company category	Staff headcount	Turnover	or	Balance sheet total
Medium-sized	< 250	≤ € 50 m		≤ € 43 m
Small	< 50	≤ € 10 m		≤ € 10 m
Micro	< 10	≤ € 2 m		≤ € 2 m

Source: www.EC.Europa.EU

There is no doubt that the small business sector has become increasingly important to the UK and Welsh economy. Wales is the primary focus of this research due to its high dependency on SMEs. The majority of active enterprises in Wales are SMEs and they account for 99.4% of all enterprises, of which micro enterprises (0-9 employees) account for 95% of all enterprises and 62.4% of private sector employment in Wales is within SMEs (National Statistics, 2019). A ten year study indentified that the proportion of private sector employment in SMEs increased by 2.2% in Wales and by 1.8% in the UK, between 2003 and 2013, (National Statistics, 2015). This study presents the above statistics as Wales is the focal context of the study.

2.3.2 SME Characteristics and Growth Dynamics

Penrose's (1959) long-established 'growth theory' suggested that the dynamic nature of firm growth causes issues of management and the allocation of resources within the firm, which in turn slowed growth. The size difference of SMEs often results in less formality of processes and practices (Kitching and Blackburn, 2002; Burns, 2016), making the role of leaders crucial. Small firms tend to have less capital and therefore, their business decision-making is often short term (Leckel et al, 2020; Storey et al, 1995). Small firms are likely to operate in a limited range of markets, which often reduces their customer base (Burns, 2016). However, the relative size of small firms can lead to behavioural advantages in shorter decision-making cycles, internal flexibility and organisational flexibility (Rothwell, 1989; Burns, 2016). Battisti and Perry (2011), Lee (2014) and Love and Roper (2015)

suggested that the SME sector in the UK should be considered heterogenous as managerial practices can vary widely dependent on size and sector characteristics. The Kitching and Blackburn (2002) study advised that skills and competencies vary significantly between business sizes and UK productivity suffers from the lack of contermporary skills in SMEs (FSB, 2019).

UK and Regional Government policy makers have identified the importance of understanding SME leadership and innovation practices as well their growth characteristics through recent research that emphasised the important role that leadership plays in supporting organisational productivity, innovation and growth (BEIS, 2020; BIS, 2016; Welsh Government, 2014). The personality and behavioural characteristics of leaders in Small and Micro organisations can have a much greater effect than in medium and large organisations as Small firms are social entities that revolve around personal relationships and values of the founder(s) (Burns, 2016). Gibb (2009) suggested the allocation of managerial tasks is often a function of an owner's personal preference and their leadership style, although he did not suggest an appropriate leadership style for business growth. Kempster and Cope (2010) advised the leadership of SMEs can be idiosyncratic and firm context is an important consideration, suggesting a *"dynamic state between entrepreneur and her or his organisation and the niche market"* (p337) exists. Therefore, a systems theory approach and the study of 'fit' is an important consideration. The researcher accepts that the distribution of the leadership function varies in SMEs and the leadership style of small business leaders has a pronounced impact on the organisation. Therefore, the researcher reflected and decided to explore the characteristics and context of SMEs in order to determine the features of leadership that are present in high growth firms. The extant research asserts the heterogeneity and context-based practice of leadership and innovation in SMEs is a gap in the body of knowledge (Leckel et al, 2020, Brown et al, 2017). A better understanding of the 'dynamic state 'that Kempster and Cope (2010) articulated, is another gap this study seeks to address.

SMEs are important to the economy of Wales and the UK, High Growth Firms (HGFs) make a significant contribution to employment and economic growth of regions (ScaleUp Institute, 2020; Brown, Mawson & Mason, 2017; Love and Roper, 2015). However, there are

productivity issues within SMEs that could be mitigated through a better understanding of leadership and innovation practices of HGFs (Bloom et al., 2014). The extant research asserts that the leadership and innovation practices of growth and high growth firms is integral to their success and laments the dearth of published empirical literature on leadership and innovation practices within such firms (ScaleUp Institute, 2020; Brown, Mawson & Mason, 2017; Lee, 2014). The recent Regional Innovation Scoreboard report (EU, 2019) has also underlined the challenge facing Wales as it underperforms other regions of the UK and the leading EU regions. This gap provides the main contribution of this study. The literature review will now discuss the important class of High Growth Firms (HGFs) in order to identify distinct patterns of leadership and innovation in this context.

2.3.3 High Growth Firms (HGFs)

A small number of firms create the majority of all net new jobs (Mason and Brown, 2013; Lee, 2014, ScaleUp Institute, 2020). A number of terms exist for High Growth Firms (HGFs) which are also referred Gazelles and ScaleUps (ScaleUp Institute, 2020; Lee, 2014; Delmar et al. 2003). However, the term 'Gazelles 'has been used to describe firms that have set up in the last three years (start-ups). This study seeks to understand the leadership of established growth and high growth businesses with more than ten employees and not 'start-ups'. The 'entrepreneurship' literature discusses start-ups and micro-firms (<10 employees), not an area of the literature of direct relevance to this study.

The OECD (2010) defines HGFs as those businesses that achieve 20% employment or turnover growth per annum, for three consecutive years and employs at least ten people (at the start of the three-year growth period). It is little surprise that several authors have studied HGFs and discussed their characteristics, scale, success factors and importance to the economy (ScaleUp Institute, 2020; Brown, Mason & Mawson, 2017; Lee, 2013). A NESTA (2011) study called 'Vital Growth 'emphasised the importance of HGFs to the UK economy and referred to HGFs as the 'vital six percent 'because "*fast-growing business...between 2002 and 2008 generated the lion's share of employment growth in the UK*" (p2). The NESTA report went on to state "*These businesses can be found across all sectors, and include established firms and start-ups, small businesses and large ones... This finding has attracted the attention of policy makers and commentators and has become an*

important part of the debate on economic growth in the UK." (p2). The ScaleUp Institute (2020) stated: "*Scaleups continue to be more productive than other UK businesses*" (p10) suggesting they "*are 54% more productive than their peers*" (non-HGF SMEs). The authors concur on the importance of HGFs to the economy, their higher levels of productivity and higher levels of innovation. The extant, albeit nascent research on HGFs, has also established their relatively small numbers, their distribution across different sectors and their heterogeneous characteristics. Therefore, this study asserts there is considerable value in obtaining empirical data to develop a better understanding of the leadership and innovation practices of growth and HGFs in Wales.

A small number of studies have looked at the barriers to growth of HGFs (Lee, 2014; Brown and Mawson, 2016; Leckel et al, 2020). Lee (2014) identified a relatively small number of barriers to growth in the 22 high growth firms interviewed. The main barriers identified were: Staff recruitment (45%); Competition (18%); Finance (18%); Problems associated with growth, like absorbing new staff and organisational complexity that follows (14%) and Planning permission /finding new premises (9%). Lee (2014) stated, "*…the importance of management skills for firm growth. In the UK, improving management skills has been an important area of policy focus……such an approach is warranted.*" (p193). Lee (2014) articulated the limitations of quantitative analysis of self-reporting surveys as that used by the Annual Small Business Survey and concluded: "*in particular, case study- based work on rapidly growing firms may yield more insights*" (p193). The ScaleUp Institute (2020) reported the three main barriers to growth were:

1. Access to markets
2. Recruiting talent
3. Accessing growth capital

Brown et al, (2017) suggested extant research had not reported on the leadership and innovation practices of high growth firms, this study identifies this gap. This study shall answer this call by comparing contemporary leadership and innovation models with the practices of HGFs. Having outlined the literature on HGFs this study shall now consider the context of Wales, the location of the purposively sampled businesses studied.

2.3.4 SMEs in Wales: National Culture?

Cooke and Rehfeld (2011) stated "*the intersection of regional and corporate culture is a source of the dynamics of capitalism. Not all regions have clearly defined regional cultures but all express features of regional cultural mosaics derived from their historic fortunes and their geographical assets, most notably the capabilities of their inhabitants…….Regional culture is shown to be both complex and fluid over time*" (ibid. p1927). Wales's industrial economic legacy and subsequent business culture was heavily influenced by the long waves of industrial economic development experienced by other regions in the UK. Wales enjoyed its economic zenith in the early 20th century during its coal production and exporting, fossil fuel energy production and steelmaking wave. The motorisation and information economic waves brought international manufacturers to Wales with 'kaizen' innovation culture and manufacturing techniques, from the 1960's. The manufacturers left in large numbers as China and Eastern Europe became more attractive places to manufacture. In the last decades the SME base in Wales has grown with tourism, media, business services, agriculture and food production replacing most lost manufacturing jobs (Cooke and Rehfeld, 2011).

Wales's economic legacy is similar to other UK regions in the Tees Valley, North-West England, South Yorkshire and the West Midlands. The Scaleup Institute (2020) presents SME scaleup (HGF) numbers across the UK regions (per 100k population) and Wales performance is superior to the Tees Valley and inferior to Sheffield City Region. However, the Scaleup Institute data does not allow direct comparison of similar size regions across the UK as Wales is not split into LEPs.   This study suggests, based on the scaleup data, that whilst authors confirm Wales has a distinct cultural identity it is similar to other regions in the UK that have been subject to similar long waves of economic development. The study will now consider the literature that outlines the challenges SMEs face to innovate.

2.3.5 Challenges SMEs Face to Innovate

Leckel *et al* (2020) asserted "*some firms, especially smaller ones, face resource and capability constraints*", contemporary authors agree that SMEs find innovation more challenging than large firms (Carayannis & Meissner, 2017). Indeed, policy makers in the UK have long understood the link between innovation and economic growth.   The Department of Trade and Industry (now BEIS) established a large initiative called 'living innovation 'to

"encourage UK companies to develop new and improved added value products and services"
(DTI, 2004, p17) and yet the UKs relative innovation position has not markedly improved in
the last two decades (EU Innovation Scoreboard, 2019), acknowledged by UK Government
commitment increase R&D expenditure in the UK to £22bn per annum by 2024 (BEIS, 2020).
Therefore, identification of innovation practices of growth SMEs and HGFs is of value to
policy makers.

In a recent UK business innovation survey (BIS, 2016), made up of 80% SME respondents,
only 53% of firms in the UK were regarded as 'innovation active '. It asserted the 'long-tail '
of firms that are not engaged in innovation are contributing to the UK productivity lag. It
also stated, only 25% of UK firms adopt technological innovation, with a concerning 8% of
firms engaged in both product and process innovation. Innovators employ more highly
qualified staff and are three times more likely to employ science or engineering qualified
people (BIS, 2016). Wales lags other regions of the UK in terms of 'innovation active 'and
'technological innovation 'firms (WFGA, 2015). The Well-Being for Future Generations Act
(2015) also identified 'the percentage of businesses that are innovation active 'as a national
prosperity indicator. Therefore, a fuller understanding of innovation in SMEs and in
particular HGFs would be valued by national and regional policy makers.

The main constraining innovation factors for SMEs in the 'broader innovators 'category was
reported as: *cost factors; knowledge factors; market factors;* and *other factors*. In particular,
cost factors included 'direct innovation cost being too high 'and 'excessive perceived
economic risks'. Knowledge factors included 'lack of qualified personnel', 'lack of
information on markets 'and 'lack of information on technology'. Market factors included
'market dominated by established businesses 'and 'uncertain demand for innovative goods
or services'. The barriers to innovation, outlined above, are a particular challenge to SMEs as
they lack the human and capital resources of larger businesses. A recent ESRC (2017) report
suggested *"small firms have weaker internal knowledge resources than larger firms"* (p2),
explicitly recognizing limitations in the knowledge and skills of SME leaders.

It is evident that UK policy makers should explore how SMEs can be supported to enhance
their dynamic capabilities, if the UK is to enhance its productivity levels. However, the
process of developing dynamic capabilities is not straightforward. The knowledge transfer

challenge, highlighted by ESRC (2017) report, was articulated by Pfeffer & Sutton (1999) as the '*Knowing Doing Gap* 'as businesses understand that they need to be more innovative and yet find the 'gap 'between developing and implementing practices that drive innovation difficult to bridge. The body of research suggests the leadership and management capabilities within SMEs is a likely contributor to poor performance. A Europe wide research report, by the Centre for Economic Performance (2015) advised, *"In summary, management does indeed appear to be important in accounting for the large differences in cross-country Total Factor Productivity (TFP) as well as within-country differences."* The Skills That Work for Wales (2008) report stated, *"If we fail to improve workforce, leadership and management skills, and to apply those skills in the workplace, Welsh businesses will gradually find it more difficult to compete"* (p6).

The Leitch Report (2006) suggested that workforce skill levels and business management practices in the UK were partially to blame for the productivity gap that exists between the UK and the US. An EU wide study of firm performance, "Management Practice & Productivity: Why they matter" (CEP, 2007), suggested there was a strong correlation between firm performance and investment in leadership development.   A number of UK Government commissioned reports have suggested that the lower relative levels of leadership and innovation skills in the UK are hampering firm performance and productivity rates (Keep et al. 2006; UKCES, BIS,2015). A recent report stated: *"There is an increasingly widespread view that deficiencies in leadership and management skills are a key constraint on business performance in the UK, especially for SMEs*." (BIS, 2015, p12). It is evident that the leadership and innovation practices of firms are integral to their success and in turn UK productivity, the studies have identified the gap and yet fail to provide detail of leadership that supports SME innovation and growth. The study will now briefly discuss extant SME growth and HGF research.

2.3.6 Paucity of HGF Research

There is a dearth of research on the leadership and innovation practices of SMEs and HGFs (Brown et al, 2017; Sena et al, 2013; McAdam et al, 2010; Oke et al, 2007) and the majority of existing research focusses on quantitative analyses of how innovation relates to SME performance and economic growth. Oke *et al* (2007) concluded that 'growth pursuant '

SMEs, had a greater focus on incremental or exploitative innovation and found a link between incremental innovation and turnover growth. Sena et al (2013) suggested "*very little is known about the characteristics of the process which leads to the production of innovation among HGFs*" (ibid p3). There is a paucity of research that explores leadership in context generally (Currie et al, 2009; Oc, 2017) and in particular the SME context (Franco & Matos, 2015). Therefore, a further gap exists in the innovation and leadership practices of SMEs and HGFs.

Henrekson and Johannson (2010) advised there is a gap: "*evidence for the UK on high-growth firms is very limited…..what is conspicuous in both the job creation and gazelles literature is the very limited contribution of UK studies*" (p.8-9). The nascent research that focuses on SME productivity and growth can be found in the organisational behaviour and the economic literature. A robust economics literature report asserted "*the skills of all managers (indeed all employees) are important for a firms 'performance, ….The CEO and founder will have a large influence on this corporate culture, but the culture may persist after the departure of the CEO or founder*" (Bloom *et al.*,2014 p30*).*   Franco and Matos (2015), organisational behaviour theorists, argued "*we also conclude that the appropriate leadership style for an SME depends to a great extent on characteristics of its operating environment, such as dynamism or hostility, as well as on its sector and geographic region.*" (p222). The implication of this study is that the leadership style should fit the unique contingencies of the business. The researcher reflected that such a fit was a dimension of his growing understanding of contextual and temporal 'place'.

In summary, the importance of SMEs and HGFs to Wales and the UK economy cannot be overstated (ScaleUp Institute, 2020). There is an increasing body of evidence that asserts the heterogeneity of innovation and leadership practices across firms is a major contributor to superior productivity levels, within and across regions. This study shall look at the impact of the leader, their dynamic capabilities and the impact of context or 'place 'on SME performance. This study provides a timely, valuable contribution to the literature on the leadership and innovation practices of successful SMEs in Wales and provides further insights for practitioners, policymakers and academic colleagues (the target audience for this research).

2.4 The Conceptual Model and Gaps Explained

This section will discuss and critique the literature presented above and explain the gaps present in the literature that this study aims to address. The structured literature review has provided a critical evaluation of the extant theory in order to provide the context for this study. It is obvious that authors fall into two schools. The first school comprises of regional economists who identify gaps in the micro leadership and innovation practices of SMEs and HGFs. The second school concerns authors that see little difference between the organisational practices of large businesses and SMEs. The organisational behaviour literature is divided between traditional authors who argue for a new 'full range leadership theory' that empirically incorporates elements of the dozen or so contemporary theories that claimed to have superseded TL and the CLS authors who argue against a normative approach to leadership suggesting leadership is context dependent and can be understood through frameworks not prescriptive models (Jackson & Parry, 2018). This study shall critique the literature in the order in which it was outlined above, the leadership literature prior to the innovation literature.

Trait theories have a long history, there are empirical and conceptual studies that demonstrate the value of trait theory (Taylor, 2014; Antonakis, 2011). There is value in utilising trait theory for a modern study, due to their strong theoretical basis, especially in the underexplored context of the SME (Burns, 2016).

The 'Leadership Styles 'theories introduced the concept of behavioural or process leadership where leader's personalities would manifest themselves in different approaches. The explicit assertion that leaders 'behaviour had an impact on productivity of followers also added a valuable dimension to leadership theory, overtly developing the notion that a leader's role is to drive productivity. 'Leadership Style 'theorists identified that leader behaviours engaged and motivated followers, implying the deliberate selection of style must create a fit within a small business that unites followers and enhances participation. This theoretical development is of value to this study as leaders of small businesses have direct relationships with followers and their motivation is key. Contemporary authors (Jackson & Parry, 2018; Yukl, 2013; Bryman, 1986) pointed to the limited practical

application of Situational and Contingency theories and lack of empirical evidence to support their development. Bolman & Deal (2003) argued that situational leadership assumed that the relationship was solely between supervisors and subordinates and suggested authors "*say little about issues of structure, politics or symbols*" (p344). Northouse (2016) advised there was little empirical evidence to suggest that the espoused most effective 'leadership style 'of high concern for people and high concern for task is most effective in all contexts.

However, the researcher regards contingency and situational theories as adding further dimensions of leadership by emphasising the concept of leaders flexing 'style' contingent on the situation leaders operate within. The contention that the leaders are actors and have agency in the leadership process was a major contribution to leadership theory. This thesis argues that Situational and Contingency theories made a significant contribution to leadership literature as they pointed to the importance of the organisational context, the ability of followers and the personality preferences of leaders. The closer relationships of leaders to followers in SMEs suggests that Situational and Contingency theories of leadership enable contemporary SME leaders to better understand followers and develop better working relationships.

Transformational Leadership (TL) amalgamated previous trait and behavioural theories into a more holistic theory, which also encompassed the motivational theories of the previous two decades (Maslow, 1943; Herzberg, 1959), and introduced new elements, such as inspirational motivation and creating a vision. TL was extensively studied over three decades with the various published studies adding greatly to the understanding of leadership (Yukl, 2013). The published studies demonstrate the pivotal role of the leader in SMEs, Matzler *et al*,(2008) asserted that there was a substantive positive relationship between TL and performance in their study of SMEs. However, the majority of the TL studies were conducted within large organisations and often assumed that the context of leadership is static. Therefore, this study argues there is value in assessing TL and its impact on performance in SMEs.

Transformational Leadership critics (Khurana, 2002; Maccoby, 2004; Yukl, 2013; Tourish 2015) pointed to the potential pitfalls of charismatic leaders and their ability to use their charisma to negative effect. They criticized the over emphasis on the actions of an individual leader and highlighted the importance of analysing the actions of other managers and workers within an organization as well as the systems and processes within organizations that 'manage 'personnel and resources. Yukl's (1999) criticisms, echoed by Gronn (2002), Offerman et al (2004), Gardner et al (2005), point to the multi-dimensional aspects of leadership and the polyadic nature of contemporary organizational leadership. In this respect, the criticisms will inform the analysis of data collected from leaders and organisations. Therefore, this study gathered data from managers within the organizations studied, collected observation data and collected data on the systems and processes in of the SMEs studied.

Authentic Leadership (AL), Ethical Leadership (EL) Pragmatic Leadership, Ideological Leadership (IL), Servant Leadership (SL) and Entrepreneurial Leadership addressed some of criticisms of TL as they rely on the concept of dialectic and iterative leadership as a process where a leader has an authentic and genuine relationship (relationship concept) with followers. Therefore, addressing the criticism of the heroic leaders who abused power and they recognized the polyadic nature of leadership. Authentic Leadership also introduced a more democratic element to leadership through the importance attached to obtaining the views of others and using leadership as a collaborative process (Parry & Bryman, 2006). Authentic Leadership introduced the concept of trust (that a leader should build with followers) and introduced a more pluralistic dimension through the importance placed on leaders obtaining followers views, implicitly suggesting leadership is a collaborative process. This study shall collect data and reflect on levels of trust within organisations as well as aim to observe leadership-follower relationships within SMEs. Pragmatic Leadership explicitly introduced problem solving as an element of leadership and the skill of a leader in understanding and supporting followers to solve organizational problems. This study will therefore collect data and investigate leader problem solving practices within organisations.

The criticisms of AL, EL, SL and IL are valuable to this study as they introduced the challenges that leaders faced in managing the paradoxes of leadership, namely power dynamics and

the tension within leaders of SMEs who have to maximise profit and simultaneously retain an authentic, moralistic more ethical relationship with followers. However, recent research (Anderson & Sun, 2017) suggested that AL, SL, IL and EL have significant overlaps with TL, which shall be explored in the discussion chapter.   Anderson and Sun (2017) drew on the work of Avolio (2007); DeRue et al (2011); Piccolo et al (2012) to suggest the numerous pot-heroic normative theories (published since 2000) were guilty of 'construct proliferation 'as there appears to be significant overlaps within the 'post transformational 'theories, outlined in the above section. Walumba et al (2008) pointed to the overlaps between AL and EL leadership and both overlap with TL, advising that neither theory appeared to offer new constructs not already included within transformational leadership and also found that the four AL dimensions correlated highly with EL. Grint (2010) criticised post-heroic leadership models as being newer iterations of heroic models, he advised "*despite being ascribed as more feminine models, are still essentially rooted in masculine organizations where collaboration, relationship-building, and humility are regarded as symptoms of weakness not leadership. Indeed, the top echelons of organizations remain predominantly in the hands of men, so that post-heroic models of leadership are simply models of post-heroic heroes.*" (p115).

Nieder and Schriesheim (2011) proposed "*there is considerable conceptual ambiguity concerning the difference between authentic leadership and related constructs, particularly transformational leadership*" *(*p 1148). Anderson and Sun (2017) argued that the distinguishing features of higher intelligence and organisational problem-solving ability of pragmatic leaders is a requirement for all leaders. They also argued that the tenet of pragmatic leaders in 'enhancing the collective and individual capacity of people to accomplish their work roles 'is similar to the individualised consideration tenet of transformational leadership. Anderson and Sun (2017) recently concluded "*we believe an explicit and coordinated integration strategy is needed to empirically boil down the bewildering assortment of leadership styles into what is truly distinct*" p90.

Therefore, this study finds that there is significant overlap between instrumental, ethical, authentic and servant leadership and so the elements of Pragmatic Leadership should be added to the conceptual model of the author.   Eva et al (2019) conducted a systematic

review of Servant Leadership (SL) which aimed to conceptually and empirically distinguish SL from other contemporary leadership theories, namely Transformational, Ethical and Authentic Leadership. Eva et al (2019) concluded *"the aforementioned studies represent too small a sample, and further studies are needed before a definite conclusion that servant leadership is empirically distinct from the three other leadership theories"* (p114).

Distributed Leadership and Pragmatic leadership further developed the concept of leadership as a multifaceted and multi-dimensional phenomenon. Distributed Leadership argued leadership resides across organisations, within teams, structures, processes and inherent cultures of organisations. This latter point is a significant departure from heroic models of leadership as DL argues that leadership is not only the property of an individual but the property of teams, functions and processes within organisations. Moreover, leadership should be studied at multiple levels within organisations and should not solely focus on individuals and their behaviour. Distributed Leadership (DL) put forward new elements and addressed some criticisms of TL by asserting that self-awareness (popularized by Daniel Goleman, 2004) is important for leaders and the reduction of bureaucracy within businesses. Therefore, this study will analyse the problem solving, distribution of tasks and power that leaders cede to followers in SMEs. This study shall include transformational, pragmatic and distributed leadership theory elements within its conceptual model. The researcher will also develop an understanding of the complexity of the leadership function within SMEs and be cognizant of power relationships. The exercise of power can be assessed through the study of key leadership practices of problem solving, employee engagement (through visioning and alignment with goals) and distribution of the power.

Relational Leadership Theory (Uhl-bien, 2006; Cunliffe & Eriksen, 2011) suggested relationships are integral to new forms of leadership and feature prominently in many contemporary leadership theories. RLT as a 'post-heroic 'theory asserts leadership is not the property of an individual, it is more about processes and relationships between leaders and followers. It is similar to distributed leadership as it suggests leadership is polyadic in nature and organisational leadership is a consequence of human social constructions, interdependencies and relationships. RLT argues the interaction and processes that enable

leaders and followers to achieve organisational aims are in essence what defines leadership, in that respect the behaviour of the individual and their characteristics are less important.

This study, based on the assertions of RLT, acknowledges the importance of understanding leadership as a process or relationships between leaders and followers and the processes that facilitate interactions should be analysed in order to inform the discussion of the data and subsequent commentary. The emphasis on the narrative or stories that define and sustain an organisation will also be explored within the data collected, so this study can understand the relationships and narrative of successful leaders within the business as a dynamic entity within its operational context (Jackson & Parry, 2018). RLT also places emphasis on context and so this study will report on the context of each business studied. The implication of RLT is that leaders that invest in relationships will create an environment for higher growth, as the enhanced relationships facilitate goal alignment the distribution of leadership and empowerment of followers. Unfortunately, RLT predominantly describes what to analyse in terms of leadership and yet says little about behaviours and processes of business leaders (Northouse, 2019).

Burak Oc (2017) in his systematic review of the literature on how contextual factors shape leadership and its outcomes asserted: *"Contextual factors such as national culture, institutional forces, the sex composition of groups, the economic conditions of countries and organisations, and crises affect the leadership process and leadership outcomes….. a substantial amount of research is still needed to expand our knowledge about the impact of context "* (p230). This study shall assess the multifaceted dimensions of context as they have not been fully explored by the extant leadership literature, contemporary authors lament the dearth of empirical studies that explore 'place' (Jackson & Parry, 2018).

Critical Leadership Studies (CLS) argued against the normative leadership theories and emphasized context or 'place 'or 'substitutes for leadership 'suggesting the culture and historical context of an organisation informs the leadership model within it and they reject the concept of a universal or generalisable theory of leadership (Collinson, 2011). There are parallels with relational leadership theory as CLS authors reject the individual as the unit of analysis and argue the epistemological and ontological bias of researchers will dictate the

model or theory of leadership they promote. CLS authors contend that there is not one best way to lead and suggest leadership is context (place) dependent. CLS authors, in contrast, to traditional theorists argue that leadership and leaders 'behaviour should be understood within frameworks (Grint, 2005) as traditional normative models are not applicable in contemporary, heterogenous businesses. Their position is summarised by Collinson (2018) *"In contemporary global, national and local contexts, where organizational and societal power relations in all their forms are frequently and sometimes recklessly abused in the pursuit of private/self-interest, critical analyses of leadership dynamics have never been more urgently needed. Idealised and uncritical theories that depict organizations as apparently operating in a kind of post-hierarchical fantasy where dialogue and communication occur between equals are, to my mind, little more than a fairy story*. (p389).

Therefore, the researcher shall incorporate the concept of place and analyse leadership within the Grint (2005) framework whilst attempting to understand the processes and practices of HGFs.   The researcher contends CLS authors have introduced the important issue of context or place and recognised the heterogeneity of leaders experience, knowledge and skills. They have also argued that the leader (individual) should not be the sole unit of analysis in researching leadership of firms and that 'place 'moderators and mediators influence the leadership of businesses. CLS authors assert that frameworks are more appropriate than taxonomic approaches when researching leadership, this study will therefore adopt a more pluralistic approach to exploring themes within the data. This study rejects the normative approach and shall adopt the framework proposed by Grint (2005) to identify themes within the data whilst analysing if leadership resides in the structures, processes and practices of the firms studied taking care to fully understand the context of each SME. The study aims to answer the recent call of Oc (2017) *"a substantial amount of research is still needed to expand our knowledge about the impact of context and leadership.* " (p230).

The researcher outlined the four generations of leadership theory and concludes that leaders' traits, their behaviours, their ability to engage followers as well as understand their operating context remain important to the understanding of contemporary leadership. These features, the researcher suggests, are common to small and large businesses. The

nascent concept of 'place 'is an interesting new avenue to explore. Place could be viewed as a modern approach to 'fit' that enables a more holistic understanding of leaders and the leader-follower dynamic. In order to ensure the sustainability of an organisation leaders who direct resources, have a vital role in developing and facilitating the processes that enable innovation to be exploited for business growth. 'New leadership 'can facilitate innovation within organisations through the concepts of Employee Engagement and Effective Delegation of challenges. The literature suggests SME context and characteristics should be explored in order to interpret fit and place. The focus of this study should be the specific leadership practices and innovation processes of successful and growing SMEs to test these large company derived theories and findings. The complexity of the leadership-innovation relationship must include a temporal aspect and hold national culture constant in order to generate new theory. Having critiqued the leadership literature this study shall now critique the innovation literature presented.

The contemporary innovation models outlined above established some important concepts. Firstly, the studies discovered that actors and organisations often struggled to fully understand an innovation and how it might change existing methods of operating (Van de Ven, 2008; Leckel et al, 2020). Secondly, innovations are increasingly characterised as heterogeneous bundles of elements with greater integration between functions within organisations and a blurring between organisational boundaries with greater supplier/customer involvement in innovation (Van de Ven et al, 2008; Crossan & Apaydin, 2010). Thirdly, studies increasingly suggested innovation should be examined over longer time periods (Curado et al, 2018; Van de Ven et al, 2008) to detect overall patterns and drivers, with an appreciation of internal and external drivers. Fourthly, the assertion that innovation is non-linear, recursive, iterative and multi-directional (Leckel et al, 2020). Fifth, the centrality and importance of knowledge in innovation and its existence within all facets of an organisation (Trott, 2017; Newell et al, 2009). However, the vast majority of this research was conducted in large businesses and focused on R&D functions and therefore this study has an opportunity to test these concepts within SMEs and assess the level of engagement of leaders of SMEs within innovation processes. The resource constraints of SMEs mean that leaders have to be effective as failure to innovate poses sustainability challenges (Leckel et al, 2020). Therefore, this study shall incorporate the above assertions

of contemporary authors into the analysis of the data collected and the conceptual model of the researcher. This study recognizes the three broad areas of product or service innovation often referred to as new product development or service solution (NPD/SS), process innovation often referred to as continuous improvement (CI) and business model (BM) innovation in general descriptions of innovation (Trott, 2017).

Spear's (2009) model describes how 'High Velocity Organisations '(high performance organisations) constantly innovate, and his model provides explicit details of how followers are engaged in innovation processes of the worlds 'most successful organisations. This study is exploring high performance SMEs and so the 'capabilities 'articulated by Spear (2009) will be compared with the data obtained on the practices of the high-growth SMEs. The capabilities articulated by Spear (2009) operationalise the concept of Dynamic Capabilities (Helfat et, al. 2007), which this study shall consider incorporating within its conceptual model. This study also finds interesting links with the 'problem awareness 'and 'problem solving ' behaviours within Pragmatic Leadership theory (Mumford et al, 2008) outlined above.

This study provided definitions of innovation and adopted the Crossan & Apaydin (2010) definition. The above detailed Crossan & Apaydin (2009) innovation framework offered a comprehensive framework that summarised the innovation process and synthesized many existing frameworks. The useful contention of 'dimensions of innovation 'and 'determinants of innovation 'was accepted by the researcher. This study shall incorporate the concepts of; business culture, business processes, innovation processes and the concept of innovation interest (leaders) being a product of their values and personality characteristics, into the conceptual model of this study. Having outlined and critiqued the leadership and innovation literature, this study shall turn to outline the gap in the literature below.

The gap in the research (figure 2.1) naturally leads to the following guiding theme and research questions:
Theme: "What leadership styles and innovation practices exist in growth and high growth SME businesses?"
Derived from this central guiding theme are two research questions:

1. **What <u>leadership</u> processes and practices are employed at successful growth and high growth SMEs?**

2. **What <u>innovation</u> processes and practices are employed at successful growth and high growth SMEs?**

The importance of these questions and the contingencies that HGF leaders face is summarised in table 2.9. which outlines the key requirements of a contemporary study in this field. Table (2.9) demonstrates the contemporary nature of this research challenge and the importance of this study from an economic perspective (WGFA, 2015; BEIS, 2020; ScaleUp Institute, 2020).

The literature review, summarised in this section, has exposed gaps in the body of knowledge (see table 2.9) concerning understanding the leadership and innovation practices of high-growth firms (ScaleUp Institute, 2020; Brown et al, 2017). The most appropriate form of research, given the lack of previous studies and established models, is to create a conceptual model and use this as the foundation for theory building. The literature is unclear and contrary in terms of which models underpin successful businesses and, to date, the main arguments in the field also include theories that have been questioned based on their empirical underpinnings and their large business research bias (Leitch & Volery, 2017). One of the latter arguments is that traits of the leader are important features that correlate with higher performance. Instead, there is a post-modern view that leadership is more idiosyncratic (Kempster and Cope, 2010; Collinson, 2018) and that this heterogeneity has been poorly explored. The gap in the body of knowledge is therefore whether established theories of leadership can be applied and are capable of predictive utility with SME high-growth businesses.

The paucity of research in this field of study would imply, together with acknowledged variances in practices of SME business leaders, the need for a context rich study of business behaviour and in particular the practices of leaders at high-growth firms (Leckel et al, 2020). Empirical data to address this gap would contribute to the body of knowledge by either associating high-growth firms with a generic model of leadership or exposing variance in the

models of leadership that are practised that could be explained by other factors such as sector, geography, technology or other factors.

Contemporary authors suggest leadership behaviour cannot be fully understood by simply analysing the dyadic leader - follower relationship, as the symbols, structures and processes (including innovation practices) that have been designed by the leader and their team should be understood (Collinson, 2018; Oc, 2017). The processes, practices and structures within the business, the ways of working, are likely to reflect the leadership style of leader of the high growth company (Gibb, 2009; Jackson & Parry, 2018). Previous studies have either focused exclusively on leaders or, more recently, attempted to understand the perceptions of followers. This argument and research approach ensures a two-way understanding of leadership and yet little to associate leaders and followers with innovation and performance improvement. Therefore, a rift between traditionalists that promote generic normative models and post-modernists (including CLS authors) that suggest models are more nuanced and context dependant.

The extant research describing high-growth firm leadership has proposed little in terms of the micro practices of leaders. Existing research has largely utilised quantitative survey approaches, which smooths away outliers that perform very well or very poorly. This would suggest that previous studies have failed to fully explore the context of leadership. In order to assist the reader, a conceptual model was developed to show the key aspects of leadership, from the literature, that are associated with higher performance. To thoroughly address the context and practice of leaders, and to correct the weaknesses of previous studies, a modern and contemporary research program would need to address different technologies, locations, supply chains and resources available to HGFs in order to gain insight into key contingencies that might shape leadership and innovation practices.

Table 2.9: Research gaps identified by this study

Research Gap	Author(s)
Leadership Context	Jackson & Parry (2018); Oc (2017); Liden and Antonakis (2009)
Leadership practices of SMEs	Cope, Kempster and Parry (2011); Collinson and Tourish (2015)
Leadership practices of HGFs	Henrekson and Johansson (2010); McKelvie and Wiklund (2010);Brown, Mawson & Mason (2017);
SME Growth drivers	Love & Roper (2005); Shane (2009); Brown, Mawson & Mason (2017); ScaleUp Institute (2020)
Innovation processes and practices of SMEs	Trott (2017); Burns (2016); BIS (2016): Leckel et al (2020)
Innovation processes and practices of HGFs	Leith and Volery (2017), BIS (2015); Franco and Matos (2013)
Qualitative Study of SME Leadership	Bryman (2004); Maitlis (2005); Jackson and Parry (2018); Lee (2014); Carroll et al, (2019)
Traits of successful SME Leaders	Antonakis (2011); Taylor (2015); Jackson and Parry (2018)

Source: The Researcher

Bloom *et al* (2014) highlighted the need to study how leaders drive productivity and other authors have asserted the need to study innovation practices of HGFs (Leckel et al, 2020; Brown, Mawson & Mason, 2017; Henrekson and Johansson, 2010) and yet few studies have combined the two. Recent organisational behaviour publications have called for qualitative studies of leadership (Bryman, 2004; Maitlis, 2005; Jackson & Parry, 2018) and empirical research that explores the context of leadership (Oc, 2017; Liden and Antonakis, 2009). Recent leadership researchers (Taylor 2015) have requested more empirical studies of leaders' traits and CLS authors (Carroll et al, 2019; Raelin et al 2018; Collinson, 2018) have called for granular empirical research that explores the exact nature of leadership in contemporary businesses. Therefore, the researcher concluded that this study would rebalance these two requirements.

Figure 2.10 presents the conceptual model, created by the researcher, which summarises the concepts drawn from the above literature review. The concepts outlined are organised, with the use of rings within the figure, on an individual, organisation and meso level (from the centre outwards, respectively). The conceptual model was designed to include the key traits and characteristics of the major leadership theories (including the concerns raised by CLS authors). The conceptual model, which has been reviewed by world experts in leadership, also includes the major contingencies that have been identified by contemporary authors (the elements of fit necessary for a leader to support high growth).

Figure 2.10: Conceptual Model of Literature Reviewed
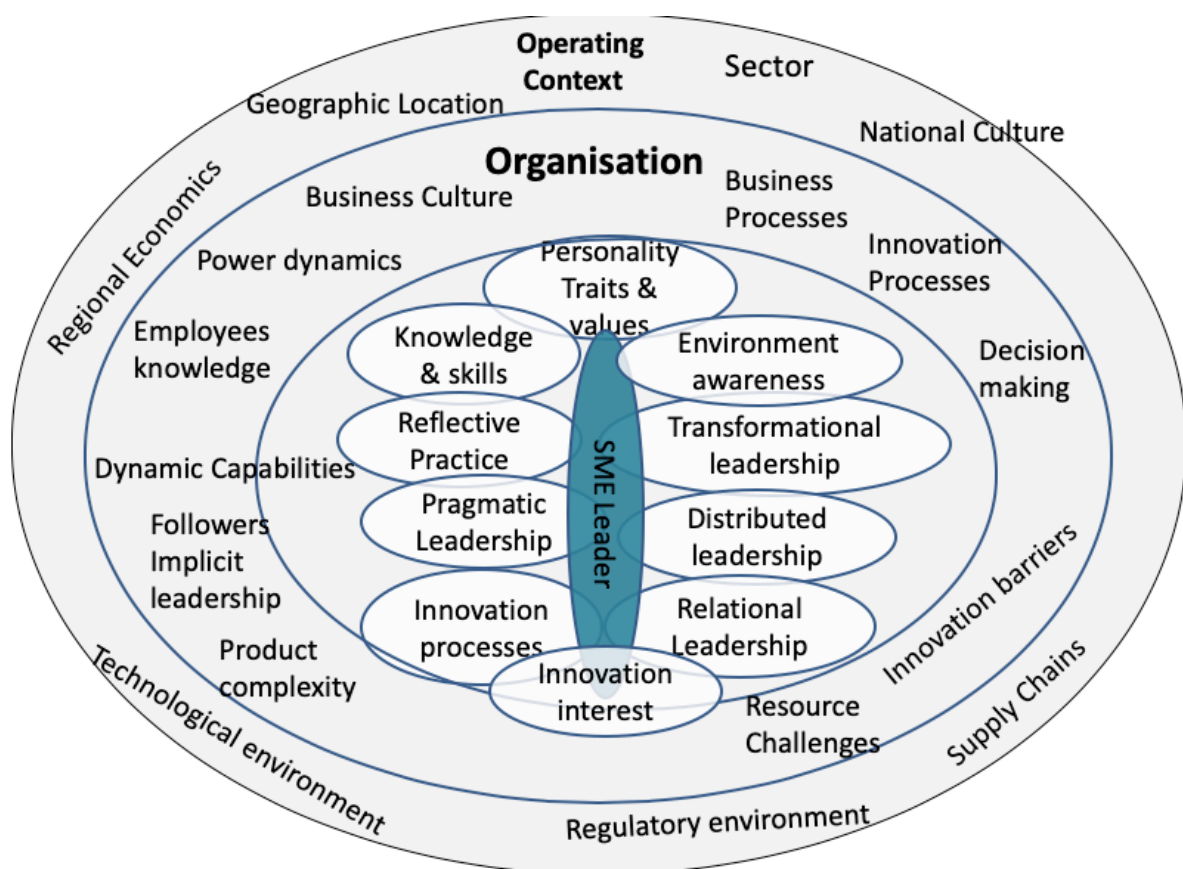
Source: The Researcher

2.5 Chapter Summary

This chapter provides a review of the gaps in the body of academic knowledge concerning the theme of the study the 'leadership styles and innovation practices that exist in growth and high growth SME businesses' This study derived two research questions based on the literature reviewed, from this central guiding theme, reproduced below:

1. What <u>leadership</u> processes and practices are employed at successful growth and high growth SMEs?

2. What <u>innovation</u> processes and practices are employed at successful growth and high growth SMEs?

The study asserts that SMEs are integral to the sustainable development of the economy of Wales and the UK (ScaleUp Institute 2020; BIS, 2016; WFGA, 2015). It is also evident that the leadership and innovation practices of SMEs facilitate the growth and sustainability of businesses and the majority of private sector employment in the UK. The extant research clearly demonstrates the paucity of empirical research on the micro leadership and innovation practices of SMEs and particularly HGFs (Brown, Mawson & Mason, 2017; Bloom et al., 2014; Lee, 2014, Love and Roper, 2015). The leadership literature reviewed laments the dearth of empirical research that explores the impact context has on leaders and their firms and research that unpacks the leadership practices of SMEs (Collinson, 2018; Burak Oc, 2017).

This study shall reduce the knowledge gap and extant academic literature void concerning leadership and innovation practices of high growth SMEs.   The subject area is contemporary and under-explored as very few studies have looked at the adoption of new leadership and innovation practices. With such a paucity of research, the intention of this study is to build new theory and to make a practical contribution to the practice of leadership in SMEs by understanding the rich contextual factors that support sustainable high growth. These objectives are critically important with far reaching impact (from academia to policy implications for local and national governments). As previously stated, there are many beneficiaries of this research (Welsh Government, FSB, CEP) and potential for new insights and theory (NESTA, 2014). The study seeks to go beyond the traditional dyadic approach to studying leadership (leader and follower) to explore a situated, context dependent, multifaceted relationship between SME leadership and innovation exploitation.

Traditional leadership research has hitherto focused on large businesses and highly formalised models of leadership drawn from leadership theories derived from large

organisations in both the public and private sector. Such a dominance of thought is unhelpful when applying these theories to the small business context and many researchers believe that large company models have little utility for studies of SMEs (Burns, 2016). Franco and Matos (2015) asserted: *"despite the vast quantity of studies in the domain of leadership very little work has been done on small and medium-sized enterprises"* (p425).

The lack of studies is a cause for concern and the realisation of national and regional policymakers (especially in the UK) of the importance of SMEs leadership and productivity cannot be ignored. A recent Welsh Government publication, How to measure a nation's progress (WFGA, 2015), highlighted the importance of innovation by adopting "*Percentage of businesses which are innovation-active*" (p.3) as an indicator of a 'nation's progress'. Furthermore, the Centre for Economic Performance (London School of Economics and Political Science), based on a 10-year longitudinal study, suggested that SME businesses play a role in differences in country performances asserting: *"…management does indeed appear to be important in accounting for the large differences in cross-country Total Factor Productivity (TFP) as well as within-country differences."* (Bloom et al, 2014, p2). To add to a growing call for research of SME leader behaviours, the Federation for Small Businesses (FSB) proposed *"If the UK is to boost the competitiveness of its small firms and reduce the productivity gap, it must address the factors that prevent many firms from developing their leadership and management capabilities."* (2016, p13). The economic case to study SME leaders is therefore timely, critical to the understanding of modern business performance and relevant to every economy in the world.

This study will now turn to discuss the research methodology appropriate for this study.

Chapter Three: Research Methodology

3.0 Introduction

This chapter will defend the chosen research strategy and associated methodology employed to answer the guiding research questions to explore the role of leaders of high growth SME organisations. The chapter will defend, from a realist perspective, a multi-phase research strategy employing semi-structured interviews and multiple longitudinal cases using pluralist and triangulated methods. The limitations of this research design will also be discussed in this chapter.

3.1 The Aims of the Thesis and an Overview of the Research Approach

The next section will present and defend the aims of the study.

3.1.1 A Synopsis of the Study

The structured literature review of the previous chapter has outlined a gap in the body of knowledge and expressed the guiding research questions as:
What leadership styles and innovation practices exist in growth and high growth SME businesses?"
 Derived from this central guiding theme are two research questions:

1. What leadership processes and practices are employed at successful growth and high growth SMEs?

2. What innovation processes and practices are employed at successful growth and high growth SMEs?

An understanding of philosophy is important if a research study is to be designed and executed in an effective and legitimate manner. The researcher has adopted a realist (critical realist) approach to this study, in the belief that knowledge is interpreted through social discourse and conditioning which requires an abductive approach, and the use of qualitative and quantitative research methods.

3.2 Philosophy of Knowledge Generation

A research philosophy influences the design of any study, yet no particular philosophy is superior to another (Saunders et al., 2016). Crotty (2003) proposes (figure 3.1) that epistemology is "*a way of understanding and explaining how we know what we know*" whereas a theoretical perspective is defined as "*an approach to understanding and explaining society and the human world*" and Crotty suggests an appropriate methodology is "*… one of the many particular research designs that guide a researcher in choosing methods*" (p3). These methods are *"…techniques or procedures used to gather and analyse data"* (ibid)*.* This chapter will therefore follow the structure of Crotty's (2003) framework and detail how the researcher arrived at his research design, the methods chosen and the limitations of the design.

Figure 3.1 Logical Flow of Research
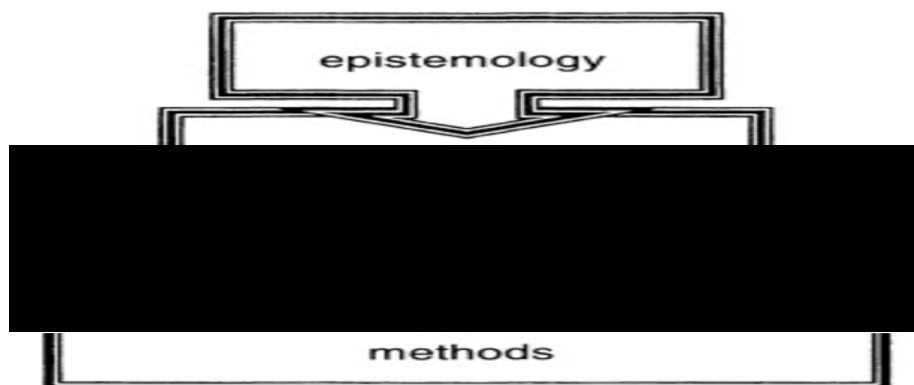
(Source: Crotty, 2003)

3.2.1 Ontology

An understanding of research philosophy is important to develop a research design that is effective in producing desired answers to research gaps (Bryman and Bell, 2011). Ontology is defined as "*the branch of philosophy that deals with the nature of existence*" (Collinsdictionary.com) Bryman and Bell (2011) assert "*Questions of social ontology cannot be divorced from the conduct of business research. Ontological assumptions and commitments feed into the formulation of research questions and the way research is carried out*" (p34). Therefore, ontology is concerned with the nature of reality, the assumptions that researchers make and their perspective on the social world and how they see themselves in it (Saunders et al, 2016). The way that people see the world, our

ontological perspectives, can be described with the terms 'objectivism', 'constructionism' and 'subjectivism'.

Objectivism is based on the perspective that social entities exist in a reality external to and independent of social actors (Saunders et al., 2016). Constructionism rejects this and opposes the objectivist view of human knowledge and it asserts that social phenomena or 'reality' and its meanings are socially constructed by actors and negotiated by social actors and so does not exist beyond the views of people (Bryman and Bell, 2011). Therefore, constructionism suggests that individuals can construct knowledge and meaning in different ways, in relation to the same object. Subjectivism is similar to constructionism for some Crotty (2003) makes the differentiation clear: *"It is tempting to say that in [constructivism] meaning is constructed out of something [the object], whereas in subjectivism meaning is created out of nothing"* (p9). The researcher adopted a constructivist perspective in conducting this study.

3.2.2 Epistemology

Epistemology is derived from the Greek word for knowledge 'episteme' and is concerned with what constitutes knowledge within a subject or discipline (Bryman and Bell, 2011). The ontological perspective of a researcher will largely dictate their epistemological position in respect of what is deemed acceptable knowledge within a discipline and more widely what is accepted as knowledge within social reality (Bryman and Bell, 2011). There are two main epistemological positions or perspectives, often characterised as opposites, namely positivism and interpretivism (Saunders et al., 2016).

3.3 Epistemological positions

The various epistemological positions will now be reviewed.

3.3.1 Positivism

Positivism has been the most widely adopted epistemological position in the social sciences over the last century (Saunders et al., 2019). It is succinctly defined as *"Positivism is an epistemological position that advocates the application of the methods of the natural*

Sciences to the study of social reality and beyond" (Bryman and Bell, 2011, p16). There are five main principles of positivism:

1. Only phenomena confirmed by the senses can be warranted as knowledge (principle of phenomenalism)

2. The purpose of theory is to generate hypotheses to be tested that will allow explanations of laws that can be assessed (principle of deductivism)

3. Knowledge is arrived at through the gathering of facts that can provide the basis for laws (principle of inductivism)

4. Science must be conducted in a way that is value free or objective.

5. There is a clear distinction between scientific statements and normative statements and the belief that the former is the true domain of the scientist.

Adapted from Bryman and Bell (2011, p16).

Researchers employing the positivist tradition tend to employ large-scale surveys, controlled experiments and comparative studies in order to be able to produce statements or hypotheses that can be generalised to a population, based on a representative sample. Therefore, positivists apply a deductive approach which entails gathering observations or data in order to test the theory or hypothesis they have deduced based on their thinking, as outlined in below figure.

Figure 3.2 Deductive Approach

Source: The Researcher

3.3.2 Interpretivism

The interpretivist research perspective emphasises the 'understanding 'of human behaviour rather than the 'explanation 'of human behaviour (the latter is the position of the positivist researcher). Interpretivism asserts human behaviour should be interpreted and as such it is often positioned an alternative to the positivist orthodoxy that has dominated the social sciences. Interpretivism argues that the object of study social sciences, people and institutions, are different the naturally occurring phenomena and therefore should be

studied differently (Bryman and Bell, 2011). The interpretivist approach argues it is necessary for researchers to understand differences between humans in their role as social actors and therefore enquiry should focus on the meanings and values that actors attribute to subjective meaning of phenomena (Saunders et al., 2016).

The interpretivist tradition demands that a researcher gathers data or observations around the social science phenomena they are studying. Interpretivists tend to use a variety of methods to collect data in order to establish views and develop theory around the observations and data collected. Therefore, interpretivists adopt an inductive approach by collecting data and then forming and articulating a theory of human behaviour (outlined in below figure).

Figure 3.3 Inductive Approach
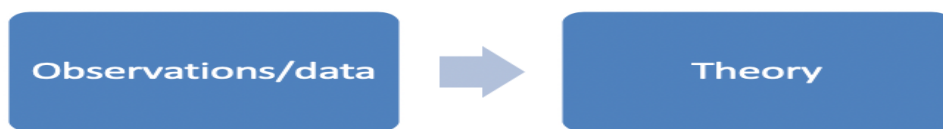
Source: The Researcher

3.3.3 Realism

Realism is a paradigm that lies between positivism and interpretivism (figure 3.3) but shares the belief that the natural and the social sciences should apply the same kind of approach to data collection and that there is an external reality that scientists can explain, which is a reality that is separate from our descriptions of it.

Figure 3. 4 Main Research Paradigms

Source: Adapted from Grix (2010)

There are two main forms of realism, empirical realism and critical realism (Bryman and Bell, 2011). Empirical realism asserts that reality can be understood and therefore does not recognise underlying structures and mechanisms that produce observable phenomena and events (Bryman and Bell, 2011). Critical Realism is a form of realism that aims to recognise the reality of the natural order, the events and discourses of the social world. Critical Realists however believe the social world cannot be understood and changed unless the underlying structures and the discourses that create structures and systems are understood and explained through the work of social sciences (Bryman and Bell, 2011).

Realist knowledge develops through a process of alternating between the context of discovery and the context of justification. Discovery can be through qualitative research methods and justification can use quantitative data analysis to verify and validate propositions (Ghauri & Gronhaug, 2010). Realism overlaps with the positivist and the interpretivist perspectives as it uses the causal 'explanation '(positivist) and departs from positivism by adopting an interpretive 'understanding'. Critical Realists aim to understand and to explain the social reality, they also apply their subjective perspective to construct meaning out of objects and systems. Crotty (2003) suggests *"Constructionism is perfectly compatible with realism – and in more ways than one"* (p43). Corbetta (2003) advised *"[realism] redefines the initial presuppositions and the objectives of social research … [it] still utilizes the original observational language, which was founded on the cornerstones of operationalization, quantification and generalization … the ways of collecting data, the measurement operations and the statistical analyses have not fundamentally changed [but] conclusions are more cautious"* (p 19).

Realists employ an abductive approach to research, which interacts and iterates between observations or data and theory, that in effect combines inductive and deductive approaches (Saunders et al., 2019) as outlined in figure 3.4. An abductive approach was developed to overcome the weaknesses associated with the inductive and deductive approaches, through a back-and-forth engagement with the social world as an empirical source of ideas (Bryman and Bell, 2011).

Figure 3. 5 Abductive Approach
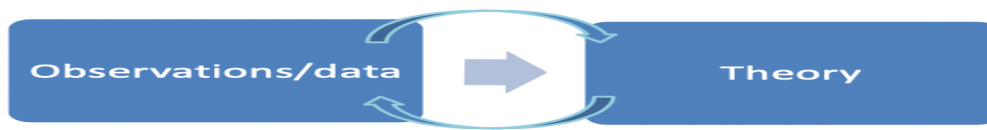
Source: The Researcher

There are obvious advantages of adopting a critical realist approach, primarily the versatility of employing positivist and interpretivist perspectives to understand complex contemporary dynamic business issues (Bryman, 2004). The critical realist 'cycling 'between quantitative and qualitative aspects of a research project is *"related to the philosophical idea of the 'hermeneutic circle', where understanding is seen as a continuous dialogue between the data and the researcher's pre-understandings. Researchers such as Alvesson and Karreman (2007) see this as crucial in enabling the researcher to remain open to the possibility of being surprised by the data, rather than using it to confirm their pre-understandings".* (Bryman and Bell, 2011, p27).

The advantages of a realist approach can include a greater confidence in results, the ability to detect anomalies during the research process and a more rounded understanding of the research problem within which theories may be synthesized (Huff and Reger, 1987). To summarise this section, the researcher has produced table 3.1 (below) which shows the differences between positivism, realism, pragmatism and interpretivism as well as their associated approaches (deductive, inductive and abductive). Based on the above discussion the researcher has adopted a realist approach in grounding this study, in the belief that knowledge is interpreted through social conditioning requiring an abductive approach, and the use of qualitative observation and quantitative findings to reinforce each other.

3.3.4 Pragmatism

Pragmatism was developed by philosophers' Charles Pierce, William James and John Dewey in the late 19th and early 20th century. Pragmatists aimed to reconcile objectivism and subjectivism by viewing theories, concepts, ideas, hypotheses in terms of the roles they play as instruments of thought and action in terms of their practical consequences in specific contexts. Reality matters to pragmatists as it impacts ideas and knowledge which can enable actions and tasks to be delivered successfully (Saunders *et al*, 2019). A pragmatist would

start their research with a problem and aim to provide a practical solution to the problem in order to inform future practice.

Morgan (2014) stated "*Dewey's pragmatism as a philosophy addresses the central question: What is the nature of human experience? Refocusing on inquiry as a central form of human experience requires reconsidering the philosophy of knowledge by replacing the older emphasis on ontology and epistemology with a concentration on inquiries about the nature of human experience.*" (p1048). It is apparent that pragmatists place 'the enquiry' or 'problem solving' central within its philosophy. The researcher rejected pragmatism as a philosophy for this study as the research aimed to explore and understand the processes and practices of leaders of high-growth firms, he was not looking to solve a particular problem or provide a solution.

The researcher crafted an abductive approach to frame the study based on the combination of a lack of agreement between the established research and the relatively under researched context of leadership of HGFs. Positivistic (deductive) studies would have removed the context of this study in favour of statistical manipulation and in so doing undermined the validity of the results. The researcher did not go as far as to accept a grounded theory logic and instead used multi phases of abductive research between which there were periods of reflection and testing of what has been learnt.   The initial phases of research were designed to identify, from the leader's perspective, the leadership and innovation practices that were present during their high growth phase before entering a major phase of "context-rich" case-based research. The first phase of research was designed as an abductinve understanding of the practices of leaders of growth and high growth SMEs and to explore the context of their success. To achieve the aims of this research, the context of leaders' practice is critically important because a fit between leadership style and context is required to facilitate and maintain growth.

A deductive approach was dismissed due to the lack of context and removal of outliers. Outlier businesses are important to this study as they represent potential new insights and possible theories. The researcher duly maintained an abductive approach during the case study phase which collected data relating to current events and therefore reduced the

hindsight bias that could have been present during the interview stages. Therefore, the deductive approach was rejected in favour of an abductive approach, justified based upon a lack of agreement in the literature and the paucity of existing research in this area, including the importance of understanding context.

Table 3. 1: Summary of Research Philosophical Positions in Business and Management Research

	Ontology: researchers view of the nature of reality	**Epistemology:** researchers view of what constitutes acceptable knowledge	**Axiology:** researchers view of the role of values	**Typical Methods:** Data collection techniques
Positivism	One true reality which is external and independent of social actors	Scientific methods, focus on causality and law-like generalisations, quantitative.	Researcher detached and research is value-free. Researcher retains objective stance.	Highly structured, large samples, measurement, mainly quantitative.
Critical Realism	Exists independently of human thoughts or knowledge. Objective structures and causal mechanisms.	Focus on explaining and understanding within context. Historical causal explanations.	Research is value laden. Researcher acknowledges bias of culture and upbringing. Research objective as possible.	Range of methods and data types chosen to fit the subject matter, mix of quantitative and qualitative. Agency acknowledged.
Interpretivism	Complex, rich and socially constructed, through culture and language. Multiple meanings and realities influenced by social actors	Focus on narratives, perceptions and stories. New understandings of world view sought	Researcher part of what is researched, and value bound. Researcher interpretations key to contributions.	Small samples, in-depth investigations, mainly qualitative
Postmodernism	Complex, rich and socially constructed, through power relations. Meanings and realities dominated and silenced by others. Flux of processes, experiences, practices.	What counts as truth and knowledge is decided by dominant ideologies. Focus on absences, silences and oppressed meanings. Exposure of power relations and challenge that dominant views represent as contribution.	Value constituted research. Researcher and research embedded in power relations. Researcher radically reflective.	Deconstructive-reading texts and realities against themselves. In-depth investigations of anomalies and silences. Typically, qualitative.
Pragmatism	Complex, rich, external 'reality' is the consequence of ideas. Flux of Processes, experiences and practices.	Knowledge is contents specific. True theories and knowledge and those that enable successful action. Focus on problems, practices and relevance. Problem-solving and informed future practice as contribution.	Value driven research initiated and sustained by Research's dads and beliefs. Researcher reflexive.	Following research problem and research question. Range of methods: mixed, multiple, qualitative, quantitative, action research. Emphasis on practical solutions and outcomes.

Source: adapted by the Researcher from Saunders et al., (2019, p144)

3.4 Research in Organisational Behaviour and Leadership

This section will briefly present the epistemological design choices of this study.

3.4.1 Methodological Approaches to Leadership Research

Leadership research publications are dominated by quantitative studies and positivist inquiries (Bryman, 2004; Dinh et al, 2014). Lowe and Gardner (2000) reviewed published research on the methods used in papers in the first decade of the 'Leadership Quarterly' and advised 71% used quantitative methods with 39% using qualitative approaches and 64% of these articles employed questionnaires for data collection and 20% interviews. However, in comparison the UK based journal 'Leadership', in its first five years, had only 22% of papers published by the journal employing questionnaires as their primary data collection method and 51% employed semi-structured interviews. As suggested, in the literature review above, North American authors who tend to favour a positivist approach have dominated the leadership literature to date.

There are criticisms of the positivist approach to leadership research (Bryman, 2004; Collinson, 2011; Jackson and Parry, 2018). The controlled enquiry is questioned as it is difficult to suggest it is possible to control a social science study as one could a natural science study (Ghauri & Gronhaug, 2010). Issues of ethics, control and researchers influencing their subject are also valid criticisms of the positivist perspective and how it suggests humans can be studied in the same way as natural science subjects. Critics suggest knowledge is a social variable and so research subjects can change behaviour to engineer self-fulfilling prophecies (Collinson et al., 2011). It is also argued that generalizations are limited by the complexities of culture and history; it is difficult to create models that can predict behaviour in different cultures and contexts (Leith and Volery, 2017). The objectivity of researchers is also contested as researchers have their own motives, goals, ethics and values and it is therefore impossible for them to be completely objective (Collinson and Tourish, 2015). They go on to suggest that this dominant paradigm is equivocal and that critical leadership models or theories *"that seek to encourage students to question the taken for granted and to rethink leadership dynamics in new and innovative ways"* (ibid, p590) should be developed and published by theorists.

A number of contemporary authors identify the lack of qualitative research concerning leadership and leadership practices (Bryman, 2004; Collinson, 2011; Jackson and Parry, 2018). Conger (1998) contends that qualitative research is appropriate for leadership as leadership involves *"multiple levels of phenomena, possesses a dynamic character, and has*

a symbolic component" (p109). Maitlis (2005) suggested "*qualitative methods are well suited to the study of dynamic processes, especially where these processes are constituted of individuals' interpretations*" (p23).

Positivist researchers gather data in order to produce theories that are generalisable across a population. However, contemporary authors suggest the context a leader operates within moderates their leadership style (Oc, 2017).   Burac Oc (2017) in his systematic review of the literature of how contextual factors shape leadership and its outcomes asserted: "*for the most part, the empirical research provides evidence for the effects of contextual factors on leadership. Context makes a difference. It has frequently been shown to influence the observed range or base rates of the leadership variables of interest, to change the nature of examined relationships, and to threaten the generalisability of findings*" (p230). Hubbard and Murray (2013) agreed with Van de Ven and Johnson (2006) who argued that much management research fails to explain or predict business success or failure. Hubbard and Murray (2013) argued that business research should use replication to discover empirical regularities through an abductive route to develop causal understanding of phenomena, which is consistent with a critical realist philosophy. Zacharidis *et. al*, (2013) argued "*quantitative summaries and correlations between variables alone cannot uncover evidence on the causal mechanisms that generate the actual events we observe or predict future incidents*". (p862).

The researcher developed a conceptual model based on the results of the structured literature review (of key databases using key word strings and synonyms) and framed the emergent key concepts into the model. Due to the vagaries of leadership in the SME context a conceptual model was needed to address the paucity of studies which confirm relationships between concepts. The model was used to frame the subject so that the guiding research question could be explored – namely 'what' leadership styles and innovation practices exist at SME businesses that have achieved high growth. This study seeks to redress Cope, Kempster and Parry (2011) who lamented "*there is a dearth of research that explores leadership in context generally… and in particular within the SME context*" (p271) and the gaps articulated by other authors (Currie et al. 2009; Liden and Antonakis, 2009). This study explores the leadership and innovation practices exhibited at growth and high growth SMEs and so also answers the call of Brown, Mawson & Mason

(2017) for empirical studies that outline the processes and practices of HGFs and Kaiser et, al. (2008) who called for research on how leaders maintain effective organisations. The reductionist approach was therefore rejected in favour of a context-rich realist approach to the study to gain a deeper understanding of the phenomena given the lack of availability of a standardized questionnaire or previous conclusive studies of leadership variables in the SME context (Bryman and Bell, 2011).

Zacharidis *et. al*, (2013) asserted *"in line with CR's retroductive methodology, is to use extensive methods to identify and establish demi-regularities with data patterns, which are then used to guide intensive research that will uncover the mechanisms, agencies, and social structures that produce the behavior observed."* (p864). The critical realist approach was deemed most appropriate for this study and its need to 'focus on explaining and understanding within context' the practices of leaders. The critical realist perspective encourages a variety of methods to be used and combined. It encourages phases of data collection alternating between the context of discovery and the context of justification for any researcher observation. The critical realist philosophy would enable the generation of in-depth understanding of complex leadership and innovation processes and practices and the avoidance of positivist generalisations by using an abductive approach (Dinh et al. 2014).

The critical realist perspective permitted a deeper exploration of processes and practices of HGF leaders (mechanisms, agencies, social structures) which improves the understanding of the leadership of high growth SMEs. The adoption of an abductive approach and mixed methods data collection would enable the researcher to identify patterns within the data. Therefore, the researcher adopted a critical realist philosophy and a mixed methodology with two cycles of semi-structured interviews and a case-based approach to answer the main research questions. In summary, the critical realist approach offered numerous advantages over positivism and pragmatism as it provided a more holistic systems perspective that takes into account organisational complexities and dynamism. An action research strategy was rejected (Coghlan and Coghlan, 2002) as this method involves the researcher changing organisational practices, which was not an intention of this study.

3.4.2 Background Theory Selection

All published research is located within a theoretical literature tradition or background theory, this section will discuss the background theories relevant to the study of the leadership and innovation practices of SMEs.   Leadership and innovation research reside within the organisational behaviour (OB) or organisation theory (OT) literature which draws from psychology, sociology, economics and anthropological literature (Thompson and McHugh, 2009). The background theory applied to the study of the majority of organisational behaviour literature is 'systems theory '(Thompson and McHugh, 2009). The literature review framework (see figure 2.1) outlines the extant literature this study reviewed in order develop an extensive understanding of the leadership and innovation practices of growth and high-growth SMEs. The value of the background theories is summarised with reference to the literature review framework and the key concepts detailed below, obtained from the background theories.

- Role of the leader
- Strategy and feedforward systems
- Feedback systems
- Organisational fit (internal and external)

Systems theory (Bertalanffy, 1928; Boulding, 1956; Katz and Khan 1978) suggests the role of the leader is to view their organisations as part of a system which is subject to competitive, regulatory, economic and social forces. It also suggests that leaders should develop organisational strategy in order to navigate the business through the external environment they operate within. Systems theory asserts leaders should develop feedback systems in order to inform any required changes to developed strategy and operational plans. System theory suggests that leaders need to ensure their products and services 'fit 'with the market and their internal management of the organisation must fit the social and technological characteristics of followers.

Contingency Theory (Burns and Stalker, 1961) suggests the role of the leader is to predict future trends that will determine the innovation plans of the business, which in turn determine its viability (Thompson and McHugh, 2009). In terms of strategy or feedforward

systems contingency theory suggests leaders should develop plans that ensure the capabilities of the business are able to deliver against the demands of the market or environment. Contingency theory suggests little in terms of appropriate feedback systems. Contingency theory suggests leaders should assess whether the external environment they operate within is 'stable '(simple) or dynamic (complex) in order to decide on a 'mechanistic 'or 'organic 'organisational form. The correct assessment of the leader and subsequent choice of organisational form determines internal and external organisational fit. Pfeffer (1997) asserted *"contingency theory has since virtually faded from the research and managerial literature scene"* (p158), which he attributed to its overly complex explanatory structure that is disconnected from decision variables available to leaders of organisations. The overly complex assessment of organisational structure and paucity of feedbacks systems enabled the researcher to reject contingency theory as the background theory for this study.

Agency Theory (Eisenhardt, 1989) suggests leaders should focus on their relationship with followers in order to reduce agency costs as the main goal of the firm is to work efficiently. Agency theory says little about feedforward and feedback systems. In terms of organisational fit Agency theory suggests internal organisational fit is achieved by leaders managing moral hazard and adverse selection. However, Agency theory says little about external fit and the level of analysis is that the leader-follower individual level. Therefore, this study rejects agency theory as it does not support organisational level analysis.

Based on the above analysis this study adopted systems theory as its background theory and lens from which to view the data. There is considerable support in the contemporary extant literature relating to leadership (Collinson, 2018; Alvesson et al, 2017; Bass & Riggio, 2006) and the innovation literature (Poorkavoos et al., 2016; Zacher & Rosing, 2015; Crossan & Apaydin, 2010), for a systems theory approach. The assertions of seminal publications (Brown, Mawson & Mason, 2017; Oc, 2017; Dinh et al, 2014) from the leadership, innovation and SME literature assert that SME leaders operate within a dynamic system where an understanding of their internal and external environment is essential and their ability to engage people with the challenges of the business is necessary. Therefore, Systems theory suggests a successful leader manages the organizational fit with its

environment and dynamic environments require innovation. Businesses are required to innovate in order maintain their fit with the dynamic environment and so the development of innovation (dynamic) capabilities is essential. Business leaders influence how the parts of the organisation fit together, where processes for quick decision making and organisational harmony are necessary. The leader is also required to develop organisational strategy and employ behaviours to exploit innovation opportunities.

3.5 Research Methodology

The next set of design considerations for theory building is to explicitly state the most appropriate methods to be employed. The intention of this research is to better understand the leadership and innovation practices of high growth and growth Small to Medium Enterprises (SMEs) with a focus on the geographical region of Wales. This study identified High Growth Firms (businesses that had grown by 20% or more on average over a three-year period) and gained access in order to collect data on their leadership and innovation practices.

As a test of validity, the conceptual literature review framework was drafted and then discussed with leading leadership and organisational behaviour experts. The purpose was to obtain expert opinion on omissions or inconsistencies and elicit suggestions on possible additions. The feedback obtained from the experts was positive and confirmed the framework needed little alteration. However, the experts offered advice based on their experience of how best to collect data for this type of complex study, as well as the most appropriate informants to approach for the required data. Table 3.2 displays the experts that were consulted.

Table 3. 2: Experts Consulted on Literature Review and Research Design

Name	Role	Institution	Expertise
Informant 1	Reader with 25 years' experience	Russell Group Business School	Organisational Behaviour & Leadership
Informant 2	Professor with 27 years' experience	Russell Group Business School	Regional Economics & Business Economics
Informant 3	Professor with 30 years	Russell Business School	Organisational Behaviour & HRM
Informant 4	Professor with 29 years	University	Small Businesses & Innovation
Informant 5	Principal Lecturer expert and with 21 years' experience	University	SMEs and Leadership
Informant 6	Professor with 26 years' experience	University	SMEs and Regional Economics
Informant 7	Director with 33 years' experience	Professional Body	Wales Economy and SMEs
Informant 8	Regional Director with 34 years' experience	Trade Body (SMEs)	SMEs & HGFs
Informant 9	CEO with 25 years' experience	Government Ministry	UK Economy, SMEs & HGFs

Source: The researcher

3.5.1 Empirical Research for Theory Building in Leadership

Flynn *et al*,. (1990) suggested theory should be developed systematically with detailed documentation of practitioner practices and the subsequent discovery of relationships between practices and organisational performance. It is suggested that field research approaches are more suitable for theory building research and survey research lends itself better to theory verification and in a cyclical research process the two approaches can be combined to represent the two phases (Bryman and Bell, 2011). Therefore, the researcher adopted an abductive approach, with phased research and built-in periodic reflection points.

A range of contemporary authors in the field of leadership research have called for more empirical research (Parry & Bryman, 2018; Collinson, 2018; Oc, 2017; Leith and Volery, 2017). SME researchers have made similar calls (Cope, Kempster and Parry, 2011; Love & Roper, 2015; Burns, 2016) especially authors of research on HGFs (Mawson & Mason, 2017;

NESTA, 2013; Bloom et al,. 2014). Oc (2017) in his systematic review of the literature that considered the impact of context on leadership bemoaned the dearth of empirical research: "*As my review makes clear, a substantial amount of research is still needed to expand our knowledge about the impact of context and leadership.* " (p230). Therefore, there is a requirement for theory building in the area, leadership and innovation practices of high growth firms, chosen by the study.

Both qualitative and quantitative empirical studies of practitioner behaviours have generated theory in leadership and innovation practices (Rosing et al, 2011). Eisenhardt (1991) asserted that the engagement with empirical data enables the development of relevant, testable and valid theory. However, without theory it is very difficult to make sense of empirically generated data (Voss et al., 2002).   Therefore, this study will now turn to discuss research methodologies in order to explain the research design and strategy adopted.

3.5.2 Research Design and Research Strategy

Bryman and Bell (2011) asserted *"A research design provides a framework for the collection and analysis of data. The choice of research design reflects decisions about the priority being given to arrange dimensions of the research process"* (p32). Yin (2014) described research strategy as *"an all-encompassing method – with the logic of design incorporating specific approaches to data collection and data analysis"* (p39).

Bryman and Bell (2011) outlined five main Research Designs:

1) Experimental
2) Cross-sectional / social survey
3) Longitudinal
4) Case Study
5) Comparative

In order to assess the appropriateness of the research design to a study three criteria should be applied (Bryman and Bell, 2011):

- Reliability: Are measures stable and repeatable?

- Replication: Must state what was done and how could be replicated.

- Validity: The research design should incorporate methods which have valid 1) Measurement constructs, 2) Internal validity and 3) External validity. In order to build a clearer picture for the study the below table is shown, adapted from Bryman and Bell (2011, p61).

Table 3. 3: Research Strategy and Research Design.

Research Design	Research Strategy	
	Quantitative	*Qualitative*
Experimental	Designs employee quantitative comparisons between experimental and control groups with regard to the dependent variable	No typical form.
Cross Sectional	Social survey research or structured observation of a sample at a single point in time	Qualitative interviews or focus groups at a single point in time.
Longitudinal	Social survey research on a sample on more than one occasion, e.g. WERS survey	Ethnographic research over a long period. Qualitative interviews on more than one occasion. Qualitative content analysis of documents relating to different periods
Case Study	Social survey research on a single case with a view to revealing important features about its nature.	The intensive study by ethnography or qualitative interviewing the single case. Usually of a single business or organisation.
Comparative	Social survey research where there is a direct comparison between two more cases, E.g. Cross-cultural research.	Ethnographic or qualitative interview research on two more cases.

Source: The researcher, adapted from Bryman & Bell (p61)

3.5.3 Mixed Method Research Design

This study has systematically reviewed relevant research concerning behaviours and practices of leaders in facilitating growth from which two research questions to examine HGF leaders 'behaviour' were derived. An abductive approach necessitated more context-rich methods to explore the ill-defined nature of HGF practices. The study therefore adopted a critical realist epistemology but rejected an ethnographic design. Purely archival was partially rejected as reviewing documents and records would not have enabled the researcher to explore the behaviours and practices of HGF leaders. The study did make use of secondary material (company accounts, performance data and internal documents) that provide details of the processes and practices employed. Grounded theory was rejected

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due to probable issues with identifying processes and practices of high-growth firms by concentrating on individual accounts and the inability to contribute to extant management practice and theoretically generalise results from the study. A cross-sectional research design was accepted (Collinson, 2018; Oc, 2017; Leith and Volery, 2017; Dinh et al, 2014) and a qualitative methodology was employed (interviews) of high-growth firm leaders.

A longitudinal research design was selected to gather data at multiple points in time, which would build a fuller picture of the leadership and innovation practices of HGF leaders. The practicalities of gathering data at multiple at points in time from business leaders with very limited time is a challenge (Burns, 2016). A single case study research design was also rejected for similar reasons, as this study set out to gather data and publish empirical research detailing the behaviours and practices of high-growth firms in the plural. Whilst a single case study would have been interesting it would not have allowed this study to suggest the conclusions are theoretically generalisable. However, this study did aim to explore and detail the 'important features 'of the leadership and innovation practices of HGFs and so a comparative research design, of the HGFs, that made use of a qualitative research strategy was deemed appropriate.

This exploratory mixed methodology is used to develop theory where existing theory is not fully established or grounded (Ghauri & Gronhaug, 2010). It would be difficult to suggest a different methodological approach could have been adopted for a number of reasons. The research object, leadership and innovation practices of high growth firm leaders, suffers from a paucity of academic publications (Brown et al, 2017; NESTA, 2013) and therefore an abductive approach is most appropriate.

The study design adopted included a cross sectional research design and a cross comparative case study method for gathering qualitative data. The data gathering and analysis was carried out in three stages, interviewee and case selection, data gathering and analysis. The study collected data from a sample of leaders of SMEs with growth and high growth performance results, in order to isolate behaviours and practices of superior performance. The study adopted a thorough approach to the data collection process ensuring both quantity and quality of data. It used various data gathering techniques; semi-

structured interviews, unstructured interviews, observation, secondary data and field notes (including photos of HGF practices and processes). The use of multiple data collection techniques ensured a richness of data that is not possible with one technique. It also ensures that data can be checked for consistency as participants (managers) from the case studies provided different levels and perspectives on the processes and practices of the HGFs. The photos taken at the business premises and field notes corroborated interview data and provided a richer picture of organisational processes and practices. It is common for published studies to rely on one data collection technique and so this study collected robust data.

The thirty leaders selected for the semi-structured interviews were based on two criteria; the performance in terms of turnover or employee numbers of the business over the last three financial years and the stated innovation performance of the business (quantitative data supplied by the business through LEAD Wales application form data). This purposive sampling technique was employed to obtain data from the object of the study, high growth firms. The final sample of leaders 'were each interviewed for between two and three hours. The study ensured it discussed leadership practices and specific innovation events that were deemed successful and ensured it understood the context by observing the work and studying production processes, newsletters, displayed performance data and brochures. This latter action ensured discussion focused on events and behaviours with specific knowledge of the context in which they were taking place and awareness of both the language, culture and working practices of the organisation. It also ensured that the researcher was able to ask subsequent questions with some degree of confidence and knowledge of the process being described, whilst allowing the interviewee to relax in the knowledge the interviewer was not alien to the environment.

Collation of the data was conducted by the researcher. All the interviews were transcribed verbatim reducing interviewer subjective bias 'creep'. The data collection methodology was further strengthened by the request for quantitative data on the business performance from the participating businesses, to ensure the qualitative data collected from the leaders ' and managers was corroborated or contradicted. The triangulated nature of the data

collected on leaders 'performance (manager, follower and business performance data) adds great value to the study.

The study analysed the data in two phases, content analysis of leader transcripts and data integration and model development. Each phase included three stages to remove the possibility of researcher bias. The study used Coffey and Atkinson's (1996) model for analysing qualitative data in order to ensure that a reliable format was used to analyse the data. The research questions drew on previous relevant leader behaviour research design, the Multi-Factor Leadership Index Questionnaire (Bass & Riggio, 2006). The data collection and collation process were robust, and the iterative nature of the model development phase allowed more a more considered model to emerge, see figure 3.5 below. The mixed methods approach is suited to critical realist studies and is supported by Grint (2005; 2010) and Jackson & Parry (2018).

3.5.4 Cross Sectional Research Design

A cross-sectional research design was adopted that incorporated a qualitative research strategy and employed semi-structured interviews as the data collection method. Bryman (1989) advised *"each design and methods should be taken on its merits as a means of facilitating the understanding of a particular research problem".* (p255). Therefore, the study gathered data relating to the processes, practices and behaviours of leaders of high-growth firms through the semi-structured interviews.   Bryman and Bell (2011) asserted *"cross-sectional design entails the collection of data on more than one case and at a single point in time in order to collect the body of quantitative or qualitative data in connection with two or more variables (usually more than two), which are then examined to detect patterns of association"* (p48). The study was interested in the variation in leadership and innovation practices between firms and therefore cross-sectional design was appropriate.

The researcher used qualitative interviews as suggested by Seidman (1991) to gain an *"understanding of the experience of other people and the meaning they make of that experience" (*p37). Qualitative interviews allow researchers to understand people's experiences (Ghauri & Gronhaug, 2010), therefore this study would be able to understand

and to evaluate whether the practices of leaders 'leadership style 'fosters an innovative environment and motivates followers.

3.5.5 Case Study Design

The case study strategy is an established social sciences approach (Bryman and Bell, 2011) and is popular within leadership research (Parry & Bryman, 2018; Collinson, 2018; Oc, 2017; Dinh et al,. 2014;). The case study is valuable when investigating nascent phenomena (Cope, Kempster and Parry, 2011) or hitherto less researched areas, similar to the research questions of this study. This study agrees with Stake (2000) who argued that '*intrinsic case studies'* (p20), that fully describe a particular case in full, which are not designed to represent a population but act as a specific case that others can draw similarities from. In this respect, case studies add value to the 'fittingness' Guba & Lincoln (2000) allude to as transferability can apply to organisations with similar contexts. Gomm et al (2000) suggest researchers should make general conclusions about their work and suggest naturalistic generalisation and transferability allow this.   Yin (2014) and Silverman (2000) suggest that these analytical generalisations can be made by use of purposive or theoretical sampling techniques. Gomm et al (2000) also suggest that that empirical generalisation can be made providing the sampling strategy is robust. They argue an atypical case could represent the population, or a small number of cases, that represent the extremes of a sample can be studied or even a case study of an organisation that represents the mean of an earlier survey.

This study adopted empirical cross comparative case study design in order to develop insights into the behaviours, practices and relationships within high-growth firms. This type of research design allows investigation of a relatively small number of businesses using a large number of variables to develop an in-depth understanding of complex phenomena (Bryman and Bell, 2011). Case study design allows the development of theory building through better understanding processes, practices and behaviours within businesses rather than hypotheses development (Yin, 2014). Yin (2014) suggests stronger theories can be developed that have been grounded in data through case studies and prior knowledge of general constructs within a theoretical field can inform the development of this theory. The development of this theory is enhanced through constructing a conceptual framework that

underpins the research (see figure 2.1). The researcher conducted a thorough review of the extant literature and generated the framework referenced above.

This study used comparative case study research design to further develop it's understanding of the leadership and innovation processes and practices of high-growth firms and develop theory. The data collected during the cross-sectional semi-structured interviews was very useful in building a picture of the behaviours, processes and practices of SMEs, the case studies augmented the data and allow the study to refine its theoretical contribution. The research value of comparative case study research design was succinctly outlined by Meredith (1998), he suggested there were three main strengths:

1. Phenomena is studied in its natural setting and theory is developed from understanding obtain through observation of processes and practices.
2. Case study method allows the questions of what why and how to be answered in greater detail within context
3. Case study methods enables exploration of relatively recent phenomena and the development of understanding and intern theory around the phenomena.

Yin (2014) suggests comparative case study research design *"permits an investigation to return the holistic and meaningful characteristics of real-life events – such as individual life cycles, organisational and managerial processes"* (p5). This study will develop theory around leadership and management processes of SMEs and so multiple cross comparative case study approach was chosen to enable the study to discover why firms operating in the same industry, markets and country are able to achieve markedly different growth rates (Pettigrew & Whipp, 1991).

The inclusion of a comparative case study design enables more robust generalisable theory. Eisenhardt (1989) suggested a maximum of 12 cases, as case-based research is to develop theory and case studies can focus a researcher on the intimate empirical reality that allows the development of a testable, relevant and valid theory. Yin (2014) contends case studies enable valid observations and contributions to a body of knowledge by a researcher. The value of comparative case study research design to developing theory is apparent, therefore

the researcher will turn to define the term and outline how the pluralist methods employed shall support the generation of new knowledge.

Voss et al (2002) advised case studies can be retrospective, current, or longitudinal in nature. There is difficulty in building theory from retrospective case studies as it is challenging to establish the cause and effect of actions, it is also more difficult for informants to recall with detail success and failures of given practices (Voss et al., 2002). The researcher chose longitudinal cases as it is easier to build understanding of context and relationships with informants. It also possible to recognise and record the cause and effect of actions and behaviours. The challenge with longitudinal case studies and completing a doctoral thesis is the time involved. The researcher was involved in a UK Government funded program that provided the researcher access to high-growth firms, within the production sector, over the period of a calendar year and therefore a longitudinal comparative case study approach was adopted. Another challenge of a case study research design is the number of cases to include. Yin (2014) argued a maximum of 12 is recommended, the researcher was fortunate to be able to engage with nine businesses over a calendar year to develop nine comparative longitudinal case studies. The multiple case studies allowed the researcher to document and comment on similarities and differences between the businesses and the leaders 'studied. The multiple case studies design allowed the researcher to make theoretically generalisable claims.

3.5.6 Purposive Sampling

A purposive (non-probability) sample was selected based on the characteristics of a population (HGF) being researched (Ghauri & Gronhaug, 2010). When looking to build theory from a comparative case study research design a purposive selection or sampling method can be employed to ensure cases are selected that represent the phenomena being researched. Given the small number of high-growth firms within the business population, approximately 6% (NESTA, 2008), this study adopted a purposive sampling approach. This study selected informants based on their role in leading high growth firms, these informants would provide practical insight into their leadership styles and innovation processes and practices.

Eisenhardt and Graebner (2007) suggested that the case sample should reflect probable examples of phenomena in order to extend or develop a theory. Flynn et al (1990) suggested a sample should be drawn randomly even when drawn from a specific group. However, based on the scarcity of high-growth firms (NESTA, 2008) this study took every opportunity to engage and interview growth and high growth firm leaders. The researcher engaged and interviewed thirty business leaders that had high growth characteristics and managed to get a further ten to agree to take part in the case study research. However, one of the case study businesses withdrew due to pressures of work and take-over discussions.

3.6 Data Collection Methods

The study will now discuss the data collection methods. Ghauri and Gronhaug (2010) advised *"Research methods refer to systematic, focused and orderly collection of data for the purpose of obtaining information from them, to solve/answer our research problems or questions."* (p37). The data collection was conducted in two phases, a semi structured interview phase and a longitudinal comparative case study phase. The semi structured interviews were conducted with 30 leaders of high-growth firms at two different points in time. The case study data collection was conducted approximately a year later, and the data was collected over a period of a calendar year. The study will discuss the rationale for the data collection methods employed below.

3.6.1 Semi-structured Interviews

This section will briefly discuss the interview format adopted and the development of the survey used (see appendix A). The research strategy chosen employed qualitative interviews, which involve an interactional exchange of dialogue (Ghauri & Gronhaug, 2010). The researcher wanted to engage in dialogue with the SME leaders to understand the leadership behaviours and practices of the leaders of high-growth firms and to understand and map innovation processes and practices of leaders of HGFs. In terms of collecting granular data on the above practices, interviews were more appropriate than observation or quantitative survey administration.

The employment of qualitative interviews allowed a more informal discussion with HGF leaders and enabled the researcher to access rich data on complex organisational dynamics

(Yin, 2014). This informal dialogue would help the study collect data of relevance and not merely conjecture. The informality that interviews allow helped the researcher obtain data relevant to the informal systems and practices inherent within organizations. The informality of semi-structured interviews allowed the researcher to engage with followers within the case organizations to gather data on leadership and management practices that they experienced, separately from the descriptions of SME leaders. The study employed semi structured qualitative interviews for the reasons outlined above.

The study collected data at a single point in time through the first phase semi-structured interviews, common with cross-sectional design. The most senior person within the organisation was interviewed (Managing Director/Chief Executive/owner-manager) using a semi-structured research questionnaire used for all the interviews in order to standardise the method for gauging similarities and variation (Bryman and Bell, 2011). One disadvantage of cross-sectional design is that it is only possible to examine relationships between variables as there is no time ordering of the variables (Bryman and Bell, 2011). Therefore, this study decided to employ a mixed methods research design and adopt empirical cross comparative case study method in order to develop insights into the behaviours, practices and relationships within high-growth firms in order to comment on the likely causal relationships.

Semi-structured interviews are different from structured interviews, they are non-standardised as the primary method of analysis is not through the use of statistical inference techniques (Saunders et al., 2016). The researcher had a list of open questions to explore behaviours, processes and practices of leaders and the questions were varied dependent on the answer provided in first the section of the questionnaire (appendix A & B). The semi structured interviews provided qualitative data which was captured through electronic audio recording of the interview.

The semi-structured (and unstructured) interview is the primary means of obtaining the subjective views and experiences of informants (Saunders et al., 2016). Whipp (1998) suggested *"detailed, vivid and inclusive accounts of events and processes may be generated"* (p53), it is for this reason the study employed semi-structured interviews to better

understand the leadership and innovation processes and practices within growth and high growth SMEs as well as to understand. The study was also able to explore the leadership styles prevalent as *"interviews enable individuals to reveal the personal frameworks of their beliefs and the rationales that inform their actions"* (ibid. p54). The relative lack of formal processes and procedures in SMEs meant that the semi-structured interview was an effective data collection method.

Open questions facilitated description of processes and practices as well as the behaviours of informants. Respondents were given time to think, and the researcher avoided projecting assumptions, to avoid constructing the processes for them (Yin, 2014).

1. *Could you describe the process involved in developing your last new product, please? (The series of events or steps that led to the product being launched)*

2. *Could you describe who was involved and their respective roles, please?*

3. *What established systems or procedures are present to aid product innovation?*

The questions avoided using any jargon. The questions explored the actors involved and their respective roles in the new product development, in order to obtain detail on the formality of processes and the role of the leader. The questions explored whether a systematic approach to innovation was practiced and the relative importance of innovation to the organisation.

The language used by the leader and the way followers in the organisation were referred to provide an insight into the culture of the organisation. The questions explored the innovation processes and aimed to obtain data to triangulate. The researcher used verbal and non-verbal cues to demonstrate attentive listening and occasionally summarised comments to ensure understanding and allow the respondent to add further detail. The interviews were all recorded (electronically) and transcribed by the researcher in order to enhance familiarisation with the data. The researcher recorded initial thoughts (self-memos) immediately after each interview, the 'self-memos 'were coded and analysed in tandem separately from the interview data. The interviews were catalogued using a system which reflected the date, respondent position and overall richness of the data obtained.

The analysis of qualitative data is divided into three main approaches to analysis: literal, interpretive and reflexive. The analysis of the data was conducted by looking for substantive themes within the narratives recorded. The content of the narratives involved coding the data into categories and themes around the questions asked. Therefore, the questions were allocated a code and themes were discovered around the leadership behaviours, innovation processes and practices as well as the innovation actors. In this respect, the words and statements of informants were used to map innovation processes and the impact the actions of leaders had on them. The narratives obtained were reproduced and compared with each other to identify common themes and practices.

3.6.2 Structured Interviews

Structured interviews are mainly used to gather quantitative data, for quantitative or statistical inference techniques to be employed to analyse the data (Bryman and Bell, 2011). The questions have to be designed to ensure the responses elicited are similar so that the frequency of the responses can be analysed and generalised to the population being studied. Structured interviews can be used to obtain qualitative data; however, they are primarily used to obtain quantitative data with small elements of qualitative data that explains and elaborates the quantitative data obtained. There are a number of advantages of using them to elicit information face-to-face or over the telephone. Saunders et al (2016) suggest personal contact can make it easier to obtain complete responses to all questions when asked in person, because one can clarify or expand on any questions the informant does not understand and informants are less able to 'skip 'questions.

The researcher considered the above and incorporated a small number of structured interview questions into the survey developed to elicit data during the interviews with SME leaders. The questions are detailed below and aimed to gather standardised data relating to the innovation processes and practices prevalent within the SMEs. The below questions were recorded on a standardised schedule and coded to aid statistical analysis.

1. Have you developed new products during the last:

12 months, 2 years, 3 years? Y / N (1,0)

If so, how many during last?   12months,   2 years,   3 years.

2. Have you improved processes or working practices during the last:

12 months, 2 years, 3 years? Y / N (1,0)

If so, how many times?   *12months,*   *2 years,*   *3 years*

3. Who do you engage with when looking to improve products or processes?

Customers   *Suppliers*   *Consultants*   *Trade Assoc.*   *Universities*   *Other(s)*

The first question explores the development of new products which is an established measure of innovation. The question is worded to ascertain whether respondents have developed new products and when. The second half of the question elicits further information on the number of new products, this provided a measure of innovation activity. The responses were given values (yes = 1, no = 0) and compiled to form an 'innovation measure 'based on numbers of new products and frequency of product developments. The wording of the questions ensured reliable standardised data was collected. The second question was similar and constructed in the same way to ensure reliable standardise data was gathered and gathered data relating to another established measure of innovativeness. The responses were coded in the same way as the above question and a variable constructed to provide a measure. The third question (closed question) forced respondents to choose an option and aimed to obtain information relating the receptivity to external ideas. The responses were given values (0 and 1) and summed to provide a measure. All three questions, and others in the section, were summed to provide an overall measure of 'innovative activity 'and allowed the researcher to ask more open and qualified questions about the nature of innovation practices in later sections (see tables 4.2, 5.2, 6.3).

3.6.3 Unstructured Interviews

Unstructured or in-depth interviews are far less formal than semi-structured interviews and generally used to explore particular issues in great depth (Saunders et al., 2016). Unstructured interviews have few predetermined questions and are directed more by the interviewee than interviewer and as such they are sometimes referred to as non-directive. Mason (2002) suggests the term 'unstructured interview 'is a *"misnomer because no research interview can be lacking in some form of structure"* (p62). The interviewee is given freedom to talk, at length, about the subject that the interviewer is looking to understand. They are also labelled informant interviews as the interviewee perceptions guide the

interview as opposed to respondent interviews where the interviewer poses questions and directs the interview (Ghauri and Gronhaug, 2010). This study concluded an unstructured interview would not reveal details of the behaviours processes and practices of the leaders of high-growth firms. The researcher adopted a less formal approach to the questions during the second phase of semi structured interviews but was employed when the researcher was confident that the informant was comfortable to talk at length around their processes and practices, with little prompting.

3.6.4 Case Methods

Case studies often combine data collection methods and can incorporate secondary data such as archives and company procedures as well as qualitative data in the form of interviews and ethnography (Saunders et al., 2016). A combination of data collection methods that gather data around the same issue or phenomena can provide triangulation and improve the researchers understanding and accuracy (Yin, 2014). Qualitative data can often reveal behaviours and underlying structures as well as informal processes and practices, whilst quantitative data from the object of the case study can corroborate and enhance the qualitative data obtained (Eisenhardt & Graeber, 2007). The below table (3.4) outlines the strengths and weaknesses of the typical data sources (Yin, 2014). Based on the review of the methods and the aims of the study the pluralist approach to data collection methods was employed. The researcher employed the following data collection methods: semi structured and informal semi-structured interviews, company documents, archival records and direct observation. This study provides more detail of the data collection methods employed during the case study phase in the below section.

Table 3. 4: Strengths and Weaknesses of Different Data Sources.

Data/Evidence Source	Strengths	Weaknesses
Secondary data/Documents	• Stable, can be reviewed repeatedly • Unobtrusive, not created as a result of the case study • Exact and contain facts: names, references, details of an event • Broad coverage, span time, multiple events and settings	• Difficult to access • Selective bias if collection is incomplete • Reporting bias reflects (unknown) bias of the author • Access could be deliberately restricted by various actors
Archival records	*Same as above for documentation* • Insightful and provide perceived causal inferences	*Same as above for documentation* • Accessibility issues due to privacy reasons
Interviews	• Targeted and focused on case study topic • Insightful as provide perceived causal inferences	• Bias if poorly constructed questions • Response bias • Inaccuracies due to poor recall • Reflexivity – interviewee gives interviewer what they want to hear
Direct observation	• Reality probable and show real time events • Contextual and context of events perceivable	• Time consuming • Selectivity unless broad coverage • Reflexivity - event might play differently because it is being studied • Cost – multiple hours needed by human observers
Participant observation	*Same as above for direct observations* • Insightful into interpersonal behaviours, relationships and motives	*Same as above for direct observations* • Bias due to investigator manipulation
Physical artefacts	• Insightful into cultural features • Insightful into operational processes and practices	• Possible selectivity bias • Not often available

Source: Adapted by researcher from Yin (2014)

3.6.5 Case Studies

The majority of the field data collected, during the case study phase, was collected through semi-structured interviews.   Details of the semi structured interview form and composition is detailed in section 3.6.1. The researcher employed the same semi structured questionnaire (Appendix B) throughout the case study data collection phase. However, as the researcher grew more confident and comfortable with different informants more or less questions were asked on an ad hoc basis depending on the time available and willingness of the informant. The study always interviewed the most senior person within the organisation (Managing Director/Chief Executive/owner-manager). The researcher also

interviewed followers in the form of the managers and shop floor personnel when possible, during the case study data collection phase (see table 3.5).

Table 3. 5: Interviews Conducted During Case Study Phase

Number of Employees	Leader (MD/CE/Owner) interviews	Manager/other director interviews	Shop-floor interviews	Total Number of interviews
22	10	3	2	15
51	9	5	2	16
126	11	6	3	21
90	9	7	1	17
136	10	6	3	19
44	10	7	3	20
83	9	4	2	15
15	11	4	1	16
Data withdrawn	2	3	1	6
				145

Source: The Researcher

Table *3.5* shows the number of interviews and the position of the informants. The number of interviews varied across the case study businesses for a number of reasons. Firstly, the smaller businesses had fewer managers and shop floor staff in total, therefore less people to interview and the smaller firms had less resource and less time to give to the study. However, some of the businesses were more open to providing data and time than others, the researcher respected the wishes of informants. All of the case study firms were visited at least once and seven of the nine were visited twice at the beginning and end of the yearlong data collection period. After the site visit, interviews were conducted with the leader and managers over the telephone on a monthly basis. Secondary data collection, detailed in section 3.6.3, was collected during site visits and is presented in the findings chapter. The leaders of each SME were interviewed in order to understand the leadership and innovation behaviours, processes and practices employed by the firm. The managers and followers were interviewed to gather data that could triangulate the data gathered from the leaders and to gain insight into the informal practices and culture of the business. The researcher also aimed to collect data on the followers' views of and their relationship

with the leader. The researcher recorded digitally all of the formal interviews and transcribed verbatim, usually within 24 hours of the interview. The interviews were greatly enhanced by transcripts, as they were be used in conjunction with content analysis. Content analysis was used to codify the transcript, noting recurrent usage of phrases, practices and concepts of interest. Theory can be developed or tested, based on content analysis of the transcript (Yin, 2014).

The researcher also issued a structured questionnaire to the case study businesses to gather data on their existing innovation processes and practices and to inform the case study interviews, the findings are presented in section 6.6 and discussed in chapter 7. The questionnaire was developed from existing surveys within Roth et al (2007) and informed by 'world class manufacturing 'surveys (see Appendix C). An interval data Likert scale was adopted for the questions within the innovation survey, sent to the case firms, in order to allow the scales to be summated or ranked. The structured survey was developed and administered by the researcher to fully understand the innovation processes and practices and to reduce time at interview to focus on behaviours and informal processes and practices. The survey provided data to corroborate the qualitative data (Yin, 2014) and was useful for cross comparative purposes across the case study businesses.

3.6.6 Secondary Data

The researcher employed observation methods, obtained secondary data and kept a personal reflection journal (self-memo), which was updated after site visits and telephone interviews. Triangulation is valuable for the development and verification of theory (Jick, 1979, Voss et al., 2002). The observation methods included taking photographs during site visits, which enabled the researcher to capture artefacts which intimated the culture of the organisation and the formality of processes and practices. The photographs were also useful to corroborate verbal descriptions of processes and practices as well as useful prompts to question leaders and managers during the site visits (a small selection of photographs included within the findings chapter). The researcher asked the leader for a 'factory tour 'on the first visit which often involved introductions to a number of shop floor staff and managers. The site visit lasted between one and four hours, depending on the size of the business and the time made available to the researcher. The mean time spent at each site

visit was 2.5 hours and only one site visit lasted less than 2 hours, with two site visits taking close to 4 hours. The photographs taken at site were more than adequate to corroborate the data provided by the leaders and managers in terms of processes and practices and provided valuable insight to the processes and practices and intimated the culture within the business.

The site visits and photographic evidence were very useful in building relationships with people in the business and helped the researcher gain valuable insights into the context and culture of the business, as suggested by Yin (2014). The secondary data collected included company brochures, performance data and monthly/quarterly financial data. Three of the nine case study businesses declined to provide financial data and a further two asked the researcher not to take the data provided from the business premises. This data was requested for corroborative purposes and so collection of it was not imperative, viewing on site was adequate for the researcher.

3.6.7 Portfolio of Methods

The research design was crafted to enhance reliability, validity and to build triangulation of the data collected from each business (Saunders et al., 2019). The theories and concepts generated through the cross-comparative case studies can be described as robust because of the multiple data collection methods employed and the mixed methodology approach to research design of this study (Yin, 2014; Saunders et al., 2019). The employment of multi methods enables researchers to confidently express results and provide explanations and theories within context (Bryman and Bell, 2011). The methods employed by this study were:

- Semi structured interviews – with multiple informants at different levels
- Observation – via site visits
- Secondary data – Performance charts, financial data, company information

- Structured questionnaire (survey)

The methods employed mitigated acknowledged weaknesses of any single method (Bryman and Bell, 2011). Leonard-Barton (1990) employed a questionnaire, unstructured interviews and archival sources as her research methods and therefore this study adopted a similar approach. MacCarthy et al,. (2013) asserted *"Both quantitative and qualitative techniques are of course necessary for an avowedly empirical discipline; good cases help to identify the*

best stories, providing the basis for novel theory development, and a robust quantitative analysis helps to establish the scale, scope and dynamics of any phenomenon" (p939). The researcher was therefore confident in employing the research design detailed. The researcher has outlined the research design, research strategy and main methods employed and so he will now turn to detail the research phases that facilitated the cross-case study comparisons.

3.7 Phases of Research

The researcher began his phased research journey in the autumn of 2014 (figure 3.6). The researcher began this study part time in the autumn of 2014 and developed dialogue with colleagues and former colleagues in order to inform the research methodology and study aims. The researcher obtained a postgraduate diploma in Research Methods at Cardiff University in 2006 and developed his ontological and epistemological position as a critical realist. The role at Swansea University provided the researcher with access to SMEs across South Wales.

Figure 3. 6 Research Phases
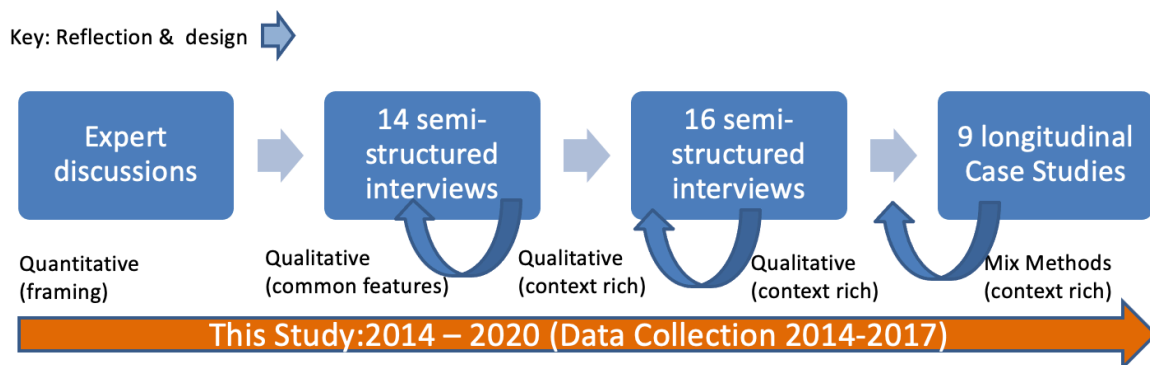
Source: The Researcher, informed by Huff & Reger (1987)

The research commenced with a literature review (leadership and innovation) and simultaneously obtained views from the expert panel of informants (table 3.2). The literature review produced a conceptual model of the leadership and innovation practices of growth and high growth SMEs. The researcher then developed a semi-structured questionnaire (deductive phase) as he came across high-growth firms (through the LEAD Wales programme) he asked for an opportunity to visit and interview the SME leaders. The researcher purposively selected businesses that had experienced three years of growth, in

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either employee numbers or turnover. Access was achieved through direct personal contact with each purposively selected SME leader. The researcher selected informants (leaders) that were currently leading a HGF and had been in place prior to the achievement of high growth. Therefore the researcher purposively selected the informants based on their high growth over the previous three years. The researcher did not ask for information about the 'life cycle' of the business, whether it was in steady state or decline, as the aim of this study was to focus on leadership and innovation practices of existing HGFs. Unfortunately, due to time and resource constraints the researcher did not focus on other less successful SMEs and their practices for comparison purposes.

The researcher had interviewed 14 growth and high-growth SME leaders by the summer of 2015 and then drafted a literature review and some initial findings from the interviews (abductive phase). The researcher reflected on the literature review and initial findings and made some minor amendments to the interview instrument. The next phase of data collection, the interviews of a further 16 leaders of growth and high growth SMEs was completed by mid 2016. The researcher worked on a UK government funded program for growth and high growth production businesses during 2016 and 2017 which enabled him to develop strong relationships with nine growth and high growth SMEs and collect data over a year long period, to produce the nine longitudinal case studies (abductive phase).

3.8 Research Value and Validity

The three most important criteria for evaluating management research are validity reliability and replication (Bryman and Bell, 2011). The reliability and validity of a study enables researchers to produce results that are generalizable or theoretically generalizable in terms of cross comparative and case study designs (Bryman and Bell, 2011). The mixed methods research design and strategy of this study was developed to ensure maximum measurement reliability and theory validation (Bryman and Bell, 2011). The contribution of empirical research that includes comparative case study design is largely determined by its design quality and subsequent data analysis, the latter is conducted in chapter 7 of this study. In order to demonstrate research validity a study should ensure that its measures have measurement or construct validity, internal validity, external validity and ecological validity.

Construct or measurement validity is defined as ensuring correct operational measures are used for the phenomena or concepts being studied (Bryman and Bell, 2011). This study used multiple sources of evidence and drew heavily on the published research on leadership and in particular 'new leadership' models to build the construct measures to ensure construct validity. However, construct validity is much less of an issue for qualitative research that does not create any constructs, as is the case with this study. Internal validity is the extent to which causal relationships can be established from the data (Bryman and Bell, 2011). This study achieved internal validity by ensuring the leaders interviewed and the case studies selected were representative of different size and sector businesses (Yin, 2014). The study also ensured it employed a research strategy and subsequent research methods to triangulate the qualitative data obtained from the semi structured interviews, as detailed above. The research methods used to triangulate (observation, secondary company information, survey and interviews of followers) enable this study to assert the leader is the independent variable and innovation processes and practices dependent, which in turn drive organisational growth. Therefore, the study asserts it has ensured internal validity based on the framework articulated by Bryman and Bell (2011). This study selected the research design and strategy in order to explore the 'why' of the concepts being studied within SMEs and developed an understanding of the dynamic underpinnings of the concepts, therefore achieving internal validity (see findings and discussion chapters).

The possibility of achieving external validity or generalisability through cross comparative research design and case study design is disputed by academics (Bryman and Bell, 2011). However, qualitative approaches generally do not claim generalisable concepts as they are more concerned with the underpinning structures and behaviours that cause phenomena and concepts (Ghauri & Gronhaug, 2010). Yin (2014) argues that case study design, in particular multiple case study research design, contributes to the development of theory that can explain phenomena and be generalisable across different organisations. The aim of the researcher, as a critical realist, was to explore and describe the complex phenomena of the leadership and innovation practices of high-growth firms as numerous authors (Cope, Kempster and Parry, 2011; Love & Roper, 2015; Burns, 2016; Mawson & Mason, 2017; NESTA, 2013; Bloom et al,. 2014) have stated the phenomena is little understood. This study

employed predominantly qualitative methods and therefore the researcher intended to make theoretically generalisable claims, he was not aiming to make representative claims.

Ecological validity is concerned with the question of whether social science findings are applicable to peoples everyday natural settings (Bryman and Bell, 2011). Bryman and Bell (2011) quote Cicourel (1982) *"Do our instruments capture the daily life, conditions opinions, values, attitudes, and knowledge base of those we study as expressed in their natural habitat? "*(p34). This study would argue, based on the research strategy, design and methods employed that the data gathered (often within the natural context of the business leader) does produce findings that represents what happens in the everyday lives of the leaders and followers within the businesses. Therefore, this study would assert the findings have ecological validity.

It is important to note that Lincoln and Guba (1985) suggested that qualitative research should be assessed differently from measures that were developed largely for quantitative research (Bryman and Bell, 2011). Lincoln and Guba (1985) argued that 'trustworthiness' should be used as a criterion for evaluating the value of qualitative studies and trustworthiness encompasses: *credibility, transferability, dependability, and confirmability* (Bryman and Bell, 2011). This study employed predominantly qualitative methods and therefore the trustworthiness criterion is relevant and should be discussed. *Credibility* parallels internal validity and therefore the reasons outlined above, relating to internal validity, enables the study to argue the study findings have strong *credibility*. *Transferability* parallels external validity, which is a moot point as qualitative studies suggest their findings are theoretically generalisable and not representative. However, based on Yin's (2014) assertions relating to multiple longitudinal case studies, this study asserts it has developed theoretically generalisable findings as it obtained robust longitudinal data (case study format) from growth and high growth SMEs. *Dependability* which parallels reliability and is concerned with whether the findings would be the same at another point in time. This study employed a longitudinal comparative case study design and gathered data over the period of a year. The researcher asserts that the methods adopted would enable the researcher to gather similar data in the future and so concludes the study has mitigated reliability and dependability issues. *Confirmability* parallels objectivity which is concerned with researcher

bias and the intrusion of researcher values into the data. This study adopted a mixed methods research design and multiple data collection methods in order to triangulate the data collected and subsequent findings. Therefore, the researcher argues he has managed *confirmability* issues.

3.8.1 Limitations of the Study

The vast majority of research studies have limitations because of the time and resources available to researchers, this is no exception and has outlined the limitations below. It is difficult to get access to commercial organisations and senior practitioners, particularly within SMEs (Burns, 2016). Ideally this study would have interviewed more HGF leaders, however the study engaged sufficient numbers within the research, predominantly through a relationship built by the researcher. The study would also have liked more time to engage with the businesses over a longer period and yet the limitations of the thesis and the time of the author would not permit this. The researcher would also have liked to travel across the UK and engage with more HGFs, however cost and time and access limited this. The study would have benefited from engaging HGFs from a different region within the UK for comparative purposes and yet this study would argue the level of resource required was beyond the means of this study. Another limitation, by design, originates from the South Wales location for informants. Therefore, a single national culture pervades (Hofstede, 2010) and so this study is limited to a national culture and the author would suggest a regional culture. The culture, as outlined in the literature chapter, will impact the ability of leaders to embed innovation dependent on regional culture and so this an area that could be looked at in future research. The 'time' or life-cycle phase of each business did not feature within the data collection methods of this study, therefore the study is not able to comment on whether the life-cycle of the sector or product/service offering of the business impacted on its high growth. This limitation of the study could be incorporated into future research.

3.8.3 Ethical Considerations

All research studies have an ethical duty of care to exercise. This study operated within the Swansea University ethical guidelines and processes. The ethical approval forms for all elements of the research are contained in appendix E. The researcher reflected on the

possible impact of the research on all of the informants, prior to engaging with them and ensured all informants were aware of the main ethical principles of social science research; that they could decline any questions, could withdraw at any time, the information they provided would be anonymized and the researcher clearly explained his role. In the latter respect, no advice was provided to any of the firms that took part during the course of the research.

The findings of this study have not been shared with the businesses that took part, however the researcher did offer to forward transcripts to any informant that requested and none of the informants took up this offer. This study does contain commercially sensitive data and so every attempt has been made to disguise the source of the data. The study is confident that a sufficient time period will have a lapsed by the time this study is published to ensure that none of the practices reported will be regarded as compromised by informants or of value to the competition. Informants were sent copies of the photos the study intended to use and all were accepted for publication. Each firm was also sent the narratives that feature in the study pertaining to them and no objections to their use was received.

3.9 Conclusions

The literature shows the leadership the leadership and innovation practices of an SME are largely determined by the leader and can be discerned at firm level. The performance and productivity of a firm is largely driven by the leadership and innovation practices of the firm. Therefore, this study adopted a mixed method approach in order to explore and understand the leadership and innovation practices and behaviours of leaders. This study employed cross comparative longitudinal case study design in order to fully understand the leadership and innovation practices and triangulate the data collected through engaging with followers and secondary data available from the case study businesses. The research design adopted by this study, detailed above, was chosen to answer the guiding theme and questions. This study focussed on leadership and innovation practices of identified growth and high growth firms. Therefore, it will only comment on their behaviours and is unable to comment on the life cycle of the business and the 'time' or maturity of the business leadership in terms of its life cycle.

This chapter defends, from a realist perspective, a multi-phase research strategy employing semi-structured interviews and multiple longitudinal cases using pluralist and triangulated methods. This study will now present the data collected, through the methods outlined above, in the next three findings chapters.

Chapter Four: Findings, Semi Structured Interviews (first phase)

4.0 Introduction

This chapter presents the data that was collected and subsequently thematically analysed from semi-structured interviews with fourteen leaders during the first phase of research . The data collected (recorded using a digital device) was transcribed verbatim by the researcher, a useful way to become familiar with the data. The study looked for themes that revealed the innovation and leadership practices or 'leadership style' of the leaders. The informants were also asked to describe processes and practices that had facilitated the success and growth of their business. This study presents two or three direct quotes to succinctly summarise the essence of the different leaders' behaviours and practices, within each identified theme.

The interview questionnaire used (see Appendix A) was developed based on the Transformational Leadership MLQ 5X questionnaire (Bass and Avolio, 1995), follow up questions were asked when the description of a process was not fully understood by the researcher. The informants were also asked to elaborate on areas they deemed important. The study will present summaries of the data in table format in the first section of this chapter before turning to detail the themes discerned within the data.

4.1 Data Tables and Outline

The interview data collected was thematically analyzed and summarized. The data was then arranged into data tables to provide a summary display of the leadership and innovation behaviours and practices observed. The interview data is summarized in figure 4.1 and 4.2, which are summary tables, the individual leader innovation and leadership practices are detailed in appendix E.

Table 4. 1: Leadership Data, First Phase Semi-Structured Interviews

Size (employees)			S	S	S	S	M	S	M	M	S	M	M	M	S	S
Behaviours	Traits	Practices	KF	RG	AB	RC	CH	MG	JB	SH	BB	TH	MA	SL	EJ	KG
	Humility (Collins, 2001)															
		Reflective Practice (Gibbs, 1988)	3	5	1	5	3	3	1	5	5	5	5	3	5	5
Effective Delegation			3	5	3	3	3	3	5	3	5	3	5	3	5	3
		Develops People (Parry & Bryman, 2006)	5	1	3	5	5	5	3	5	5	5	5	5	3	3
	Trusting		5	5	5	5	5	3	5	5	5	3	5	1	5	5
	Determination		1	5	3	5	3	3	3	5	5	5	3	3	5	5
		articulates vision (Podsakoff, 1990)	5	3	3	5	5	5	3	5	3	5	5	5	5	5
role models behaviours (Podsakoff, 1990)			5	3	3	5	3	3	3	1	5	1	5	1	3	3
		fosters acceptance of goals (Podsakoff, 1990)	3	5	3	5	5	3	3	5	5	5	5	3	5	3
		communicates high expectations (Podsakoff, 1990)	5	1	3	5	3	5	1	3	3	3	3	3	3	3
		provides individual support (Podsakoff, 1990)	3	1	3	5	5	5	3	3	3	3	3	5	1	5
intelectual stimulation (Podsakoff, 1990)			5	1	3	5	5	3	3	5	5	5	5	3	5	5
leading Quietly (Badarcco, 1990)			5	5	3	5	3	3	3	3	5	5	5	3	5	5
	Self Awareness (Gardner et al, 2011)		1	5	1	3	1	1	1	5	5	5	3	1	5	5
		Relational Transparency(Gardner et al, 2011)	1	3	3	5	3	3	1	3	3	3	5	3	3	3
Balanced Processing (Gardner et al, 2011)			5	5	3	5	1	3	1	3	5	3	5	1	5	5
	Ethical foundation (Gardner et al, 2011)		3	5	1	5	3	3	3	5	3	3	5	1	5	3
		Bureacracy reduction (Parry & Bryman, 2006)	3	5	5	5	5	3	3	5	5	5	5	3	5	5
Understanding of power (Parry & Bryman, 2006)			5	3	1	5	1	5	5	5	5	3	5	3	5	3
			1	3	3	3	1	1	1	1	3	1	3	1	3	1
Total Score			67	69	53	89	63	63	51	75	83	71	85	51	81	75

Source: The Researcher

Table 4. 2: Innovation Data, First Phase Semi-Structured Interviews

		S	S	S	S	M	S	M	M	S	M	M	M	S	S
		KF	*RG*	*AB*	*RC*	*CH*	*MG*	*JB*	*SH*	*BB*	*TH*	*MA*	*SL*	*EJ*	*KG*
Behaviours	**Practices**														
Create Environment(Schein, 92; Yukl, 02) & Creat Innovation Culture (Crossan & Apaydin, 2010)		3	5	1	5	3	3	3	5	5	5	5	1	5	3
	Setting Goals (Amabile, 98) & Goals and Strategy (Crossan & Apaydin, 2010)	5	5	3	5	5	5	5	5	5	5	5	3	5	5
	Situational variability (Van de Ven, 1999) and Context (Clark & Staunton, 1989)	3	5	1	5	3	3	1	3	3	3	5	3	5	3
Ambidextrous Innovation Leadership (Raish & Birkinshaw, 2008;Rosing, 2015)		3	5	1	5	1	3	3	3	5	5	3	3	5	3
	Complexity (Zacher & Rosing, 2015)	5	3	3	5	3	3	3	3	3	1	3	3	5	5
Process understanding (Newell et al, 2009)		3	5	3	5	3	3	3	3	3	3	5	3	5	5
	Emphasis on Knowledge (Newell, 09; Hobday, 05) & Knowledge Management (Crossan	5	5	3	5	3	3	5	5	5	3	5	5	5	5
Engaging staff and their ideas (Clark & Staunton, 1989)		5	5	3	5	5	1	3	3	5	3	5	3	5	5
	Creating Innovation Groups (Clark & Staunton, 1989)	3	5	1	3	1	3	3	3	3	3	5	5	5	3
	Problem Solving or Efficiency vs Innovation Dilemma (Clark & Staunton, 89; Crossan	3	3	3	3	3	3	3	3	5	5	3	3	3	5
	Supply Chain (and customer) Integration (Van de Ven, 08;Crossan & Apaydin, 2010)	5	5	3	5	3	3	5	3	3	3	3	5	3	3
	Innovation Processes development (Newell, 2009; Crossan & Apaydin,2010)	5	3	1	3	3	3	1	5	3	3	5	3	3	5
	Technological Determinism (adopting external innovations) Crossan & Apaydin (2010	3	3	1	3	5	3	3	3	5	5	5	3	3	5
	Resource Allocation (Crossan & Apaydin, 2010)	5	3	3	5	5	5	3	3	5	5	3	5	1	3
	Portfolio Management (Crossan & Apaydin, 2010)	5	3	3	5	5	5	5	5	5	5	3	5	1	3
	Project Management (Crossan & Apaydin, 2010)	5	3	3	3	5	5	5	3	5	5	3	5	1	3
	Commercialisation (Crossan & Apaydin, 2010)	3	1	1	5	3	5	3	1	1	3	1	5	1	1
Totals		69	67	37	75	59	59	57	59	69	65	67	63	61	65

Source: The Researcher

4.2 Leadership Practices

The data reveals (table 4.1) that the leaders interviewed were practicing many tenets of transformational leadership model (Bass, 1985; Bass & Riggio, 2006) as well as elements of other post heroic /contemporary leadership models. The data also reveals many paradoxes and suggests a far more complex picture of leadership of successful SMEs. The data tables demonstrate that the leaders interviewed were practicing nuanced and mixed models of leadership that include elements of transformational, distributed, authentic and pragmatic leadership models. The below sections provide details of the data collected and present the themes, from the thematic analysis, discovered within the data in order to summarise the hundreds of pages of transcribed interviews. The themes discovered will be presented in line with the sequence of interview questions asked (see Appendix A). The interview questions were based on MLQ 5X questionnaire (Bass and Avolio, 1995) and the innovation questions focused on obtaining data on the practices and processes the leaders employ (Newell et al, 2009; Trott, 2017).

The data table (4.1) summarises the theories and tenets of leadership models that were being practiced by the leaders' interviewed. It would be difficult to argue that one particular leadership style was dominant. However, evidence shows that many of the tenets of transformational leadership and other contemporary models are being practiced by the leaders. This study presents a data display, within each section, to summarise each of the individual tenets of transformational leadership and provides an indicative quote for each tenet to reveal the nuanced practice of leaders. It was also evident that the practices and subsequent styles appear to be nuanced and it was difficult to fit the data into existing taxonomic leadership models. In order to unpack some of the complexity discovered this thesis will present themes from the interview data, in the following sections. The first phase of interviews primarily focused on transformational leadership tenets.

4.2.1 Inspirational Motivation (Conveying a Vision)

The data suggests both the growth and high growth SME leaders interviewed practiced inspirational motivation and conveyed a vision to their followers, this was evident across the different sector and size businesses. However, there were different practices in terms of

conveying a vision and slight variations between sectors. This study will provide details of the behaviours and practices discovered and outline the similarities and differences encountered. This study presents the responses of the business services leaders' first. Six leaders of business services organisations were interviewed during the first phase of interviews (a business services consultancy, an accountancy practice, a legal practice, a telephony service, a public relations business and a property agency).

It is evident (from the below quote) that RG was aiming to ensure that followers were clear on the company vision and operational plans. This verbatim quote represents the leaders that 'fully evidenced' the practice of 'inspirational motivation' and is indicate of the practices discovered. The director of a small business services company (RG), advised:

> "we had an away day about June…. it was kind of vision clarity and tactics, establishing tactics, externally facilitated, everybody, all members of the company were there, closed the business down for the day".

Table 4.3 Inspirational Motivation

Inspirational Motivation		
HGF or Growth	Leader (informant)	Confirmed Practice
G	KF	Partially Evidenced
HGF	RG	Partially Evidenced
HGF	AB	Partially Evidenced
HGF	RC	Fully Evidenced
HGF	CH	Partially Evidenced
HGF	MG	Partially Evidenced
HGF	JB	Partially Evidenced
G	SH	Fully Evidenced
HGF	BB	Fully Evidenced
HGF	TH	Not Evidenced
HGF	MA	Fully Evidenced
HGF	SL	Not Evidenced
HGF	EJ	Fully Evidenced
G	KG	Fully Evidenced

The study interviewed the Marketing Director (SL) of a group of five online retail businesses. SL was asked if he conveys a vision to followers, he advised:

"We have monthly meetings with key managers, we give them a breakdown of how the company to be going forward for that quarter with a long-term goal, and then, they're asked to contribute what type of issues, they've got and how they can help."

It is evident (from the above quote) that SL did not attempt to engage followers with a vision and this quote is indicative of the 'not evidenced' approach. However, SL and TH did engage managers to contribute to discussions around the operational plans of the business.

4.2.2 Intellectual Stimulation

The interview data collected suggests that 71% of SME leaders interviewed, during the first phase, practiced intellectual stimulation. Ten of the fourteen interviewed, to varying degrees, advised they encouraged followers to think about what they do, how they do it and make suggestions on improving productivity. The informants were asked what they do to intellectually stimulate followers, the responses could be categorised in three ways:

- formal processes or procedures
- informal processes or procedures
- creating an 'innovation culture' (employee engagement)

The study discerned a size bias in terms of the level of formality of 'intellectual stimulation' processes, a sector bias was not evident. The leaders interviewed in the shipping organisation and manufacturers described formal processes. One manufacturer advised that he introduced a 'Process of On-Going Improvement' system and also described giving responsibility to teams on the shopfloor to solve problems for their customers. The logistics business leader described team briefings, a suggestion scheme and working groups based on action learning principles that had been set up to look at specific organisational issues. MA (HGF) advised:

"a day every month I wander about, and it's an opportunity to brief people about what is going on and listen to what they've got to say, trying to encourage everybody to say you're the people we want to listen to"

Two small engineering business leaders advised that they encourage followers to think about innovation. The responses suggested they engage followers and discuss operational issues frequently without established formal processes.

KF (HGF leader) advised:

> "It's purely a case of open door policy, and if anybody had come up to me and said, you know, I think we can do this I would reward it as well."

TH (HGF leader) advised:

> "we have incentives from time to time with bonuses and payments. Somebody comes up with a good idea they get rewarded in, with a one-off payment."

Four of the leaders interviewed did not provide any evidence of directly intellectually stimulating followers, a transactional approach was discerned. The retailer and three small business services leaders advised that they placed trust in established remuneration or financial reward systems to encourage followers to innovate. The approach of the four was summarised by SL (HGF leader):

> "remuneration, I'd think is probably the key. There's commission based structures within the company for key personnel, and they know if they can hit targets and perform then they'll get paid as a result of it. That tends to be the best way to work it."

4.2.3 Individualised Consideration

Two questions were asked to establish if the leaders practiced the third tenet of transformational leadership, individualized consideration. A mixed picture emerged, the size and sector of the organisation (number of employees) was a delineating factor. The small business leaders, in different parts of the interviews, advised that they discuss operations and development issues with followers frequently. The small businesses had very few management layers and leaders were in contact with followers on a daily basis. Therefore, the leaders inadvertently evidenced 'individualized consideration' to followers in the basic sense of 'focusing on understanding the needs of each follower'. KF encapsulated this with his assertion: *"I deal with, I would say, 80% of all staff on a daily basis."*

Three of the eight small business leaders were professional service businesses and professionals within the accountancy and legal professions are required to plan and evidence their 'continuous professional development' in order to sustain membership of their professional body. Therefore, the onus for development was a responsibility of the individual and not the leader, within the business services sector.

The leaders evidenced providing 'individual consideration' to followers. Three types of approaches were discerned by this study:

- progressive transformational
- standard practice transformational
- transactional

The medium sized manufacturing business and the PR consultancy were 'progressive transformational'. The leader of the manufacturing business advised that they employ coaching and mentoring *"all the time, at all levels"* and at that all new shop-floor workers were allocated a *'buddy'*. He described how they took time to ensure the mentor and mentee's personalities were not dissimilar and he described the process of developing their development plan from the business strategy document. The business made the strategy and development plans available to all employees and advised that all relevant development costs would be met. The PR consultancy had an annual appraisal system and line managers were expected to be *"alert and sensitive to how people are developing"* and managers' reviewed people's progress in between appraisals. The CEO advised:

> *"it's also just simply saying thank you and patting people on the back and talking to people about their work, so that their work is valued, and people are aware that, I know as much as I can about the work that they're doing".*

Table 4. 4: Individualised Consideration Practices of Leaders

Individualised Consideration			
	Small	*Medium*	
progressive transformational	BB, EJ,	SH	3
standard practice transformational	RG, AB, MB,	MA, RC, CH	6
transactional	KF, MG	SL, JB	4
	8	6	

Source: The Researcher

Three of the eight small business leaders interviewed could be described as 'progressive transformational'. They had established individual development processes like appraisals and monthly development reviews as well as 'mentors' as RG (who typified this approach) advised:

> *"all have a training plan, personal development goals"* and employees received *"at least six months of a one-to-one mentor"*.

In terms of the 'standard practice transformational' the researcher argues that three of the medium sized firms and two of the small firms were in this category. The businesses practiced standard HR practices of performance appraisals and monthly or quarterly meetings with employees. The businesses also made use of coaching techniques to develop managers and supervisors. The business services organization (RC, HGF leader), that had grown rapidly, had few formal HR procedures in place. However, they allocated a 'buddy' to all new members of staff 'to develop them' and the leader kept in close contact with the small team of managers that managed the operational teams.

The small professional services organisations had established formal HR procedures and processes. They described established appraisal systems and an explicit expectation for employees to engage with continuous professional development. In many respects the practices of professional services organisations, in terms of human resource development, is facilitated (if not dictated) by the professional bodies that employees are members of.

A 'transactional' approach was evident within the medium sized retail organisation. The leader advised that they have basic HR processes in place, including appraisals and performance briefings on a quarterly basis, without any formal individual development practices. SL (HGF leader) advised that they do "*give people opportunities if they show willing*". In terms of the small business a similar transactional approach could be discerned.

A second question to elicit practices in terms of individualized consideration was 'How do you encourage employees to engage in training and development'. A wide spectrum of practices encouraging development existed. At one end of the scale a combined encouragement and reward or 'carrot and stick' approach was discerned. It was evident that the business viewed staff development as an investment and happy to fund, it was also evident that a process was implemented that encouraged employees to discuss their development and link development to increased remuneration and organisational performance. The director of a small business services company commented:

> "*through the one-to-ones, some people have twigged that, you have to keep on investing in yourself, or keep on investing your own time and our money in yourself to push your qualifications on and you to continue to learn about things.*"

At the other end of the scale a more passive transactional approach was evident as the Director (SL) of a medium sized retailer advised:

> "*it's very difficult to do in a company structure where there's not a huge amount of potential progression within the company. You've got a call centre you can only have one manager of the call centre, you know.*"

The data presented a mixed picture that was skewed by professional services organisational leaders who advised they did not need to provide individualized consideration to followers. Leaders of professional services organisations seldom felt obliged to encourage people to develop as their followers had their own personal development plans as members of professional membership organisations. It is incumbent on professionals within the accountancy and legal professions to plan and evidence their 'Continuous Professional Development' as they are required to do so by their professional body. The organisational

leaders form the other sectors interviewed were generally positive about encouraging followers to develop.

4.2.4 Idealised Influence

The transformational tenet of 'Idealized influence' was difficult to identify as the question that aimed to elicit leaders' behaviours related to this was interpreted, by the informants, in different ways. The question *"Can you describe how you influence employees and the workplace through your actions?"* The leader of a small consultancy business, RG remarked *"That's very hard isn't it."* The difficulty of the question meant that some people answered it as 'what we / the business does' and some gave their personal perspective and viewpoint. However, it was possible to discern four approaches; 'support people', 'outline a vision and get buy-in', we have processes and procedures that all must follow' and fourthly 'be an example / do as I do'. The last approach is closest to idealised influence tenet of transformational leadership. It was interesting to find that there did not appear to be any sector influence or organisation size influence on the responses.

The 'help people' approach was described by three leaders; a small engineering business, a small consultancy and medium sized business services organisation. RC summarised what the others had also said:

> *"we never have the door closed, we sit down and have a chat with people, …we treat people very much as friends rather than as employees, and I think that the direct result of that is that people are far more open with us and more open with each other,"*.

The 'outline a vision and get buy-in' approach was espoused by two leaders; a small engineering business and the social enterprise, summarized by

> *"just put them in the picture about what we're trying to achieve at the end of the day, and how they contribute to that part of achieving that target or goal. Obviously, each individual job is different"*.

The third approach was around 'processes and procedures' and this appeared evident in two small business services organisations and a manufacturer employing one hundred and twenty people. The business services leaders were a little more transactional than the manufacturer

as JB talked about policy deployment and delivering the business strategy through their operational plan. Whereas the business services approach was summarised by MG:

> "they are fully aware of the employee handbook and what is expected of them.......they know we will follow a procedure"

This latter practice is close to Bass and Riggio (2006) transactional leadership tenet of 'active management by exception' as there's an expectation that people follow set processes, and they are monitored and possibly reprimanded if they transgress. The 'role model' approach was the modal response, which is very close to idealized influence. Five of the business leaders had this approach, two medium sized businesses and three small businesses. SL (HGF leader) advised:

> "I don't think you can expect people to work any harder than you do unless you're doing it yourself, regardless of whether you're the head of the company… It just doesn't't work that way……. if you're seen to be pulling your weight and contributing then staff will do likewise."

4.2.5 Management by Exception

The question to elicit practices management by exception was 'How do you motivate people both individually and as teams?' The responses revealed that the small business leaders, in most cases, viewed motivation in terms of their organisational reward or remuneration package and followers were managed in line with transactional reward. The researcher did not discern a size or sector influence. The responses generally fell into three approaches:

- Transactional: money motivates people and getting the remuneration package correct was imperative.
- Standard Practice Transformational: remuneration a major aspect but acknowledgement of other motivators, including intrinsic motivators.
- Progressive Transformational: values-based approach that engaged followers with values and business aims.

Table 4. 5: Management by Exception Incidence

Management by Exception			
	Small	*Medium*	
progressive transformational	BB, RG, EJ	MA, TH	5
standard practice transformational	AB, KG, KF	SH, RC, JB	6
transactional	MG, CH	SL,	3
	8	6	

Source: The Researcher

The above tables illustrates that the size or sector did not influence the approach adopted by leaders. The *transactional* leaders were of the opinion that financial reward was the best way to motivate individuals and an indicative quote is contained below: SL (HGF leader) advised:

> *"we've got a fairly decent bonus structure in the company, they pulled down a pool of money from the profits at the end of the year, and on a day to day basis, you know, we offer staff incentives or products"*

The second approach discerned (*Standard Practice Transformational*), by four of the leaders interviewed, viewed the overall remuneration package as most important. The leaders advised that the financial a major aspect and additional features were equally important to increase motivation of all followers. The manufacturer advised that a higher than sector average remuneration package is important and believed that there was no fair way to pay bonuses to individuals and therefore developed a profit-sharing scheme, where fifteen percent of all profit is distributed equally amongst employees and ad hoc bonuses are paid for exceptional performance.   All the leaders that were interviewed acknowledged the difficulty of motivating followers, AB (HGF leader) summarized the challenge:

> *"I think that motivation is the most difficult thing because there is only so much that you can do via basic salaries. It isn't all about money, however come salary review time, we do try and make it performance related, and the staff know that."*

The third approach (*progressive transformational)* evidenced was a values-based approach to motivating followers. TH captured this approach:

"I suppose just to put them in the picture about what we're trying to achieve at the end of the day, and how they contribute to that part of achieving that target or goal."

4.3 Innovation Themes

The data table (4.2) outlines the innovation data obtained, which did not conveniently fit to existing innovation models. The study developed the data tables and 'scores' to demonstrate where some practices and tenets of models were being practiced (more than others) and where the innovation practices were formalized within business processes and procedures. In order to unpack some of the complexity referred to in the previous statement this thesis will present themes from the interview data in the below sections.

4.3.1 Innovation Culture

The study discovered that 85% of leaders and their businesses tried to create an innovation culture, where followers were encouraged to engage with organisation challenges and make relevant suggestions to address challenges. The majority (85%) described the importance of innovation and their role in facilitating a culture of innovation.   However, they seldom described formal processes and practices that facilitate innovation. The leaders emphasized the importance of creating an innovative culture through engaging directly with followers. The study reproduced an indicative quote below and the theme was witnessed in businesses of different sizes. The telephony services provider advised (RC,HGF leader):

"every manager knows that part of their role is about developing their role, and therefore innovating…. the team managers know that feeds down to the team leaders… it's a cultural thing, we actively discourage anything that isn't about development and change and doing the best job."

The researcher discovered that the majority of business leaders sought to develop an innovation culture and the above quotes are indicative of the informal approach of the leaders interviewed. The study did not discern a size or sector influence. The two businesses that did not describe how they facilitated an innovation culture advised that innovation was part of the role of the business directors, and they would implement ideas developed in discussions with suppliers and customer feedback.

4.3.2 Innovation Processes

The researcher sought to understand the innovation processes of the businesses through the question '*How do you develop innovation processes'?* The responses to the question varied, the study discerned an overall 'approach' from each leader. The study did not discern a size or sector influence. The three broad approaches discerned:

- Progressive Transformational: values-based approach that engaged followers with values and business aims.
- Standard Practice Transformational: remuneration a major aspect but acknowledgement of other motivators, including intrinsic motivators.
- Transactional: money motivates people and getting the remuneration package correct was imperative.

The Progressive Transformational (consultative) approach to process development discerned was described in different ways by the leaders. However, seven of the leaders interviewed described a process where they encouraged followers to make suggestions and develop new processes where appropriate. The approach was summarised by JB(HGF leader):

> "we've got the industry standard stuff, you know 5Y, 5S, suggestion schemes and all know that CI is an important part of their role. The innovation processes are relatively informal, although we do have formal meetings with suppliers and customers and talk to them about what we can do better, and we just feed that back into the teams on the shopfloor. It's about engaging everyone in CI really, isn't it?"

The leaders interviewed, like JB above, commented on the importance of understanding the market that they operate within and developing the processes that ensure they are competitive and deliver value to customers. Therefore, this consultative approach placed an emphasis on understanding the relevant market and drawing on the knowledge of people in the business to formulate process innovation. The majority described the importance of engaging followers in the innovation deployment process.

A more nuanced, *Standard Practice Transformational*, approach was detected in one organisation, the business services telephony provider. The followers were consulted and

engaged with strategy development and yet they were asked to engage with deployment, RC (HGF leader) advised:

> "basically, we have formal processes like suggestion schemes, but we largely devolve processes to the team leaders to talk to their teams and come up with ideas. We're not on the shopfloor and so we can't do much really"

Table 4. 6: Innovation Processes of Leaders

Innovation Processes			
	Small	*Medium*	
progressive transformational	BB, EJ, KF, KG	JB, SH, MA	7
standard practice transformational		RC	1
transactional	RG, AB, CH, MG	SL, TH	6
	7	*7*	

Source: The Researcher

A *transactional* approach to innovation processes development was discerned from the responses of six of the leaders. Processes were developed by the leaders in the business, the study asserts it is a transactional approach as there is little consultation with followers. The approach was summarised by TH:

> "that's done through myself and my directors. We set ourselves targets through budgets, divide it up into areas, and see what processes we can put in place to save money or develop the product."

The innovation processes are referred to as transactional (Bass & Riggio, 2006) as they are a top-down approach and contain an element of developing metrics or targets for followers to meet (management by exception) and leaders did little to engage followers in developing innovation processes. The majority of the leaders, with this approach, mentioned possible changes to strategy that external market forces can dictate, like government body regulation, AB (HGF leader) advised:

> "our business is also affected by external forces like the changes in Legal Services Commission funding. We have no control over that and so we can't really ask people to develop processes"

4.3.3 Innovation Strategy Development

The researcher sought to understand the innovation strategy development from the question '*How do you develop the innovation strategy for the business*?' The responses varied, however the data pointed to the overall 'approach' of each leader. The above question was also interesting in as much as it highlighted a difference in understanding of the term 'innovation strategy', which the study will discuss after looking at the general approach of leaders. The study discerned two broad approaches, a consultative / distributed approach and a more autocratic / transactional approach.

The consultative or distributed approach to innovation strategy development discerned was evident in nine of the leaders (64%) interviewed. The leaders described a process where they engaged with fellow directors, managers and all followers to contribute to develop the innovation strategy. The leaders interviewed described how they engaged followers in developing the innovation strategy and business direction. Therefore, this collaborative or distributed approach placed an emphasis on obtaining the perspectives of followers and drawing on their knowledge to formulate a strategy.

The approach was articulated succinctly by SH:

> "*the strategy is developed as a group, sales and the marketing guys are out there, they're feeding back all the time the intelligence, from there we create a picture of what the market wants, and we then build out innovation strategy around that after sharing that intelligence with everyone in the business.*"

An autocratic approach to innovation strategy development was discerned by this study, from the responses of five (36%) of the leaders. The strategy was developed by leaders and senior managers only and therefore the study argues it is an autocratic or transactional approach as there is little consultation with followers. The innovation strategy development is described as transactional as it was a top-down approach. The approach was summarised by AB(HGF leader):

> "*that's something the partners do, we develop that through our quarterly meetings… We set ourselves targets for our different areas and then delegate to our reports.*"

4.4 Data Summary

The findings suggest that the leadership practices of SME leaders, interviewed in the first stage first phase of semi-structured interviews, are heterogenous. This heterogeneity is a product of an individual's personality, business size, business sector and their particular geographic location. This phenomenon shall be explored in detail in the discussion chapter. The findings demonstrate that the majority of leaders were practicing many of the tenets of transformational leadership and 86% could be described as transformational leaders, based on the Bass and Riggio (2006) definition. However, the findings also demonstrate that TL does not conveniently describe the 'leadership style 'of all of the leaders interviewed.

The innovation practices and processes were difficult to discern in terms of existing published models, especially for the small businesses interviewed. The difficulty for small businesses was their inability to be able to describe and evidence formal processes and practices, namely because they were in constant dialogue (often daily) with followers and therefore formal practices were superfluous. Another theme discerned was the businesses dynamic orientation of the businesses and so processes and practices were iterative and in constant development. Therefore, this dynamic orientation meant that processes were in constant iteration and therefore development of formal processes was not always necessary. The researcher discovered, after reflecting on the interviews and the questions used, that a more flexible approach might have yielded richer data as some leaders struggled with some of the terms used within the questions, as described above.

Chapter Five: Findings, Semi Structured Interviews (second phase)

5.0 Introduction

This chapter presents the data collected and findings from the interviews with sixteen leaders during the second phase of research. The interview questionnaire was amended from the first phase of interviews (see Appendix B). After reflection on the first phase of interviews and further engagement with the literature the researcher, with support from supervisors, introduced more open questions to allow informants to talk more freely about their behaviours, processes and practices. The researcher removed questions specifically focused on transformational leadership tenets in order to allow the informant to describe their 'style' in their own words. The researcher asked follow-up questions when the description of a process was ambiguous, the leaders were also asked to elaborate on areas they deemed important. The data obtained was much richer and the interviews often lasted longer as the discussion flowed, with the amended simpler more open questions.

The data collected was thematically analysed from the interview transcripts, that were recorded using a digital recording device. The researcher typed up all of the interviews himself in order to understand the data better. The researcher looked for themes that revealed the innovation and leadership practices of the leaders. This study has reproduced indicative direct quotes to summarise and capture the essence of the leaders' behaviours and practices. This study also presents a table, within each section, to summarise each of the nuanced practice of leaders. It was evident that the practices and styles appear to be nuanced and it was difficult to fit the data into existing taxonomic leadership models. The researcher focused on themes that report on the behaviours, processes and practices (leadership and innovation 'style') that the leaders advised facilitated their success as well as the formal (and informal) processes discovered. This study presents summaries of the data, in table format, in the first section of this chapter before providing details of the themes discerned.

5.1 Data Outline

The collected interview data was thematically analysed, summarized and arranged into data tables, based on the contemporary literature. The data tables provide a summary display of the leadership and innovation processes and practices, in tables 5.1 and 5.2 below. The individual leaders' innovation and leadership practices, used to compile the tables (5.1 and 5.2) are contained in appendix D. The growth status of the business from the second stage of interviews is shown in table 5.3.

5.2 Summary Data Tables

Table 5. 1: Leadership Data, second phase semi-structured interviews

Behaviours	Traits	Practices	WH	WB	HM	MU	JF	TS	BP	DD	JOF	SM	AA	AST	AP	RM	CD
	Humility (Collins, 2001)		5	3	3	3	3	5	5	3	5	3	3	1	3	5	4
		Reflective Practice (Alvesson et al, 2017)	3	5	3	3	3	3	3	3	3	3	5	3	3	3	5
Problem Solving (Mumford et al,2008)			3	5	5	5	5	1	3	5	5	5	3	5	3	5	5
	High Intelligence, critical thinking (Antonakis, 2011)		5	5	5	3	5	3	3	5	3	5	5	3	1	5	4
		Balanced Processing (Avolio & Gardner, 2011	5	5	3	3	3	5	5	1	3	5	5	1	3	5	4
		Individual Consideration (Bass and Riggio, 200	5	3	5	5	5	5	5	5	5	5	5	3	5	5	3
		Inspirational Motivation (Bass and Riggio, 200	3	5	5	5	5	3	3	5	5	5	5	3	3	5	3
Idealised Influence (Bass & Riggion,2006)			5	5	5	5	3	5	5	3	5	3	3	3	5	3	4
		Intellectual Stimulation (Bass and Riggio, 2006	3	3	3	3	5	3	5	5	5	5	5	5	3	5	3
		Active management by exception (Bass & Rig	5	5	5	5	3	3	5	3	3	3	5	5	5	5	4
		Passive managemetn by exception (Bass & Rig	5	5	5	5	5	5	3	3	5	3	1	1	5	5	2
		Power Appreciation (Parry & Bryman, 2006)	3	5	5	5	5	3	5	3	5	5	5	3	3	5	3
Problem Awareness(Mumford et.al, 2008)			5	1	3	3	3	3	3	3	1	1	3	1	3	5	4
	Self Awareness (Parry & Bryman, 2006)		5	5	5	5	5	3	3	5	5	3	5	5	3	5	4
		Relational Transparency (Avolio & Gardner, 2	5	3	1	1	3	3	3	3	5	3	5	1	3	3	3
Balanced Processing (Gardner et al, 2011)			5	3	3	3	5	5	3	5	3	5	3	5	5	3	4
	Ethical foundation (Gardner et al, 2011)		5	3	3	3	5	5	5	3	5	3	5	3	3	5	3
		Bureaucracy reduction (Parry & Bryman, 200	5	3	5	1	1	3	1	5	5	5	3	5	5	5	4
Totals			80	72	72	66	72	66	66	70	74	72	76	56	60	82	66

Source: The Researcher

Table 5. 2: Innovation data, second phase semi-structured stage interviews

Behaviours	Practices	WH	WB	HM	MD	JF	TS	BP	DS	JOF	SM	AA	AT	AP	RM	CD
Create Environment(Schein, 92;Yukl, 02) & Creat Innovation Culture (Crossan & Apaydin, 2010)		5	5	5	5	5	5	3	3	5	5	5	3	3	5	5
	Setting Goals (Amabile, 98) & Goals and Strategy (Crossan & Apaydin, 2010)	3	5	3	5	5	5	5	3	5	5	5	5	5	5	5
	situational variability(Van de Ven, 1999; Anderson et al, 2004) and Context (Clark & Stau	5	5	3	3	3	3	3	5	5	5	3	5	3	5	4
Ambidextrous Innovation Leadership (Benner & Tushman, 2003; Raish & Birkinshaw, 2008;Rosing, 2015)		3	5	5	5	3	3	3	1	3	5	3	5	1	3	4
	Complexity (Zacher & Rosing, 2015;Macpherson & Holt, 2007)	1	3	5	5	5	3	3	3	3	3	3	5	3	3	4
process understanding (Newell et 2002)		5	5	5	5	5	3	5	3	5	5	5	5	3	5	5
	emphasis on knowledge (Clark & Staunton, 1989; Newell, 02; Hobday, 05) & Knowledge	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
engaging with staff and their ideas(Clark & Staunton, 1989)		3	5	5	3	5	5	5	5	5	5	5	3	5	3	4
	creating innovation groups (Clark & Staunton, 1989)	5	5	3	5	5	1	3	3	5	3	3	3	3	5	4
	problem solving or efficiency vs innovation dilemma (Clark & Staunton, 89; Spear, 2009;	5	5	5	3	3	3	3	3	5	5	3	5	3	5	5
	supply chain (and customer) integration (Hobday, 2005; Van de Ven, 08;(Crossan & Apay	3	5	5	5	5	5	1	5	5	3	5	5	3	5	4
	Innovation Processes development (Newell, 2002; Crossan & Apaydin,2010)	5	5	5	5	5	1	1	3	3	5	3	5	3	5	5
	technological determinism (adopting external innovations) Crossan & Apaydin (2010)	3	3	1	5	3	1	1	3	5	5	3	5	3	5	5
	Resource Allocation (Crossan & Apaydin, 2010)	3	5	5	3	3	3	3	3	5	5	3	3	5	3	4
	Portfolio Management (Crossan & Apaydin, 2010)	5	3	5	3	3	1	3	1	5	5	5	5	5	3	4
	Project management (Crossan & Apaydin, 2010)	5	5	3	3	3	1	3	3	3	5	5	5	5	5	5
	Commercialisation (Crossan & Apaydin, 2010)	5	3	5	5	5	1	1	1	5	5	5	3	3	3	4
Totals		69	77	73	73	71	49	51	53	75	79	69	75	61	73	76

Table 5. 3: Second Phase Interview informants and Growth Status

	WH	WB	HM	M D	JF	TS	B P	D S	JOF	S M	AA	AT	AP	R M	CD
Growth or HGF	HGF	HGF	HGF	HGF	HGF	G	HGF	HGF	HGF	HGF	HGF	G	HGF	HGF	HGF

Source: The Researcher

5.3 Leadership Themes

5.3.1 Employee Engagement

The leaders interviewed described the importance of engaging followers with the challenges of the businesses as well as distributing tasks and responsibility to followers to deliver business objectives. This was articulated differently and yet there was a common theme around engaging and trusting people to deliver against objectives. The study has reproduced a representative verbatim quote to illustrate this theme and provides a summary table below:

> "everybody in our business has a performance development review… we'd have a set of key performance indicators…. I think it's about how people understand their role in the organisation ….Their job is to deliver something to the client." HM, HGF leader

It is evident from the above indicative quote that leaders engage followers and practice 'employee engagement' and yet the study discovered that each leader has slightly different leadership practices in terms of engaging with followers. However, an array of practices and processes demonstrate how the leaders engage their followers with the challenges of the business and distribute decision to followers in order to meet the challenges with their ideas and efforts. There were different levels of engagement described and the leaders described engaging followers with set targets and the business vision. In many cases, the leaders engaged their followers with the stated growth aims and challenges of the business. However, it was also evident that there were high levels of communication and information sharing to ensure followers, all employees in most cases, were aware of the development goals and the relevant performance metrics.

5.3.2 Individual Characteristics (personality)

This study discovered, within the data, that a leaders 'personality had an impact on their leadership practice or 'leadership style', as often referred to in the literature. Approximately 80% of the leaders interviewed specifically advised that their personality had an impact on their practice, often highlighting specific aspects of their personality that influenced their leadership style. The below indicative quotes illustrate the theme:

> *"I do think there's a bit of, your personality thing about that… if you can't take a risk and you worry about things too much, nothing will ever happen. Take risks. Be brave. Actually, I love change. So, while I wasn't very good at recognising other people don't respond to change as well."* HM, HGF leader

> *"I like to be inclusive, I talk to people on a daily basis. I walk around to the shop floor, talk to them - How are you? How's the family?... Share as much information as I possibly can with people. So, I'm like very people orientated in the way that I lead. I like to develop people from within".* FW, HGF leader

The quotes illustrate that the leaders interviewed often had their own personal perspective on leadership and used different metaphors, based on their frame of reference, to describe their style. The leaders 'attributed their leadership style to their personality, which shaped their actions and workplace practices. The study suggests that the above quotes demonstrate the leaders interviewed have high levels of self-awareness and often self-regulated by finding other people that were able to fulfil the functions of leadership which did not come naturally to them. Some leaders advised they were logical or heavily process driven which influenced their style, whilst others described their preference for engaging and motivating people which influenced their leadership style.

5.3.3 Humility (personality)

The study discovered an interesting theme of humility of the leaders, within the data. The interview data demonstrated that many of the leaders were humble in their approach and often reluctant to talk about their personal achievement in developing and growing very successful businesses. This was surprising and yet endearing, the researcher could understand how the humility of the leaders appealed to followers and developed strong

workplace relationships. The study has reproduced a small number of direct quotes to illuminate this theme.

> *"I think I'm really lucky just it kind of fell on my feet. I made the bar in three years.. that sounds fantastic, doesn't it? But actually what happened was we were buying a practice in Bristol. They wanted a Cardiff person to go to Bristol and develop the culture into the new office. And they asked me. So I said, "Well, I will if you make me a partner." But I think that's the way things go, isn't it?* HM, HGF leader

> *"A lot of people won't admit that they're wrong or haven't done something, but I think it's really important to say. But if you haven't done this, then, we're going to carry it over and do this another time." We're not all perfect, are we? I've learned that over the years. Some people just don't get that."* WH, HGF leader

The above quotes capture the essence of the comments from the leaders as a whole. This study was surprised to see the level of humility and sometimes self-deprecation displayed by the successful leaders. The study asserts that this humility is an important aspect of the HGF leaders' style.

5.3.4 Professional Background Influences (place mediator)

An identified theme that influenced a leaders' style was their professional development and professional background.   The leaders (90%) described the role that they had originally trained in or the specialism they had focused on in their early career. The leaders interviewed came from diverse backgrounds, as wide ranging as the military, engineering, law, finance and craft-based apprenticeships. Interestingly, the leaders referred to the training and practices of their early career influencing their leadership style. The leaders quoted the frameworks and processes within their training that shaped their leadership practices and behaviours, as illustrated by the below:

> *"So definitely, they say a profession gives you a reference framework by which you try to make sense of the world, it's inescapable that you then apply that professional*

framework to whatever problem or situation you encounter, as a journalist I often think about how we present our products to the market" JoF, HGF leader

"Because we had that attitude that design is improving things that matter in life, it means you can look at everything and see if it can be improved, everything has been designed, from the flooring to chairs to everything, technology. Everything has been designed and everything can be improved". WH (HGF leader)

The above quotes detail how each leaders 'professional background and skills influences their leadership style, the professional development of a leader influenced their style. The data did not suggest that any particular professional training develops more effective leaders.

5.3.5 Learning Orientation (Reflective Practice)

This study discovered that the leaders possessed a learning orientation and placed an emphasis on learning from experience. This theme was often articulated as an aspect of their professional development or personality. The leaders described their business leadership experiences as learning episodes or challenges to overcome, which served as learning opportunities. It was also evident that the leaders encouraged followers to view both business successes and failures as learning experiences. In this latter respect it appears that the leaders both tacitly and explicitly encouraged personal and organisational learning within their leadership practice and behaviours. This study has reproduced some indicative quotes to illuminate this theme:

"what I learned is go and try it, and if you make a mistake, it doesn't matter. You've learned from it, and I say, "I'm just going to try it. Give it a go and learn from it" (FW, HGF leader)

"I would say fast growth company, I would say continual kaizen, continual learning, continually bringing yourself back, analysing everything you do, which is where the daily's come up, which is where the weekly management, which is where the reporting comes back…..keep tuning it to find the magic formula". (RR, HGF leader)

The quotes illustrate how the leaders often analysed both their practice and that of their business in order to evaluate the development and growth of the business. This 'reflective practice 'was explicit within business processes and had been implicitly embedded, within their organisational culture, by the leaders encouraging followers to adopt reflective practice. The leaders talked about the importance of trying things and learning from mistakes, they used different phrases like 'give it a go', 'test and learn 'and 'plan-do-review'. What emerged from the data was descriptions of the importance of learning from success and failures by the HGF leaders as well as ensuring followers adopted similar reflective practices, which in turn appeared to act as delegation and motivation mechanisms.

5.3.6 Risk Appetite

A theme consistently articulated by the leaders interviewed (80%) was their appetite for risk and a willingness to act without extensive deliberation. This risk appetite and opportunity recognition ability was articulated in different ways, by the leaders interviewed and is illustrated in the indicative verbatim quotes below:

"So G took her sewing machine in there, She made her first collection, had been in there for 3 weeks, she said a shop has just come in and ordered a massive order; I've got 8 styles and they have order 200 of each, I said on a quiet day when you've got no customers you can go through 3 or 4 can't you? The next day she went out bought exchange & mart, fortunately there was a nurse's uniform factory closing with all the stuff for sale, she bought all the stuff and rented the unit…and we managed to do the order. (WH, HGF leader)

"we just got chatting. And he was in insurance because I was doing insurance law at the time…. He said, "I've got clients. Why don't you do something with my clients there?" So, the more I thought about it, actually there is an opportunity here. So, I went home to my husband and said, "I'm leaving my job…. it was one of the things where you just think, if it doesn't't work, I can get another job. (HM, HGF leader)

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5.3.7 Focus on Metrics

The study discovered that the leaders interviewed (87%) articulated the importance of developing key business metrics, with a clear link to the performance of the business and subsequent growth. The leaders kept abreast of the business financial position, with some advising they tracked the financial position daily. They advised it was essential to manage through key business metrics and to share the metrics with followers and ensure they gauge business performance through the set metrics (KPIs). The study reproduced some illustrative quotes below:

> *"Know the numbers; I think the key thing is everybody who runs a business knows what the important numbers are. And you should look at them every day. You've got to have the numbers at your fingertips, you've got to know your costs and what you can charge, that's important.* (JoF, HGF leader)

> *"What's important is knowing where you are, knowing what you got going out this month and what you got coming in and …. make sure I know that and the guys know it. I've always tried to have sales or output on the wall in big numbers, so I know where we are and they do too" (*RR, HGF leader)

5.3.8 Operating Context (place mediator)

The majority of the leaders (87%) interviewed advised the sector they operated within influenced the way they should lead, often implicitly. They described the context of their firm as operating within a sector which determined the parameters within which they performed their leadership role.   The operating context of a firm within a sector was often determined by the regulatory framework, imposed by a regulatory body or legislation that governed the sector. In this respect, the leaders advised that the sector they operated within set a leadership framework that was mediated by the level of regulation. The leaders quoted below provide insights into how their sector moderated their leadership style.

> *"it's more about how the business model creates value through its people. So, if you run a creative business, then the leadership model is how do you encourage people to be really creative, client-focused. If you run a highly compliant business, the last*

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thing you want is your operators to start being innovative and creative in product deliver, how you engage and how you reward success differs." (AA, HGF leader)

The above quote comes from an experienced managing director who had worked within four different sectors and was able to understand the different contexts that each sector imposed on the businesses he led. What is interesting here is that he suggests that more highly regulated sectors can reduce creativity amongst workers within the highly regulated sectors. He also articulates the different levels of workers that might be engaged in creativity or ideas around innovation, within the workplace. He suggested that workers on the production line are seldom engaged with innovation.

A similar point was made by a leader from an unregulated sector, he made similar suggestions in terms of both the sector influencing the leadership style and the nature or preferences of workers within the sector. This leader acknowledges the nuances of both the media sector and the nature of his workforce who were creative types. He suggests that as a leader he has to be flexible to cope with the demands of the industry which can change at short notice and so he advised that his business has developed a case management approach, he advised:

"Of course, being high-tech as well, your people just want to go off on one, If they got a new bright idea, they want to drop what they're doing. So, we use Sprints, you know, So, it's bringing people back to the structure that it's a company to service customers and it's a company that's here to survive to make money." (RR, HGF leader)

The above identified theme of the sector mediating leadership styles and practices of businesses was mentioned by 87% the leaders interviewed, the level of regulation within the sector can determine the level of formal processes and practices within the business and in that respect mediate the leaders' approach. The leaders suggested their personality preference for processes enables them to be more comfortable in regulated sectors. The leaders suggested that the sector can often create an environment which attracts people with similar personality types.

5.4 Innovation Themes

5.4.1 Innovation Emphasis

The responses to questions about innovation processes and practices were varied and yet what came across clearly was the importance of innovation and the emphasis the leaders placed on communicating the importance of innovation to followers.   The leaders (87%) described the importance of establishing systems and processes to facilitate innovation. The study has reproduced indicative insightful quotes to illustrate this theme below.

"leaders can encourage and discourage innovation and they are probably judged more on their actions than their words, it has to be a visible part of your methods..be clear about what innovation is, acknowledge it visibly, make sure that people aren't frightened by it." (CD, HGF leader)

"a lot of people's mentality is, we've always done it like that, so, we're not going to change. It's that shifting mentality with people, "Yeah, you've always done like this, but you could do it better. For us, we try to shift mentality for everyone here to have like a continuous improvement hat on in everything that they're doing." (AP, HGF leader)

5.4.2 Innovative Culture (place mediator)

The leaders interviewed (81%) referenced the importance of developing a culture that encouraged innovation and change. They described how they were open to change and enjoyed the challenge it posed and suggested they lead by example in terms of being open to change and encouraging innovation. The researcher has reproduced a small number of indicative direct quotes to illustrate this common theme.

"So we faced a number of massive challenges over the years. And the key thing every time was just to think, "Okay, well, this is affecting everybody in our market. How can we take advantage of it? How can we see this as an opportunity" HM (HGF leader)

> *"You have to think different from the big boys, we're tiny compared to the chains and yet I enjoy that challenge of getting the guys to think differently, that enables us reduce costs and develop new ideas, constantly"* CD (HGF leader)

An aspect of this 'innovative organisational culture' theme discovered is succinctly articulated by the above quotes, the leader would frame marketplace challenges they faced as opportunities to innovate. Interestingly, most did not view this openness to develop new services or products as innovation and often referred to the challenges as opportunities to increase their customer base or increase sales.

5.4.3 Innovation Processes

The leaders interviewed were asked about the specific innovation processes and practices employed within their businesses. An array of processes and practices were described, some relatively simple and some developed formal processes. However, the processes and practices described were predominantly informal and often embedded within the culture of the organisation, largely due to the leaders 'emphasis on innovation. The researcher has reproduced some direct quotes to demonstrate the informal and formal processes and practices discovered.

> *"it was crude, there was a big white board across the entire room and on the left-hand side the ideas to improve, And once a month the team picks one to run with, …. then they will either terminate it because it didn't work, or they take on and you'd start the cycle again."* AA (HGF leader)

> *"Our business managers are always talking to our clients on a weekly basis or if they're out in the field. So, we ask questions to get some feedback in terms of our services. What do you need us to offer additionally that you can't get in the market at the moment?"* FW (HGF leader)

5.4.4 Innovation Barriers

The leaders interviewed were asked about the barriers to innovation they faced. There were different views on this question as some of the leaders did not necessarily see

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continuous improvement as innovation. Surprisingly, a lot of the leaders did not regard small changes to their processes or to existing products as innovation. However, there were some common themes that the leaders outlined in terms of barriers to innovation. An indicative response is reproduced below.

> *"Money, big one. There's a lot of bright ideas out there and you need the money to do it, we are not scared of innovating....also allow people to make mistakes, a couple of mistakes. Same one a couple of times is fine but not more than a couple of times. People are scared to actually be wrong. Dyson, 2000 hoovers he built before he built the right one. You're allowed to lose money by your mistakes but don't keep losing it." RM (HGF leader)*

5.4.5 Importance of Knowledge

The leaders articulated the importance of knowledge management within the innovation process. Approximately 81% of the leaders commented on the importance of followers' knowledge to facilitate innovation. The leaders described the value in engaging followers for suggestions on incremental improvements to processes and the importance of employees' knowledge to new product development. The below quotes illustrate the theme.

> *"… you're talking about partners who've got all of the knowledge in their head and they're experts in their field. So, you got all your assets within your people….you can't progress if you haven't got the skills in your business to do that." HM (HGF leader)*

> *"The process is completely formalised… if there's a problem in support then they will raise a ticket, that will be brought up to the developers and then it will be dealt with and then it will be turned into knowledge afterwards or there'll be a procedure written up for it or a manual will be amended. There's a whole procedure that sits behind that. These things make the next stage of the company". DS (HGF leader)*

5.5 Data Summary

The themes, detailed above, describe the leadership and innovation practices of the growth and high-growth firms the researcher engaged with during the second phase of interviews. The study obtained richer data that reflected the processes and practices of the firms engaged, through a less structured questionnaire and more open questions. The holistic approach to the interviews, adopted by the researcher, allowed informants to talk more openly and describe their growth and leadership practices in their own terms. The study discovered that whilst the practices and processes were slightly different the emphasis on engaging followers with the challenges of the business and ensuring appropriate metrics were shared and displayed, was common. The leadership practices of the SME leaders were heterogenous, which was a product of an individual's personality, business size, business sector and their particular geographic location. The findings demonstrate that the majority of leaders were practicing many of the tenets of transformational leadership (Bass and Riggio, 2006) and elements of other contemporary leadership theories, including pragmatic, distributed and authentic leadership. The findings, contiguous with the first phase of interviews, suggest that one leadership theory did not conveniently describe the 'leadership style 'of all of the leaders interviewed.

The data revealed that the leaders have created culture of innovation within their business through a number of informal and formal processes and practices (predominantly informal), through their ability to encourage followers to make suggestions and 'try things'. Another theme discerned, as with the first phase of interviews, was the dynamic orientation of the SMEs and so processes and practices were iterative and in constant development. This dynamic orientation meant that processes were in constant iteration and therefore development of formal processes was not always necessary.

The findings detailed shall be discussed in the discussion chapter, alongside the findings from fhapter four and six. The study will now turn to detail the findings from the case study phase of the research.

Chapter Six: Findings, Longitudinal Case Studies

6.1 Introduction

The case study data was collected over a period of approximately twelve months, from nine businesses based in South Wales.   All of the participating businesses were part of an innovation programme that the author was involved in evaluating, through Swansea University. This afforded the researcher access and an opportunity to observe businesses that took part, each of the businesses determined their own learning and were supported to develop nascent innovation plans. The researcher's role was one of observer and evaluator, the informants did not see the researcher as part of the delivery team. The researcher designed a methodology which allowed him to collect data whilst minimising any bias from his presence. The researcher interviewed the business leader and at least one senior manager, more often two or more managers (depending on business size), in each of the businesses. The respondents were interviewed once a month either face-to-face or over the telephone. The researcher also visited each of the case study premises at least once and visited five of the case studies on two occasions. The study gathered mainly qualitative data and some quantitative data to construct the case studies and the individual leader behaviours data tables are contained in appendix D. The data collected within each of the case studies is summarised below.

Table 6. 1: Case Study data collected

Quantitative	Innovation practices survey, completed by business leaders prior to researcher site visit
Qualitative	Monthly Interviews with the business leader
Qualitative	Multiple interviews with two or three of the senior managers or directors in the business
Qualitative	Observation data collected from business site visits (including photographs capturing evidence of processes, practices and workplace conditions)
Qualitative	*Researcher journal (self-memos)*

Source: The Researcher

The businesses studied were all SMEs, except one which was an SME in the UK but owned by a large US multinational. The researcher developed case studies of different size businesses, therefore data was collected from small and medium size businesses. The tables in section

6.2 detail the turnover, employee numbers and growth characteristics of each of the case study businesses. The tables developed to produce the leaders 'innovation and leadership individual 'scores 'are contained in Appendix D.

The data was collected from the autumn of 2016 to December 2017, one business did not have financial data for 2016 finalised. The study asked for five years of financial data in order to plot business growth. It is evident from the below figures that very few businesses were comfortable to share profit data, obviously the researcher respected their wishes. One business initially provided their turnover and employee numbers and could be described as a high-growth firm, however they decided to withdraw the data because of merger discussions towards the end of the year. This study has provided infographics and a brief narrative outline of each of the case study businesses in the figures in section 6.2, below.

6.2 Case Study Businesses Performance Data

Figure 6. 1 Turnover and Employee Numbers of Case Study businesses
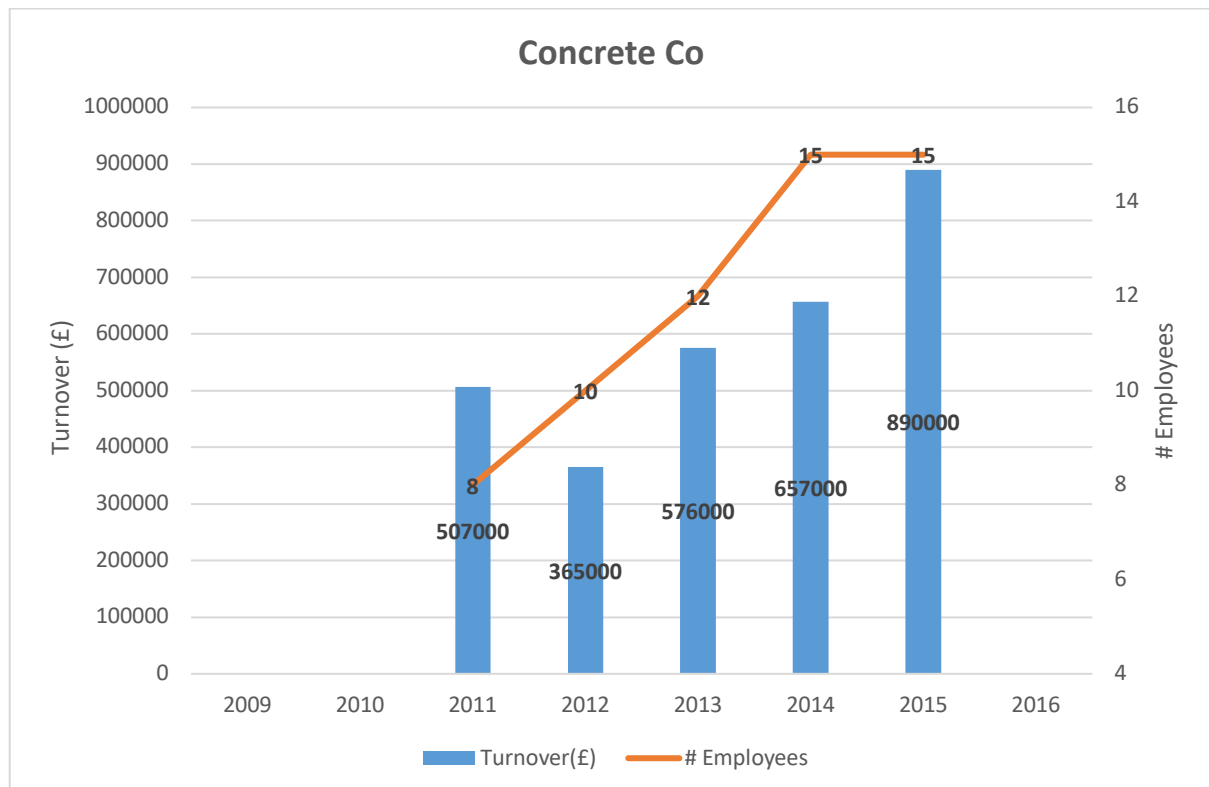
Figure 6. 2 Turnover and Employee Numbers of Case Study businesses
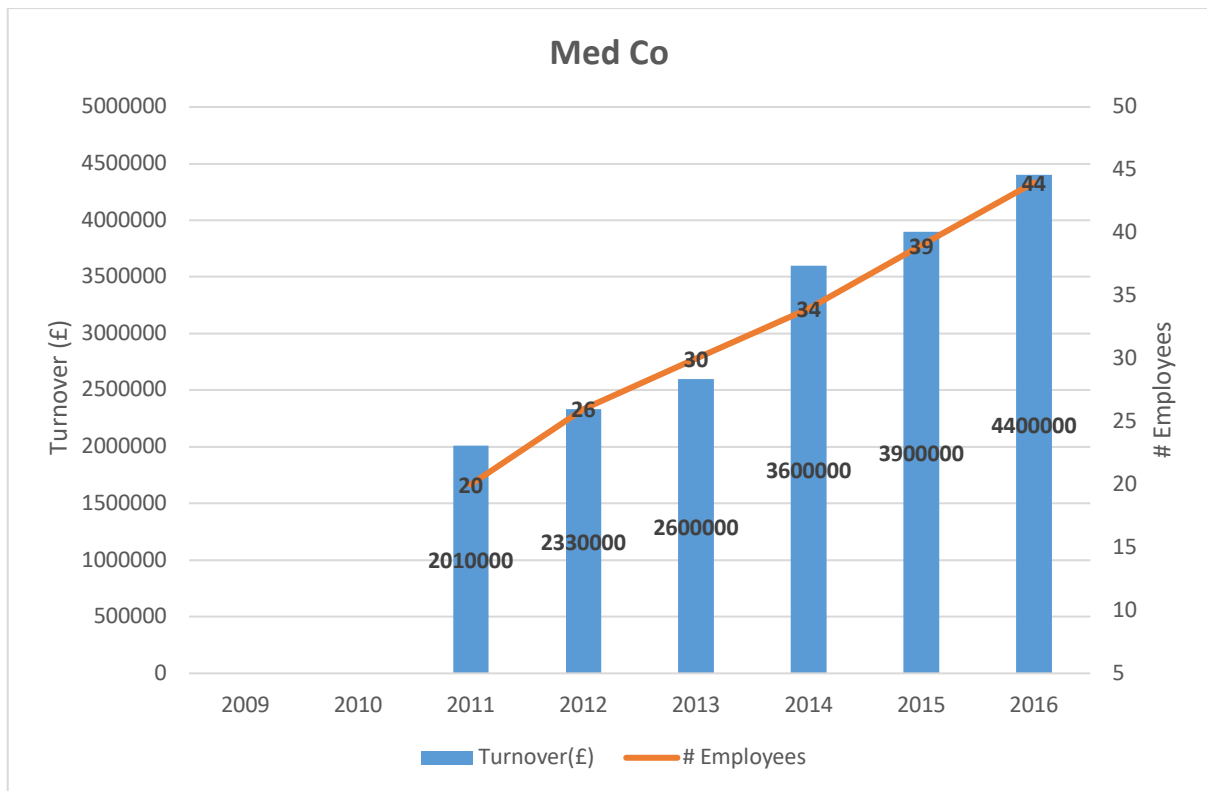
Figure 6. 3 Turnover and Employee Numbers of Case Study businesses
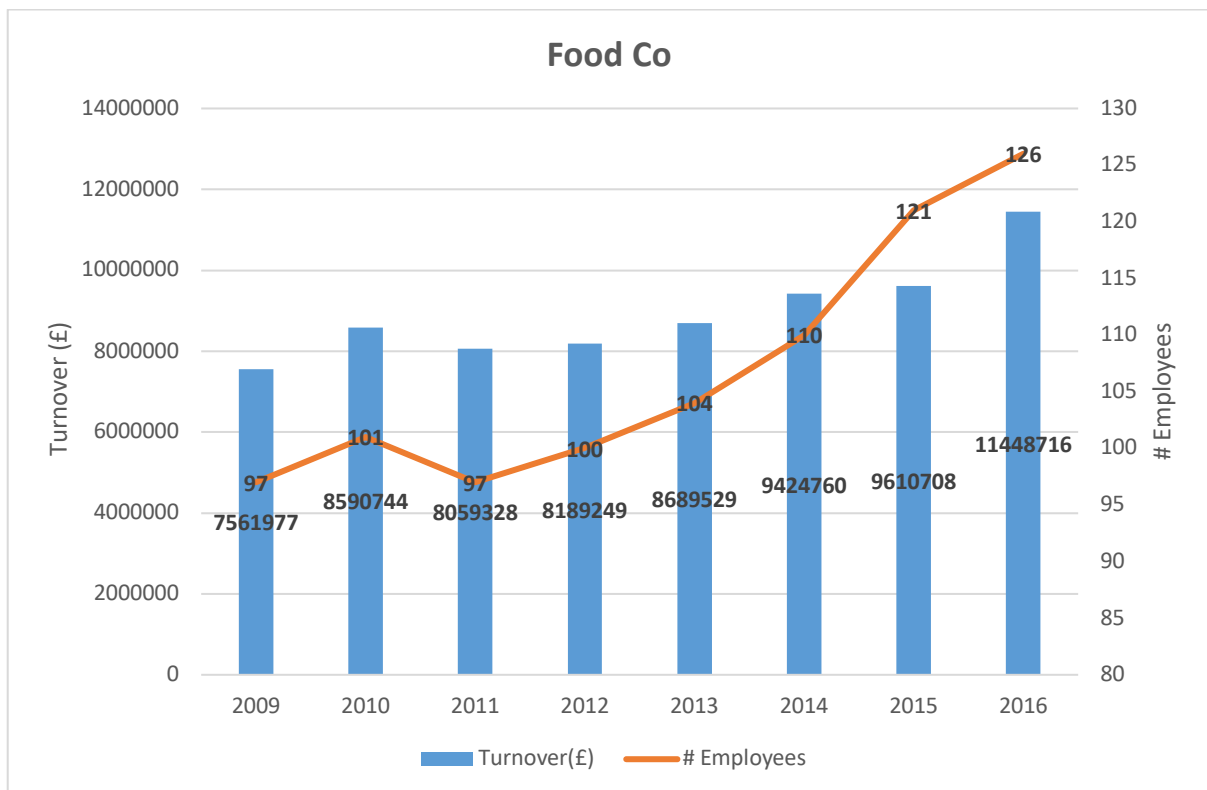
Figure 6. 4 Turnover and Employee Numbers of Case Study businesses
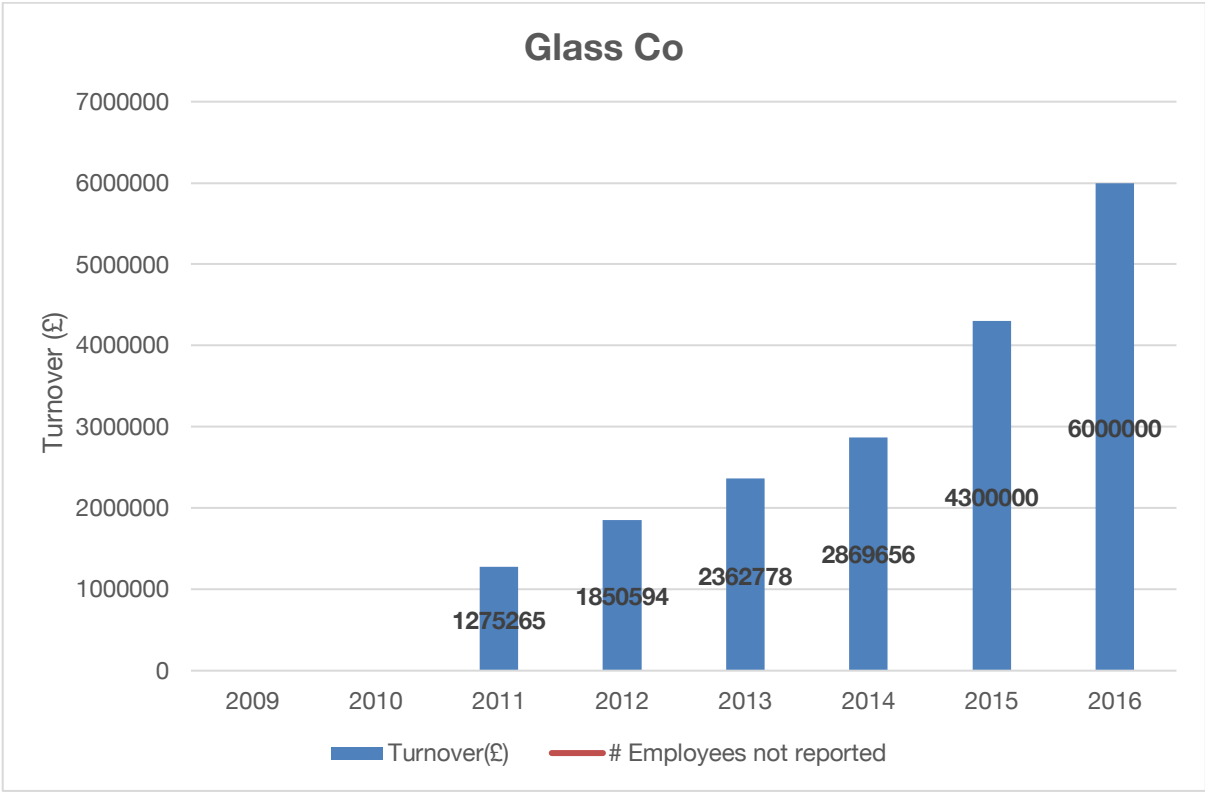
Figure 6. 5 Turnover and Employee Numbers of Case Study businesses
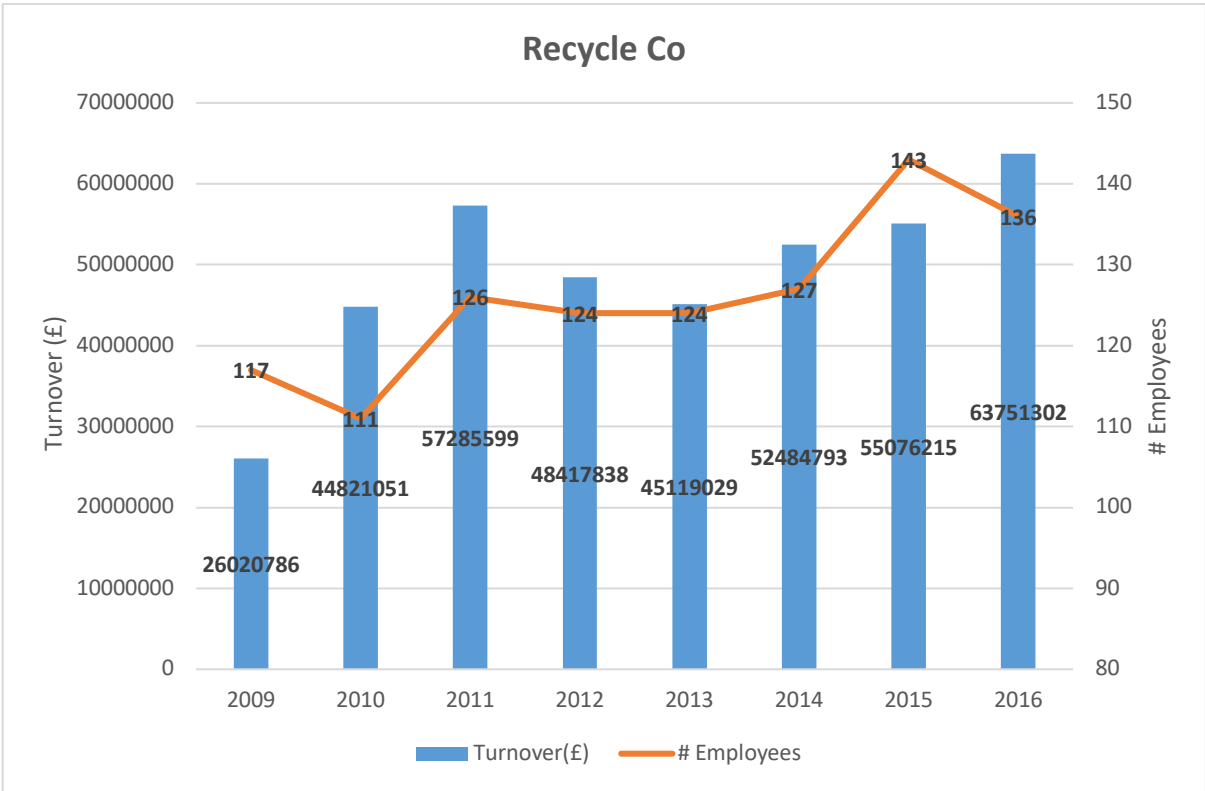
Figure 6. 6 Turnover and Employee Numbers of Case Study businesses

Chip Co

Legend: Turnover(£) | # Employees

Data labels:
- 2009: 129734000, 131
- 2010: 125569000, 115
- 2011: 126665000, 108
- 2012: 159994000, 80
- 2013: 97235000, 79
- 2014: 109502000, 83
- 2015: 126198000, 86
- 2016: 169865000, 83
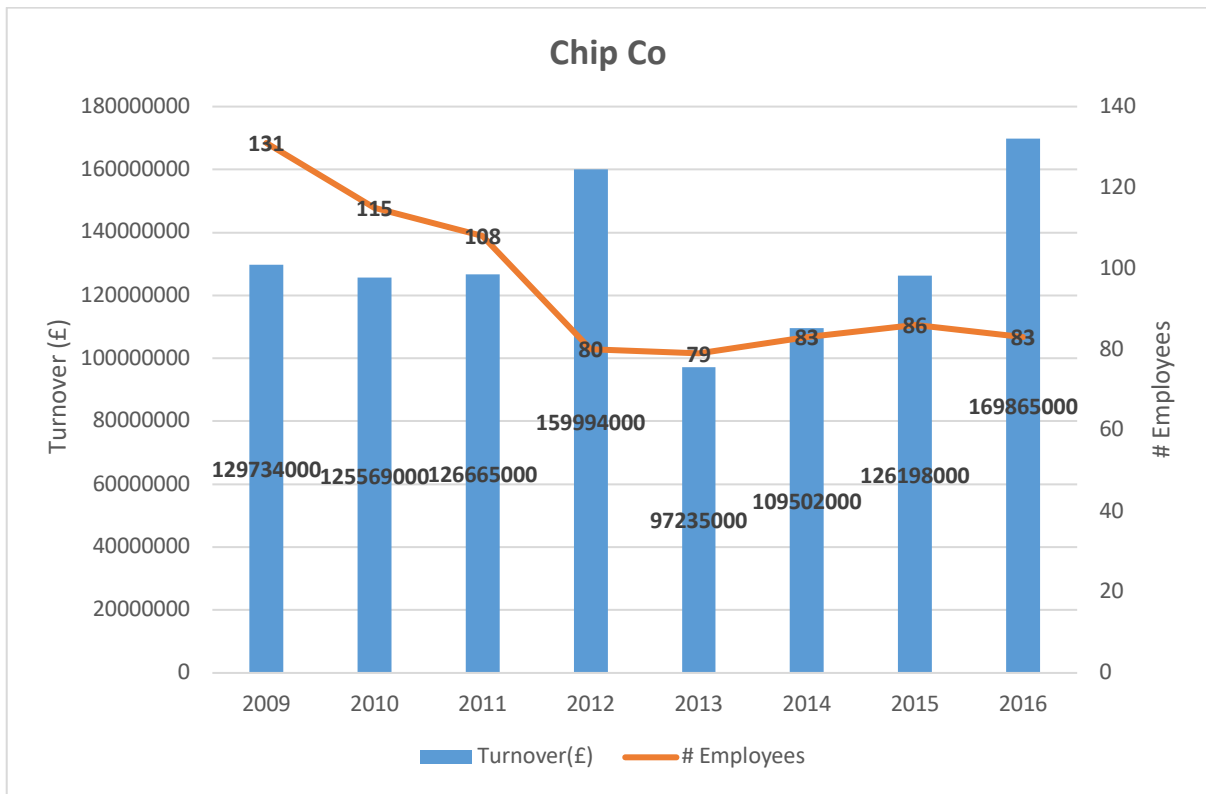
Figure 6. 7 Turnover and Employee Numbers of Case Study businesses

Cable Co

Legend: Turnover(£) | # Employees

Data labels:
- 2011: 840000, 19
- 2012: 850000, 18
- 2013: 950000, 19
- 2014: 820000, 15
- 2015: 950000, 19
- 2016: 1100000, 22
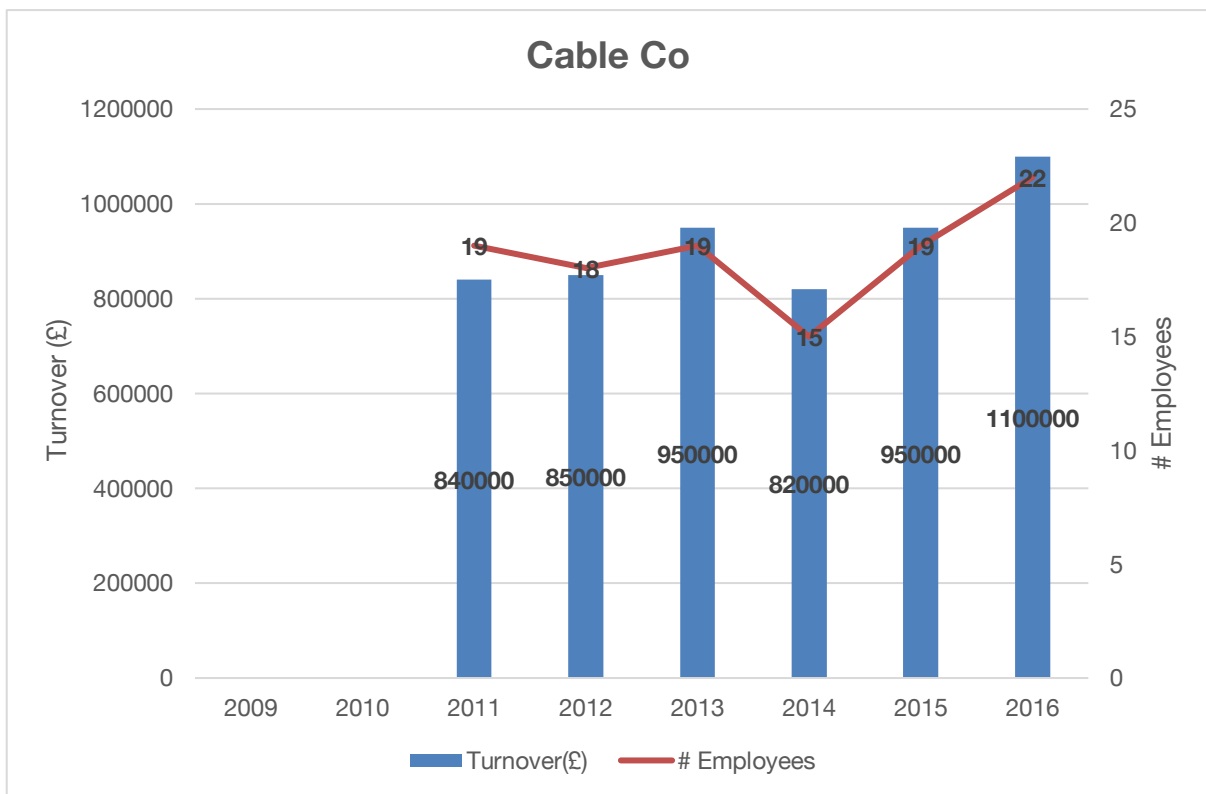
Figure 6. 8 Turnover and Employee Numbers of Case Study Businesses

Door Co
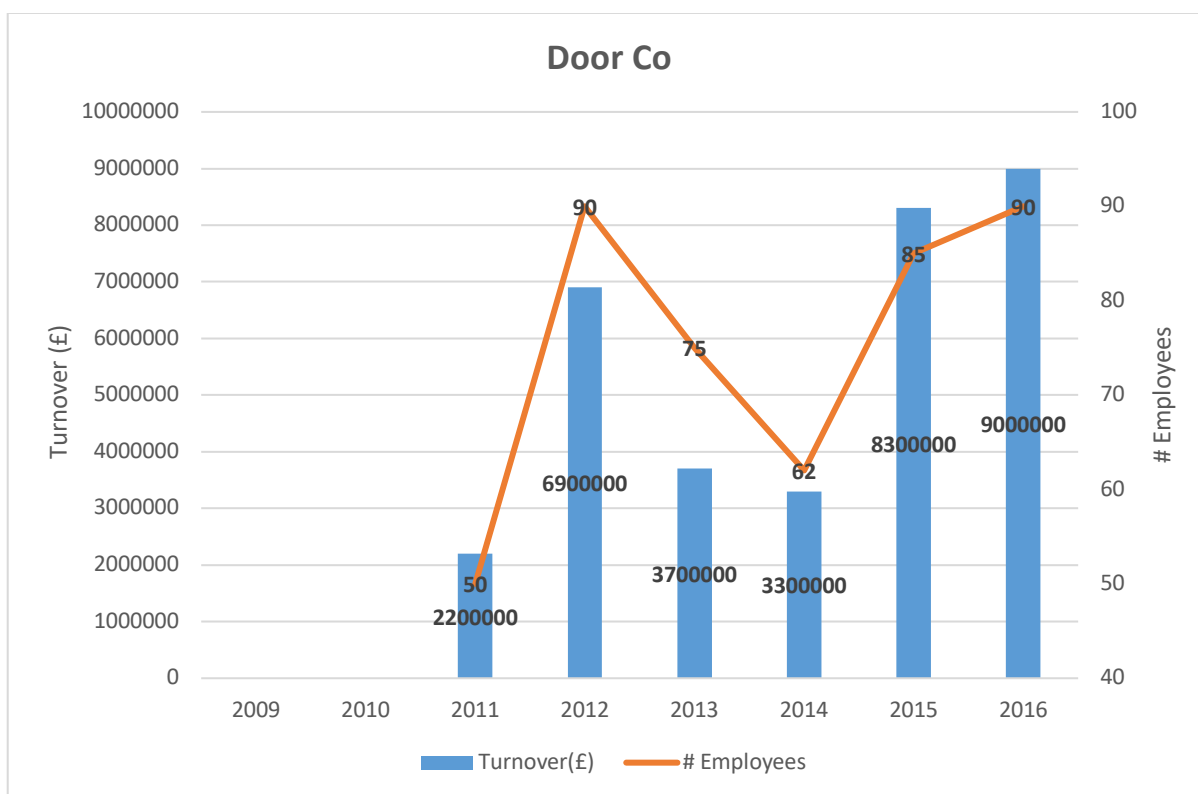
Machine Co

Withdrew financial and performance data

The above histograms show turnover and employment figures for each of the case study SMEs over a five-year period, except one (withdrew data) and another that declined to provide employee numbers. The data contained in the histograms shows that all of the case study businesses had enjoyed growth in employee numbers and turnover in recent years and four of the businesses studied could be described as high-growth firms (HGFs). The case study businesses were chosen based on initial discussions with the researcher that revealed growth of at least 20% in their previous year, which the above data demonstrates. All of the case study businesses could be described as growth or high growth businesses and therefore interesting research subjects. The above data displays demonstrate that business growth is typically nonlinear and yet an overall growth pattern can be discerned. The business leaders were asked about the growth figures and their nonlinear nature. The majority of leaders advised that the fluctuations in turnover were largely due to the unpredictability of customer orders and their macroeconomic trading environment. The

small business leaders proposed a small number of customers can have considerable impact on their turnover, due to the business size, and therefore their turnover fluctuated due to this dependency relationship.

6.3 Observation Data (photographic)

The researcher visited each case study business premises to interview business leaders, business managers and gather rich context specific data data around the innovation and leadership practices of the business leader. The researcher was able to gain a clear understanding the product or service the business offered and the operational conditions. The researcher was granted a 'guided tour 'of their business premises and some explanation of each of the areas. The observation data collected was in the form of photographic evidence of processes and practices, general layout and working conditions at each site. The researcher was introduced to various people within the business, often people on the shop-floor and within the administrative offices of each of the businesses, which enabled richer understanding and aided data collection beyond the initial visits. The researcher was able to obtain a good informal understanding of the business climate and industrial relations at each of the case study businesses through the site visits.

The researcher took numerous pictures at each business premises and recorded personal reflections into a dictaphone on leaving the premises, a reflective log. The study has presented a small number (two or three) of indicative photos from each premises below. The researcher presents the photos in order to provide the reader with 'evidence 'and an insight into the businesses innovation processes and practices. The study asserts that the photos are of value in themselves and serve to triangulate the quantitative and qualitative data collected. The photos reproduced below represent data in terms of:

- Formality /informality of processes
- Shop-floor layout and systems
- Engagement with staff/followers
- Workplace conditions and climate
- Visual management – HSE, Targets, KPIs etc

This study provides a description and narrative of each of the case study businesses under the photographs, in the section below.

Concrete Co

The above photographs capture the products of the business engaged in the study and the main working area. The business is a small company that employed 15 people in a relatively

small production facility. The photos of the factory reflected the informality of the approach of the business leader. The leader explained that they often produced bespoke products for a variety of clients across the UK. The infrequency of product manufacture was the reason given by the leader for the amount of equipment and stock items within the factory. The researcher would suggest that there was little evidence of formal explicit processes within the business, based on the guided tour of the factory. The leader did suggest it was difficult to keep the workspace ordered, with a small number of employees.

The study saw little evidence of formal and explicit innovation processes or practices within the factory. The factory flow was explained to the researcher and it appeared logical, however some areas did not 'flow 'and were untidy with lots of production materials on the floor. There was little evidence of visual displays for staff to view business performance/productivity metrics or targets. The staff that the researcher met were friendly and workplace relations appeared good.

Med Co
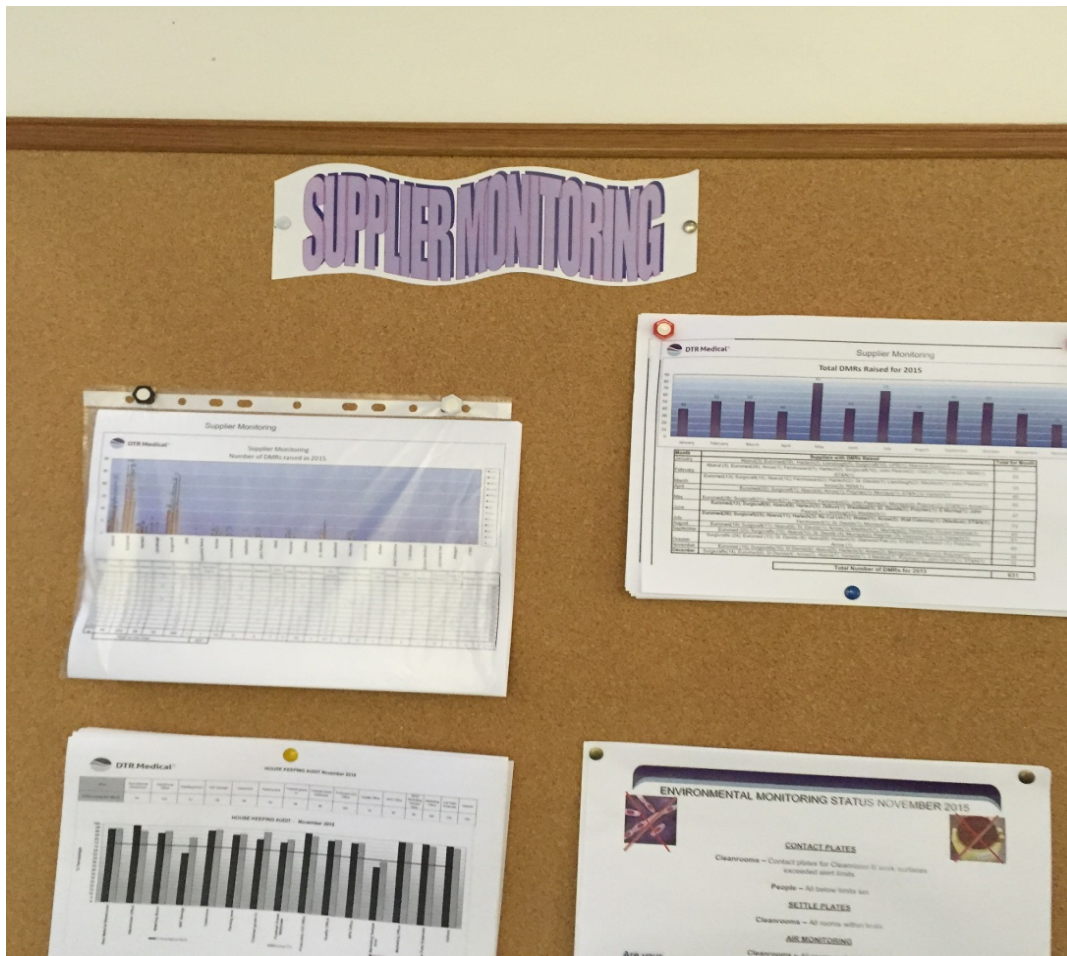
The site visit to the 'medco 'revealed a lot in terms of the innovation and leadership practices of the business. The guided tour revealed a systematic approach to manufacturing, from the goods in area, raw materials travelled along a linear well mapped production

process. There were numerous information displays around the factory that provided information to staff around product handling, Standard Operating Procedures, Health and Safety information and numerous displays with business performance metrics. It was a formal environment that appeared to demonstrate formal processes through the explicit information available throughout the factory. Medical equipment manufacturers in the UK are subject to stringent regulations and so the prevalence of explicit procedures and a clean working environment is required. It was a clean workplace and the small number of staff I was introduced to appeared content. The researcher would suggest that there were genuine attempts to engage staff in the performance of the business.

Food Co

The site visit to Food Co, that employed 126 people, was very interesting and aromatic! The innovation and leadership process and practices of the business were evident when walking around the factory floor, the administration offices and the staff canteen/ relaxation areas. The factory guided tour revealed a systematic approach to production and numerous visual display stations/areas. There were several different production lines for different raw materials that were processed in different ways.

There were numerous information displays around the factory that provided information to staff around product handling, Standard Operating Procedures (SOPs), Health and Safety information and numerous displays with business performance metrics as well as 'wellbeing 'and 'social event 'notices. The information and data provided appeared to create a formal and friendly environment. It was a very clean workplace and all the people the researcher met appeared enthusiastic and content. The researcher found there were genuine attempts to engage staff in the performance of the business. There was clear evidence of staff suggestion schemes and information relating to current product and process innovation projects, that were ongoing. One display board contained the staff suggestions scheme and the process for submitting and handling of ideas. The environment exuded professionalism and there was evidence of initiatives to support staff, for instance car share schemes, transport to work and childcare facilities.

Glass Co
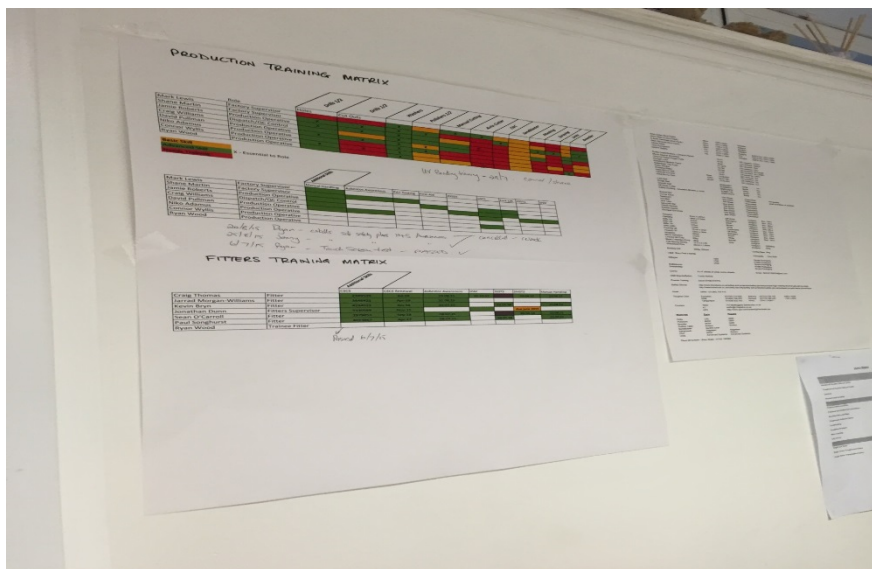
The site visit to Glass Co was insightful as it revealed little evidence of formal leadership process and practices. However, the walk around the factory revealed that relations between the leader and staff was friendly and informal, with people happy to stop and chat with the researcher openly about CI projects. The researcher spoke to more than half a dozen people whilst being taken around by the operations director. The researcher was given a detailed description of each of the machines and their purpose. Approximately half of the staff work predominantly offsite as installation staff and therefore it did not look and feel like a medium-sized business. There was a small business feel to the factory with the shopfloor and management interacting with each other constantly, in an informal manner.

There were a small number of information displays around the factory that provided information relating to Health and Safety and approximately four with business performance data and metrics. The researcher would suggest that there was a genuine informal and friendly atmosphere at the factory. There was clear evidence of staff interaction in terms of product and process innovation (CI) projects. The above picture shows a fabricated mock bathroom where the factory workers would construct and trial new configurations of the existing products and build scale prototypes of potential new products.

One display case contained the numerous awards the high growth business had collected over the last few years. The administrative area of the factory contained large whiteboards and information displays showing performance metrics and project timelines. There appeared to be evidence of collaborative working and problem-solving within the administration area.

Machine Co
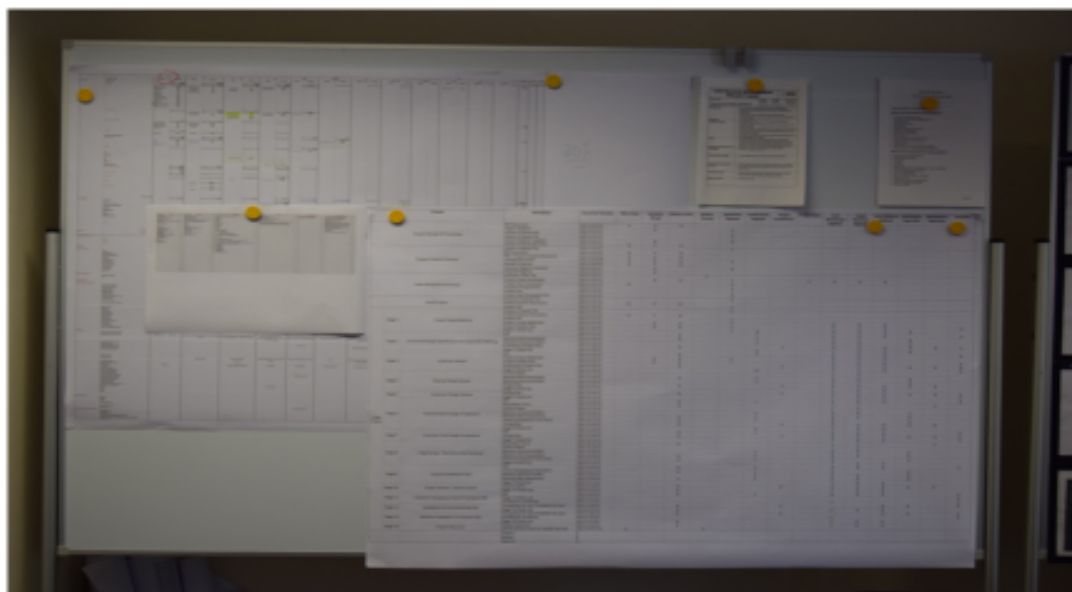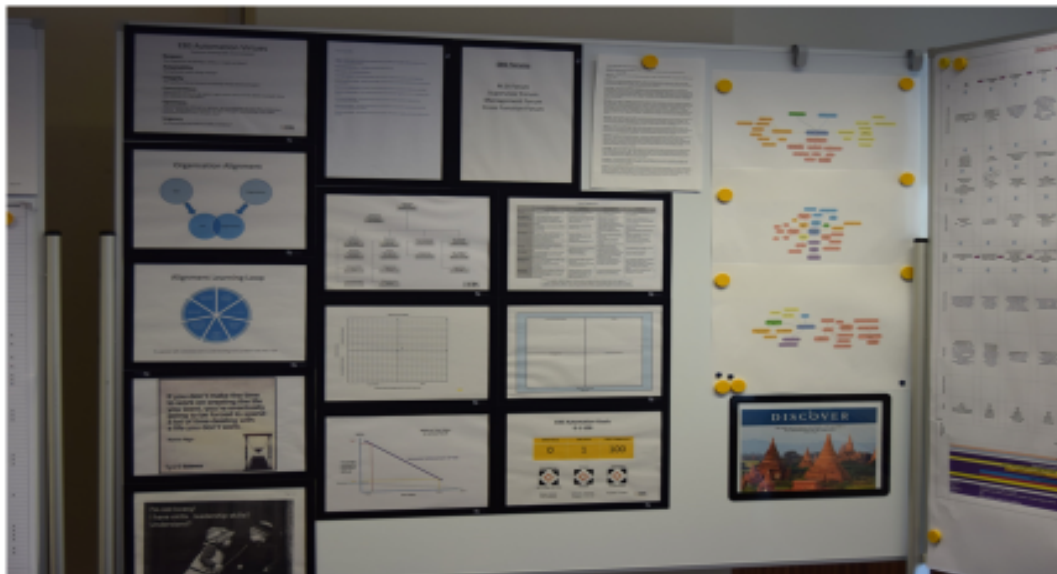
The site visit to Machine Co was of real value as the factory was very well organised and systematically designed to ensure optimum flow. The pictures provide supporting evidence of a systematic approach, there was also triangulated evidence of formal leadership innovation processes and practices. The factory tour was conducted by the business leader and the researcher was impressed with the professional layout of the high-value machine producer. There was a room dedicated to innovation where white boards and audio-visual equipment was available. The above pictures also show information displays that provided information to staff in terms of each project that was ongoing and its stage of development. The business leader had created a board where his preferred key innovation models and processes were displayed, which demonstrates a systematic approach to innovation. The researcher would suggest that there was evidence of staff being made aware of the performance of the business in general and status of ongoing projects. There appeared to be evidence of collaborative working and problem-solving within the administration area. The researcher would suggest that there was a more formal atmosphere at the factory.

Recycle Co
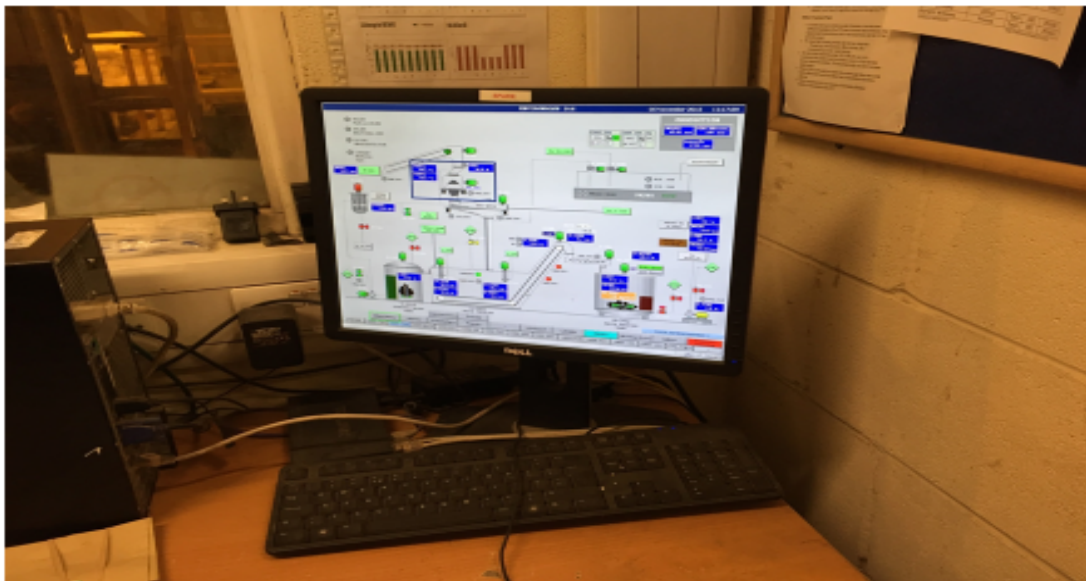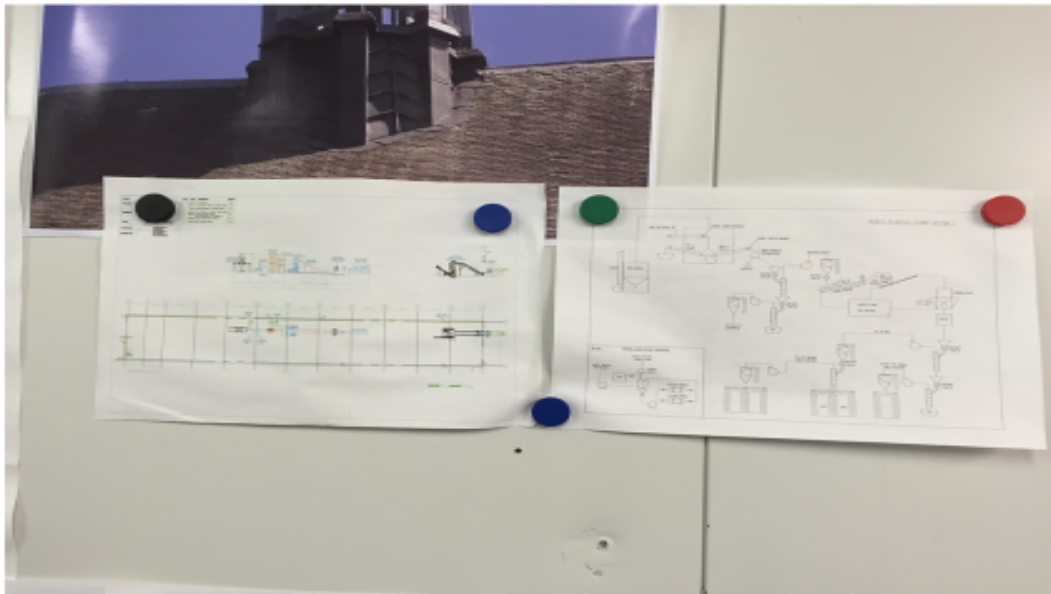
Recycle co occupied a very large site where automotive parts were recycled. The factory tour revealed a dirty and potentially hazardous workplace because of some of the materials recycled and their condition on arrival at the factory, although the process itself was not complex. The process was highly mechanised and managed through electronic control centres in the factory. There were numerous information displays around the factory that provided information to staff in terms of product hazardous materials, Standard Operating Procedures, Health and Safety information and numerous displays with business performance metrics. The information presented appeared to create a formal and yet friendly environment. There was little evidence of staff engagement with the innovation process below management level. The researcher met all six of the management team and they appeared to be engaged with the challenges and growth strategy of the business. The researcher would suggest that there was a collaborative approach, amongst the management, to addressing the performance challenges of the business.

Cable Co

The tour of the Cable Co factory provided valuable data. The above pictures suggest a methodical and systematic approach and there was also evidence of formal innovation

processes and practices. The factory was well designed with a logical lay out and cell structure organised to manufacture their different products. There was evidence of formal engagement with staff through visual management techniques, such as information boards with performance metrics and progress Gantt charts. There was evidence of daily and weekly 'toolbox talks 'as well as team progress meetings around each project and its stage of development. This information was displayed within the factory, close to the product area workstations.

The site tour of the factory was conducted by the business leader and the researcher was impressed with the layout of the various work-stations and modern production equipment. The introductions to three team leaders led the researcher to conclude that followers were engaged and aligned with the plans of the business leader. The business leader had erected four large magnetic whiteboards in his office which displayed performance and productivity metrics, detailing production volumes, costs and income on a weekly and monthly basis. He also had summary data relating to quality of products delivered, showing 'on time in full ' and 'quality issues 'metrics. Another board displayed some leadership and innovation models that he had created from a course he attended. He advised he used the information and models displayed within his room to engage staff with the business strategy and to feedback on operational performance. The data obtained suggests the leader engaged and informed followers, he had a personable and methodological approach to leadership.

Chip Co

Corporate Operations Initiatives

Charter-Provide the Business Units/Customers with continually improving deliveries, product costs, quality and support of new product introductions !!!!

On Time Delivery
Lead Time
Cost
New Products
Quality

Initiatives
- On-Time Delivery- >97.5% PTS!
  - Cycle Time- Lead-time improvements
  - Optimized planning systems

- Improving Gross Margins- > BU targets!
  - Managed inventories
  - Vendor consolidation/negotiation
  - Resource optimization
  - Yields

- New Products-NPI!
  - Timely introductions w/ streamlined processes
  - World Class customer support
  - Ramp readiness

- Quality - 0 defects!
  - "At the Customer"
  - Timely response
  - Improving Process control & supplier mgmt.

The visit to Chip Co was interesting for a number of reasons. The researcher reminds the reader that this company was an SME within the UK and yet owned by a large US company. The data collected suggested a highly systematic approach to manufacturing and engagement with staff. The business, as the turnover data suggests, manufacture high-value products and as the photographs suggests the factory had relatively few people. There was clear evidence of formal engagement with staff through visual management techniques, such as information boards with performance metrics, continuous improvement tools and techniques, problem solving tools and explicit company values. There was evidence of continuous improvement team meetings and production scheduling.

The factory tour was conducted by the operations director. The researcher interviewed the operations director, the managing director and continuous improvement manager during the site visit. The meetings and discussions with the shop-floor staff suggested they were aware of Continuous Improvement initiatives and targets, they also appeared to be engaged with the information provided and informed about the challenges of business. There were numerous visual management techniques used to communicate business performance to staff, including summary data relating to quality assurance and production data. The data obtained would suggest the leader engaged followers with the challenges of the business and kept them informed of progress. The information and data provided appeared to create a formal and yet friendly environment. There was clear evidence of staff suggestion

schemes and information relating to current product and process innovation projects. The environment exuded a systematic approach to production.

Door Co

The factory tour was conducted by the managing director and the site visit to Door Co were interesting for numerous of reasons. There was a high level of informality at the factory when the researcher visited and a 'small businesses feel 'to the site. The photos suggest a level of informality as there was little in terms of explicit processes or practices (SOPs)

displayed on the premises, however important HSE signage was evident. Whilst there was some logic to the factory set up and layout (production process) there were also a number of issues with product flow (pointed out by the business leader) with the existing layout. The leader pointed out that their product was often bespoke and so a more efficient layout was problematic. However, the researcher was not convinced that a more efficient layout could not be achieved. The photographic and observation data collected during the site visit did not suggest the most efficient approach to manufacturing. There was evidence of some engagement with staff through some visual displays in the staff break area, the researcher got the impression that followers in the business had a friendly relationship with the business leader.

6.4 Summary of Leadership and Innovation Practices

This study scored and compiled the leadership and innovation practices of the case study leaders, based on the multiple semi-structured interviews and the observations of the researcher. The below leadership and innovation tables summarise practices based on the dominant models within the contemporary literature, reviewed in earlier chapter. The summary tables (6.2, 6.3 & 6.4) were developed from the individual leaders leadership and innovation scores, contained in appendix D. The study produced scatter diagrams (figures 6.9 and 6.10) to graphically illustrate the practices discovered, across all the leaders interviewed.

Table 6. 2: Leadership Practices of Case Study Business Leaders

Behaviours	Traits	Practices	ED	MF	JP	CM	GK	CK	ME	AD	RG
	Humility (Collins, 2001)		5	5	3	5	5	3	3	1	5
		Reflective Practice (Alvesson et al, 2017)	3	3	5	3	3	3	3	3	3
Problem Solving (Mumford et al,2008)			5	3	5	3	5	3	1	5	5
	High Intelligence, critical thinking (Antonakis, 2011)		5	5	5	5	5	3	3	3	5
		Balanced Processing (Avolio & Gardner, 2011)	5	5	3	5	5	1	3	3	5
		Individual Consideration (Bass and Riggio, 2006)	5	5	5	5	5	5	5	5	5
		Inspirational Motivation (Bass and Riggio, 2006)	3	5	5	5	3	3	3	3	5
Idealised Influence (Bass & Riggio,2006)			5	3	5	3	3	1	3	3	5
		Intellectual Stimulation (Bass and Riggio, 2006)	5	5	5	5	3	3	5	5	3
		Active management by exception (Bass & Riggio,	5	3	5	3	5	3	5	5	5
		Passive management by exception (Bass & Riggio	3	3	3	3	5	3	3	1	5
		Power Appreciation (Parry & Bryman, 2006)	5	5	5	5	5	3	3	3	5
Problem Awareness(Mumford et.al, 2008)			3	5	3	3	5	3	1	1	3
	Self Awareness (Parry & Bryman, 2006)		5	5	5	5	3	3	3	1	3
		Relational Transparency (Avolio & Gardner, 2011)	5	3	5	5	5	3	3	1	5
Balanced Processing (Gardner et al, 2011)			5	5	5	5	5	1	3	1	5
	Ethical foundation (Gardner et al, 2011)		5	5	3	5	5	5	5	3	5
		Bureaucracy reduction (Parry & Bryman, 2006)	5	5	5	5	3	3	5	5	5
Understanding of leadership complexity (Parry & Bryman, 2006)			3	3	5	3	1	1	1	3	3
Leadership Score (totals)			85	81	85	81	79	53	61	55	85

Source: The Researcher

Table 6. 3: Innovation Practices of Case Study business Leaders

Behaviours	Practices	ED	MF	JP	CM	GK	CK	ME	AD	RG
Create Environment(Schein, 92;Yukl, 02) & Creat Innovatio Culture (Crossan & Apaydin, 2010)		5	5	5	5	5	3	3	1	5
	Setting Goals (Amabile, 98) & Goals and Strategy (Crossan & Apaydin, 2010)	5	5	5	3	5	3	3	3	5
	situational variability(Van de Ven, 1999; Abderson et al, 2004) and Context (Clark & S	3	3	3	3	1	3	3	1	3
Ambidextrous Innovation Leadership (Benner & Tushman, 2003; Raish & Birkinshaw, 2008;Rosign, 2015)		3	3	5	3	3	3	5	1	5
	Complexity (Zacher & Rosing, 2015;Macpherson & Holt, 2007)	5	1	5	3	3	3	3	1	5
Process understanding (Newell et 2002)		5	5	5	5	5	5	5	5	5
	emphasis on knowledge (Clark & Staunton, 1989; Newell, 02; Hobday, 05) & Knowled	3	3	5	3	3	3	5	3	5
Engaging with staff and their ideas(Clark & Staunton, 1989)		5	5	3	5	3	3	5	5	5
	Creating innovation groups (Clark & Staunton, 1989)	3	3	5	3	3	3	3	3	3
	Problem solving or efficiency vs innovation dilemma (Clark & Staunton, 89; Spear, 200	3	5	3	5	3	3	5	3	5
	Supply chain (and customer) integration (Hobday, 2005; Van de Ven, 08;(Crossan &	5	3	5	3	3	3	3	5	5
	Innovation Processes development (Newell, 2002; Crossan & Apaydin,2010)	3	5	5	3	5	5	5	3	3
	Technological determinism (adopting external innovations) Crossan & Apaydin (2010)	3	5	5	3	3	3	3	3	5
	Resource Allocation (Crossan & Apaydin, 2010)	5	3	5	3	3	5	3	5	3
	Portfolio Management (Crossan & Apaydin, 2010)	3	3	5	3	5	3	5	5	5
	Project management (Crossan & Apaydin, 2010)	3	3	5	3	5	3	5	3	5
	Commercialisation (Crossan & Apaydin, 2010)	3	1	5	3	1	3	3	5	5
Innovation Score (totals)		65	61	77	57	61	55	67	51	77

Source: The Researcher

Table 6. 4: Growth Rates of Case Study businesses

	2012	2013	2014	2015	2016	Annualised Growth Rate %	HGF or Growth
Concrete Co	365,000	576,000	657,000	890,000		**36**	HGF
Med Co		2,600,000	3,600,000	3,900,000	4,400,000	**20**	HGF
Food Co		8,685,929	9,424,760	9,610,708	11,448,716	**10**	G
Glass Co		2,362,778	2,869,656	4,300,000	6,000,000	**37**	HGF
Recycle Co		45,119,029	52,484,793	55,076,215	63,751,302	**12**	G
Chip Co		97,235,000	109,502,000	126,198,000	169,865,000	**21**	HGF
Cable Co		750,000	820,000	950,000	1,100,000	**14**	G
Door Co		3,700,000	3,300,000	8,300,000	9,000,000	**50**	HGF
Machine Co		withdrew	data	due to	merger		HGF

Source: The Researcher

The study developed leadership and innovation 'scores', based on the dominant leadership and innovation models discussed in the literature for each of the business leaders interviewed(the 'individual leader scores' are contained in appendix D). The combined leadership and innovation 'scores' for all leaders interviewed, by this study, are shown in tables 6.5 and 6.6 below. The summary data (below) is interesting as it shows the high-growth leaders mean innovation and leadership scores were higher than the growth firm leaders, suggesting they incorporate more elements of contemporary innovation and leadership models into their practice. The data suggests that leader who practice many

elements of contemporary innovation and leadership models are likely to experience high growth.

Table 6. 5: Leadership and Innovation combined scores of Growth Firm Leaders

Growth Firms Leaders	TS	BP	AST	CR	RG	MG	HW	RB	TH	KG	ED	CK	GK	*Mean*
innovation score	53	51	75	69	67	59	57	59	65	65	65	55	61	62
leadership score	71	67	57	67	69	63	51	75	71	75	85	79	79	70

Source: The Researcher

Table 6. 6: Leadership and Innovation combined scores of High Growth Firm Leaders

HGF Leaders	WH	WB	HM	MD	JF	DS	JOF	AP	AP	RM	AB	RC	*Mean*
innovation score	77	77	73	73	71	53	75	69	61	73	37	75	
leadership score	81	75	77	71	75	73	75	79	61	83	53	89	
HGF Leaders	**BB**	**MA**	**SL**	**EJ**	**CD**	**SM**	**MF**	**AD**	**RG**	**JP**	**CM**	**ME**	
innovation score	69	67	63	61	76	79	61	59	79	77	57	67	68
leadership score	83	85	51	81	76	73	81	55	85	85	81	61	75

Source: The Researcher

The study produced scatter diagrams to graphically illustrate the data detailed in the above tables (figures 6.9 and 6.10). The figures indicate that both growth and high growth firm leaders practice many elements of contemporary innovation and leadership models. However, the regression lines (series 1 in the figures) suggest there is a linear relationship between the leadership and innovation practices of HGF leaders and yet a weak relationship between innovation and leadership practices of growth firms. Therefore, suggesting that HGF leaders were practising many elements of both contemporary leadership and innovation models, whilst growth firm leaders practice fewer elements of innovation or leadership contemporary models. The regression line shows there is a strong relationship between the practice of contemporary innovation and leadership model elements, amongst HGF leaders. The study shall review the implications of the data in the discussion chapter.

Figure 6.9 Leadership and Innovation combined scores of Growth Firm Leaders

Growth Firm Leaders Leadership & Innovation Scores
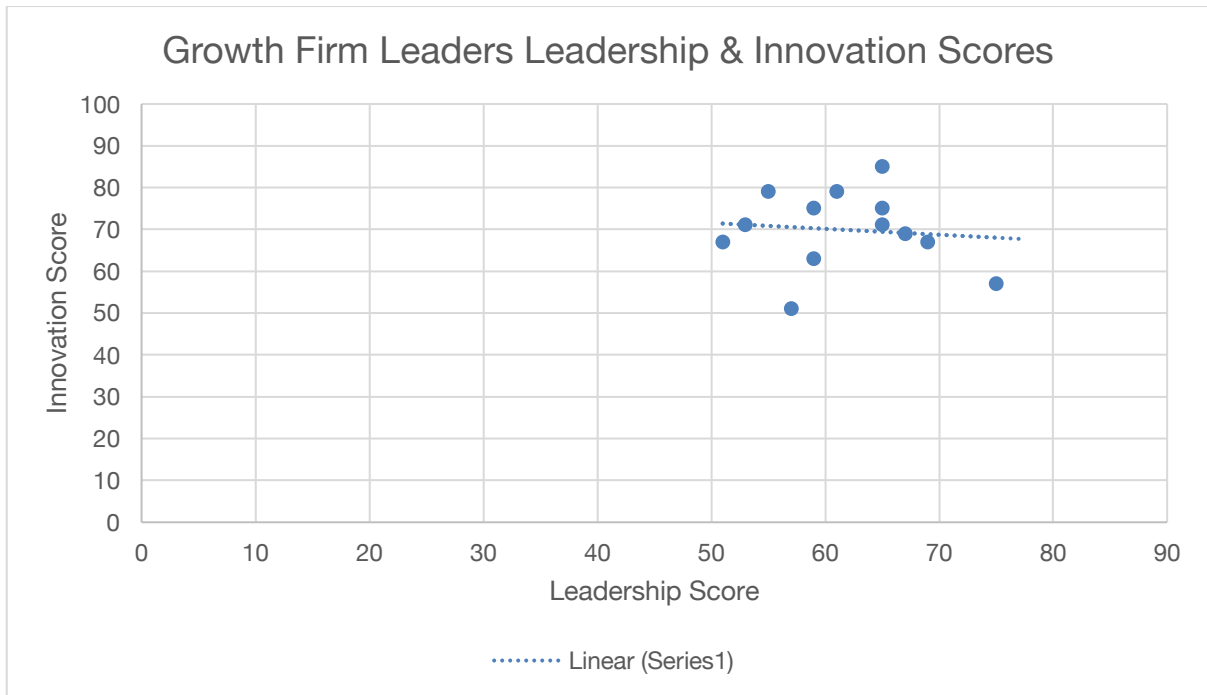
Source: The Researcher

Figure 6. 10 Leadership and Innovation combined scores of High Growth Firm Leaders

HGF Leaders Leadership & Innovation Scores
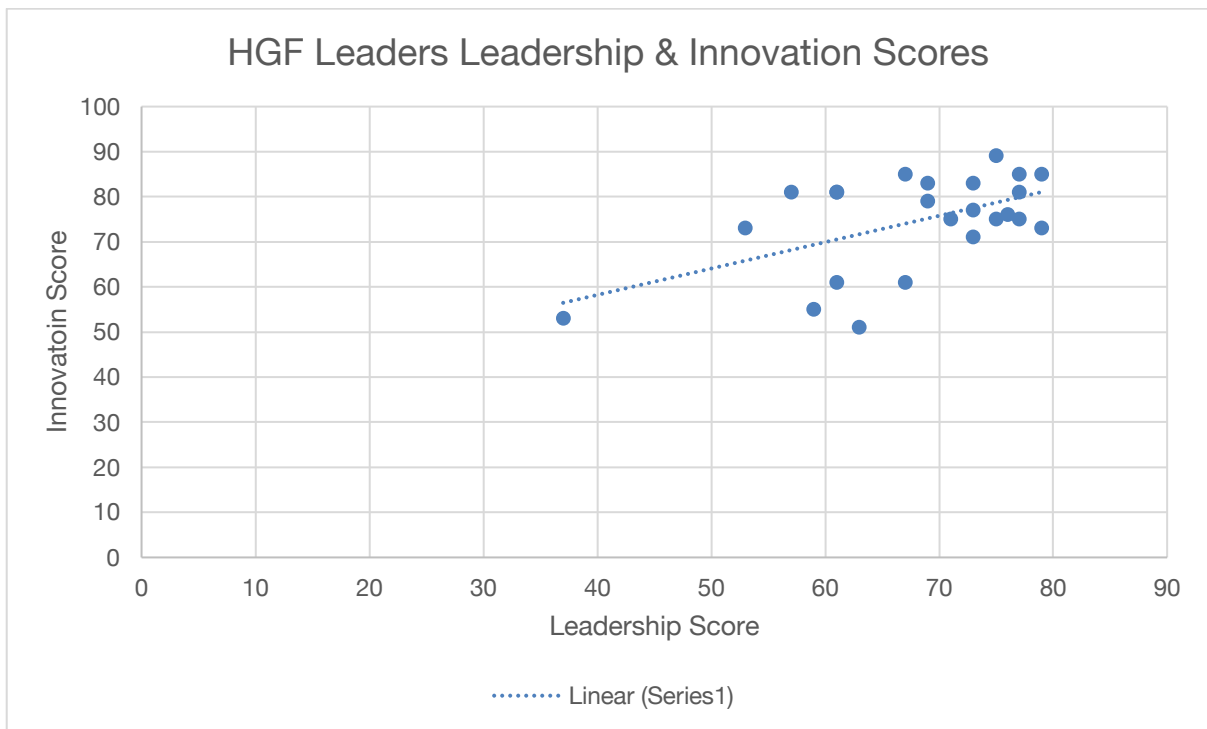
Source: The Researcher

6.5 Semi-Structured Interviews

The semi structured interviews took place during a site visit where the researcher was able to contextualise questions based on the factory tour. The researcher found that the leaders

spoke for longer and explained more detail of processes and practices after the tour, in comparison to the semi-structured interviews that were conducted without a premises tour. The tour allowed the leader to refer to machinery or processes observed on the tour of the factory. The tour provided the researcher the opportunity to ask qualifying questions when a practice or process was mentioned. The leader often referred to followers (mangers or shop-floor staff) that the researcher was introduced to during the tour. The researcher asked the business leaders a number of questions around their leadership and innovation practices (copy of the semi-structured interview instrument contained in the appendix B). The researcher made arrangements to telephone interview the leaders monthly during the site visit and used the same semi-structured questionnaire with questions omitted or added depending on the projects and challenges the leader had outlined in the initial interview. The monthly phone interviews provided updates on business developments, the CI projects and challenges the leader outlined in the site visit interview. The researcher recorded all of the interviews and then analysed the transcripts to identify common themes. This section outlines the themes identified, describes the themes in the context of the research and provides direct quotes to illuminate the theme identified.

6.5.1 Leadership Practices

6.5.1.1 Employee Engagement

This study identified a core theme concerning effective delegation by the leaders interviewed and their willingness and ability to engage with followers. All of the leaders interviewed, described the importance of engaging followers with the challenges of the businesses and leveraging the knowledge and skills of followers. The majority (89%) emphasised the value of delegating tasks and responsibility to followers in order to motivate followers, they described delegation (the term 'ownership 'often used) as an important aspect of motivating followers and leveraging the valueable knowledge of followers for the business. The majority (89%) also descried how they had learned, through experience, to be better at delegating tasks and activities to followers through an iterative process of understanding each followers 'capabilities. The leaders asserted that giving followers responsibility and independence in their decision-making and team management was important for motivating followers. They suggested it ensured followers were fully

engaged and felt pride in delivering against plans they had developed. This study has reproduced two short indicative quotes to demonstrate the identified theme:

"we've given that project to our environmental coordinator. But is she the one to run with it? She can do all the analysis, but is she the one to actually project plan it? I don't think she would be able to do that, but it's important we let her have a go and support her to do it. JP (HGF leader)

The leader at Recycle Co (CK) described the importance of engaging followers on the shop-floor in order to drive continuous improvement and access followers knowledge of the plant and processes:

The managers spend a lot of time at plant, looking at how it runs, talking to the guys and getting feedback... And it's taking their ideas, maybe prioritising them with our ideas and implementing them really.. You have to keep them on side, because sometimes you're asking them to do stuff that they'd rather not.

6.5.1.2 Individual Characteristics/ traits (Personality)

A common theme that emerged, was the recognition of the leaders of their personality and the impact it has on their leadership style, their business leadership as well as their relationships with followers. This self-awareness was manifested in the leaders articulating what aspects of their role they liked or disliked, as a consequence of their personality preferences. This self-awareness often led to self-regulation with leaders advising that they led on certain tasks or avoided tasks based on this recognition of their personal strengths and weaknesses. One leader advised:

I'm bloody useless at actually doing something and continuing it through. That's why we've got some really good people who do that…And I think what we've got to have somebody that when we say, "Let's go and do this," they'll manage the project. They can just pick it up. JP (HGF leader)

Another leader described how his problem-solving skills and inclination to solve problems had led to the success of the business, which enabled him to build his reputation and that of the business on this aspect of his personality:

I've always liked solving problems….I like solving customer problems and to keep customers happy ….What I do is give the boys confidence, I make them believe that we can deliver for the customer and solve the problems that get thrown at us." RG (HGF leader)

The above quotes highlight the theme, prevalent in the data, concerning the self- awareness of the leaders, their work preferences and the impact their personality has on their leadership style. The researcher was impressed by the level of self-awareness amongst the leaders and their ability to self-regulate to ensure that they adapted their leadership to accommodate follower idiosyncrasies. The study also observed the ability of the leaders to engage in activities not natural to them to support the aims of the business.

6.5.1.3 Professional training and background (Professional Association Mediators)

An emergent theme that emerged across the leaders interviewed (100%) was the impact that their professional development and training had on them as leaders. All of the leaders referred to their specific skill set and how they had developed leadership skills 'on the job ' from the context of their professional development. The leaders suggested that their leadership style was influenced by their original training or professional background and the experiences they had within their early careers.   Six of the nine leaders specifically referred to their engineering background and how that had helped them develop a process orientated and logical approach to leadership and innovation. Another leader talked about his finance background and how that had helped them focus on the financial metrics of the business to ensure successful growth. One of the HGF leaders described how he started his 'trade as a YTS 'and how his experiences working on domestic properties developed his personable style. The below quotes succinctly summarise the theme identified.

"I'm an engineer by training and often look at what we do as a process and I find myself talking to guys on the shop floor about their part in building the product and I suppose I take that logic into most things that I do". KG (Growth firm)

Another advised:

I still see myself as an accountant and so I'm constantly looking at the cashflow of the business and where we might be able to save some money and where we might

invest to reduce costs in the medium term and so I suppose that has helped us grow.
(CK, growth leader)

In summary, each of the leaders identified the mediating effect their professional background had on their leadership style and its iterative development. In many respects, the leaders inferred that a profession based 'leadership model 'existed that they intellectually engaged with which informed their own practices, based on their professional development within the discipline or profession.

6.5.1.4 Reflective Practice

One of the strong themes that emerged across all of the leaders was an emphasis on the importance of reflective practice and individual as well as organisational learning, often both. All of the leaders described how they adopted reflective practice or a learning orientation, using various terminology. They seldom used reflective practice as a term and more often used the term learning or reflecting or 'trial and error '/ 'test and learn '/ 'testing'. This was often described at an individual practice level and at an organisational level, with their personal practice often adopted by other managers in the organisation. This learning orientation allowed each of the businesses to constantly evaluate and develop their processes and product offering. The leaders typically described this approach in a nonchalant way, almost assuming that all businesses have a reflective practice approach, one leader advised:

"you sort of sit down and review it… more than me, I get all the managers to talk through what we do and what works and importantly whats not working, weekly and daily sometimes." ED (Growth leader)

Another leader described how he encouraged the management team and the shop floor to try out ideas and monitor their impact in a relatively systematic way:

"I ensure we test and learn with everything, and we tried things that are pretty stupid, and sometimes they work and sometimes they don 't. But I 'm always questioning our assumptions and test what works and get the guys to adopt that approach, or you keep making the same mistakes don 't you?" CD (High Growth leader)

The quotes are representative of the statements made by the leaders during the interviews. A self-learning approach or reflective practice approach was common across the leaders interviewed. Whilst the study was not surprised to find this, it was interesting to find reflective practice embedded within the leaders individual practices and those of the business.

6.5.1.5 Focus on Metrics

This study found the leaders 'interviewed all mentioned, with varying levels of emphasis, the importance of developing and managing the business operations with a series of performance measures. This theme encompassed both financial and production/output metrics and in many cases the leaders talked about the importance of both. All of the leaders identified the importance of understanding the business costs from macro level in terms of total business costs per month and at a micro level in terms of costs of each item or elements of the production of their product.

The different leaders used similar financial metrics and often quoted approximate key business costs, i.e staff costs and production costs at a firm level and knew exact costs for each of their products and services (high attention to detail). They described the importance of understanding costs when tendering for work and when looking at workload levels in any given period. The importance of understanding costs was quoted as a potential source of innovation as the leaders advised they focused on ways of reducing costs in order to drive productivity.

The leaders articulated the value of making the business metrics outlining costs and financial performance available to staff via visual displays and management reports. The display and dissemination of key business metrics or key performance indicators was quoted as a means to encourage people in the business to think of ways to reduce costs and to engage people in the challenges facing the business. The focus on production or output metrics was also articulated as a method of understanding and monitoring customer service levels and turnover or profit, in given periods. The leaders often ensured production outputs and targets were available on visual displays within the business and displayed

specific output metrics in specific areas in order for staff to understand performance levels and encourage a focus on improving performance. The focus on metrics was noticeable on the visits to each of the case study companies and it was evident from dates on the spreadsheets that the metrics were updated regularly. One leader explained how their focus on metrics had enabled them to reduce costs in certain areas, increase customer service levels (for valuable customers) and increase business productivity:

> "And do you know what the beauty of this business is we've got every bit of information you would ever need. We've got a dashboard every month that tells us cost per kilo, cost per kilo to deliver, and cost per kilo to produce, volumes, everything….. ED (Growth leader)

The leader at Medco advised:

> "You ́ve got to have the numbers and understand exactly where you are as a business. We ́ve got data on production levels, quality levels, takt times, customer issues etc and we make all that information available to all"

6.5.1.6 Humility

The study discovered an interesting theme concering humility or lack of ego within the interview data. The data revealed that 78% of the leaders displayed humility during the interview discussions, they were often reluctant to take credit for the business achievements in developing and growing successfully. This was surprising and yet endearing, the researcher could understand how the humility of the leaders would have appealed to followers. The study has reproduced a small number of direct quotes to illuminate this theme.

> "All I've done is bring some clever people in and told them to go and give it their best shot. I don ́t tell them what to do, they come up with the ideas with me and all I do is support them" AD (HGF leader)

> "A lot of people think they have to be the best or have all the ideas, our success is down to the guys out there on the shop-floor and B in the office, they deliver and I support them." MF (HGF leader)

The quotes captured the essence of the comments from the leaders as a whole. The researcher was intrigued with the triangulated level of humility and sometimes self-deprecation displayed by the successful leaders, the study suggests that this humility is an important aspect of the HGF leaders' style.

6.5.1.7 Opportunity Recognition (Risk Appetite)

The leaders interviewed all mentioned the importance of recognising and exploiting opportunities that the business identifies or is presented with. This was also occasionally described as an appetite for risk. Most tended to describe a willingness to satisfy new product requests from customers and others talked about seeing trends in the market and developing products or services to meet possible opportunities. A small selection of indicative quotes, reproduced below:

The leader at Machine Co heard of a competitor going out of business and so attended the equipment sale auction and advised:

> It's someone else's misfortune, but we put it to good use. And we doubled our capacity in one area and we didn't exactly buy what we were originally looking for, but for what it was going for, we had to buy it". (ME, HGF Leader)

The leader of GlassCo described opportunity recognition in a slightly different way and yet it outlines a willingness to take on risk:

> "we had never done glass showers but we were asked if we could and we said 'yes' and they weren't great first time around but they're now a big part of our business and I think that all comes from us willing to have a go and deliver for customers".

6.5.1.8 Sector Operating Context (place mediator)

An identified theme from discussions with the leaders was a stated awareness of the context within which their firm operated. Each of the leaders interviewed articulated the importance that they placed on understanding the market and sector within which they operated. This also included knowledge of the competition, within their market, and a good understanding of their products and product range and how their products compared with those of their competitors. The leaders often articulated how their product and value

proposition compared with that of their competitors, they provided a rationale for the pricing of their products and the value of their products relative to those of their competitors.   This study will unpack this theme below. There were two elements to this theme namely in the understanding of the service levels that customers expect and an understanding of how their products compared in price and value proposition with that of their competitors. In terms of the service level element to this theme the leaders often articulated some of the challenging conditions the market placed on them and the service levels that their customers expect. This theme could be described as a 'knowledge set 'of individual leaders including their senior team and was articulated as a prerequisite for being able to operate successfully and compete in the marketplace. The high-growth firms develop and maintain sound knowledge of their operating context in order to ensure that they deliver value to their customers. The study asserts that the conditions of the market set commercial parameters within which the leaders had to understand and operate within. The leaders often described how sound knowledge of the parameters allowed them to decide where profit (or 'margin 'as termed by many) could be derived. The leaders described how the decisions between price and service levels were variables they managed to generate profit. Their ability to deliver faster or larger quantities to accepted customer standards were also quoted as important. A good example of this was provided by the leader of Food Co

> "The world is very small these days....we can phone a supplier in Holland, and say,
> "Can we please have this? by 10:00 in the morning. It's no different to what our
> customers do to us and we're only delivering in the UK."

The second element to this theme was articulated as an understanding of how the pricing of their products compared to that of their competitors. This knowledge enabled the leaders to understand and justify the value their product provided to customers. The leader of recycle co advised:

> "We have had customers complained about the price and saying, "We can get it
> cheaper elsewhere." And we've sent them documents back saying, "right, this is the
> product x 'you're talking about. And if you want that, we can sell you that at a

cheaper point, but the fact is ours is much purer….that's why we sell it at the price we do." CK, Growth Firm leader

The leader of ChipCo advised:

"The raw materials do have an impact on price although the product is not hugely price sensitive as we've got very well established relationships and yet the margins in the UK are very tight and so we do stockpile a little when the international price of raw materials is low, you have to really and we monitor that daily" JP, HGF leader

In summary, each of the leaders promoted the importance of having a sound understanding of market conditions and their value proposition as a firm was mediated by the operating parameters set by the market. Therefore, the 'place 'or the sector/industry the firm operated within mediated the leadership and decision making of the leader.

6.5.1.9 Regional Context (geographic place)

The leaders (78%) described a regional parameter to their considerations when leading the business and its followers. This study asserts that the region they operated within moderated their leadership style and decision making. The regional dimension was expressed as a moderator or parameter that the leaders had to consider, some expressed it as a negative and some as a positive, although they all appreciated it as a dimension that moderated their practice. The study has reproduced some quotes illustrating this theme below.

"we're in Gwent at the end of the day…..we're not going to attract to best and brightest to drive our R&D…on the other hand we've got an incredibly hard working local workforce in the factory and that's one of the reasons we're here, it's just one of the things I've got to work with" JP (HGF leader)

A similar perspective:

"We've got some really good guys, there's not lots of work in the valleys and my guys work really hard… we've got grafters and we've got a reputation for getting things done and solving problems and that's down to the guys, so I'm grateful for that" RG (HGF leader)

A professional services perspective:

"we can't compete with the city legal firms, they've got bigger clients and broader interests and so we attract people by offering a more flexible approach and greater responsibility" AB (HGF Leader)

The quotes reveal a theme relating to the area or region that the businesses operated within that mediated the leadership style, of the leader. Seven of the nine leaders interviewed mentioned the geographic location they operated within as creating local conditions that they had to adapt to/incorporate when making business decisions/investmets in innovations. This sense of place was framed as a negative and as a positive (mostly positive as outlined in the quotations). However, the leaders did not see it overall as a negative they described the regional location as a variable that had to be considered. The study asserts that the geographic 'place 'a leader operated within, mediated their leadership style. A number of 'place' mediators of leader styles were detected within the data as described above. The study has summarized the place mediators identified within the data in the below table. The place mediators of 'geography', 'professional assocations' and 'sector' were identified within the data when identifying themes relating to leader practices and detailed in this section. The 'size and structure' and 'organisation culture' mediators were identified when analysing the innovation data and from data not relating directly to leader practices.

Table 6.7 Influence of Place Mediators on Leaders Style

Place Mediators	Geography	Professional Associations	Size and Structure	Organisation Culture	Sector	HGF or Growth
Concrete Co	Medium	Strong	Strong	Strong	Weak	HGF
Med Co	Medium	Strong	Medium	Strong	Medium	HGF
Food Co	Strong	Strong	Medium	Medium	Strong	G
Glass Co	Strong	Weak	Strong	Strong	Medium	HGF
Recycle Co	Medium	Medium	Medium	Strong	Medium	G
Chip Co	Strong	Strong	Medium	Strong	Medium	HGF
Cable Co	Strong	Strong	Strong	Weak	Strong	G
Door Co	Medium	Medium	Strong	Weak	Weak	HGF
Machine Co	Medium	Strong	Strong	Medium	Strong	HGF

Key: Strong= Significant impact, Medium= moderate impact, Weak=little impact

Source: The Researcher

6.5.2 Innovation Practices

6.5.2.1 Organisation innovation culture (organization culture mediator)

This section of the study evaluates the findings from the semi-structured interviews with the leaders of the case study firms. This section provides findings and narrative that illuminate the leaders approach and perspectives on innovation. Section 6.6 below provides details of the findings from the structured survey used by this study to collect data on the innovation processes and practices of each case study business, which provides detail of the innovation practices of the firms.

The leaders interviewed pointed to their innovation culture as a driver of business growth, however they did not always use the term innovation or innovation culture. The innovation described was essentially a variety of continuous improvement processes and practices that could be best described as an 'innovation culture'. The leaders described this innovation culture in a myriad of ways, occasionally as 'our attitude 'or 'our approach 'or as 'company outlook 'and occasionally referred to culture. The leaders described the culture of the business as a key factor in their success, although the descriptions of the culture that contributed to their success was described differently. The study has reproduced some quotes to illustrate this theme below:

> "We 've got a formal CI process which we visit every Monday with each of the project teams. " ME (HGF leader)

> "We, try to make little changes, when we finish a job and well we try and talk about what we could have done better". (CM, HGF leader)

In summary, the 'innovation culture 'theme was common across all of the case study leaders although often articulated differently. The leaders often described their CI and problem-solving processes and practices as an aspect of the business culture and advised it was a factor in their success. The leader often described how their practice had been influenced by the culture of the business, which had developed as the business grew.

6.5.2.2 Innovation processes (organization size mediator)

The interviews probed the innovation approach employed at the leadership level, the leaders described what they and other mangers (where relevant) did to encourage innovation. However, few clearly separated their leadership or managerial systems from processes or methods employed at the organisational level. The leaders did describe what they do to encourage or facilitate innovation and the processes that had been introduced, which was useful in understanding how innovation processes operated in practice in the HGFs studied. The comments below illuminate the innovation practices of the leaders and the methods or processes employed.

> *So, once you actually get the idea that the customer's given to us or we've got our own idea and then, get everyone to jump on board with that. (JP, HGF Medium sized firm leader)*

> *"It's relatively informal I would say…we form a group to think about it..then work it up and then develop a brief for a customer presents a brief." (GK, growth Small firm)*

> *"it's having that dedicated time and resource to actually say, "Well, yeah, I'm going to look at this. And that's what project managers do, don't they? They have two, three projects on the go. They don't overload themselves". (ME, HGF Medium Sized leader)*

The indicative salient quotes illuminate the relative formality of innovation dependant on size, which was a common feature within the data. The small firms often had few formal processes as the size of the firm meant the leader engaged all followers with the innovation processes of the business. The small fimr leaders commented on how they were able to discuss innovation projects and initiatives during their daily operational 'walkabouts'. The leaders also described how the small number of followers meant that they were able to have regular informal discussions, which influenced their practice.

6.5.2.3 Innovation Methods

The researcher obtained details of the specific innovation tools and methods used through a structured survey (section 6.6). The leaders interviewed differentiated between the

innovation processes and systems that they had put in place and the innovation methods or tools that they used. The innovation methods were often shop-floor tools or methods that the leaders had applied, like CANDO/5S or continuous improvement tools that looked at machine downtime e.g. 5Ys. This distinction was often articulated as methods used on the shop-floor and how leaders encouraged people directly or managers to engage staff in innovation methods. One of the leaders described how he often challenged staff to think about improvements:

NPD

The leader at Door Co advised:

> "we are innovators in the industry. We like to think we῀re at the forefront of, you know, the markets that we sell our products to. So, I suppose its not a defined process as such, but we market ourselves to our customers as innovative and able to solve problems"

The MedCo MD advised:

> "Our new products come from talking direct to our customers, and that῀s something we῀ve built into our NPD process and the sales guys that have those discussions and they constantly ask what works with existing products and what doesn῀t work" AD

CI

> "it's getting it down to the supervisors at the shop floor level, for them to come up with an idea to say, 'How can I save £10 a week" (BB, HGF Leader)

6.5.2.4 Innovation Barriers

The leaders were asked about barriers to innovation and 90% described similar common barriers. All advised that time was a barrier as staff in the businesses are engaged in 'the day job 'and only one of the businesses (chip co) had full time innovation people and the teams in question had two functions, QA and CI. The leaders often advised that ideas for innovation in terms of new product development or continuous improvement were seldom an issue, the 'time 'and opportunity cost barrier to develop ideas and work up into new

products or continuous improvement projects was the challenge. An explicit example of this theme are outlined below:

> I've often wondered if it would be worth having someone that takes forward ideas… And let him go off and do it, but it comes back to the costs and whether that person has the knowledge to develop the idea" (RG, HGF leader)

> "There's lots of different things to that. Lots of us come up with ideas. And I think what we've got to have, we need to have somebody that when we say, "Let's go and do this," they'll manage the project". ED (Growth leader)

6.5.2.5 Knowledge Importance

A theme that emerged from the data, when leaders talked about their innovation practices, was the importance of maintaining contemporary knowledge of innovation processes and practices within their industry. In particular, developments likely to impact the sector the businesses operated in. The emphasis on maintaining contemporary knowledge was two-fold, they described the importance of knowledge of production processes to ensure they incorporated new industry Continuous Improvement processes and tools.

> "We try to ensure we know what the competitors are doing and what new technology or techniques are out there, we go to the trade-shows and we've ended up buying quite a lot of kit from trade-shows". GK

The leaders also described the importance of identifying developments within the marketplace that might present opportunities to the business. This theme consisted of looking for opportunities to supply new products to a changing market or to supply existing products to new markets or customers. The below quotes illustrate this point:

> "The other thing we're looking at again, is like animal supplements for garlic and things like that. We're always in the market looking at what else we can do or who else we can supply to." ED

> "We buy in equipment from all around the world and …we make sure we're at the International fairs so we know if there's any new suppliers out there" AD

The above quotes demonstrate the importance the leaders 'placed on maintaining contemporary knowledge, both in terms of continuous improvement and knowledge of their sector.

6.6 Innovation Survey Findings

The researcher asked each of the case study leaders to complete a structured (quantitative) survey that aimed to obtain data on their innovation processes, practices and methods as well as employee engagement (leadership) processes. The questionnaire was developed based on questionnaires from studies detailed within Roth et al (2008). The questions used aimed to 'benchmark 'the case study SMEs against 'world class manufacturers'. The survey was drafted using predominantly likert questions in order for the study to develop an understanding of the innovation methods being used, the frequency of use and formalised nature of their use. The researcher summarised the data to provide and insight into practices of growth and high growth production SMEs. A copy of the questionnaire is contained in Appendix C. The data enabled the study to build a picture of the employee engagement practices, the innovation processes, methods and tools that were common across the growth and high growth case study firms. The survey data has been of value in enabling the study to triangulate data collected, by comparing with the leader interviews, manager and follower interviews and secondary data collected. The photographs taken during visits have served as a further data point for the study.

All of the case study respondents were production firms and therefore the continuous improvement methods and tools have a manufacturing bias. However, it is important to point out only four of the nine are high-volume manufacturers, therefore not all of the practices or methods would be relevant to the low volume manufacturers as the survey was developed based on the practices of 'high performance, high volume manufacturers'. It should be noted that three of the case study leaders reported they were unfamiliar with some of the continuous improvement method descriptions during the interviews. However, when the terms were explained they often advised they did employ the tool but had not understood the term within the questionnaire. The leaders reported that they scored some of the methods low as they seldom used them. Therefore, the study suggests some of the scores would have been higher if the leaders had a full explanation of the tools prior to

completing the questionnaires. The below figures (6.11, 6.12 and 6.13) present the summary data, from the completed questionnaires. The study will comment on the summary data findings, detailed within the figures, in turn below.

Figure 6.11 presents summary data relating to the Employee Engagement and Innovation approaches of the businesses. This study will briefly comment on the practices that the business leaders scored at four or above on the questionnaire. It is evident that the businesses took pride in the quality of the product, which was often described as a part of the business culture and personality of the leader within the interviews. The extensive use of developing partnerships with customers indicates an emphasis on innovation in order to satisfy customer needs. The engagement with customers (described by leaders in the semi structured interviews) suggested this focus facilitated innovation. The figure confirms that the businesses focused on 'cost reductions', also evidenced within the interviews. This evidences the importance placed on being competitive (productivity) and a focus of CI activities, as described in the interviews and evidenced in visual displays within the business. The high incidence of 'Open discussions of issues', 'daily managers meetings' and 'principles of teamwork' suggests the leaders engaged followers with the business innovation challenges, and distributed leadership throughout the business. Therefore, demonstrating an 'innovation culture' as suggested within the interviews.   The evidence of waste reduction and clean workplaces suggests the case businesses were aware of lean thinking (Womack & Jones, 1996) production principles and an emphasis on quality. In summary, figure 6.11 evidences high levels of employee engagement, indicating an engaging and distributed leadership style, as described above.

Figure 6. 11 Employee Engagement and Innovation approach
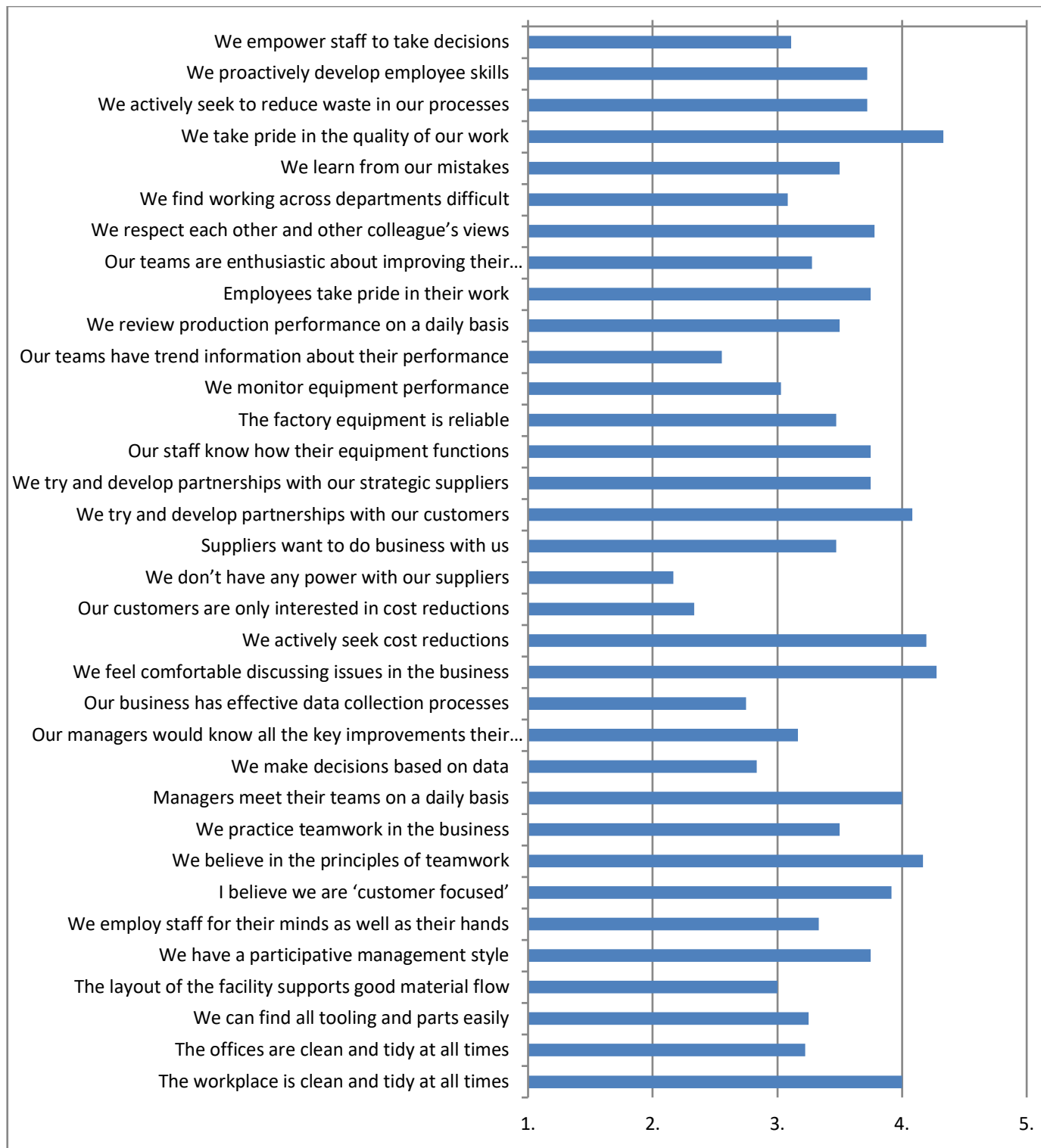
Source: The Researcher

Figure 6.12 presents the continuous improvement (innovation) and performance-related measures employed at the case studies. The survey asked informants to report which measures they most commonly collected data on and discussed within operational

team/managers meetings. This study shall comment on the metrics and practices that scored 3.4 or above as these indicate the widely used measures and the common innovation practices. The data suggests that the firms collect data to monitor performance and understand where to focus CI efforts, as described within the interviews.

Figure 6. 12 Continuous Improvement measures and practices employed
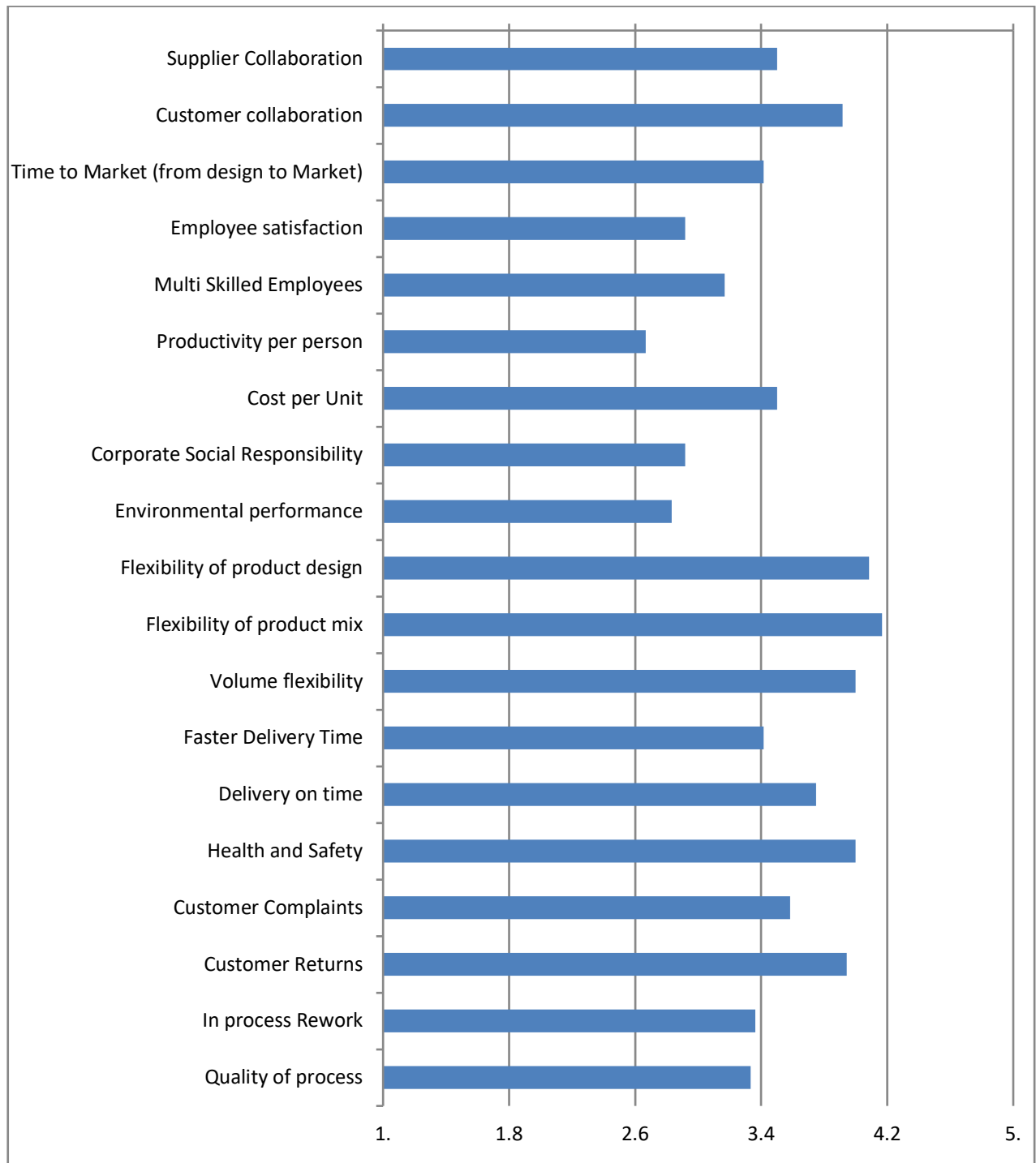
Source: The Researcher

The data shows that all of the businesses place real focus on engaging with and satisfying customers as demonstrated by their explicit measurement of 'customer collaboration, customer returns, customer complaints'. This suggests the importance of feedback loops used to inform continuous improvement initiatives and projects. The leaders interviewed described the importance of satisfying customers and innovating in order to exceed customer expectations, with many advising that 'exceeding customer expectations' was a potential source of growth. It is also evident that the firms placed emphasis on supplier collaboration. The leaders often quoted the importance of engaging with suppliers to work on challenges with product development, quality and delivery schedules. Therefore, feedforward and feedback loops were in place in the case study businesses. The emphasis on collaborating with suppliers and customers was often quoted as a source of productivity improvements and a source of innovation, particularly in terms of continuous improvement initiatives. Visual performance displays were often used to display performance data, evidenced by the photos taken during site visits. This study therefore asserts that the growth and high growth firms capture performance data and communicate that data via 'key performance indicators' to followers, using both visual and verbal feedback mechanisms. This study asserts that the high-growth firms studied placed emphasis on engaging followers with the challenges of the business through established explicit measures and engagement mechanisms.

The widespread measurement of 'flexibility of product design, flexibility of product mix, and volume flexibility' suggests the businesses had mechanisms in place to react and deliver against customer requirements. This demonstrates processes that ensure reflectiveness and delegation of decision making to followers to deliver against a dynamic marketplace that demands a flexible product/service mix and an innovative approach. The measurement of Health and Safety suggests an emphasis on ensuring a standardized workplace that enables followers to focus on delivering quality products and services to customers. This study asserts that the growth and high growth firms focused their measurement and activity on engaging followers and being able to react to customers and suppliers needs, through the development of strong relationships.

Figure 6.13 summarises data collected in terms of specific manufacturing continuous improvement (CI) methods and tools used by the case study firms. The survey asked the leaders to score each tool highly (5 on the scale) if the tool or mechanism was used extensively.

Figure 6. 13 Innovation Methods and Tools Employed
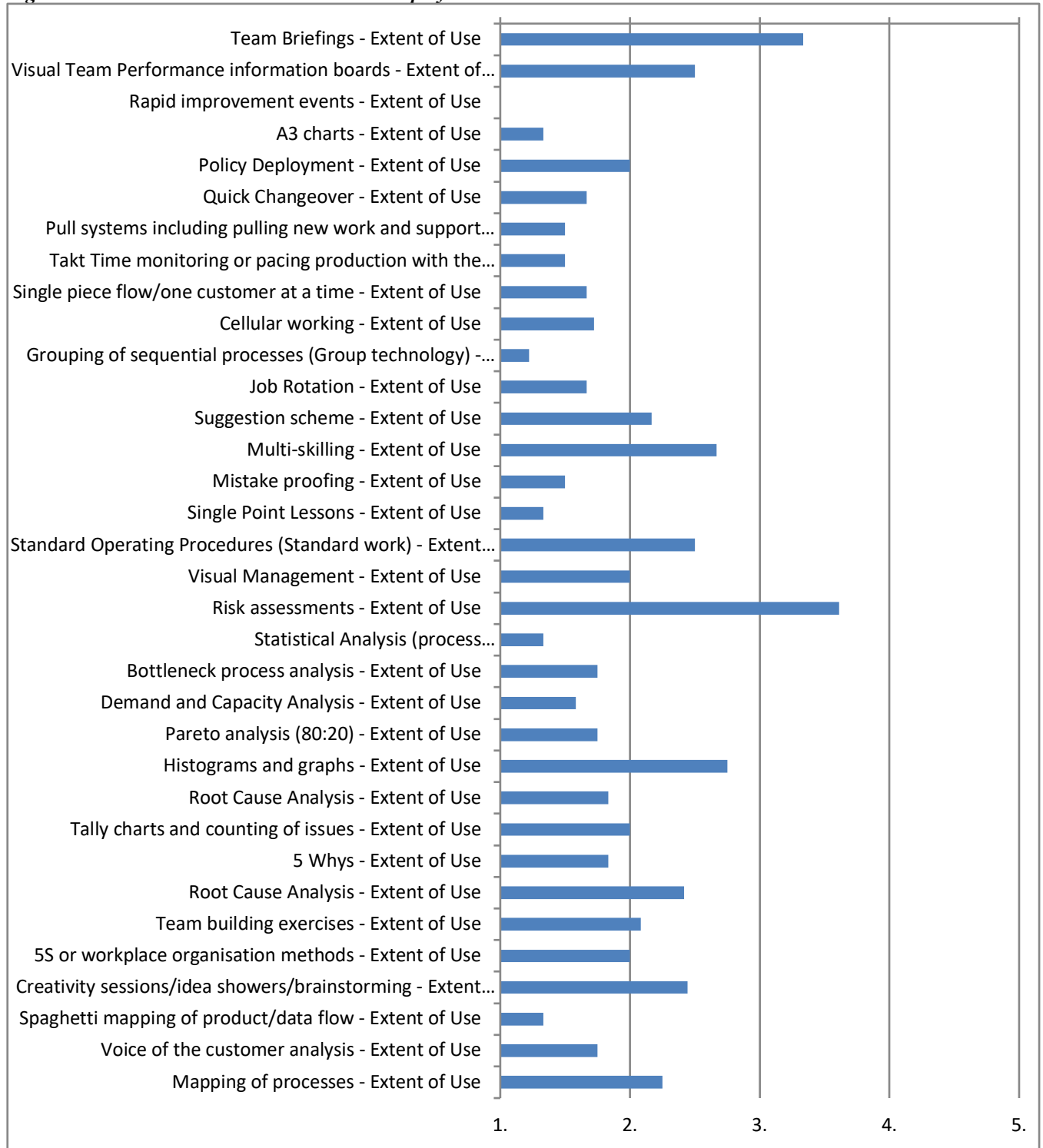
Therefore, the summary data (above) enables this study to better understand the extent of use of each of the CI tools within the growth and high-growth firms. The study found interesting results in terms of long-established CI (innovaton) tools. The literatute review suggests that these tools, associated with large business practice, would be employed and embedded in high performance businesses. However, the data obtained suggests growth and high growth SMEs did not employ the majority of tools employed by large successful manufacturers (shown as a score of less than two on the above figure).

The use of the team briefings and visual performance methods ensures a focus on customer requirements and innovation activity that delivers against customer needs. The extensive use of risk assessments ensures a safe and clean workplace that enables employees to perform their duties without distraction, therefore enabling them to focus on adding value. The findings also confirm the use of visual displays and team briefings to inform followers of business performance, productivity and innovation projects progress. It is evident many of the firms were trying to develop multi-skilled employees. This was mentioned by a number of the leaders during interviews, and they referred to the importance of having flexible, multi-skilled people to drive value into their offering. A number of the leaders emphasised the importance of developing people, delegating tasks and decision making to followers, the above figure corroborates those assertions.

The data presented here does not suggest that CI methods or tools often used by large manufactuers, who are more likely to employ 'world class manufacturing techniques 'are used widely by the case study firms. However, it is evident that the firms do apply various tools to enable employees to understand the ongoing performance of the business and engage in CI projects. It is evident that root cause analysis, creativity sessions, mapping of processes and suggestion schemes are used, which therefore suggests that 'popular CI 'tools are used by the firms within this study.

6.6.1 Summary of Survey Findings

It is evident that the case study businesses that took part in this research have developed and put in place robust measures and mechanisms to monitor performance and engage employees with business performance. It appears they employ few of the established formal CI tools and practices. However, the leaders have developed robust measures and engaged followers with the challenges of the business through their use of visual performance mechanisms and feedback meetings. The leaders have distributed problem solving to followers and encouraged them to solve the problems ariculated by customers and suppliers. In this respect the study would suggest they have informally adopted the practice that Spear (2009) argued high performace organisations employ, namely a 'see the problem, swarm the problem, solve the problem and share the learning' approach. Therefore, the evidence suggests the leaders create a problem solving culture and distribute leadership to followers in order to leverage followers knowledge and intrinsic innovation capabilities, to satisfy customer needs. The leaders style creates a fit between the dynamic market in which they operate and the the capabilities of followers, based on a thorough understanding of their operating context. The summary data appears consistent with the interview data, which suggested the business had few formal procedures as the size often remomved the need for formal procedures. The size difference often manifests itself in the formality of processes and practices in SMEs and extant research suggests that the level of formality increases with size and therefore small businesses have fewer formal processes (Kitching and Blackburn, 2002; Burns, 2016).

The data obtained is consistent with UK Government longitudinal research (BEIS, 2020) which stated: "*In Wales 34% of Businesses in 2016-18 were innovation active*" (p15), the report included all forms of innovation within their measure of 'innovation active'. The BEIS (2020) report also stated that only 18% of SMEs were engaged in 'product innovation' and 12% in 'process innovation', with a with a concerning 8% of firms engaged in both product and process innovation (BEIS, 2016). Therefore, whilst the innovation activity reported above is relatively modest it is consistent with published empirical data on innovation within SMEs. The data reported above suggests that many contemporary innovation processes and practices are employed by the growth and high growth firms studied. In particular, the

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firms placed emphasis on engaging followers in performance measures in order to ensure quality of product and service as well as to facilitate innovation, by engaging followers in the challenge of the business and distributing leadership to them to solve problems. It was evident that very few employed all of the continuous improvement tools used by 'world class 'manufacturers. However, as only three the nine case study manufacturers were high volume this finding was not a surprise.

6.7 Data Summary

The themes, detailed above, describe the leadership and innovation practices of the growth and high-growth firms the researcher engaged with during the case study phase. The study obtained rich qualitative and quantitative data that described the leadership and innovation processes and practices of the leaders. The holistic approach to data collection, adopted by the researcher, allowed both primary and secondary data to be collected as well as triangulated data from observation and interviews with followers within the SMEs.

The study discovered that, whilst the practices and processes were slightly different between case studies, the emphasis on engaging followers with the challenges of the business and ensuring appropriate metrics were shared and displayed was common. The leadership practices of the SME leaders were heterogenous, which was a product of an individual's personality, business size, business sector and their particular geographic location. The findings demonstrate that the majority of leaders were practicing many of the tenets of transformational leadership (Bass and Riggio, 2006) and elements of other contemporary leadership theories, including pragmatic, distributed leadership and authentic leadership. The findings, contiguous with the first and second phase of interviews, suggest that one leadership theory did not conveniently describe the 'leadership style 'of all of the leaders interviewed.

The data revealed that the leaders have created a culture of innovation within their business through a number of informal and formal processes and practices, predominantly through their ability to intellectually stimulate followers and create processes that enable followers to implement ideas. Another theme discerned, as with the previous phases, was the dynamic orientation of the SMEs and so processes and practices in constant

development. This dynamic orientation meant that processes were in constant iteration, in response to market conditions, therefore development of formal processes was not always necessary.

The findings outlined shall be discussed in detail in the next chapter, the discussion chapter.

Chapter Seven: Discussion

7.1 Introduction

This chapter discusses the findings of this study and will contrast them with the extant academic literature. The subject area is highly confused (McKelvie and Wiklund, 2010), yet one of the most influential predictors of worker innovation and organizational growth is business leadership and innovation (Morgan et al, 2020; Zacher *et al*. 2016; Bloom *et al*., 2014). The discussion chapter explores the literature-derived conceptual model within the context of the guiding research questions of this thesis. This study aims to answer directly the challenge of Cope, Kempster and Parry (2011) who propose there is a vacuum of leadership research that takes adequate account of the SME context. The analysis will generate new insights into the leadership and innovation practices employed by growth and high growth Small and Medium Enterprises (SMEs) and will answer the call of Oc (2018) who lamented the dearth of empirical studies exploring the different contexts of leadership. This study reports on the context of HGF leadership in Wales, a region of the UK.

7.2 A Review of the Guiding Research Questions

All realist theory building research is guided by a set of research questions. These questions allow a modern and complex subject (such as those involving business organisations) to be studied in a manner that allows new knowledge to be generated. Organisational leadership and innovation practices, and how these are performed in growth and high growth SMEs, is the central concern of this study and is framed by the following theme and research questions:

Theme: "What leadership styles and innovation practices exist in growth and high growth SME businesses?"

Derived from this central guiding theme are two research questions:

1. **What <u>leadership</u> processes and practices are employed at successful growth and high growth SMEs?**

2. **What <u>innovation</u> processes and practices are employed at successful growth and high growth SMEs?**

The purpose of the questions will be reviewed before the researcher discusses the implications and contribution of this study. The conceptual model yielded the thematic graphic (Fig, 7.2) and is based on the dominant models of leadership, reviewed in chapter three (Fig. 7.1). The dominant leadership models were drawn from key contemporary researchers of corporate leadership albeit not necessarily drawn from studies of leadership in an SME context. Contemporary research studies of organisational leadership do not tend to offer insight into small business leadership practices and instead suggest the application of effective models of leadership (from studies of larger formalised organisations) are largely unproblematic for adoption by leaders of small businesses.

The context of the small business is largely ignored by dominant studies and therefore the researcher developed the conceptual model to summarise the key concepts associated with effective leadership and to expose patterns and inconsistencies between the dominant models of leadership, especially within the SME context where there is often a greater influence of the business founder (Burns, 2016). The founder can remain as the focal leader or as a dominant shareholder of the business with significant indirect influence and unquestionable power where employees often perceive themselves as working for the leader/founder rather than a business (Gibb, 2009). The proximity of the 'owner/founder 'is therefore a major difference between large business contexts and smaller business operating models. Another difference is the lack of formalised bureaucracies, layers of decision-makers and set formalized processes and practices within rigid business departments (characteristic of larger organisations). Therefore, small businesses can be more difficult to study, dynamic in orientation and a context where the leader is integral to daily operations (Burns, 2016).
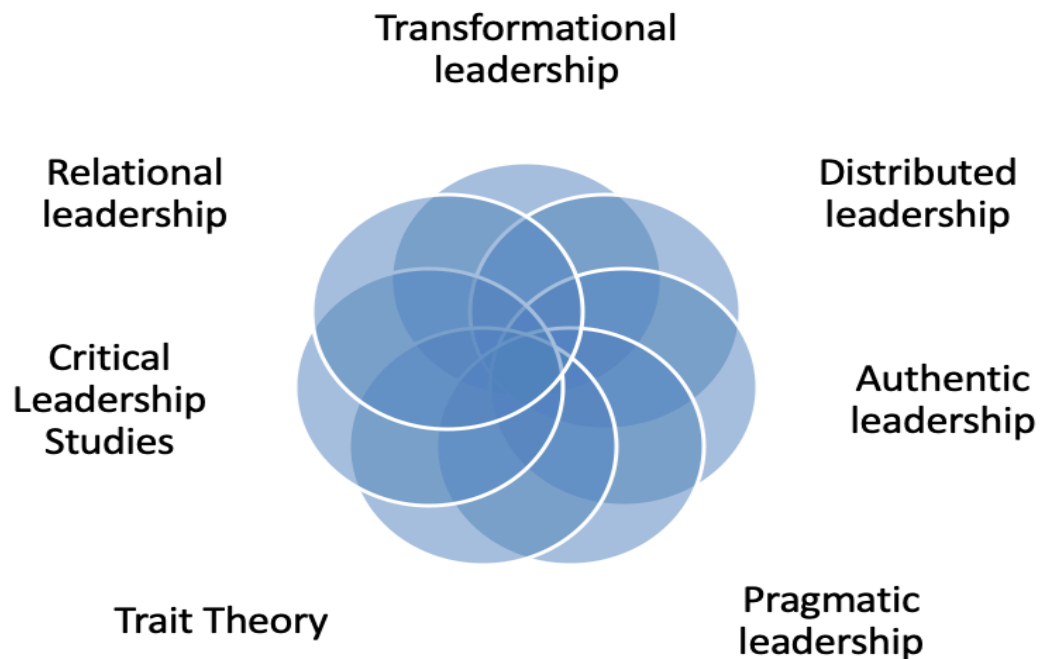
Source: The Researcher (2020)

The conceptual model, outlined above, was used to review the concepts concerning leader behaviours and practices but was refined (Fig 7.2) to allow the researcher to explore the key practices of a leader during the data collection phase. Table 7.1 provides details of the behaviours outlined in figure 7.2 with the relevant academic references, the same colour scheme is employed in figure 7.2 and table 7.1 to allow the reader to see the theories detailed, (e.g. blue box in figure 7.2 corresponds with blue text in table 7.1). The conceptual model includes the behaviours and practices outlined within post-heroic leadership models that do not duplicate or overlap with transformational leadership elements (original unique elements). The additional features included in this study represent under-explored areas of the literature where there is a paucity of published articles concerning SME practices (see the structured literature review). These additional behaviours are however included in the contemporary theories of Distributed Leadership, Authentic Leadership, Pragmatic Leadership and trait theories (figure 7.2).

Figure 7. 2 The Conceptual Model from the Structured Literature Review

Inspirational motivation	Intellectual stimulation	Individualised consideration	Idealised Influence
Passive Management by Exception	Active Management by Exception	Self Awareness	Power Appreciation
Reflective Practice	Problem Awareness	Problem Solving	Balanced Processing
High Intelligence	Humility		

Source: The Researcher (2020)

The conceptual model excluded some contemporary leadership theories namely; Ethical leadership, Relational leadership, Ideological leadership, Servant leadership and Spiritual leadership. The reason for such an exclusion was the presence of significant weaknesses in these models especially as they fail entirely to distinguish themselves from the main theories that were included in the authors model and significantly overlap with transformational leadership tenets (Hoch et al., 2018; Anderson and Sun, 2017). Spiritual and Servant leadership did not introduce any entirely new distinctive behaviours either and a paucity of empirical testing of the theoretical dimensions was a basis for their exclusion.

Ideological leadership, developed by Strange and Mumford (2002), is differentiated from transformational leaders in the way leaders articulate a corporate vision. The researcher found that, whilst differences exist at the conceptual level, there is little difference between the behaviours or measurable tenets within ideological leadership and transformational leadership (Anderson and Sun, 2017). Hoch et al., (2018) in their meta-analysis of authentic leadership, ethical leadership and servant leadership concluded *"The results also indicated that transformational leadership, by itself, is a robust predictor of most of the outcomes examined in this meta-analysis." (*p501). The latter finding reinforces the validity of the model developed for this study.

Table 7. 1: Summary of leadership behaviours in contemporary literature

Theory	Behaviour	Author & Year
Transformational Leadership	• *Inspirational motivation* "articulates a compelling vision of the future"	Bass and Riggio, 2006, p21
Transformational Leadership	• *Intellectual stimulation* "leader seeks different perspectives when solving problems"	Bass and Riggio, 2006, p21
Transformational Leadership	• *Individualized Consideration* "leader spends time teaching and coaching"	Bass and Riggio, 2006, p21
Transformational Leadership	• *Idealized Influence* "leader specifies the importance of having a strong sense of purpose"	Bass and Riggio, 2006, p21
Transformational Leadership	• *Active Management-by-Exception* "leader focuses attention on irregularities, mistakes, exceptions, and deviations from standards"	Bass and Riggio, 2006, p21
Transformational Leadership	• *Passive Management-by-Exception* "leader shows he or she is a strong believer in 'if it ain't broke, don't fix it'."	Bass and Riggio, 2006, p21
Distributed Leadership	• *Self-Awareness* leaders require self-awareness in order to understand their strengths and weaknesses and those of their colleagues	Parry & Bryman, 2006, pp448
Distributed Leadership	• *Power appreciation* An appreciation of power and power structures and their influence on leadership	Parry & Bryman, 2006, pp448
Authentic Leadership	• *Relational Transparency* 'Open sharing by the leader of his or her own thoughts and beliefs (values)'	Avolio & Gardner, 2011, p321
Authentic Leadership	• *Balanced Processing* obtaining other and opposing viewpoints and fair giving fair consideration	Avolio & Gardner, 2011, p321
Pragmatic Leadership	• *Problem Awareness* An understanding of day-to-day problems facing the organisation and followers	Mumford et.al, 2008, pp147.
Pragmatic Leadership	• *Problem Solving* Suggesting cost effective solutions that satisfy functional needs and organisational needs, Pragmatic Leadership: *"Pragmatic leaders tended to employ logical appeals in communications and rely on rational influence tactics"*	Mumford et.al., 2008, pp147.
Trait Theory	• *High intelligence, critical thinking, judgement and wisdom* intelligence, knowledge and skills were important traits of leaders and trait theory models as suggested by Plato.	Antonakis (2011)
Level 5 Leadership	• *Humility* Leaders who possessed 'humility and fierce resolve' were more successful than transformational leaders	Collins (2001)
Critical Leadership Studies	• *Reflective Practice* The practice of a leader reflecting on her practice and amending subsequent behaviour in terms of own behaviours, practices and decision making.	Alvesson et al, 2017, pp14

Source: The Researcher

In summary, the major contribution sought by this research is to build new theory that describes the leadership and innovation practices and behaviours of leaders of growth and high growth SME businesses. Brown, Mawson & Mason (2017) called for empirical studies that outline the processes and practices of HGFs, echoing the call of Kaiser et, al. (2008) who lamented the dearth of research on how leaders make organisations effective. Having summarised the extant literature and found the critical research questions needed to add to the body of knowledge (using the conceptual model as a framework) the patterns of leadership behaviours at 'growth and high growth 'businesses (the context of the study) was explored. The conceptual framework has been presented and now, for clarity, each research question will be reviewed. Table 7.1 provides details of the behaviours outlined in figure 7.2 and the relevant academic references, the colour scheme employed denotes the theory detailed.

7.2.1. The Leadership Processes and Practices Employed at growth and High Growth SMEs?

This primary research question derives from the established literature gap and a lack of historic studies of leadership in high growth SME contexts (Brown *et al,* 2017), a major contextual omission of previous leadership studies and theories (Oc, 2017). The omission is further compounded because most mature economies now rely on the performance of SME businesses rather than large corporations and therefore a practical gap also exists in determining which leadership practices and processes support sustainable business growth. Such a gap is reinforced by calls to study the SME context by Henrekson and Johansson (2010), Cope *et al,* (2011), Franco and Matos (2015) and Brown, Mawson & Mason (2017). The importance of studying High Growth Firms (HGF) is highlighted by the ScaleUp Institute(2020) and clearly articulated as a critical addition to national policy "….*HGFs are found across all sectors of the economy, a heterogeneity that is also reflected in their age, size, origins and ownership. This heterogeneity poses considerable challenges for policy-make*rs" (Mason & Brown, 2011, p222). Brown, Mawson & Mason (2017) further assert: *"a key feature of the high growth entrepreneurship literature, and firm growth research more generally, has been a strong focus on the questions of 'how many 'and 'how much', rather than questions of 'how 'and 'why 'firms achieve growth* (Henrekson and Johansson 2010;

Leitch, Hill and Neergaard 2010; McKelvie and Wiklund 2010)" (ibid., p418) there exists a clear priority for this form of research and for theory building in particular.

After the extensive literature review, the contemporary authors were found to fall into two schools. The traditional authors (mainly positivist) suggest a new 'full range leadership theory' is required that empirically incorporates elements of the dozen or so contemporary theories that claimed to have superseded TL. This new 'full range leadership theory' would detail the ideal leadership style and practices that leaders should (normative approach) incorporate to ensure successful leadership. However, the CLS authors argue against a normative approach to leadership, suggesting leadership is context dependent and can only be understood through frameworks not normative prescriptive models (Jackson & Parry, 2018), rejecting the normative approach to theory. The researcher crafted a final summary model (from the data collected) of the styles, context moderators and influences detected to assist the reader in 'making sense' of the findings from the phases of research concerning the actual observed and tested practices of high growth leaders (Figure 7.3). The elements of this model were derived from all of the findings phases of the study (outlined by the data displays and cross case comparisons).

The researcher discovered, through analysis of the data, that leadership is context dependent and is better understood through frameworks not prescriptive models or taxonomic approaches as a single leadership style/model was not detected. The researcher also discovered that leadership in HGFs does not conveniently fit within one model or theory and therefore the researcher would agree with CLS authors (Jackson & Parry, 2018; Oc, 2017; Alvesson et al, 2017) and rejects normative models. The below figure shows a multi-faceted leadership style that has numerous context dependent influences that shape leadership practices in successful SMEs.

Figure 7. 3 A Graphical Summary of Leadership processes and practices
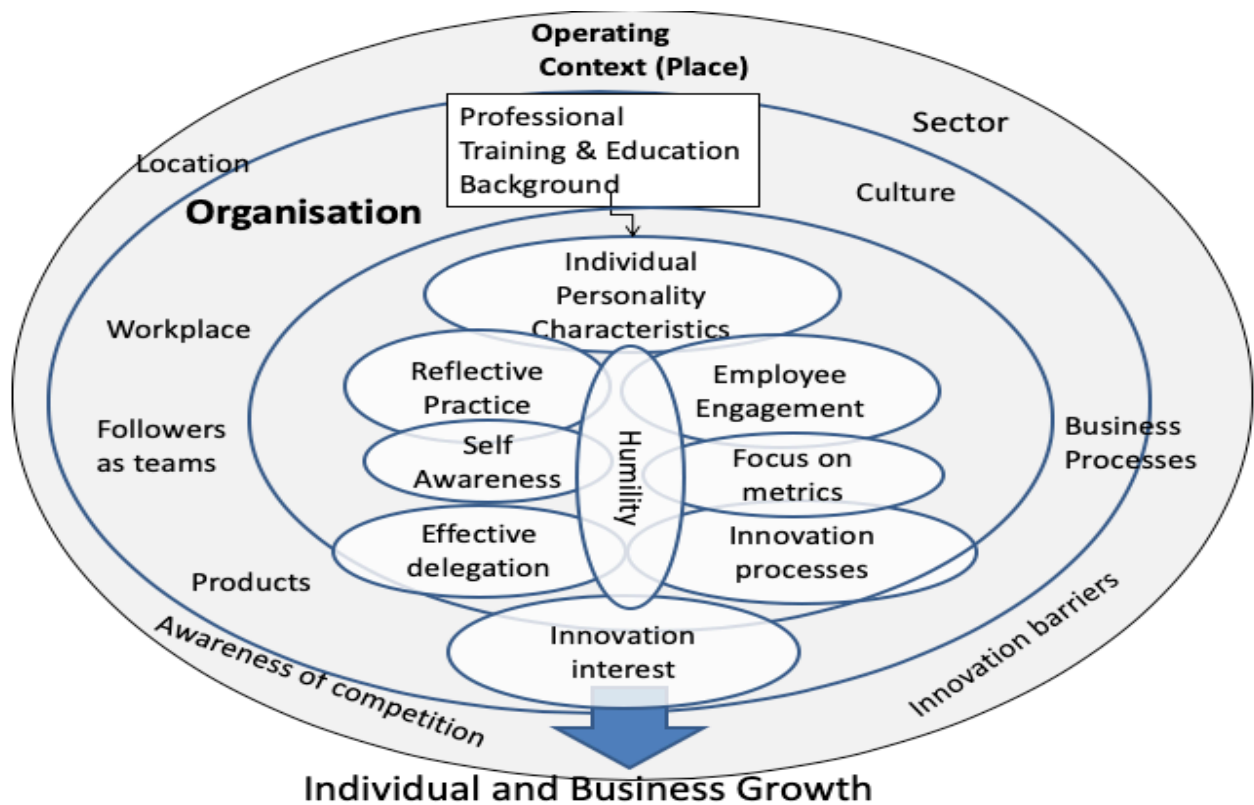
Source: The Researcher (2020)

The study discovered multiple processes, practices and behaviours from the interview and longitudinal case study phases of research, summarized through data displays which were then used to develop this model (7.3). The diversity of observed and recorded behaviours further demonstrated a lack of a definitive single model of leadership at growth and high growth SMEs. The major traits and domain practices of the leaders that were pattern-matched across the phases of research, is summarised in the above model and consists of:

- Humility

- Self-awareness

- Reflective practice

- Individual Personality Characteristics and high intelligence (Personality Traits)

- Employee engagement (Transformational leadership tenets)

- Effective delegation (Distributed Leadership)

- Focus on metrics (Active management by exception)

- Innovation interest

- Innovation processes

The behaviours outlined above do not fit within one of the contemporary leadership theories, contrary to the assertions of contemporary normative authors (Northhouse, 2019). The multifaceted behaviours and practices discovered are therefore context dependent (Oc, 2017) and heterogenous (Jackson & Parry, 2018). The model will now be further explored for clarity and to explore the holistic model of leadership styles and practices. The study will reproduce one salient, succinct quote to illustrate each theme in order to condense the data. The reader can find further fuller illustrative quotes in the findings chapters.

Humility

The findings from this study agree with Collins (2001) assertion that leaders that enjoyed prolonged success were not charismatic but possessed 'humility and fierce resolve'. This view challenged the dominant notion in the literature of 'heroic leaders 'who were followed due to their dominant charismatic personality and transformational behaviours. Badarcco (2002) echoed these sentiments and asserted the most effective leaders work 'quietly 'in the background by working with followers. An obvious departure from the importance of the individual charismatic leader, as suggested by dominant leadership theories, where the 'heroic leader' drives business growth to an emphasis on the importance of the different knowledge and skills of followers to business achieve aims. This study therefore concurs with CLS authors including Collinson (2018) and Grint (2011) who criticised the notion of successful leadership being the property of an individual.

This study discovered that 70% of HGF leaders demonstrated humility (see data tables 4.1,5.1,6.2). The leaders described their knowledge and skill levels relative to others, emphasising the contribution of followers and placed less emphasis on their individual contribution to business growth. This humility was articulated by leaders suggesting that other managers and leaders in the business were more capable than they were in certain areas. This humility allowed the leaders to better engage with their followers and ensure effective decisions were made through the open discussion of key challenges with senior followers. The study has reproduced a salient direct quote to illustrate this theme:

"We're not all perfect, are we? I've learned that over the years. Some people just don't get that." A lot of people won't admit that they're wrong. I think it's really important to say,

"This is what we've achieved. But if you haven't done this, then, we're going to carry it over and do this another time."   WB (HGF leader)

The above quote characterizes the theme discovered and demonstrates how the humility of leaders enhanced leader – follower relations and facilitated more effective decision making. This study was somewhat surprised to see the level of humility and often self-deprecation displayed by the successful HGF leaders. Therefore, this study concurs with the findings of Jim Collins (2001) and Badarcco (2002) by asserting that humility is an important aspect of a successful SME leaders' 'style'. The humility shown also aligns with the suggestions of Cope et. al, (2011) that business growth can be facilitated by leaders who delegate responsibility and recognise the need to reduce their influence, to facilitate business growth. This study has made a contribution to the literature by adding to the empirical data on the practices of HGF leaders called for by Love & Roper (2015) and Brown, Mawson & Mason (2017).

Self-awareness

The observed 'self-awareness 'related to the personal capabilities and personality of the leaders, the way they engaged with followers as well their perception of their role within the business (outlined in the model of the author, figure 7.3). The leaders interviewed (85%), described the importance of fully understanding their role and that of others in facilitating business growth. The self-awareness also related to the business leader understanding their personal capabilities and where their capabilities could be effectively employed to deliver business aims.   The leaders also explained the importance of clearly articulating the capability, roles and areas of responsibility of their followers (level of empowerment and responsibility), see data tables 4.1, 5.1, 6.2.

The vast majority of leaders interviewed (85%) displayed a high level of self-awareness and the study finds that all of the leaders were self-aware albeit some were more acutely aware of their style than others (see data displays 4.1, 5.1, 6.2). The leaders appreciated the impact their behaviour had on followers and understood their role in engaging followers and their ability to delegate to them (via empowerment and granting of greater subordinate autonomy). Leaders of the designated high growth businesses managed to control two main

elements of self-awareness, an understanding of their personality preferences and ways of working, and secondly their own particular knowledge and skills sets. This self-awareness was demonstrated by the leaders describing elements of their leadership role that they didn't particularly enjoy or do well and the distribution of tasks to followers. The self-awareness discovered included self-regulation (Goleman, 1998). This self-awareness is succinctly captured by the below salient quote:

- *"I enjoy getting out on the shopfloor and talking to the boys about the jobs we got on. I have always been involved in production and working with our products and that's the part that interests me, the office-based work bores me. The marketing, the finance, the admin you know I leave it to those people that are good at that".*
Informant MF (High Growth leader)

The above HGF informant (MF) displays the concepts of proximity and closeness to operations, engagement and willingness to problem-solve as well as cognition of personal working preferences. The finding shows that self-awareness (Goleman, 1998; Shankman and Allen, 2015) is a behaviour that leaders of high-performance businesses practice, it also showed that high growth leaders are high on the self-awareness scale. The analysis suggests that self-awareness is an enabling factor for greater performance and to clearly identify the areas of responsibility of followers, their operational autonomy and decision-making areas. Such autonomy allows the leader to release their own time and decision-making capacity for other matters and spend more time working on issues that led the business to improved performance and growth. This finding supports Goleman's (1998) and Shankman and Allen's (2015) contention that higher levels of self-awareness enables leaders to have more effective relationships with followers and in turn enhance organisational performance. This finding contradicts Locke (2005) and Antonakis (2011) who asserted there was little empirical evidence of the value of EI. This study therefore makes a valuable contribution to the leadership literature as this is a significant finding and a new insight into the behaviours of SME High Growth leaders. The self-awareness discovered allowed the leaders to ensure their contribution was targeted, followers knowledge and skills were successfully leveraged to achieve business aims and their relationship with followers was open which allowed constructive critical dialogue.

Reflective practice

The importance of reflective practice (Schon, 1991; Alvesson et. al, 2017) was discerned by this study and supports the contentions of Alvesson et al, (2017). This concept represents the leader's ability to constantly reflect on both their performance as an individual, the performance of the business and their ability to learn lessons relating to what is effective in terms of their behaviour and what enhances business performance. The leaders interviewed described how they have changed their individual practices as a consequence of engaging and motivating followers (91%). The leaders described practices or episodes that had worked for the business and practices that they changed when negative impact occurred (single loop, double loop and deutero cycles of learning). The leaders also explained how working with specific individuals (followers) was important and allowed reflection on how the most effective personal relationship could be determined and how reflections on follower working practices resulted in greater performance and follower job satisfaction, see data table 6.2. The below verbatim quote illustrates the theme of reflective practice employed by the vast majority of leaders studied, further illustrative quotes are detailed within the findings chapters.

- *"I think it's important to review what works, sometimes for various reasons some projects just don't work…. I think about and re-evaluate each project and each person I'm working with and think about what I can do differently…..so I change the way I present things to different people once I've worked with them."* MA citation displays personal reflective practice and how the leader amends leadership style based on reflection.

The above quotes demonstrate that the leaders of HGFs are reflective practitioners, which supports the contention of Alvesson et al (2017). The study asserts that the concept introduced by Schon (1991) as a practice appropriate for educators is practiced by leaders of growth and high growth SMEs. The combination of self-awareness and reflective practice implies that a dynamic iterative relationship exists between leaders and followers and that leaders adjusted their behaviours to promote continuous improvement in the business. The leaders also adjusted their personal practices to enhance working relationships with

followers in a manner that is not autocratic or resistant to self-criticism, which in turn infers a form of humility.

There are similarities with relational leadership (Uhl-bien, 2006) and the assertions of Cunliffe and Eriksen (2011) who stated *"Relational leadership requires a way of engaging with the world in which the leader holds herself as always in relation with, and therefore morally accountable to others; recognizes the inherently polyphonic and heteroglossic nature of life; and engages in relational dialogue. This way of theorizing leadership also has practical implications in helping sensitize leaders to the importance of their relationships and to features of conversations and everyday mundane occurrences that can reveal new possibilities for morally-responsible leadership."* (p1425). This study supports the assertions of relational leadership authors who argue that leadership involves multiple multi-faceted relationships with followers and suggests the relationship should be the focus of leadership studies. The study found that the leader-follower relationships were influenced by the context of the SMEs, in particular the key concept of place and its mediating role on the leader-follower relationships. Therefore, this study will discuss relational leadership and place/context further below.

Individual Personality Characteristics (Personality Traits)

The study found each leader's personality and their characteristic traits had an impact on their leadership practice (see figure 7.3), contrary to contemporary thinking which has largely rejected trait theory (Wright, 1996; Sadler, 1997). The study did not test for intelligence or explicitly ask each leader about their formal qualifications and so it's not possible to state that each had a high level of intelligence. However, each of the leaders interviewed by the study did advise of their formal qualifications level during the interviews and most were degree qualified or had similar levels of technical qualifications (HND or similar). It should not be assumed that the small percentage of leaders that did not possess formal qualifications lacked intelligence. The study focused on discovering the processes and practices of leaders', however the study found that the personality traits of the leaders interviewed moderated their leadership style (see data tables 4.1,5.1, 6.2). The study discovered that the leaders employed critical thinking skills and their personality contained

an inherent interest in problem solving. The application of 'high intelligence and critical thinking skills ' appeared to have resulted in enhanced performance of the HGF businesses, one HGF leader succinctly summarised the general approach discovered when he advised he had built his reputation and that of the business on this aspect of his personality:

> I've always liked solving problems, so solving customer problems and doing things differently to keep customers happy comes easy. What I do is give the boys confidence, I make them believe that we can deliver for the customer and solve the problems that get thrown at us. And so yeah, that's really helped me and the business." RG (HGF leader)

The above quote summaries the approach discovered and illustrates how a personality trait (logical problem-solving orientation) helped establish and drive a continuous improvement culture in the businesses. Based on the empirical data, this study has identified significant value in the Trait Theory explanation of leadership behaviour as suggested by Taylor (2019), Antonakis (2011) and Mann (1950). This finding was surprising as three generations of leadership research have largely discredited these trait theory perspectives. It was evident that the personality traits and intelligence of the leaders influenced their leadership style, and this finding supports Taylor's (2019) assertion that trait theory had endured a 'rise, fall and rise 'within the academic literature.

The data also suggested that personality traits, as outlined by Costa & McRae (1990), impact the inclination and ability of leaders to drive growth in their businesses. Love and Roper (2015) presented evidence that asserted SMEs managerial and workforce skills strongly correlated with growth, however they also asserted that data on SMEs was limited and therefore this study has made a contribution to the body research. The researcher argues this is a significant finding as Trait theory was largely dismissed by the dominant literature (Taylor, 2019). Moreover, this study would assert when combined with the self-awareness and the reflective practices identified earlier, a modified version of trait theory existed (see figure 7.3).

Employee engagement (Transformational Leadership)

This study used the term employee engagement to describe the behaviours and individual practices that leaders employed to engage followers. The methods or practices employed by the leaders were predominantly those detailed within Transformational Leadership (TL) theory. This study finds support for Northouse (2019) who advised "*Transformational leaders set out to empower followers and nurture them in change*" (p178). Jung, Chow, and Wu (2003) studied upper-level leadership and discovered that TL was directly related to organizational innovation. They argued that TL created a culture in which employees felt empowered and encouraged to discuss and try novel solutions. The researcher set out to explore this assertion and found significant support for the concept of 'employee engagement'. The term employee engagement will be used by this study to summarise TL and other 'new leadership 'practices discerned during the empirical data analysis.

The data from the three phases of data collection (data tables 4.1, 5.1, and 6.2) suggested each of the leaders operated somewhere on the transformational /transactional leadership continuum. The data relating to employee engagement was outlined at length in the findings 'chapters (chapters four, five and six) and featured in the model of the author (figure 7.3). The study adopted the label 'employee engagement 'as the 85% of leaders did not recognise the term transformational leadership (informant interviews in all phases) and other practices were discerned that do not form part of TL theory.

The review of the coded interview transcriptions revealed that the leaders described, in multiple ways, an ability and commitment to engage followers in the direction and challenges of the business. The leaders also described the important role of followers 'in supporting business growth through working towards clearly articulated goals. The leaders constantly articulated the importance of the followers knowledge and skills in achieving the goals of the business (goal alignment) through being actively engaged by the leader and his/her business vision. The leaders also exhibited significant investment of time in engaging followers by explaining what had been achieved in terms of business performance against set expectations and mutually agreed metrics, shared across the business. The leaders also exhibited significant involvement and 'presence 'at key meetings which involved initiatives and changes to business practices, in order for followers to understand

why initiatives were being embarked on and why changes were made within the business (supporting significant changes to process). All business leaders underlined the importance of performance review (feedback) and assessing the skills required for future performance (planning/gap analysis).

The self-awareness, reflective practice and personality characteristics, including high intelligence, of leaders within HGFs was observed and the practice of the tenets of TL enabled the leaders to engage followers. The next section will discuss the elements of TL identified from the data and this study finds significant support for many of the tenets of transformational and transactional leadership (employee engagement), as outlined below[2].

Individual consideration

This study shows a significant investment in *'individual consideration'* by the business leaders (91%). The data shows 91% of business leaders interviewed and 95% of HGF leaders, viewed staff development as an investment and had processes in place to encourage employees to discuss their development. The leaders linked development to increased individual and organisational performance. A wide spectrum of practices to encourage development existed amongst the informants. At one end of the spectrum a combined encouragement and reward approach was discerned and at the other end the leaders signposted opportunities and allowed followers to decide. The business leaders advised that they discuss operations and development issues, to varying degrees, with followers frequently. There is no apparent size or sector discernible bias in terms of individualized consideration. However, there are dynamics of business size and professional roles that influence the practice of leaders (the concept of 'place will be discussed later in this chapter).

Small and micro-organizations often have one or two layers of management (Burns, 2016) and leaders therefore maintain a high level of contact with followers and liaise with them daily. It could be argued that leaders of micro and small firms naturally give 'individualized consideration' to followers in the basic sense of 'focusing on understanding the needs of

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[2] Laissez-faire leadership has not been included as it was not discerned within the data.

each follower' through the daily contact with followers (Burns, 2016). However, some professions and their associated professional bodies encourage leaders to engage in self development and to develop the knowledge and skills of their followers. For example, approximately 20% of the semi-structured interviewees were professional service businesses (professionals within the accountancy, legal and business services professions) and therefore required to plan and evidence their CPD in order to sustain membership of their respective professional bodies. The same professional development onus applies, to a large extent, within manufacturing and engineering firms where employees are members of professional associations and are required to engage in a minimum number of CPD hours per annum.

Therefore, the onus for development is often the responsibility of individual followers and subsequently professional services organisational leaders often suggested they did not need to provide individualized consideration to followers, yet the data showed they invested time with followers to develop them. Therefore, the professional associations that leaders that are members of mediates their leadership behaviour and this study would argue that professional associations could be described as 'place mediators' or as Avery (2004) described them as 'substitutes for leadership'. The concept of professional associations and membership bodies as 'place mediators' is discussed in greater detail in section 7.3, below.

The study identified different approaches to 'individual consideration' practiced by the leaders (see data tables 4.1, 5.1, and 6.2) with some leaders more 'progressive' by implementing a variety of development practices. The 'progressive approach' was evident in HGF leader behaviours and deployed by 33% of all business leaders, which signifies how leaders ensured followers were developed through individual development techniques that considered their individual personalities. The study found evidence of formalized human resource processes to develop people in line with the strategic plans (documented) of the business. The leaders practiced transparency and equity by making their strategy and development plans available to all employees and assured employees that the organisation would meet development costs. Such behaviour represents an investment in staff capability to take on more responsibilities and to accommodate more distributed responsibilities from the leader (increasing staff skills and capacity for learning). These businesses had

established individual development processes (including appraisals and monthly development reviews). The below quotes typify the 'progressive' approach :

"we employ coaching and mentoring all the time, at all levels and all new shop-floor workers are allocated a 'buddy'. WB (HGF leader)

Bass and Riggio (2006) and Tierney et al., (1999) suggested TL is effective as it intrinsically motivates followers through encouraging follower development. These intrinsic motivations and higher-level needs are known to be important sources of creativity (Tierney et al., 1999). This study agrees with the above authors as it was evident that the leaders saw value in developing followers and ensuring development is linked to organizational aims, which the data from this study supports. The practice of individualized consideration by the high growth leaders enabled them to individually support, develop and motivate followers, as suggested by Bass and Riggio (2006). This practice in alignment with self-awareness, reflective practice and personality characteristics of high intelligence enabled the HGF leaders to recognise their own strengths and weaknesses and develop the capabilities of followers.

Not all leaders in the study employed 'progressive' individual consideration with 57% of leaders applying a 'standard practice' transformational leadership approach, where standard HR practices of performance appraisals and monthly or quarterly meetings with employees were evident and coaching techniques to develop followers were employed. This implies that high growth firm leaders are more progressive in their approach. The lower growth businesses operated fewer formal HR processes or had other informal staff development mechanisms, but the lack of formalization rendered them less effective. The quote below describes this approach and the leaders practice towards the individual consideration of followers:

"through the one-to-ones, which make it plain that if you didn't push yourself forward and push the business forward, you weren't going to progress through the grades. So, I think people have twigged that, you have to keep on investing in yourself, or keep on investing your own time and our money in yourself to push your

qualifications on and to continue to learn about things." RG, growth business services firm.

In summary, the majority of HGF leaders employed a more progressive approach to relationship management, encompassing numerous formal individual development techniques, and lower growth firms operated less individual development techniques that were often informal. The review of staff skills and performance enabled the business and leader to assess skill levels more often and with greater objectivity. Poorer performing SME businesses did not use such coherent systems and working practices. The formalization of HR practices at SME businesses is under researched (Burns, 2016) and this study supports the contention that formalized employee development systems are more likely to be found in high growth businesses.

There was evidence of a 'transactional approach' for some leaders (8% of the businesses). The transactional leaders operated basic HR systems of performance appraisals, yet little in terms of individual consideration. They formally communicated business performance on a quarterly basis, without any formal individual development practices. SL, typified this approach, advised:

> "(*we) give people opportunities if they show willing, it's very difficult to do in a company structure where there's not a huge amount of potential progression within the company. You've got a call centre you can only have one manager of the call centre."*

The transactional leadership approach to individualized consideration did not see the value of encouraging followers to develop and provide opportunities for the enhancement of their skills, to support organizational development. The investment of high growth leaders in individual consideration and human resource development activities is an attempt to develop and retain people. Investment in skills can take a long time to pay back and yet HGFs allowed staff to spend time away from the business despite the commercial pressures. This study supports the contention of Northouse (2019) that transformational leaders who practiced the four I's are likely to be more effective than transactional leaders. The practice

of individualized consideration by the high growth leaders enabled them to individually support, develop and motivate followers, as suggested by Bass and Riggio (2006). This practice in alignment with self-awareness, reflective practice and personality characteristics of high intelligence enabled the HGF leaders to recognise their own strengths and weaknesses and develop the capability of followers (see figure 7.3).

Intellectual stimulation

The data displays show (tables 6.2, 5.1 and 4.1) that 91% of SME leaders practice the second of the transformational tenets, intellectual stimulation (Bass & Riggio, 2006). Intellectual stimulation involves encouraging followers to question existing processes and practices and suggest improvements. The data tables show 91% of leaders intellectually stimulate their followers (Podsakoff, 1990; Bass & Riggio, 2006) by encouraging followers to think about their role, the business processes and make suggestions relating to how the organisation could improve. A size bias was detected in terms of the level of formality of processes introduced, although it would be difficult to suggest a sector bias.

The leaders interviewed from production businesses spent a significant amount of interview time outlining their formal processes. The production firms subset often operated Continuous Improvement (CI) processes and practices and they also described giving responsibility to teams and workers on the shop-floor to solve problems for their customers. A HGF leader described mechanisms like team briefings, suggestion schemes and working groups based on action learning principles that had been set up to look at specific business challenges.

> *"I wander about, and it's an opportunity to brief people about what is going on and listen to what they've got to say, trying to encourage everybody… to say you're the people we want to listen to"* MF

The mechanisms in small businesses were often more informal. However, the small business leaders advised that they do intellectually stimulate followers, as outlined below:

"It's purely a case of open-door policy, and if anybody had come up to me and said, you know, I think we can do this I would reward it as well." KF, growth small business illustrates the less formal approach.

The formal processes described demonstrate the businesses adopted contemporary innovation processes and practices as well as established formalised standards (e.g., ISO9001) which enabled leaders to devolve decision-making to the followers engaged in delivering CI projects which represent codified knowledge (Nonaka and Tageuchi, 1995). These formalised processes support the leader in decision making and followers in working with contemporary (best practice) processes that enhance productivity.

A minority of leaders (two) did not provide any evidence of directly intellectually stimulating followers and these leaders were found to operate a transactional leadership approach. The two exceptions to intellectually stimulating followers are interesting, both businesses had experienced growth due leveraging technology and being ahead of competitors in terms of ICT implementation. The high-growth retailer entered the online retail market in the 1990s and experienced high growth as one of the first online and direct retail platforms. The success they have enjoyed has been through strong relationships developed over two decades with far east manufacturers. The small business services firm experienced growth through adopting technology before the majority of their competitors and enjoyed subsequent productivity gains.

The above research findings are consistent with the dominant view in the literature which suggests leadership processes and practices are more formalised and contemporary ('best practice 'based) the larger the organisation (Kitching & Blackburn, 2002; Kempster & Cope, 2010). The findings also support assertions within the literature (Rosing et al, 2011) that the intellectual stimulation of followers leads to higher levels of innovation and more recent research by Matzler et al (2012) that asserted TL had a direct positive impact on innovation and growth in SMEs. The outliers, in the form of transactional leaders, demonstrate that successful growth can be achieved without intellectually stimulating followers and without employing 'new leadership 'as suggested by Carroll et. al (2019).

Idealised influence

The transformational leadership tenet of 'Idealized influence' is defined as a leaders charisma or the emotional component of leadership (Antonakis, 2012) and the way leaders act as role models for followers to encourage emulation and replication (Northouse, 2019). The semi-structured interviews (see appendix B) used two different questions to obtain data on the approach of leaders in respect of, idealised influence. The case study multiple interviews, observations and visits yielded rich data for this study to draw on (see data table 6.2). Interestingly, the size or sector of the firm did not influence the leaders approach and this suggests the multifaceted style of leadership proposed by the author can be applied across the different sized businesses.

The study finds that leaders of high-growth firms understood the importance of acting as role models to followers. Approximately 91% of the high-growth firms described how they practiced idealised influence (role models) and the study has reproduced an indicative quote to illustrate the approach discerned.

> *"I don't think you can expect people to work any harder than you do, regardless of whether you're the head of the company or the owner of the company. It just doesn't work that way….if you're seen to be pulling your weight and contributing then staff will do likewise. I think where businesses can often go wrong is where there is a mismatch between, don't do as I do, do as I say."* SL (HGF leader) articulating the importance of acting as a role model.

The above indicative quote from a HGF leader demonstrates that they understood how their behaviours and actions influenced followers. Yukl (1999) and Elenkov & Manev (2005) reported that multiple research articles had concluded that transformational leadership was positively related to follower motivation and performance, this study supports this contention.

Inspirational motivation

The researcher analysed the data for the transformational leadership tenet of inspirational motivation which describes how leaders inspire, motivate and engage followers intellectually with the aims and vision of the business (Podsakoff, 1900; Bass and Riggio, 2006). Boehm et al (2015) argued that inspirational motivation of followers led to greater

identification with organizational aims and enhanced organizational performance. Amabile (1998) and Elenkov & Manev (2005) suggested inspirational motivation by leaders encouraged followers to suggest and support innovation to meet organizational aims. The study points out that few leaders differentiated between strategy and vision and often talked about strategy when asked about vision. Therefore, the study would suggest vision is a phrase less commonly used in the UK.

The approach of each of the leader is detailed within the data tables (6.2, 5.1 and 4.1) and a full discussion of the approaches discovered is contained in the findings chapters. Interestingly, 75% of the high-growth firms studied engaged followers intellectually with the aims of the business. The modal approach was the development of the business strategy by the leader or leadership team of the business which is then formally shared with followers. The below verbatim quote succinctly summarises the approach discerned:

> *"I think as much as possible you need to give people the opportunity to build that vision, you know engage them with what the business is trying to do and get them to see what you're trying to achieve and that's much more than targets. It's about committing to delivering a great product and continuing to do that".* WH (HGF leader)

The quote summarises the approach of 75% of the high-growth firms in developing the aims and strategy (vision) of the business and explicitly engaging followers. This study argues there is value in the assertions of Boehm et al (2015) who suggested that inspirational motivation of followers led to greater identification with organizational aims and enhanced organizational performance. The study would also agree with Bryman (1992) who suggested followers engage in the leadership process through their involvement in operationalizing the vision and strategy of the business, which in turn leads to co-created plans and an evolving, iterative transformational process.

Delaney and Spoelstra (2015) and other authors (Yukl, 1999; Maccoby, 2000; Khuarna, 2002) are critical of the religious overtones and heroic leader bias within transformational leadership. The data from this study appears to support those criticisms as very few of the

high-growth leaders used the term vision and often described the process of engaging followers in the business strategy as an effective mechanism for developing operational plans and ensuring followers contribute constructive critical comments as well as become engaged in achieving the targets developed (within the operational plans). Therefore, the study contends that the process of engaging followers in operational deployment of strategy is common within HGFs, yet the term vision was seldom used and the phenomena of 'intellectual stimulation' appeared to be a by-product of a process designed to ensure the intellect within the business is leveraged to meet its challenges. This latter assertion would support van Knippenberg and Sitkin (2013) who argued some transformational leadership constructs are incoherent and US centric.

In summary, the data suggested leaders practiced the four I's of transformational leadership (Bass & Riggio, 2006) to a large degree as part of a multifaceted leadership style which also incorporated humility, reflective practice and self-awareness within their personal intrinsic behaviours. The study found that the leaders practiced idealized influence as part of a multifaceted leadership style which incorporates humility, reflective practice and self-awareness within their personal intrinsic behaviours as well as individual consideration and intellectual stimulation as leader behaviours.

A Focus on Metrics (Transformational Leadership)

There is a dearth of research on leadership practices in SMEs (Love and Roper, 2015; Cope et al, 2011) and Kempster (2017) stated "*leadership practice needs attention… Yet so few managers can describe in any detail how they practice*" (p11). Transformational leadership implicitly refers to measures or metrics within active and passive management by exception (Bass and Riggio, 2006; Podsakoff, 1990). Pragmatic Leadership (Mumford and Van Doorn, 2001) implicitly suggests that leaders employ business metrics in order to engage and motivate followers by proposing solutions to shared goals. However, the leadership literature provides little detail of how leaders measure success and their progress at strategic and organisational levels, indeed it appears to be a convenient yet glaring omission (Alvesson & Karreman, 2016). This study suggests that the mainstream organisational behaviour leadership literature is preoccupied with defining normative leadership models,

the leadership processes and practices leaders should adopt, whilst paying scant attention to how leaders measure performance.

The economics and operations management literature appears to focus more on firm level and within firm metrics in order to understand and explain productivity at firm, region and country levels (Bloom et al, 2014; Love and Roper, 2015; Morgan et al, 2020). Bloom *et al* (2014) advised: *"The patterns we find lead us to believe that an important explanation for the substantial differences in productivity among firms and countries are variations in management practices" (p38),* based on a decade of data collected through the World Management Survey. The economics literature has developed robust measures to understand firm level performance (Total Factor Productivity) and management practices. Bloom and Van Reenan (2007) suggest there are three key areas to measure management practices; monitoring performance, set targets and track, thirdly rewarding people based on performance and appropriate incentives (people management). However, the Bloom and Van Reenan (2007) data was collected from medium and large sized firms. Morgan et al (2020) suggested SMEs in Wales predominantly use business growth, turnover and profit as their measures of productivity and performance.

The use of performance measures and targets, including KPIs, was ubiquitous across the businesses studied. The data revealed that 90% of growth businesses and 100% of HGFs had some explicit performance or productivity measures in place (see data tables 6.2, 5.1 and 4.1), reflected in the model of the author above (figure 7.3). The leaders discussed the importance of setting targets and agreeing performance metrics in order for followers to understand current business performance. Approximately 70% of the HGF leaders ensured that the performance metrics were displayed within the business premises so that followers understood how the business was performing, which created transparency and engaged followers with the ongoing business challenges. The HGF business leaders described how they understood the current position of the business and managed the projects and activities of the business, based on their performance metrics. Approximately 60% of the high growth business leaders co-created the metrics and targets with followers. The business leaders described how openly sharing performance metrics with followers heightened transparency with the entire workforce and allowed staff to feel engaged with

the challenges and success of the business, as well as a sense of ownership. This supports the contention of Shamir et al (1993) that employees raise their performance to contribute to the collective goals when engaged in the challenges of the business by leaders, consistent with Keller's (1992) research. The study has reproduced a pithy representative verbatim comment to illustrate this theme:

> *"Know the numbers; I think the key thing is everybody who runs a business knows what the important numbers are. And you should look at them every day… set the numbers that you can look and know what's going on"*

HM (HGF leader) articulating the importance of being fully aware of current performance metrics to assess business performance and managing the economic viability of the business and this was acutely sensitive for high growth leaders of this study. The metrics used and reviewed also allowed empowerment and delegation to followers as it formed a level of control to detect underperformance.

A summary of the metrics or measures used are outlined below:

- Output (sales or quantity of product)
- Profit per order and per customer, some measured per employee
- Total value of orders (weekly and monthly) and fluctuations thereof, including measures of success of new sales or marketing campaigns
- New customers and customer retention
- Calls/enquiries taken
- Quality of product (various measures, including returns etc.)
- Takt times (time taken to manufacture one item)
- On Target In Full (delivery of orders)
- Overall Equipment Effectiveness (Nakajima, 1988)

The study has contributed to the nascent body of knowledge concerning the sophistication and portfolios of measures and metrics employed by growth and high growth SMEs. Lee (2014), and Love and Roper (2015) first identified this gap in the body of knowledge and this research supports the findings of Bloom and Van Reenan (2015) who concluded that businesses that develop, monitor and reward staff based on attainment of explicit targets

are likely to enjoy higher total factor productivity than their competitors, and are likely to be found in the upper quartile of businesses within the region.

The researcher argues that the data collected from SMEs (within this study) supports the contentions of Transformational Leadership (Bass and Riggio, 2006; Podsakoff, 1990) that the application of management by exception and acceptance of goals, enhances follower performance. The research supports the Pragmatic Leadership authors who suggested followers are motivated by leaders who propose solutions to shared challenges (Mumford and Van Doorn, 2001).

Effective Delegation (Distributed Leadership)

This study concurs with Cope, Kempster and Parry (2011) who suggested that entrepreneurial teams are more likely than lone entrepreneurs to drive business growth and that distributed leadership supports growth. This study discovered that 95% of HGF leaders and 85% of growth firm leaders (tables 6.2, 5.1 and 4.1) advised they distributed leadership by delegating key performance targets (made explicit through agreed metrics) and clarifying responsibility for functional areas, including roles. This form of delegation was described as imperative in order to ensure that followers are engaged in the delivery of business targets and are motivated by the freedom of operational independence, as well how this delegation facilitated individual and in turn organisational growth (Maslow, 1954; Amabile,1988; Elenkov & Manev, 2005).

The leaders also described effective delegation as a way to ensure productivity is maintained and the knowledge and skills of individuals leveraged effectively for the benefit of the business. The observed behaviour of the informants was that delegation was pragmatic as leaders described how there is little value in recruiting skilled people and not utilising their valuable social capital. Effective delegation was both a motivational tool (Maslow, 1954) and a pragmatic choice to ensure maximum productivity (Mumford & van Doorn, 2001) was obtained from each individual at HGFs. Effective delegation creates the time for self-reflection and skills development by the leader. The vast majority (95%) of the HGF leaders interviewed commented on the importance of delegating tasks and responsibility to followers. Some leaders talked about how they had learned to be better at

delegating through experience supporting Kempster's (2009) assertions and others described how delegation was an important productivity driver thus supporting Mumford & van Doorn (2001) suggestions. This study collected significant evidence and has reproduced a summative quote below to illuminate this theme:

"we've given that project to our environmental coordinator. But is she the one to run with it? She can do all the analysis and everything like that, but is she the one to actually project plan it? I don't think she would be able to do that, but it's important we let her have a go and support her to do it." JP (HGF leader) illustrating the importance of delegating to develop and motivate followers

The study suggests that effective delegation or distribution of leadership (Cope, Kempster and Parry, 2011) is described as essential by leaders of HGFs and as this is a practice hitherto under-explored in the literature pertaining to SMEs as *"there is a dearth of research on entrepreneurial leadership generally"* (p280)*,* the study argues it has made a contribution to the SME literature.

The ability and aptitude to develop followers the capabilities and knowledge of followers are both elements of the Parry & Bryman (2006) Distributed Leadership (DL) theory. The study would argue that it has established that HGF leaders employ DL practices. The study agrees with the assertion of Cope et al (2011), that the leader - follower relationship within SMEs is dynamic in orientation and can be viewed through a relational lens (Dachler & Hosking, 1995). Love and Roper (2015) asserted, within their research on innovative SME, *"the evidence base, particularly for SMEs, remains either inconsistent or limited...... the role of people management and employee engagement is much less well explored."* The study therefore asserts it has made a valuable contribution to the understanding of employee engagement within SMEs. The study concludes that the contemporary HGF leaders are effective delegators, an element of DL (Cope, Kempster and Parry, 2011). The leaders also practiced the four I's of transformational leadership (Bass & Riggio, 2006) to a large degree as part of the multifaceted leadership style, which incorporates personal intrinsic behaviours of humility, reflective practice and self-awareness.

Innovation interest

Solow (1957) demonstrated that the majority (87%) of US business growth was due to growth of output per worker, not capital accumulation. The modern theory of economic growth, developed by Romer (1986a) suggests that sustained economic growth arises from competition amongst firms, therefore firms are forced to try to increase their profits and growth by investing resources into innovation. A number of academic publications have demonstrated the link between leadership and innovation in the last few decades (Anderson et al. 2004; King ,1992; Van de Ven, 1999). Research on UK SMEs by Foreman-Peck (2013) asserted: *"Innovating enterprises are shown to have grown significantly faster over the years 2002–2004 when other growth influences are appropriately controlled"* (p54). Koryak et. al, (2015) asserted *"Growth capabilities are an outcome of leadership behaviours and management activities combined, developed through the result of interactions and complementarities among individuals, processes and structure"* in their research on UK SMEs (p89). The literature suggests that growth and HGFs are innovation active.

This study supports the contentions of Koryak et. al, (2015) as it found widespread interest in innovation and a significant investment of time, knowledge gathering and exploration by the leaders of growth and high-growth firms. The data outlined in chapters 4,5 and 6 revealed that 90% of growth firm leaders and 100% of high-growth firm leaders discussed the importance of innovation to the growth of the firm (see data tables 6.3, 5.2 and 4.2). The study has categorised the innovation practices outlined by the leaders into 'innovation interest 'and 'innovation processes', as outlined in the model of the author above (figure 7.3). The concept of 'innovation interest '(developed by the researcher) could be described as the leader placing importance, personal emphasis and pride in their products and brand, both personal and business brand. The second element 'innovation processes 'will be explored in below section, as outlined in the model of the author (figure 7.3). The study has reproduced a salient quote to illustrate this theme below.

"We ̓re constantly looking at how we can get better prices for our products or how we can drive up value by producing differently and we ̓ve got a list of these projects that

we look at every week and check progress. But some we just can't get off the list"

RG (HGF leader) illustrating how innovation (CI) is a standardised practice.

The above quote and those detailed in the findings chapters demonstrate the personal interests of HGF leaders in innovation and suggests their businesses have grown as a result of developing new or improved products and services. The study supports the contention of Koryak et. al, (2015) who argued SME growth capabilities are an outcome of leadership behaviours. The study suggests it has answered the call of Lee (2014), Love and Roper (2015) and Koryak et. al, (2015) for empirical data that describes the innovation practices of HGFs. The study asserts the innovation interest of HGF leaders contributed to their growth, and therefore included this practice within the authors model (see figure 7.3).

The interest in innovation, of the leader, enabled the organisation to constantly look at developing their products or services. It could be argued this interest is part of the leaders' personality (Taylor, 2019) or possibly a learned experience (Kempster 2009). However, the researcher did not ask about the antecedents of this during the interviews as the theme emerged from the data. Therefore, the study asserts this innovation interest is a behaviour of HGF leaders (see figure 7.3).

Innovation processes

The findings enable this study to agree with assertions in the literature that suggest leadership is one of the most, if not the most, important factors that influence employees' creative behaviour (Amabile, 1998; Elenkov & Manev 2005; Rosing et al, 2011; Jung, Chow, and Wu, 2003). Franco & Matos (2015), Anderson et al. (2004) and Van de Ven (1999) suggested that leadership models that accounted for the situational variability of leadership were more likely to facilitate organizational innovation. Crossan & Apaydin (2010) suggest that innovation as a process will always precede innovation as an outcome, therefore this study aimed to explore the innovation processes of HGF leaders. Wright and Stigliani (2013) stated SMEs were unlikely to grow unless the business leaders developed innovation processes.

The study discovered considerable evidence of innovation processes from discussions and observations of growth and HGF leaders. The data outlined in chapters 4,5 and 6 revealed that 80% of growth firm leaders and 95% of HGF leaders described innovation processes and outlined the value of innovation processes to the growth of the business (data tables 6.3, table 5.2 and 4.2). A salient indicative quote below illuminates this theme.

> *"The installation team and the manufacturing team sit and discuss any new big job and any job that's a little different to have clarity around what we're going to make and how it will get installed. We then review, have a more formal lessons learned at the end of the job, that's just something we do and its not written anywhere."* RG (HGF leader)

The quote suggests that the leaders of growth and high growth SMEs have developed and implemented innovation processes that facilitate continuous improvement and new product development. The study asserts these processes deliver enhanced productivity and in turn business growth. Cook and Campbell (1979) advised there are issues with self-reported data and yet more recently Foreman Peck (2013) advised: *"UK SME performance and innovation equations show that self-reported innovation significantly predicts differences in enterprise turnover growth. Estimates of the second key parameter, the effect of innovations on growth, indicate strong and significant boosts to SME revenue".* (p68). The study contends it has corroborated the more recent and salient study of Foreman Peck (2013) and supported the contentions of Amabile (1998), Elenkov & Manev (2005); Rosing et al, (2011) and Jung, Chow & Wu (2003) who advised that leaders have a significant impact on employee and organisational innovation and growth. The data collected supports Wright and Stigliani (2013) who stated SMEs are likely to enjoy growth when business leaders embed innovation processes.

The innovation processes established, enabled followers within the business to constantly enhance or amend products and services with confidence of support from the leader (Amabile, 1996; Wright and Stigliani 2013). It could be argued the processes were developed from 'learned experience '(Kempster 2009) or a consequence of their 'reflective

practice 'personality (Antonakis, 2011). Therefore, the study argues the innovation interest and innovation processes are behaviours or practices of HGF leaders. The study has outlined that the leaders practiced the four I's of transformational leadership (Bass & Riggio, 2006) as part of a multifaceted leadership style which also incorporated humility, distributed leadership (ability to delegate), reflective practice and self-awareness within their personality traits.

The combination of the outlined behaviours creates a distinct and logical pattern of behavior for a contemporary HGF leader, discovered by the author (see figure 7.3). This multifaceted leadership style is dynamic in orientation and enables the leader to constantly reflect and amend behaviours and practices in order to have more productive relationships with followers. The contemporary HGF leaders studied ensure the business focuses on metrics and effectively delegates, an element of Distributed Leadership (Cope, Kempster and Parry, 2011). The leaders also practiced the four I's of transformational leadership (Bass & Riggio, 2006) to a large extent. This multifaceted style also incorporated personal intrinsic behaviours of humility, reflective practice and self-awareness. The leadership style also enabled the business to develop a dynamic, innovative and iterative culture, consistent with Gibb (1989) who argued the culture of a small business is often a reflection of the personality of the leader/founder. The author asserts this is not another trait theory, more a multifaceted leadership style that was discovered, that does not fit with the traditional normative approach.

This study has produced a table (7.2 below) to illustrate where the data supports previously published theories. However, the study asserts a single theory cannot describe the multifaceted leadership style practiced by HGF leaders and therefore this study rejects the normative traditional (mainly positivist) theoretical approaches.

Table 7. 2: Summary of the authors HGF multifaceted leadership style and supporting published theory

HGF Leader Model (The researcher)	Published Theory
Humility	Collins (2001), Badarcco (2002)
Self-awareness	Goleman (1998), Shankman and Allen (2015)
Reflective Practice	Schon (1991), Alvesson et. al (2017)
Personality Traits	Bird (1948), Antonakis (2011), Taylor (2015)
Employee engagement (Transformational Leadership)	Bass & Riggio (2006), Podsakoff (1990)
Effective delegation (Distributed Leadership)	Cope, Kempster and Parry (2011)
Focus on metrics	Bloom and Van Reenan (2007), Morgan et al (2020)
Innovation interest	Foreman-Peck (2013), Koryak et. al, (2015)
Innovation processes	Amabile et al, (1996), Yukl (2013), Senge (2007)

Source: The Researcher

7.2.2 Which Dominant Leadership Model best describes High Growth Firm leaders ' practice?

The analysis, to this point, has focused on common patterns observed from leadership in practice, exploring key findings and concepts used by leaders of high growth businesses. The conceptual model that frames this study includes concepts drawn from studies of large businesses and therefore the findings of this study should be compared with the existing and dominant general leadership models. The researcher finds that no dominant model adequately explains or predicts the behaviour of high growth SME leaders and in fact each model is inadequate in this task. This study will now discuss how the above outlined contemporary leadership model (see figure 7.3) compares with the data collected.

There is value in repeating the OECD (2010) definition of HGFs: "*All enterprises with average annualised growth greater than 20% per annum, over a three-year period, and with ten or more employees at the beginning of the observation period. Growth is thus measured by the number of employees and by turnover".* (p16). Interestingly, a recent OECD (2010) report

suggested: "…*most of the initiatives used to promote the growth and high-growth of firms rely on the facilitation of access to finance and the support to R&D and innovation. As argued, policy initiatives in these areas, though critical, need to be matched with support to training and skill upgrading in new and small firms, and with the encouragement of growth ambitions."* (p21) it is evident that the behaviours and practices of leaders of HGFs are an important growth determinant of SMEs and in turn regions.

An increasing body of evidence (Bloom et al, 2014) asserts that there is a heterogeneity of management practices across firms, and this is a major contributor to different productivity levels: *'In summary, management does indeed appear to be important in accounting for the large differences in cross-country Total Factor Productivity (TFP) as well as within-country differences."* (p4). Research in the UK by BIS (2014) stated *'variations in leadership and management skills are associated with variations in SME performance"* (p6). In order to provide insights into the apparent heterogeneity of practices and their varying results, the study has separated out the HGFs from the growth firms within the data collected and will discuss below the practices of HGFs to answer the call of Brown, Mawson & Mason (2017) who advised: *"a key feature of the high growth entrepreneurship literature, and firm growth research more generally, has been a strong focus on the questions of 'how many 'and 'how much ', rather than questions of 'how 'and 'why 'firms achieve growth (Henrekson and Johansson 2010; Leitch, Hill, and Neergaard 2010; McKelvie and Wiklund 2010)".* (p418). Zaech and Baldegger (2017) research with SMEs across Southern Germany, Austria, Switzerland and Lichtenstein suggested that firm age and size influenced the leadership style of leaders. This study therefore explored the apparent heterogeneity of leadership practices of SMEs and the impact of size and age, for HGFs in particular. The HGFs and their respective leaders are detailed in the below table (Table 7.3).

Table 7. 3: HGF leaders

HGF Leaders	WH	WB	HM	MD	JF	DS	JOF	AST	AP	RM	AB	RC
HGF Leaders	BB	MA	SL	EJ	CD	SM	MF	AD	RG	JP	CM	ME

Source: The Researcher

The interview data did not conclusively suggest there is a predominant leadership style or model being practiced, a more contingent explanation is required. This finding suggests that certain personal or contextual factors are shaping the way in which leaders behave and extract high performance beyond any opportunistic market conditions. The study found that some elements of the above contemporary theories, outlined by the literature review (see figure 7.2 above), were evident in the practice of the HGF leaders. Therefore, elements of Transformational Leadership, Pragmatic Leadership, Authentic Leadership, Distributed Leadership as well as elements of critical leadership studies (post-heroic theories) were evident. The study findings are consistent with Kempster (2009), who suggested that managers learn leadership through their different experiences of the workplace. Therefore, each leader is likely to have a slightly different set of knowledge and skills based on their individual 'lived experiences'. The study asserts that there is value in many of the above theories and yet none fully describe the practices employed by HGF leaders, the study agrees with Critical Leadership Study authors like Collinson & Tourish (2015) who asserted *"there is no single way to enact or study leadership" (*p576) and that there is no 'best way 'to lead which contradicts the normative theories of the dominant North American authors.

The study confirms a typology exists that has three dominant 'blended styles 'that are discerned from the data that describes HGF leaders 'style '(see table 7.4 and figure 7.4). The study scored each of the HGF leaders, based on the data displays within the findings chapters. The leaders were attributed with a 1 if they practiced few of the elements of the predominant style/model and 3 in they practiced high levels of elements of the predominant styles/ model (see table 7.4).

Table 7. 4: Summary of Blend of Contemporary Leadership models observed in HGF leaders

	WH	WB	HM	MD	JF	DS	JOF	AST	AP	RM	AB	RC	BB	MA	SL	EJ	CD	SM	MF	AD	RG	JP	CM	ME
Transform-ational	3	2	1	2	1	3	3	2	1	1	1	1	1	3	1	3	1	2	2	2	1	2	3	1
Pragmatic	2	1	2	3	3	1	2	3	2	2	3	2	3	2	3	2	2	2	1	1	3	1	1	3
Distributed	2	3	3	2	2	2	1	2	3	3	2	3	2	2	2	2	3	2	2	3	2	3	2	2

Source: The Researcher

The three leadership 'blended styles 'are summarised in figures 7.5, 7.6 and 7.7. that graphically illustrate what the study discovered from the data. The below figures illustrates that a blend of three styles or models of leadership were discerned. This blended style was made up of the three contemporary theories, detailed below. The figures describe the dominant leadership style of the leaders and incorporates other elements of contemporary theories that were prevalent within their style. The study describes the dominant styles discerned below, providing a summary of the breakdown in figure 7.8.

Figure 7. 4 Summary of blend of Contemporary Leadership models observed in HGF Leaders
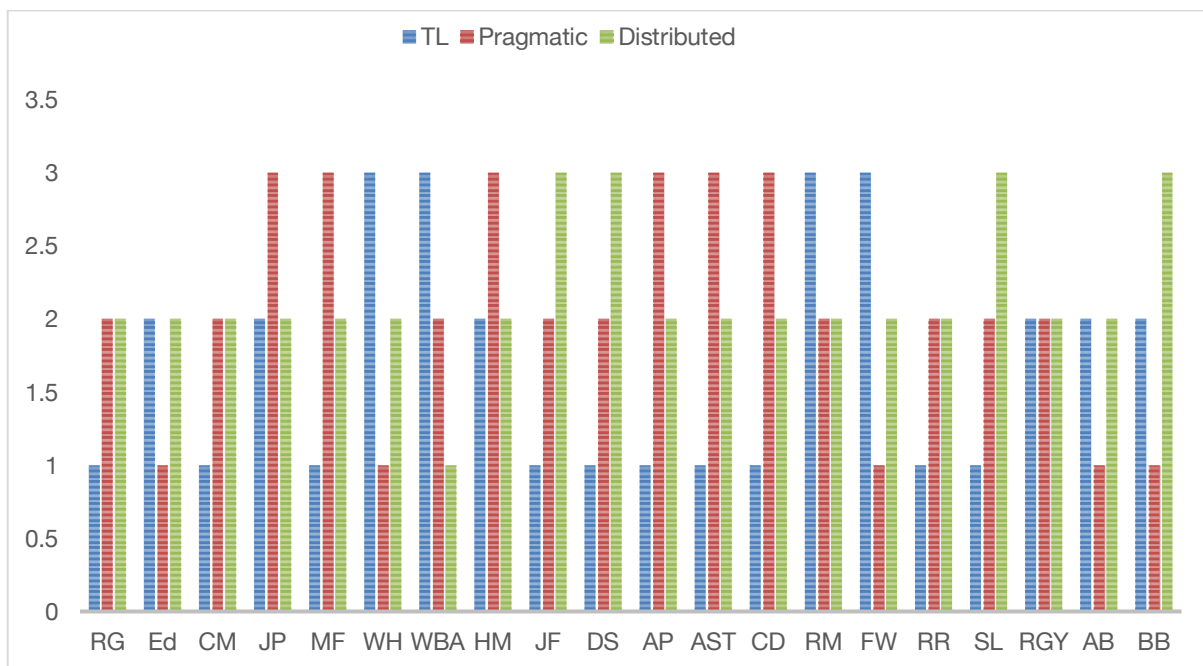
Source: The Researcher

The Distributed leadership style pictured below was evident in approximately 33% of the leaders studied, see figure 7.8. These leaders were self-aware, often talked about delegating, developing the capabilities of followers and had an appreciation of power and their power as leaders. The leaders, in different ways, described the complexity of leading and the challenges of being a leader of a contemporary business as well as the challenges of growth in a dynamic economy. They occasionally described inspiring followers although seldom talked about a vision and could not be described as charismatic, by the study. Therefore, this leadership style was characterised by the leader delegating or distributing leadership as a matter of course and frequently engaging followers in discussions around business performance, the leader enjoyed making suggestions on how projects and

initiatives could be moved on. They were not of charismatic personality and did not set out a vision.

Figure 7. 5 Dominant Distributed Leadership Style
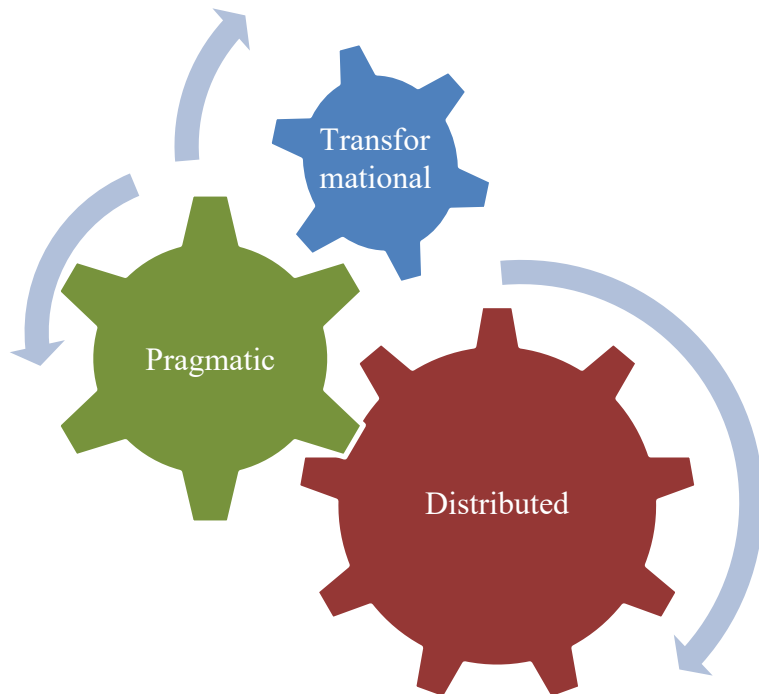
Source: The Researcher (2020)

The study has reproduced a representative verbatim quote from the leaders that had a dominant Distributed Leadership style below, to illustrate the style discerned.

> *"you trust the people that are below you, you've got to trust them to make the right decision on things. I create teams that manage the separate functions, and my role is to develop those teams. I set the direction in terms of performance and productivity targets then delegate those to the team leaders, who in turn engage their people to meet the challenges".* WB, HGF leader.

The dominant Distributed leadership style discovered was not unique to a sector or size of business as the above table is made up of professional service organisations, manufacturers and a logistics organisation. The leaders with the dominant distributed style appeared to enjoy engaging followers in the challenges and the successes of the business.

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The dominant Transformational leadership style pictured below was evident in 25% of the HGF leaders studied (see figure 7.8.). From an analysis of the data these leaders described and displayed many of the tenets of Transformational Leadership. They often described engaging followers with the company vision, individualised consideration (coaching and mentoring) and intellectually stimulating followers. They meticulously described clarifying objectives for followers and treating people as individuals during the interviews (this pattern was identified across these businesses). They repeatedly mentioned their role in ensuring measures and targets were made explicit to followers and supporting them to develop. They came across as enthusiastic and could be described as charismatic.

Figure 7. 6 Dominant Transformational Style
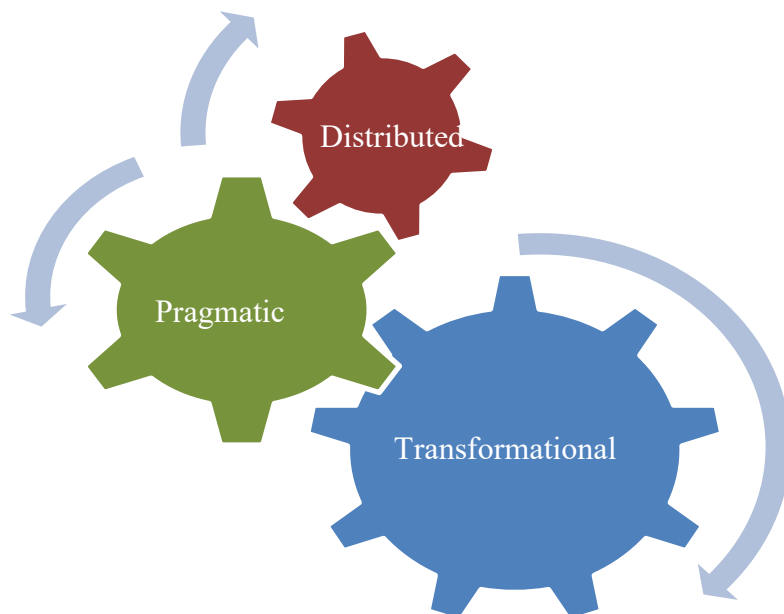
Source: The Researcher (2020)

The development and sharing of the company's vision with employees can have a positive impact on creativity in the organisation by catering for employees 'intrinsic motivation and higher-level needs, which are known to be important sources of creativity (Amabile 1998; Tierney, 1999). Lowe, Kroeck and Sivasubraniam (1996) concluded that key elements of transformational leadership correlated positively with follower performance and satisfaction. An indicative illustrative quote from the data is reproduced below:

> *"Every week we talk about what we're aiming for and where we're trying to get to, as a company. Discuss the KPIs that we've set and it's my role is to support them so we can achieve. They're all quite different you know. I do have to put my arm around some and then there's a couple I know I need to leave alone as they like their space".* FW describing sharing vision, individualised consideration and intellectual stimulation.

The literature suggests a process of internalisation is closely related to personal identification (Lowe, Kroeck and Sivasubraniam, 1996) and this was detected in the analysis of the data. Both behaviours occur when followers accept leaders 'values and look to emulate them which is a desired outcome of the transformational leadership style and a common practice identified in the data. This state of mutuality is achieved by leaders through articulating the company vision and encouraging followers to contribute to innovative processes within the organisation (Yukl, 2013). When the leaders' emphasise innovation followers engage in innovative behaviour to gain approval from the leader and to satisfy their need for acceptance and esteem (Henry, 2001). Leaders 'that practice individualised consideration provide a protected environment that can facilitate organisational innovation (Nutt, 2002). Employees also have increased personal identification with the organisation if they see their input valued by supporting problem solving, this in turn appeals to their higher-level needs and can increase creativity (Rosing, 2011). An indicative illustrative quote from the data is reproduced below:

> *"I make sure I spend my time telling them how well we are doing…and congratulating them so that we keep striving to achieve the vision. I keep asking them how I can help them and how they can then develop their teams"* RM demonstrating articulation of sharing vision, individualised consideration and intellectual stimulation.

The leaders that displayed a dominant transformational leadership style represent a mix of sectors with manufacturers, a consultancy firm, a logistics business and a fast-food restaurant and so no discernible pattern of sectoral influence. The dominant transformational style leaders enjoyed engaging followers with the aims and vision of the

business and described how they spent time personally developing and motivating followers.

Figure 7. 7 Dominant Pragmatic Leadership Style.
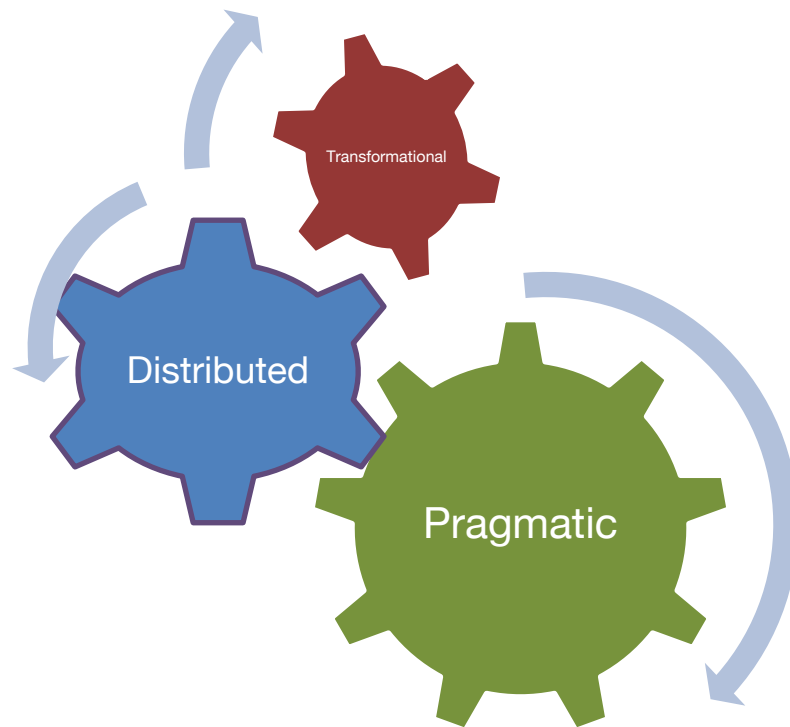
Source: The Researcher (2020)

The Pragmatic leadership style in the above figure was evident in approximately 42% of the HGF leaders studied (see figure 7.8). From a thematic analysis of the data the leaders described their role as being fully cognizant of and responsible for the challenges of the business at both strategic and operational levels (see tables 6.2, 5.1 and 4.2). The researcher perceived the leaders as intelligent and astute, and they described their practice of clarifying challenges with followers and discussing potential solutions openly with managers and followers across the organisation. They also described the complexity of the sector that they operated in, the importance of solving problems and being more innovative than competitors. The leaders articulated the power dynamics within the business and how they had to ensure they managed this.

> "We meet the managers at least once a week, we have a formal weekly meeting with
> them all and we talk through the problems they got and ask them for ideas, we also
> meet them individually. It's not about doing their job it's more about looking at ideas,

but I also encourage them to try things." CD, demonstrating engaging followers in problem solving and critical thinking.

Pragmatic Leadership theory (Mumford et.al, 2008) emphasises the importance of the practices of Problem Awareness and Problem Solving in a number of empirical studies. Mumford et.al, (2008) suggested Pragmatic leaders tended to employ logical appeals in communication, draw on rational influence tactics and rely on their functional expertise and problem-solving skills within their practice.

> *If they've got issues, they'll just come in and sit down. It's like, what do you think of this? What can I do? And so, I'll give ideas to them and add my industry knowledge. I think it's a key part of my role to be completely aware of the problems we have and to support managers to make effective decisions"* ME articulating his logical approach to problem solving and leveraging industry and personal knowledge.

The data demonstrates leaders of the successful HGFs employ a blend of the various tenets of the leadership theories outlined above (see figure 7.4) and the selection of the leadership style is contingent on the individual leaders 'personality, knowledge and skills as well as the business and sector dynamics. The study reveals three different 'dominant styles 'and this study concurs with the CLS authors who argue against a normative approach to leadership (Collinson, 2011) as the data suggests that a single 'leadership style 'was not evident in the HGFs studied. In fact, the data shows the application of three different blended 'leadership styles 'has enabled the HGF leaders, within this study, to outperform approximately 94% of their peers (NESTA, 2013) across different sectors and business sizes. However, in contrast to CLS authors (who don't theorise a leadership model) this study found that there is value in elements of the contemporary theories (see figures 7.4 and 7.8).

The study agrees with the assertions of Mumford et el. (2008): *"Pragmatic leaders, moreover, see causes as involving both people and situations or factors, subject to varying degrees of control, with actions being framed in terms of key controllable variables."* (p147). The study also concurs with Yukl (2013) who claimed the practice of transformational leadership can lead to greater employee engagement and performance. Bass (1990) argued

that transformational leaders required charisma to be successful in engaging followers in the organisation vision. The data collected by this study contradicts that supposition, the study would assert to the contrary as only 25% of the high growth leaders observed could be described as charismatic. The study also supports the claims of Cope et al, (2011) that the practice of distributed leadership can facilitate the growth of SMEs.

Figure 7. 8 Summary of Dominant Contemporary Leadership Models Observed
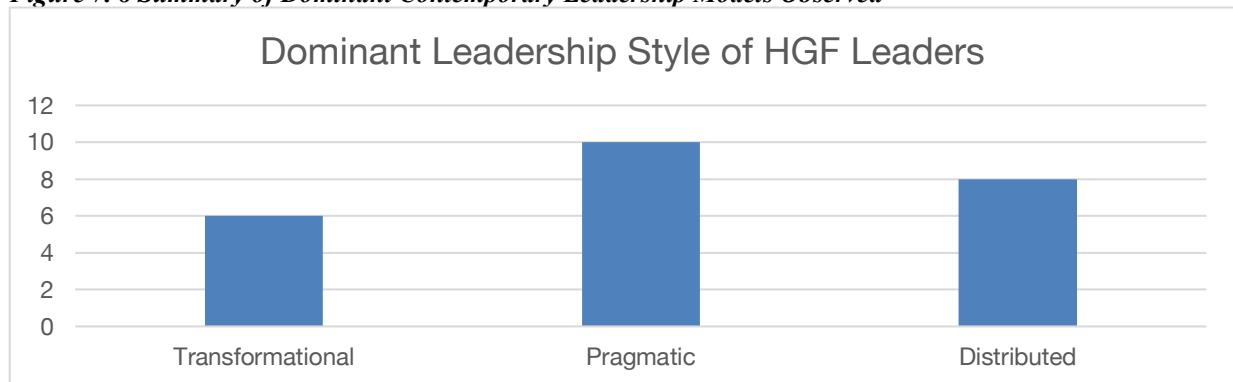
Source: The Researcher

In summary, the study asserts that a normative approach is equivocal, and the behaviours outlined in a small number of contemporary theories, characterise the leadership practices of HGFs. The study rejects a taxonomic approach to leadership as the HGF leaders studied displayed and implemented a wide range of behaviours and practices that could not be conveniently fitted to any one or two contemporary theoretical models. Therefore, the study asserts that the leadership practices of HGF leaders are complex and dynamic. The study will now discuss the moderators and mediators of leadership practices of SMEs.

7.3 The Moderators and Mediators of the Leadership and Innovation Practices of High Growth SMEs, a 'Place' Mediated Style?

This study aimed to explore the moderating and mediating structures that influence the leadership practices of HGFs and growth SMEs to add to the body of knowledge that discusses the context of leadership and the nascent concept of 'place,' within the literature. This study finds significant levels of support for the concept of 'place 'and its influence on leadership behaviours.

The nascent research that focuses on 'place 'is found in the organisational behaviour and the economics literatures. Burak Oc (2017) asserted *"leadership does not occur in a vacuum, but rather exists in a context where leaders function"* (p218), in his systematic review of research on contextual factors affecting leadership. Franco and Matos (2013), organisational theorists stated: *"the appropriate leadership style for an SME depends to a great extent on characteristics of its operating environment, such as dynamism or hostility, as well as on its sector and geographic region."* (p222). Therefore, this study understands 'place' as a multifaceted phenomenon beyond that of geography and sector. A report on HGFs in the UK by Mason & Brown (2011) argued, *'…"geography matters", and we recognise that our policy diagnosis is highly context specific. Scottish HGFs are unlikely to be the same as those from other small economies (e.g., Finland, New Zealand) because of the different resource endowments, economic structures and entrepreneurial environments of these respective economies"* (p222). Bloom et al., (2014) asserted *"the skills of all managers (indeed all employees) are important for a firms 'performance, …. The CEO and founder will have a large influence on this corporate culture, but the culture may persist after the departure of the CEO or founder" (p30).* The study therefore understands 'place' as a multifaceted concept and will draw on the data obtained in order to contribute to this recent discussion.

The context of leadership is articulated as 'place' by some authors, and it appears a single definition of place or context is problematic. Burak Oc (2017) advised: *"there appears to be neither a systematic approach to nor agreement regarding what constitutes the context for leadership"* (p218). However, a number of Critical Leadership Studies (CLS) authors have suggested 'place 'consists of Geographical place (Turnbull et al., 2011); Societal Values and Beliefs (Western & Garcia, 2018); Organisational Culture (Ropo & Salovaara, 2018); Structure, Power and Politics (Hartley, 2011) and Historical Developments (Carroll et al, 2019).

This study analysed the data collected to evaluate the affect of 'place 'and to discuss contextual factors that influence leadership of growth SMEs and HGFs. The researcher offers the following insights to 'place 'as outlined in Figure 7.9 (below).

- Size and Structure as place mediator

- Role or Profession culture as place mediator

- Organisation Culture as place mediator

- Sector as place mediator

- Geography as place mediator

This study presents examples, from the data, that succinctly evidence the place moderators and mediators that influence leaders 'style and behaviours and the contextual factors that influence leadership of growth SMEs and HGFs. The major determinants of place, as found by this study will be discussed below.

Figure 7. 9 The Influence of 'place' on Leadership Practices
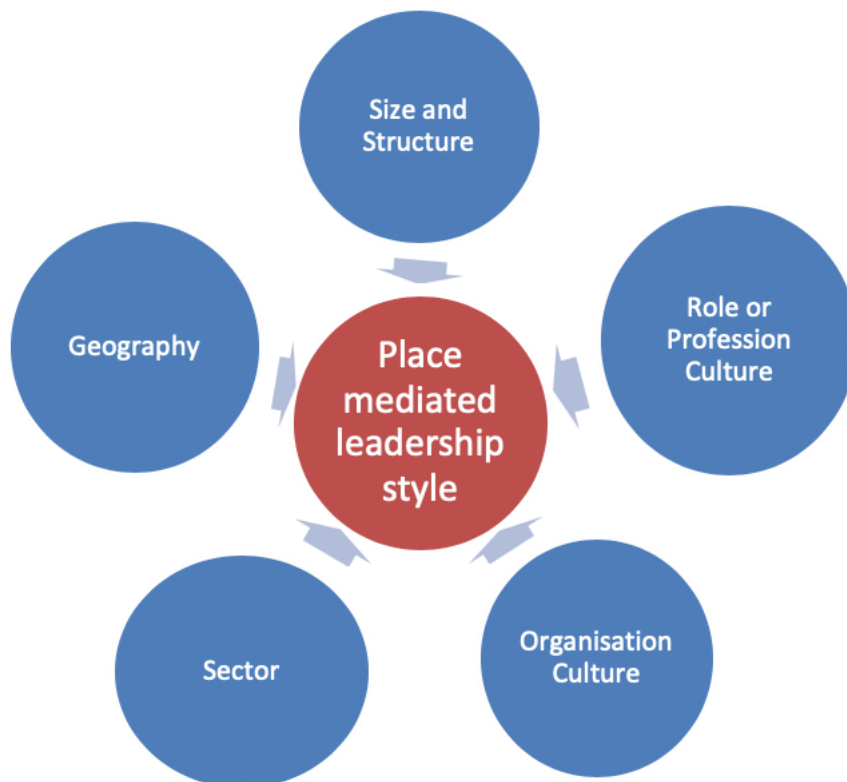
Source: The Researcher (2020)

7.3.1 Size and Structure of the business as a place Mediator

The extant SME research and published literature suggests that the level of procedural formality increases with size of business and therefore micro-organisations have few formal procedures (Storey and Westhead, 1997; Kitching and Blackburn; 2002). Recent research

established that firm size and age of the business influenced leadership style (Zaech and Baldegger, 2017). This study found evidence (see data displays 4.1, 5.1, 6.2) to support the above assertions and therefore listed the 'size and structure 'of an organisation as a mediator of leaders' 'style '(see figure 7.9). The size of the business, in terms of employees, influenced or acted as a mediator to the leaders 'style. The small businesses (fewer than fifty people employed) often had fewer than three layers and the business leader often knew all employees personally. The micro business (<10 employees) typically had one layer. The structure of small firms often consisted of the leader having a small number of formal direct reports (two or three typically) and informal relationships with the majority of employees/followers.

The size of the business had a mediating impact on the ability of the firm to grow. The businesses, within the study, that had fewer than 20 employees focused mainly on the challenge of allocating resources to projects designed to facilitate growth (resourcing and staffing). They found it challenging to devote resources to continuous improvement and new product development initiatives or projects. The leader of a business that employed 14 people provided an example of this. MF (HGF leader) described the challenge the business had in commercializing a new bespoke product, that had been developed for a large customer. MF advised he had been trying to develop and commercialise the product for other customers for three years. The challenge, he described, was devoting sufficient time to the new product development (NPD) process and he bemoaned the fact that the regular work of the business had to take precedent. He summarised:

> *"when you're running a small business you have to do most things, you have to win contracts and keep customers happy all the time and once you've won a contract you have to think about where the next one might come from."* MF

The small number of employees and the disproportionate resource challenge it presented was also articulated by KG (growth firm leader) as he described the challenge of trying to grow the business with multiple demands on his time. He outlined attempts to introduce continuous improvement initiatives and bring in new customers. He described the constant challenge of dealing with operational issues and growing the business, he advised:

"nobody else in the business is as effective as I am at finding new customers and yet in order to give me more time to find new customers I have to manage productivity improvements to increase profitability. So, I've been trying to develop th two managers here to take on the CI projects and help me with finding new customers, which is difficult when trying to get product out of the door". KG, growth firm.

The research findings are consistent with the dominant view in the literature (Kitching & Blackburn, 2002; Kempster et al., 2011; Rosing et al, 2011) that asserts leadership processes and practices are more formalised and contemporary ("best practice" based) as organisation size increases. The data also supports Gibb (2009) and Burns (2016) view that the personality and behavioural characteristics of leaders in small and micro businesses has a disproportionate impact on their ability to drive growth as small firms are social entities that revolve around personal relationships.

The mediating role of size and structure was often in the form of the leaders 'inability to focus concerted time on developing followers and fulfilling a strategic role. Small business leaders often conducted multiple roles and have less time for strategic and business growth activities. The businesses that employed less than twenty people often required the leaders to fulfil marketing, sales, HR and production functions. This challenge became evident in the businesses that employed more than twenty people as those businesses often had specific roles recruited to fulfil finance, marketing, and other management functions. Therefore, businesses employing more than twenty people often enjoyed a critical mass of employees, enough to bring relevant sufficient expertise and fulfil different essential functions.

7.3.2 Role or Professional Association Mediators

Avery (2005) introduced the concept of 'substitutes for leadership', described as "*Related to the systems view of leadership is the concept of substitutes for leaders. This refers to how elements of the system, culture or operating environment can replace the need for supervision or other traditional leader roles. Substitutes for leaders are many and varied but include professional education for employees, closely knit teams, computer monitoring systems and guidelines. Another form of leader substitute is creating self-leading members in an organisation.* "(p133). Another salient theory identified by the study is that of Social

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Identity Theory which suggests "*Social identity theory is concerned with how individuals self-categorise themselves into different social categories, reflecting different levels of self-perception and belonging to social groups that dynamically relate to each other* " (Jepson, 2009, pp 47). Haslam (2004) suggested the most effective leader is one that displays the most prototypical actions of a group with considerable power to set the agenda, mobilise members and influence the identity of a group.

The above theories illuminate a common theme found within the data, that of the mediating role that the professional body or association (the leader was a member of) had on their leadership style. The leaders unintentionally described how their professional culture impacted the way they lead. This was evident across professions, from solicitors to production engineers, and across the size and sectors of business leaders interviewed. It was particularly evident where leaders were active members of more traditional professions, for example Engineering, Accountancy, Legal (Solicitors). The leaders' professional membership and role influenced their construction of leadership generally. Their views on continuing professional development were influenced by their professional association as all professional associations insist members conduct CPD, therefore by extension the leaders supported CPD of followers. A tenet of Transformational Leadership (Bass and Riggio, 2006) and Distributed Leadership (Parry and Ryman, 2006) is encouraging followers to develop their knowledge and skills (intellectual stimulation), therefore leaders that are members of professional associations were likely to embed this behaviour to comply with their professional membership. The study demonstrates that the leaders' professional membership 'constructs' and mediates their leadership style. This point was succinctly articulated below:

> "*I don't need to encourage them to develop, they have to do the minimum hours that the Law Society stipulates as they have to maintain their professional status to practice, if they want to do more than that I'd be happy to look at it, but it seldom occurs*" AB (HGF leader)

This study found that professional associations and by extension their training is a 'place' mediator of leadership style. This 'place' mediated leadership styles evolves as the professional association advice evolves. This phenomena can be further explained by social

identity theory as followers within a legal practice or within in a manufacturing firm (for example) will be immersed in the practices and culture of those sectors and therefore the head of a legal practice is likely to display prototypical behaviours expected as part of the implicit leadership theory of their followers.

The different professional associations also encourage behaviours that are consistent with other published theories. Gardner et al (2011) advised that Authentic Leaders employ 'balanced processing' and yet the below quoted leader suggests her application of a logical approach (collaboratively with colleagues) is a result of her professional development:

> *"I'm a chemical engineer by background, and so I understand all aspects of the service that we offer. Although, I know the part of growing the business and we've been doing that the last 7or 8 years is stepping back from designing the service and letting the managers responsible for that area do that and it's for me to support them and not tell what to do, I bring a logical approach and I ask the managers to think through their approach."* FW (HGF leader)

Some professional associations, particularly the engineering and construction related, actively promote innovation through publishing and promoting new processes, tools and practices. Therefore, members engage in a narrative that promotes innovation and leaders are kept abreast of technological developments and encouraged to implement. BB (HGF leader), advised:

> *"As a mechanical engineer I get the IMechE magazines and to go events that give me ideas, too many ideas at times…..and I started us on a lean journey a few years ago after reading an article about the cost savings that could be achieved".*

The 'role or professional culture 'findings align with the assertions of Avery (2004), outlined above, who suggested a number of 'substitutes for leadership 'exist within organisations and the relative control or power a leader was able to exert within organisations is often moderated by these substitutes for leadership. This concept aligns with contentions in the

innovation literature around the importance of organisational context (Clark & Staunton, 1989; Kempster et, al., 2011).

7.3.3 Organisation Culture Mediators

Grint (2005) advised that leadership was *"the property and consequence of a community, rather than the property of an individual"* (p38), therefore a business leader operates within the context of an organisation that has an existing culture where an implicit leadership model exists (Schyns and Schilling, 2011) within followers 'schema. The GLOBE project (House et al, 2004) evolved the concept of 'implicit leadership theories', suggesting perceptions of ideal and exceptional leader behaviour tends to be shared by individuals from the same country and those perceptions differ across different countries and communities. Schedlitzki and Edwards (2014) concluded "*They have therefore drawn the explicit link between cultural values and implicit leadership theories." (*p85). The data collected by the study supports this contention. The leadership model of the business often appeared to be a complex blend of the 'place 'mediators described in this section and the personality or leadership model of the leader and founder(s). The below indicative quotation summarises the theme discerned:

> *"There were four of us when I joined the business, Dave had a relaxed attitude and encouraged us all to make suggestions and try things, that was what helped us grow. He had a trial-and-error approach and talked through ideas and tried to ensure we didn't make the same mistake twice. When I took the business on, I just carried on in the same vein".* FW (HGF leader)

Therefore, the empirical evidence suggests the implicit leadership theory of followers and the culture of the organisation mediates the leaders 'style. The organizatisional culture of the business is a product of the professional association(s) that followers are members of and the shared history of leaders and followers within the business, which in turn moderates their constructed implicit leadership theory. This study is the first to identify and articulate, based on the empirical data obtained, that professional associations have a significant influence on the leadership of SMEs. Therefore, organizational culture is argued to be a 'place 'based mediator of leaders style.

7.3.4 Sector Mediators

Franco and Matos (2013) stated *"the appropriate leadership style for an SME depends to a great extent on characteristics of its operating environment, such as dynamism or hostility, as well as on its sector and geographic region."* (p445). The leadership research has established the importance of context (Oc, 2017; Edwards, 2015a; Osborn and Marion, 2009). This study analysed the data to explore the incidence of contextual mediators, including sector.

The leaders' interviewed advised the sector or market they operated within had an influence on their practice and leadership style. The leaders advised their followers had expectations around how they should be led, their implicit leadership theory, based on their experience within the sector. The different sectors encountered have a slightly different dynamic based on the relative transactional nature of the sector and the level of competition regionally and nationally. The data suggests sectors are exposed to different levels of competition (regional, national and international), which leads to some sectors being more innovative as competition forces adoption of new processes and practices. The leaders suggested that competition from peers within the sector often encouraged innovation. For example, a growth firm described themselves as innovative (within their sector) through their adoption of contemporary ICT systems and new branding.

> *"what we did was to spend time looking at and investing in our IT systems and our use of IT. We found that some managers were strong on IT and some were not, so we got someone in to do some IT training... overall, we've improved our website and improved the ways we communicate with customers and so we've improved efficiency."* JJ (growth firm).

The leaders of manufacturing businesses, when interviewed, described continuous improvement projects or initiatives as commonplace within their sector:

> *"our major customer (XX) makes suggestions to us in our quarterly meetings, you know, around CI initiatives that they have had success with. They have run a few lean projects and mentioned their drive to improve OEE. Our guys, talk with their ops*

guys, we talk through our production challenges with them and so that also seems to help us when we're problem solving, I think so." JP (HGF leader)

The data confirms that some sectors, particularly production firms, more readily collaborate and exchange knowledge relating to continuous improvement methods and practices. This knowledge sharing was evident amongst production firms who engaged with others within their supply chains. The data supports Avery's (2004) and Franco & Matos (2013) suggestions that leadership styles are mediated by the sector. The sector structures of the production, manufacturing and professional services are different from other sectors as the above quotes illustrate. The structures within the legal sector creates a transactional approach as clients are charged by the hour and the employees are expected to charge an explicit percentage of their time to clients.

The mediating role of sector as a 'place' mediator was also evident in the pharmaceutical and food production sectors. Within food production there is a regulatory requirement for each firm to provide full traceability of all their products, the leader of the food production firm advised this requirement both hindered and facilitated innovation. He advised the full traceability product journey (process) maps were helpful to identify waste within their processes and sometimes reduce costs by removing time or motion from the process. He also asserted that it was difficult to innovate as any changes to the food journey maps was subject to approval by the regulator. The leader of the pharmaceutical business advised that the sector is heavily regulated and any amendments to the production process, storage and transportation of pharmaceuticals have to be approved by the regulator.

Therefore, changes to processes to reduce costs or drive value incur time and transaction costs when applying to the regulator. The power that the regulator exerts and the power structures within the business mediate leadership styles. The discussions and ongoing development of the production processes of the pharma and food production firms, in collaboration with regulators, supports the contention of sector as a 'place 'mediator. This finding of the study is consistent with Hartley (2011) who advised the power relations within organisations form a part of 'place 'and the sector mediating assertions of Mason and

Brown (2011) and Franco and Matos (2015). Therefore, this study has made a further contribution by presenting empirical evidence that demonstrates how structures within different sectors mediate leaders' practices.

7.3.5 Geography as Place Mediator

Organisational theorists have recently argued that geographic location impacts leadership practices (Mason & Brown, 2011; Franco & Matos, 2015; Oc, 2017). The study discovered that geographic location had an impact on leadership style as the location presented a challenge in terms of attracting and keeping high quality personnel for some and was a source of competitive advantage for others. For example:

> "The problem is we're in a rural location we can't pay people much on the production line. But we do try to look after people, we've got a minibus that goes around and collects people for each shift….. public transport around here is awful. And we've tried to make the place as homely as possible, the subsidised canteen, the social events, the common room, showers, We try to do as much as we can to make this a nice place to work." ED

A different HGF leader talked about the value of their location:
> "Valleys people are hard-working, they're no fools, but they are very hard-working and they're loyal. I like to look after them and we pay them well when we ask them to work on and get the job done. On the whole they're great boys, real grafters." RG

The above quotes and the observation data captured (within the findings chapters) demonstrates the majority of the high-growth firms provide good working conditions for followers. Predominantly, it was a reflection of the leaders 'natural altruistic personality and belief in investing in and supporting people. It is also evident that other leaders employed their pragmatic leadership style (appeals to followers 'self-interest) in understanding the challenges of their geographical context and creating solutions to those challenges. Therefore, the study would concur with Franco and Matos (2015); Oc (2017) and Carroll et al (2019) who argue the geographic location of a firm mediates leadership style. The study

would argue against the claims of Bass and Riggio (2006) who suggested transformational leadership is effective across different contexts.

7.3.6 Summary of 'Place'

Burak Oc (2017) in his systematic review of the literature asserted: *"Contextual factors such as national culture, institutional forces, the sex composition of groups, the economic conditions of countries and organisations, and crises affect the leadership process and leadership outcomes*." However, he went on to state "*As my review makes clear, a substantial amount of research is still needed to expand our knowledge about the impact of context and leadership.* " (p230). This study therefore makes an important contribution to the nascent debate around how 'place 'mediates and moderates the leadership style of leaders of growth SMEs and HGFs. The study asserts that the above detailed place mediators influence the style and leadership construct within the businesses studied.

The 'place 'based mediating and moderating influence of size and structure (Franco and Matos, 2015; Mason & Brown, 2011); Professional membership introduced by this study; organisational culture (Grint, 2005; Schein, 1992), sector influences (Franco & Matos, 2015; Carroll et al, 2019) and geographic context (Mason & Brown, 2011) is captured in Figure 7.9 above, which summarises the mediating and moderating influences of the above detailed placed mediators. The study therefore concurs with Carroll et al, (2019), Oc (2017), Hambleton (2015), Collinson (2014) and Grint (2005) who concluded leadership is mediated and moderated by 'place'. The study concludes that the leadership style of leaders of growth and high growth SMEs does not fit with any of the normative theories and models produced by authors within the dominant leadership literature, in fact the leadership style discerned is moderated and mediated by 'place'.   Therefore, this study makes a valuable contribution to the leadership literature by identifying a new place mediator, the influence of professional associations, and supporting existing disparate notions of place into a more holistic model of place-based leadership style.

7.5 Digging deeper into underlying influences of leadership practice variations

Kempster and Cope (2010) looked at leadership practices in small businesses and concluded there existed a *"dynamic state between entrepreneur and her or his organisation and the niche market"* (p337). Margaret Collinson (2018) stated *"that both practices and traits/behaviours are important – it is not a question of one or the other. But this analysis needs to be taken further: practices also have to be understood in relation to structure(s) and power relations."* (p385). Ford et al., (2008) asserted: *"the becoming of the leader, the memory, interactions between cells and texts, interactions with others, interactions between different aspects of self, the local context, the geography, the culture. Leadership comes to the subject (Who will be a leader) liaising with the heroes of millennia of storytelling. It has a history."* (p27). Bloom et al (2014) advised: *"it is likely that informational constraints and within firm co-ordination are equally important, but even harder to measure. Understanding these factors will help us advance the field and develop better policies for improving management and productivity."* (p38). Therefore, this study set out to explore the underlying influences on leadership style and variations in practice in HGFs.

The researcher observed many events and behaviours that suggested the application of consistent leadership behaviours over time had deeper rooted influences. These influences were explored with each longitudinal case study (at the leader and the follower levels, see data tables 6.2). The findings are presented in Figure 7.10 (below) which outlines the underlying influences on leadership style and variations in practice observed within the data.

The place mediated leadership style is described in the above section and outlined in figure 7.9. The underlying influences are outlined in figure 7.10 (below), which suggests leaders decision-making is mediated by 'place 'influences. The data also revealed that the leaders incorporate reflective practice (Alvesson et al., 2017) which enables them to make more informed decisions in future, based on personal learning events. The more successful leaders reflect and gather feedback from followers (commercially related feedback and feedback on their performance, behaviours and attitudes as perceived by the followers). They were also comfortable with delegation and receiving criticism.

Figure 7. 10 Influences on Leaders' Decision Making
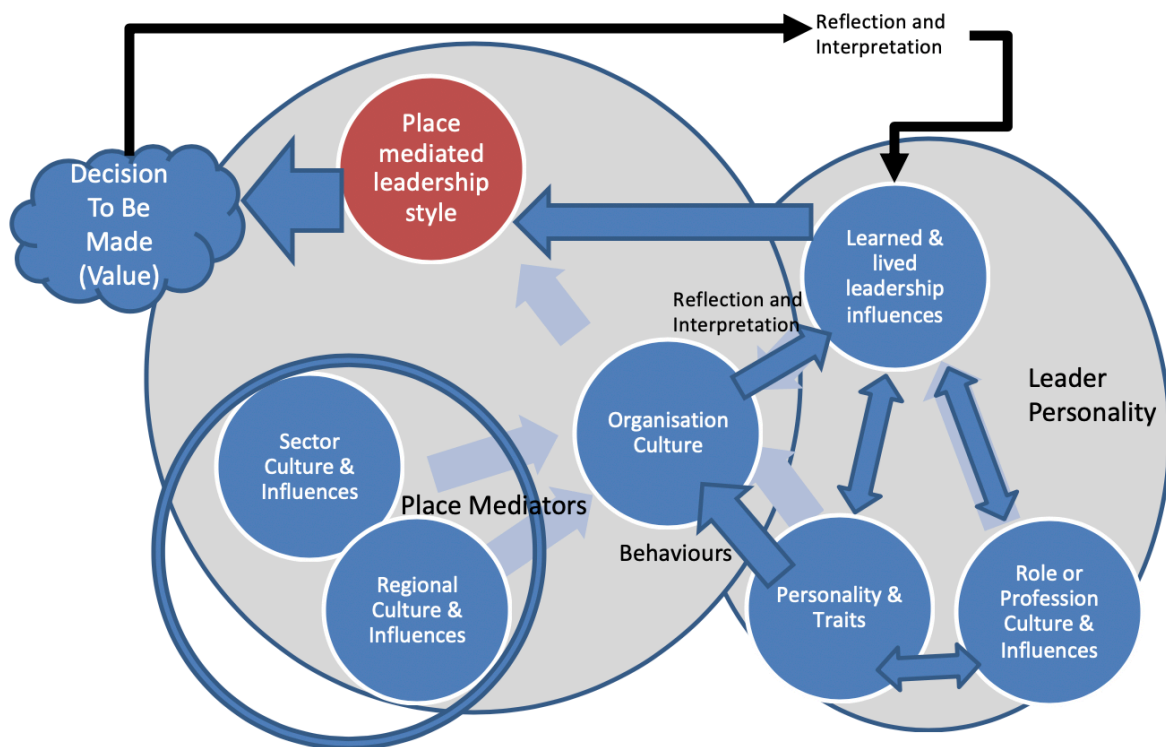
Source: The Researcher (2020)

The dynamic 'place mediated leadership style 'was evident in the case study leaders and firms studied. This 'place mediated 'dynamic leadership style was illustrated by the leader of 'food co 'who described his journey and the journey of his HGF over the last decade. The researcher gained an understanding of the business growth during the period of study (twelve months). The leader described how he had developed and grown the business over a decade and in the last few years recruited more managers and appointed directors to take over elements of the business. In the last few years, he established a board, he relinquished formal control and appointed the Finance Director as Managing Director. He also described how he had changed his behaviours and approach to leading the business by constantly reflecting on what he thought was required to help the business grow and how that impacted his role and behaviours. His changed behaviours were both pragmatic and transformational. He advised:

> *"I managed to get J back from Unilever because he believed in what we were trying*
>
> *to build here, he's a very capable guy and so I obviously leave him to implement his*
>
> *ideas and run the production side, that's what we pay him for! …I try and support*
>
> *him as much as I can."* ED

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The figure (7.10) asserts that the leadership practice observed was a dynamic process and an 'ongoing socially constructed narrative 'as suggested by Kempster and Stewart (2010) and Ford et al., (2008). The data suggested that leadership, in the firms studied, is polyadic in nature (Yukl, 1999; Collinson, 2006; Ford et al., 2008) as the leaders obtained views from followers on firm performance and their leadership practice from multiple sources and not simply from direct reports (dyad). The study asserts that the influences on leaders are multifaceted and fall into the two main areas of organisational mediators and personality-based mediators. The multiple influences are both historical (Kempster, 2009) and current firm dynamics and personality influences, which supports the contentions of CLS authors (Grint, 2005; Collinson, 2011; Ford et al, 2008). The current firm based dynamic events, described as 'place 'are detailed in the above section (7.4) that discusses 'place 'based mediators of leaders practice. The sector and regional influences in turn mediate and moderate the organisational culture (Schein, 1990). The organisational culture is heavily influenced by the personality of the leader as suggested by Kempster and Cope (2010).

The leaders 'personal style is influenced by their personality traits (Antonakis, 2011; Taylor, 2019) and their learned and lived organisational experiences (Kempster, 2009; Kempster and Stewart, 2010) as well as their professional culture influences introduced by this study (see above 'place 'discussion).

This study concludes that these influences and mediators identified in this chapter result in a 'place mediated 'leadership style that is dynamic in orientation. The 'place mediated ' leadership style is dynamic in orientation as the leaders studied were reflexive practitioners (Alvesson, 2017). The firm and the individual influences are impacted by the socially constructed version of implicit leadership (Grint, 2005; Collinson, 2011) that exists within each of the case study firms. The leader is central to the construction of the leadership narrative within each firm and as the above figure suggests (7.10) this 'leadership narrative ' evolves and iterates as the leader and business grows and develops. The leaders incorporated their learned and lived experiences (Kempster, 2009) into their leadership style. In this respect the study agrees with the assertion of Margaret Collinson (2018), Kempster and Stewart (2010) and Ford et al., (2008) who argue leadership is a dynamic,

iterative construct. The study contradicts much of the dominant theory that suggests a normative approach to leadership theory is pertinent and the data collected demonstrates the leadership style of HGF leaders is mediated by 'place 'and the product of their learnt and lived experiences (Kempster and Stewart,2010).

The study has explored the influences on leaders 'decision making within HGFs (figure 7.10 above), this model enables the study to assert that decision making and in turn the leaders leadership practice is dynamic and iterative in orientation (Collinson, 2018; Kempster and Stewart, 2010). This dynamic and iterative leadership style is mediated by place mediators (see figure 7.9) and therefore the study argues that a dual iterative dynamic operates. This dual dynamic operates between the leader and numerous followers as well as between the place mediated influences that moderate the leadership style of the HGF leader. Therefore, this study asserts that a dynamic state exists between leaders and followers within the business that is an ongoing socially constructed narrative that is translated into practice by the reflexive leader. The leader of HGFs navigate these dual dynamic influences through the multifaceted leadership behaviours and practices, detailed in the model proposed by the researcher (figure 7.3).

7.6 What Innovation Processes and Practices are Employed at Successful Growth and High Growth SMEs?

This section will outline the innovation processes and practices observed and discovered. This study set out to answer the above question and suggested that leadership is the independent variable (Dinh et al, 2014) in the central theme of the study, 'What leadership styles and innovation practices exist in growth and high growth SME businesses'. A recent UK Government report (BEIS, 2020) on innovation stated: *"Evidence shows a positive and statistically significant link between innovation and organisational growth"* (p6), therefore the value in outlining the innovation practices of HGFs is salient and timely.

Rosing et al., (2011) in their systematic review of the extant literature on leadership and innovation found a "*complex and inconsistent picture*" (p956). Spear (2009) asserted *"there's no doubt that Toyota's success is largely attributable to its 'velocity of discovery- the speed with which the company improves, innovates and invents." (*p36). Extant research

asserts that leaders are integral to creating a workplace climate and processes that facilitate innovation (Mumford et al., 2011; Rosing et al, 2011). This study found the 'Framework of Organizational Innovation '(Crossan and Apaydin, 2010) was valuable in framing the data analysis of the above question. Therefore, this section will discuss the empirical data, including the processes and practices observed under the headings of 'determinants of innovation 'and the 'dimensions of innovation'.

7.6.1 Determinants of Innovation

Crossan and Apaydin (2010) suggested the 'determinants of innovation ' are comprised of the 'leadership', 'managerial levers 'and 'business processes 'that a business has in place for innovation to take place. The determinants of innovation discovered by the researcher are summarised below:

- An organisational innovation culture (facilitated by leader)

- The presence of an explicit innovation strategy

- Innovation processes and practices linked to KPIs

- Innovation Portfolio management

The study has provided a section (below) for each 'determinant 'with a description and succinct examples, under each heading.

- An organisational innovation culture facilitated by the leader

The general patterns from the data indicated that the leaders created a culture, within the business, that promoted and facilitated innovation. The leaders interviewed (see data tables 6.3, 5.2 and 4.2) stated innovation was an embedded aspect of their business culture, based on their personal practices and those that the business had adopted based on the sector dynamics as outlined above (section 7.5). This innovation culture was created through the leaders 'behaviours and actions that engaged and motivated followers (Jackson and Parry, 2018) and creating processes and practices (Poorkavoos et al., 2016). The findings from this study support those views from the literature.

The leaders generally developed key performance indicators (KPIs) that measured output, productivity and quality of their service or product. The leaders focused discussions with

followers around these business KPIs and on reducing costs or increasing quality. Howell and Avolio (1993) found a positive relationship between intellectual stimulation and creativity in organisations, which the data from this study supports. Leaders who encourage intellectual stimulation and diversity of opinion foster experimentation and development of new ideas within organisations and can lead to employees importing ideas and processes from outside the organisation (Henry, 2001). This study found support for these contentions and the behaviours discerned were conveniently articulated by one of the HGF firm leaders:

"I talk to the guys every week about our KPIs and talk about how we're progressing with our various projects to drive productivity. We talk about the major jobs as well and review what went well and what we could improve, you know and it's just what we do, always have." RG (HGF leader)

- The presence of an explicit innovation strategy

The findings showed that the leaders had an explicit innovation strategy which supports the work of Crossan and Apaydin (2010). They had stated business aims in terms of growth which were often broken down into new product development, customer acquisition or market share targets which in turn were translated into operational KPIs. The below quote articulates this finding succinctly:

"I always wanted to grow the business, standing still wasn't an option. Our KPIs allow us to understand our performance monthly and progress against our growth target, which is around acquiring new customers and ensuring we retain our existing. Our weekly and monthly management meetings cover the KPIs and the challenges we face." HM (HGF leader)

Therefore, the establishment of an explicit innovation strategy by the leader enabled each of the businesses to focus their efforts on the explicit KPIs which reported on their performance. The KPIs demonstrated that the leaders had discussed and formulated measures of growth, had feedback loops in place to assess progress and had deployed the responsibility for achievement to followers.

- Innovation processes and practices linked to KPIs

The findings demonstrate that the leaders of high-growth firms had both formal and informal innovation processes (see data tables 6.3, 5.2, 4.2). The larger firms had more formal processes and often had explicit formalized CI activity, which was embedded within the formal processes of the firm. The observation and survey data from the case studies (see tables 7.9, 7.10 & 7.11), presents evidence of the CI projects with related progress against performance infographics. The study discovered a range of innovation processes and tools being used with different levels of formality which increased with business size, as suggested by the literature (Burns, 2016). The leaders described the importance of supporting and encouraging innovation against established processes and KPIs. An illustrative example is reproduced below:

> *"we are constantly looking at how we can increase productivity and that's left to the teams to come up with ideas and run them through small CI projects. We look at downtime, machine performance, movement all of that and it's my role to drive that and thank them for saving a few minutes here and increasing product quality there."*
> JP (HGF leader)

Research conducted by Curado *et al,.* (2018) concluded that organisations that have formal innovation processes are more likely to develop both continuous improvement and NPD/SS innovations, this study supports this assertion.

- Innovation Portfolio management

The data suggests 85% of HGF leaders engage in regular dialogue with followers around the multiple continuous improvement projects ongoing within the business, in order to constantly obtain feedback and assess performance. The leaders had formal and informal mechanisms to engage with followers at all levels. The size of the business and the leadership style dictated the formality of the performance discussions. This supports existing research by Storey and Westhead (1997) and Kitching and Blackburn (2002) who asserted the level of formality increases with size, which this study also found. An indicative illustration of the practices discovered is captured in the quote below:

"I get out there a lot, I walk through the shop-floor to get to my office and I check in with them all and ask how they're doing and what they think about some of the POOGI projects we got going on. I need their thoughts on the quality issues, I'm not close enough to the product to know how to solve some of the problems. I like getting that feedback and keeping up to speed with what they got going on in their lives". MF (HGF leader)

The findings of the study are consistent with the published literature and leaders motivated followers to be creative and innovate through practicing a mix of the tenets of transformational leadership (Bass & Riggio, 2006) including idealised influence, and intellectual stimulation as well as Pragmatic Leadership (Mumford & Van Doorn, 2001) behaviours of balanced processing. The data from this study supports the literature that suggests SME leaders are a key determinant and influence on performance and organisational culture (Schein, 1992; Kempster and Cope, 2010). The study also supports the contentions of Spear (2009) who argued that successful organisations have the ability to design innovation systems, have problem-solving capabilities, are able to share knowledge across the organisation and develop the problem-solving innovation capabilities of followers. Therefore, this finding suggests that HGF leaders invest their efforts in a range of innovation activities (conducted by followers) in order to satisfy customers and keep pace with market changes.

7.6.2 Dimensions of Innovation

The dimensions of innovation (Crossan and Apaydin, 2010) describes operational innovation processes within the firm that enable innovation to take place. They consist of 'innovation as process 'and 'innovation as outcome'. Crossan and Apaydin (2010) suggested innovation as a process took place at different levels, had various drivers and could be unidirectional (top down or bottom up). The study found that 90% of the HGF leaders had established processes for engaging with customers and suppliers to stimulate innovation within the firm. The leaders and managers discussed product/service quality issues that arise during product/service delivery and importantly obtain views on how their service or product could be improved (Davilla et al.,2006). The suggestions obtained would often initiate product enhancement, productivity improvements, quality improvements or cost reduction projects.

The leaders described both formal monthly or quarterly meetings with followers (often managers) and more informal discussions between operational staff across the businesses, as well as with customers and suppliers which created feedback loops and product/service enhancements. The innovations described by the leaders were both invention (new products or services) of the business and adoption of existing processes or practices discovered through these inter-organisation interactions. The below quote summarises the approach of the HGFs studied:

> "More and more customers are working with us and saying what can you do differently, what ideas do you have about saving money or reducing energy costs. And, so I relay to the team and we talk around it and we go back to the customer and say we can do X at that price or Y if you want to pay this, which they seem to like, and it keeps us thinking and innovating." AST (HGF leader)

The quote typified the relationship the HGF businesses had with their customers and suppliers. The inter-organisational relationships outlined above are shown to enhance innovation capabilities which supports the assertions of Crossan and Apaydin (2010) and Poorkavoos et al. (2016). Helfat *et al* (2007) suggested that a firms 'ability to obtain and assimilate innovations is an important aspect of their dynamic capability (Eisenhardt and Martin, 2000), this study found that the HGFs enhanced their dynamic capabilities through their deliberate interaction with customers and suppliers.

The study found that 85% of the HGF leaders had processes in place for ideas and suggestions made by followers. The leaders described their processes, which were both formal and informal. The results of this study suggest the level of formality was related to business size and the leader's style, supporting contentions of Burns (2016) and Gibb (2009). The above quotes demonstrate that the leader behaviour included personally engaging with followers, which enhanced communication and feedback. These behviours are a reflection of their personality and the small business size enabled leaders to get around and talk to followers, frequently.

The larger firms had formal processes that captured employee suggestions and ideas as proposed in the literature by Rosing et al.(2011) and Poorkavoos et al. (2016). The

managers, within the larger small and medium firms, were found to have responsibility for encouraging suggestions and managing the CI projects. This finding suggests that leaders were comfortable to distribute responsibility to followers as suggested in the literature. Different processes existed within the firms studied with most having informal processes where employees were asked to make suggestions as issues arose or during more formal weekly or monthly meetings with managers (Alghamdi, 2018; Helfat et al., 2007). The business leaders incorporated suggestions and current CI projects within weekly or monthly performance meetings. The below quote succinctly characterises the approach discovered.

> *"It's part of the managers role to ask the people doing the job for ideas and how we can improve processes or provide a better service to customers, and that's something we talk about within our regular meetings. I think you have to engage people in the challenges you face and in all honesty most of them enjoy it, particularly seeing their ideas make a difference".* HM (HGF leader)

The study concludes that the Crossan and Apaydin (2010) 'multi-dimensional framework of organisational innovation 'has proved useful for this study to structure the data analysis and also to explore and characterise innovation in HGFs. The study asserts that HGFs have established inter-organisation (supplier and customer) networks that facilitate innovation as suggested by Moller *et al,*. (2007) and Poorkavos *et al.,* (2016). The study discovered that innovation in HGFs is supported by internal drivers, through available resources or knowledge, as suggested by Davilla *et al.,(*2006) and the source of innovation was both internal and external as suggested by Crossan & Apaydin (2010) and Poorkavoos et al.(2016).

In summary, this section of the study supports the suggestions of Alghamdi (2018) and Kempster and Cope (2010) that organisational innovation in growth and high growth SMEs is heavily influenced by the business leader. Leaders foster a creative environment by encouraging ideas, which reduces workers fear of failure and thus leads to innovative behaviour as well as continuous organizational learning as asserted by Amabile (1998) and Mumford et al (2011). When leaders promote creativity and innovation, followers will accept the leaders 'values as their own and emulate their actions according to Yukl (2012), this study supports this view. The study also concurs with recent authors, in light of the

complexity of innovation, that a single leadership style cannot promote innovation effectively as leadership needs to match the pace and complexity of the innovation demanded by its operating context (Rosing, 2011; Zacher & Rosing, 2015; Poorkavoos et al, 2016).

7.7 Summary of Research Question Findings

This study set out to research "What leadership styles and innovation practices exist in growth and high growth SME businesses?". The study derived two research questions from this central guiding theme, and will summarise in the below sections.

7.7.1 What Leadership Processes and Practices are Employed at Growth and High Growth SMEs?

The leadership processes and practices employed at growth and high-growth SMEs is illustrated in figure 7.3 and detailed in section 7.2.1. This study asserts that a 'place mediated 'Leadership style (see figure 7.9), cognisant of the implicit leadership theory of followers (Haslam, 2004), that engages followers and distributes leadership (Kempster et al., 2011) was practiced by HGF leaders. The study did not find a leadership style that aligned closely with any contemporary theories, within the SMEs studied, which is contrary to the dominant normative theorising of many contemporary academics. However, the study did discover a 'blended leadership style 'that incorporates tenets of Transformational Leadership (Bass and Riggio, 2006), elements of Distributed Leadership (Bolden, 2011), Pragmatic Leadership practices (Mumford and Van Doorn, 2001) and a humility (Collins, 2001) as well an aptitude to engage with followers at all levels and Distribute leadership (Kempster *et al*,. 2011).

The combination of TL, DL and PL practices was evident in the majority of high-growth firm leaders. A single leadership model or style was not detected; therefore, the researcher argues against the dominant literature and particularly North American authors who assume a normative approach to their conceptual writings on leadership. The study would concur with CLS authors who argue against a normative approach and assert that an 'ideal 'leadership model does not exist. This study concludes that growth and high-growth firms are complex

adaptive systems (Schneider and Somers, 2006) that are led by multifaceted leadership styles which are themselves mediated by place and the dynamic environment they operate within.

Therefore, the researcher agrees with Margaret Collinson (2018) who stated *"that both practices and traits/behaviours are important – it is not a question of one or the other. But this analysis needs to be taken further: practices also have to be understood in relation to structure(s) and power relations."* (p385).   Whilst power was not an explicit object of this study, the researcher has developed a model for a 'place mediated leadership style', introducing elements of place as a mediators of leaders behaviours which incorporates the power relations that Collinson (2018) references. The researcher hopes academic colleagues can further explore the power dynamics Collinson (2018) highlights, using the model offered by the researcher. This study offers a new and unique model as a contribution to the extant literature, answering the calls of Love and Roper (2015), Mason and Brown (2011), Franco and Matos (2013) and Collinson (2018). This model is based on the empirical data collected by this study, it offers an explanation of the processes and practices of leaders of growth and high growth SMEs and invites researchers to test this model and redress its weakness as a predictive tool. The study also highlights the importance of context, through its place mediated model. The researcher, through the data obtained and refined analysis, supports the assertions of Oc (2017) *"followers are one of the three components (the others being leaders and context) that drive the effects of leadership*." (p231)

7.7.2 What Innovation Processes and Practices are Employed at Growth and High Growth SMEs?

Upon reflection the researcher discovered that there were four key innovation practices within the growth and high growth SMEs. Firstly, a personality trait within the leader (Antonakis, 2011) for problem-solving which, consequently through idealised influence created an innovation culture within the business (Amabile, 1998). The innovation culture ensured that followers within the business saw challenges as opportunities to improve their product or service (Davilla et al., 2006). The innovation (problem solving) culture facilitated the growth of the business and constant learning to ensure fit (Spear, 2009). The researcher would also argue that clear and explicit metrics (KPIs) enabled the leader and followers

within the business to focus their efforts and problem-solving capabilities in areas that supported productivity and growth (Morgan et al,. 2020). A third key practice was delegation of continuous improvement activity to managers and followers within the business. This DL (Bolden 2011) practice ensured that followers had confidence to address challenges and drive productivity (Henry, 2001). The fourth key practice was an emphasis on supplier and customer engagement at all levels (Poorkavoos et al., 2016), which enabled the businesses to enhance their products or services and build strong profitable relationships with customers and suppliers. This practice often led to the acquisition of new customers as the HGFs often acquired customers by recommendation.

In summary, the study agrees with the assertions of Spear (2009) who argued that successful organisations have the ability to design robust systems, possess problem-solving capabilities, share knowledge across the organisation and develop the problem-solving capability of people within the business. Spear (2009) conducted his research on large organisations. Therefore, this study has made a positive contribution to the SME literature and our understanding of contemporary leadership practices, in the context of Wales.

7.8 Interpreting the Findings using the Background Literature Theoretical Lenses

The study presented background theories in the literature chapter and adopted a systems theory approach to this study. This section will discuss the findings of the study in terms of the background theories and the contribution this study makes to the body of literature. The conceptual model developed by the author, detailed in figure 7.3 (above), provides a framework for this study to discuss the value of each of the background theories reviewed.

7.8.1 Value of Systems Theory

Systems theorists (Trist et al, 1963) support the concept of an organisational fit with its environment and they suggest, the role of leaders is to shape the practices of the business in order to enable it to survive and profit from environmental (market) opportunities. Systems Theory proved to be valuable to this study in framing the findings from the data. Adopting a Systems Theory lens enabled the researcher to develop the multi-layered leadership characteristics and behaviours conceptual model, detailed in figure 7.3. The

study found that each of the business leaders lead a dynamic system within the business which operates within a multifaceted multi-layered environment (external to the business). The researcher introduced a detailed model that encompasses 'place 'as a mediator and moderator of leadership styles of growth and high-growth SMEs (see figure 7.9) through a systems theory lens. The successful business leaders are adept at leading followers to co-ordinate the inputs, outputs and throughput of the businesses while successfully understanding the 'place 'mediators in order to navigate a successful course for their business. The conceptual model, developed by the author (Figure 7.3), suggests leaders of growth and high-growth SMEs fully understand their role in leading their business to ensure a fit with their operating environment. The researchers' model of shows leaders engage followers and distribute decisions, place emphasis on planning processes and vision (feed forward) and performance measurement (feedback). Leaders also ensure robust communications to followers in order to facilitate innovation processes that encourage followers to revise products and processes. In summary, leaders and followers co-create systems that are a good fit for business growth.

The systems theorists would predict that more successful businesses would operate with a better understanding of their fit with their environment and their leaders would invest in innovation and daily management practices that support improvement and learning. These tenets of systems theory do provide an explanation of this studies results. Systems theorists would also propose that more successful organisations, regardless of size, will operate with devolved responsibility and empowered followers. The latter proposal was found to be true of all successful firms in this study and the leaders had invested in significant quantities and variety of communication devices to enable delegation without being omitted from reporting structures. As such, empowered followers provided leaders with the time and ability to focus on strategy as well as a pragmatic interest in continuous improvement activities. The nature of the improvement activities was determined by the market environment, the sector and the place mediated leader practices. These findings support the contention that higher performance arises from a greater compatibility of fit between internal business structures/ external organizational relationships and place mediated leadership.

The conceptual model of the researcher, developed using a systems theory lens, describes the feedback loops and feedforward loops leaders put in place within their personal professional practice and within their business, through the development of performance metrics and decision-making mechanisms. The higher incidence of a variety of monitored performance measures correlated with higher business performance. The conceptual model suggests leaders' personal reflective practice has facilitated the continuous improvement culture within their businesses. Therefore, the business leader interacts with individual followers, units and subunits within the organisation as well as suppliers and customers within the environment to develop a robust value proposition for their business. The 'socio-technical systems 'observed within the businesses revealed that the leaders, in different ways through formal and informal processes, distributed leadership in order to ensure innovation and learning was embedded. As such, the predictions of the organisational systems theorists provide a good explanation for this study.

7.8.2 Value of Contingency Theory

Contingency Theory proposes that certain environmental features will lead to similar practices adopted by leaders within similar contexts and market sectors/technologies. Contingency Theory (Burns and Stalker, 1961) suggests there are two types of business with either 'mechanistic 'or 'organic 'forms of organisational structure, contingent on their operating environment. The organisational form, of the businesses studied, were heterogenous and the form was often a reflection of the founders' personality preferences and their professional development, rather than other environmental factors. The study asserts there is 'no one best way 'of organisational form or leadership style and therefore the taxonomic approach put forward by contingency theorists is contradicted by the empirical data and analysis of this study.

The study found evidence that leadership behaviours and practices are variable and traditional studies have related such variation to the operating environment (technological environment and market regulation). This study found that sector does have an impact, however it explains part of the picture as region mediates the sectoral influences. Leader engagement with followers is a reflection of local conditions (geographical) and protection of the source of innovation and growth within the constraints of local economic conditions.

This study presented a 'place 'mediated leadership influences model above (figure 7.9) which asserts there are mediators of leaders' style, not single 'contingencies 'as suggested by contingency theory. This study presents the multi-faceted place mediated influences of leadership of SMEs, based on a systems theory lens, which details size and structure, professional culture, organisational culture, sector and geographic region as the 'place ' mediators.

This study agrees with Pfeffer (1997) who asserted contingency theory had an overly complex explanatory structure that was disconnected from decision variables available to leaders of organisations, this study suggests that leaders of SMEs have an iterative and reflective approach to structure and organisational design. Argyris and Schön (1995) suggested management planning was a key determinant of environmental-fit and high performance, yet this study asserts that leaders adopt an iterative, distributed approach to planning and innovation. In summary, this study rejects contingency theory as a useful theoretical lens to study the leadership and innovation practices of SMEs.

7.8.3 Value of Agency Theory

The researcher discussed Agency theory (Eisenhardt, 1989) as a theoretical lens and rejected it in favour of systems theory. This study rejects the value of Agency theory for the study of HGFs as the empirical data pertaining to the leader-follower relationship contradicts agency theory assertions. Agency theory suggests leaders enforce their preferences by exerting economic or positional power over followers. However, the empirical data from this study suggests leaders of high-growth SMEs cede agency to their followers in order to ensure efficient and effective decisions are made. The data suggests leaders are predominantly altruistic in their approach and develop followers in order to engage them in the challenges of the business, which in turn enables leaders to distribute decision making. Agency theory suggests risk sharing is an issue for businesses, which arises when the principal and the agent have different attitudes towards risk. The data obtained and analysed by this study contradicts agency theory assertions as the study found that HGF leaders actively encouraged followers to adopt a 'test and learn 'approach and often bemoaned the reluctance of followers to take risks. Therefore 'place' modifies the leaders approach to agency, which contradicts traditional agency theory assertions.

7.9 Chapter Conclusions

This chapter has drawn on the findings presented in chapters four to six and discussed these in relation to the study of leadership and innovation in the context of growth and high growth SME businesses. The researcher presented evidence that the contemporary leadership and innovation literatures are dominated by large business leadership models, which provide limited utility when researching small and medium sized innovative business leaders and their organisations. At the beginning of this study there were insufficient models to explain the processes and practices of HGF leaders. Also gaining access to such organisations, beyond single case studies was challenging to existing authors and as such there existed a gap in the literature. This study has explored this gap and identified the leadership and innovation practices of growth and high growth SMEs conformed to the CLS authors perspectives. The existing literature has identified but not yet fully explored the concept of 'place' and this study represents one of the first formalized approaches to understanding leadership of SMEs in this context. This study has significantly broadened the understanding of 'place' and how place mediated leadership results in improved performance and enhanced innovation.

The next chapter presents the conclusions of this thesis. It will clearly articulate the contribution of this study and suggest subsequent areas of research in this vital area of economic performance and business studies.

Chapter Eight: Conclusions

8.1 Introduction

This final chapter reflects upon the research journey and its contributions. The conclusions will outline the implications of this research for academic teaching and research as well as for regional and national policymakers. This chapter shall conclude with suggestions for future research to build on the findings of this study.

8.2 The Learning Journey and Alternative Paths

The researcher was interested in the different processes and practices present within growth and high growth SMEs and used Wales as the context of the research. The literature gap was used to create two key questions:

1. What leadership processes and practices are employed at successful growth and high growth SMEs?

2. What innovation processes and practices are employed at successful growth and high growth SMEs?

To answer these questions, the researcher recruited SME leaders to interview and subsequently recruited case study businesses from growth and high growth firms within the manufacturing sector. The appropriate and effective research design was a phased approach to qualitative case study research.

After initial interviews with successful SME leaders, a case study approach was adopted that included collecting data through multiple semi-structured interviews of leaders and managers of SMEs, secondary data, a survey instrument and through the observation of leaders within their businesses.

All research studies are imperfect and this thesis like other studies could be improved. On reflection, the researcher would have developed more case studies in order to add greater predictive utility to this study. However it is difficult to access high growth firms (only 6% of UK firms are HGFs) and gaining access to SMEs is a challenge as their leaders have

disproportionately less time. This would have improved the robustness of the study and different sectors or geographical areas could have been added. However, the researcher was limited by geography and budget. A variety of sectors would have been ideal, although it is difficult to find high growth firms in tourism and life sciences, yet the latter only make up approximately 6% of businesses in Wales (ONS, 2016).   However, these points do not undermine the contribution made by this study as these reflective suggestions would have made minor improvements to the methods employed. According to Yin (2014) the number of case studies developed by this study conforms with social science best practice for theory generation. The study also acknowledges the role that 'time' plays in business performance, which was absent from this research. The life-cycle of a sector and business can contribute to its success. However, this study deemed 'business life-cycle' or 'time' was beyond the scope of this study as this study specifically explored the innovation and leadership practices of existing HGFs.

The study might also have used less structured interviews from the outset, as the case study phase demonstrated that a broader range of open questions allowed business leaders to 'tell their story 'and describe their practices and personal perspectives in greater detail. Some leaders appeared uncomfortable when confronted with academic leadership terms and some were less articulate when reflecting on their own practice. A huge amount of data was collected and analysed across a very broad spectrum of evidence (from interviews, observations, photos, secondary data etc.) and this created a large demand on the researchers 'time when processing the triangulated evidence. It was difficult to collect exactly the same data from each company and yet this was a major strength as it provided this study with context rich data.

The methods and research instruments used by this study have been declared and presented in this thesis, so that future researchers can replicate this study and achieve similar results.

8.3 The Main Findings and Contribution Summary

8.3.1 A Place Mediated Leadership Style ʼ

Contemporary authors asserted that context must be integral to any study of SME leadership (Leckel et al, 2020; Oc, 2017; Osborn *et al*, 2002) and hinted that the concept of place a'moderating' practice. A number of Critical Leadership Study (CLS) authors suggested 'place 'consists of Geographical place (Turnbull *et al.*, 2011); Societal Values and Beliefs (Western & Garcia, 2018); Organisational Culture (Ropo & Salovaara, 2018); Structure, Power and Politics (Hartley, 2011) and Historical Developments (Carroll et al, 2019). The findings of this study support a *place mediated 'model of leadership of SMEs* (see figure 8.1) which articulated five dimensions of place:

- Size and Structure as place mediator

- Role or Profession culture as place mediator

- Organisation Culture as place mediator

- Sector as place mediator

- Geography as place mediator

'Place'moderators and mediators were found to influence leadership style and behaviours. The **size and structure** of an organisation as a mediator of leaders 'style was reported Zaech and Baldegger (2017) and Kitching and Blackburn (2002), which this study supports. The size of the organization determined the formality or processes but did not dictate the specific blended leadership style. The mediating role that **professional bodies and associations** have on a leaders style was implicitly introduced by Haslam (2004), Avery (2005), Jepson (2009) in different ways. The mediating role that the professional body or association (the leader was a member of) influenced their leadership style, which was evident across different size and sectors. The sector, which has an obvious relationship with professional bodies, was found to have less of an impact on the behaviour of leaders. The combination of sector and professional skills creates a context within which the leader and the followers work and within which they must create a fit in order to achieve and sustain high-performance. The concept of professional place is a unique finding of this study and a concept that has not been fully explored by previous authors. The impact of the existing

organisation culture on the leaders style was illuminated by House et al., (2004), Grint (2005) and Schyns and Schilling (2011) in various formats. This study supports the contentions of the highlighted authors and asserts that the leader strongly influences the culture of a business through their place mediated leadership style. This study supports the contention that the **sector** and the market leaders operated within, influenced their practice of leadership as articulated by Edwards (2015a), Franco and Matos (2013), and Osborn & Marion (2009). The influence of **geographic** location on leadership style was propagated by Franco and Matos (2013), Mason & Brown (2011) and Carroll et al, (2019), the data gathered by this study corroborates the contentions of these authors.

This study argues that the leadership style of growth and high growth SMEs does not fit with any of the normative theories produced by authors within the dominant 'large business' leadership literature and leadership style as outlined by this study is moderated and mediated by 'place', as outlined above. This study found that a 'blended multifaceted leadership style' was apparent in the growth and high growth businesses studied. The place mediated model of leadership presented is a valuable contribution to the literature of this study. The value and novelty lies in the combination of existing and new place concepts. The strength of this new model is derived from the combination of these place concepts.

8.4 Implications of the Study

There are several implications of this study which will now be explored.

8.4.1 Management Practitioners

Leadership requires a level self-awareness in order to leverage the knowledge and skills of followers and in order to target efforts where most effective for the business. In so doing, leaders should reflect and learn from their actions as individuals and as organisations. An awareness of one's own professional education and development is helpful as it can limit thinking and ways of problem solving and artificially stifle innovations proposed by followers.

Leaders should encourage followers to develop as this has motivational properties that enhance the dynamic capabilities of a business (learning through problem-solving and

innovation practices). It also enables the leader to delegate more, which in turn drives more innovation and productivity when followers are motivated and empowered.

The study finds leaders should exhibit humility and encourage followers to provide constructive criticism (as feedback) so more effective work relationships can develop. Facilitation of such open knowledge sharing enhances productivity within an organisation and often leads to an 'innovation culture', when followers are aligned with company goals and ideas are translated into innovations. This study finds the use of a formalized innovation strategy helps focus followers efforts and explicit performance measures provide necessary feedback towards the achievement of business aims.

Leaders should understand "place" and how it moderates and mediates leadership practices. This could be achieved through externally facilitated coaching of leaders and their direct followers, in order for them to appreciate the most effective practices.

8.4.2 Government and Regional Policymakers

The study shows that policymakers should invest more resources in businesses growth capabilities to include business mentors and coaches, academics, non-exec director mentors (i.e. retired business owners), learning communities/networks and signposting services. These activities would help SME leaders to develop reflective practices that evolve and enhance the efficacy of their leadership style. The government should invest in independent cooperatives and develop geographical 'place; clusters regionally as learning communities (i.e., the build on the successes of the ION Leadership and Twenty 20 programmes in Wales). Such social learning informed programmes provide peer to peer learning and enable regional SMEs to learn from and with each other, in a protected peer support environment.

8.4.3 Academic Research

The challenges of small businesses and the practicalities of researching SMEs is not the same as large business theory building. Academics must understand the limitations of quantitative studies for understanding complex phenomena such as the leadership of SMEs. Firm level analyses and 'snapshots 'in time lack context and practical utility – they have poor predictive ability when compared with a place mediated dynamic leadership model. As such

a qualitative and context-rich methodology should be applied to studies of this type, in order to extend and test this model.

8.4.4 Academic Teaching

Academic teaching tends to reflect the large organisation leadership models and frameworks despite the likelihood of most students working for an SME in their future careers. Therefore, cases of SME leadership and innovation should be used to provide more context and understanding for students in order to link practices and contexts with greater effectiveness.

Critical thinking and reflective practice using case studies should also be promoted to reduce the teaching of normative models and frameworks. This study shows the importance of an innovation culture built on knowledge sharing and group problem-solving. Students should be encouraged to undertake a project for an SME as part of their degree studies so they can apply their theoretical knowledge.

8.5 Where Next?

As a result of this study, the following would represent fruitful avenues for future research in order to extend the work of this study:

1. Continue to monitor the companies engaged to see how they sustain growth and how leadership styles change in relation to different business challenges over time (longitudinal study). This would enhance our understanding of how leadership changes in response to growth challenges, it will also identify changes to the concept of place (providing a temporal dimension).

2. Compare high growth companies in other countries to isolate national cultural influences (such as European, Arabic, Chinese differences)

3. Wales underperforms in UK innovation league tables (EU RIS, 2019; Pugh et al, 2018) and yet highly innovative practices were found in some firms. As such, high value sectors including life sciences should be studied to show the impact of emerging technologies on leadership of innovation and place. In addition, the third sector

should be studied because leaders of these organisations are not profit motivated but are altruistic in their business values.

4. A study of business failures of growth SMEs, to learn lessons in terms of the incorrect application of place mediated leadership. They can be accessed via accountants or insolvency agents and inform the researchers model in terms of which aspects of place ensure business survival.

5. The study could expand its scope to look at the role that 'time' plays in business performance, which was absent from this research. The life-cycle of a sector and business can contribute to its success. The study could ask leaders about their reflections on changes to their leadership style and practices over time and the life-cycle of their sector in order to assess how the life-cycle of the sector impacted their growth trajectories.

8.6 Final Words

This has been a long journey, full of ups and downs, joyous moments and times of endurance and yet it has been a unique experience that has resulted in a contribution to the modern understanding of leadership in high growth SMEs. The models that have been developed during this thesis are offered to future researchers for them to further explore this vital area of business leadership. I wish them well with their studies and I hope they find my model and this thesis of use to their studies wherever in the world they are reviewing the literature, actively designing, collecting or interpreting data.

Gary LR Walpole

May 2021

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Appendices

Appendix A — Semi Structure Interview Questionnaire (phase 1)

Interview questions: Leadership & innovation in SMEs (GW)

Introduction: This interview aims to explore the link between leadership styles and innovation

- **Anonymity**: The study will not identify participants.
- **Right to withdraw**: all participants can withdraw at any time
- **Avoiding risk of harm/psychological distress**: Participants can decline to answer any or all questions.
- **Respect:** the study will respect personal space and workplace norms.
- **Role clarity**: The researcher aims to gather data relating to working practices and is not an advisor or acting in any other professional role.

Turnover: 2011 2012   2013   2014   2015   2016

Innovation

4. *Could you describe the process involved in developing your last new product / service, please? (The series of events or steps that led to the product being launched)*

5. *How do you develop innovation processes. Could you describe who was involved and their respective roles, please?*

Could we now talk about process / procedures innovation please

6. *What established systems or procedures have you introduced to aid process / product innovation? (continuous improvement, monthly reviews, environmental scanning)*

7. *What conditions or characteristics of your organisation facilitate/ help employees to be innovative?*

8. *Can you identify any obstacles to innovation?*

9. *Could you tell me about any unsuccessful product or process developments? What did you learn?*

Leadership

1. *Can you tell me about how you create a vision for the business with employees? (How you explain what you want the business to achieve)*
    How do you involve other people?
    What actions do you take?
    What examples could you tell me about?

2. *Could you describe how you influence employees and the workplace through your actions?*
    How do you do that?
    What other things might you do?
    What other forms might it take?

3. *How do you motivate people both individually and as teams?*
    What else might you do?
    If there was anything else what might it be?

4. *How do you develop the strategy for the business?*
    Is it done with others in the business?

5. *How are people in the business developed?*
    Are mechanisms like coaching or mentoring used?

6. *How do you encourage employees to engage in training or development, what mechanisms are used?*

10. *How do you encourage innovative behaviour in your organisation?*

11. *To what extent do you think leaders have to meet the expectations of their followers?*

12. *Do you think people of different ages are motivated in different ways?*

Thanks you for your time, could I possibly call you at a later date if I need clarification on one of the above points?

Would you like to ask me any questions?

Interview questions: Leadership & innovation in SMEs (GW)

Introduction: This interview aims to explore the link between leadership and innovation in high growth SMEs

I would like to assure all participants that the data collected and subsequent research / report will guarantee all participants:

- **Anonymity**: The study will not identify participants.
- **Right to withdraw**: all participants can withdraw at any time
- **Avoiding risk of harm/psychological distress**: Participants can decline to answer any or all questions.
- **Respect:** the study will respect personal space and workplace norms.
- **Role clarity**: The researcher aims to gather data relating to working practices and is not an advisor or acting in any other professional role.

Organisation Data						Projected
	2011	2012	2013	2014	2015	2016
Turnover:						
PBT/EBITA:						
Employee numbers (Full time Equivalent)						

Could you tell me about what your organisation does and your role in it, please?

Leadership

1. *What are your main day to day tasks?*
2. *How would you describe your leadership style?*
3. *How would you describe the leadership style of the organisation?*
4. *Do you think the sector has an influence on your leadership and that of the organisation?*
5. *Do you think your profession has influenced your leadership?*
6. *Could you describe how you influence employees and the workplace through your actions?*
7. *What, if anything, do you do differently from other leaders of SMEs that you have experienced?*

    What examples could you tell me about?

8. *How is the business strategy developed?*
9. *Could you describe the key decisions process please?*
10. *To what extent do you think leaders have to meet the expectations of their followers?*
11. *Could you tell me about any organisational performance metrics and how you manage those please?*

Innovation

Approx. how much of the increase in t/o is due to NPD or innovation?
Do you have an NPD or innovation budget/allocation? What percentage of turnover?

1. *Could you describe the process involved in developing your last new product or service, please? (The series of events or steps that led to the product being launched)*

2. *Could you describe who was involved and their respective roles, please? Are any external parties / bodies involved?*

3. *Do you involve suppliers and/or customers in NPD?*

    4. *What systems or procedures have you introduced to aid process innovation/Continuous Improvement? (JIT, Lean, SixSigma)*

5. *What are the obstacles to innovation?*

6. *What, if anything, do you do to manage knowledge in the organisation?*

7. *Could you tell me about any unsuccessful product or process developments? What did you learn?*

Appendix C   Innovation Survey instrument (Case Studies)

Name: _____ (Optional)   Co/Enterprise: _____
Organisation activity (brief): _____
SIC Code: _____   Role/Position: _____
Address: _____ _____
Postcode: _____   How many sites/plants does the Organisation have? ___
Ownership: Ltd Co ☐   Partnership ☐   Subsidiary ☐ Incorporation Year ___

Co Data				Projected		
	2011	2012	2013	2014	2015	2016	2017
Turnover (approx.) £k							
PBT/EBITA:							
Employee numbers (Full time Equivalent)							

Please rank your performance against the typical performance of your sector. Please use 5 to indicate a much better performance than similar organisations in your sector, 4 for better than sector, 3 for the same as the sector, 2 as worse than sector performance and 1 for much worse than sector performance.

Measure	Performance Level Now
Quality of process	5 4 3 2 1
In process Rework	5 4 3 2 1
Customer Returns	5 4 3 2 1
Customer Complaints	5 4 3 2 1
Health and Safety	5 4 3 2 1
Delivery on time	5 4 3 2 1
Faster Delivery Time	5 4 3 2 1
Volume flexibility	5 4 3 2 1
Flexibility of product mix	5 4 3 2 1
Flexibility of product design	5 4 3 2 1
Environmental performance	5 4 3 2 1
Corporate Social Responsibility	5 4 3 2 1
Cost per Unit	5 4 3 2 1
Productivity per person	5 4 3 2 1
Multi Skilled Employees	5 4 3 2 1

	5	4	3	2	1
Employee satisfaction	5	4	3	2	1
Time to Market (from design to Market)	5	4	3	2	1
Customer collaboration	5	4	3	2	1
Supplier Collaboration	5	4	3	2	1

Methods Used:

Please insert a '✓'in the box against all the techniques used at your business. Please rate (by circling) the extent of use in the third column (5 indicates company–wide use, 4 for majority of staff, 3 for operations staff only, 2 for speciality staff only and 1 for a single capable individual).

Tool and Technique	Please '✓' if method is Used	Extent of use				
Mapping of processes		5	4	3	2	1
Voice of the customer analysis		5	4	3	2	1
Spaghetti mapping of product/data flow		5	4	3	2	1
Creativity sessions/idea showers/brainstorming		5	4	3	2	1
5S or workplace organisation methods		5	4	3	2	1
Team building exercises		5	4	3	2	1
Root Cause Analysis		5	4	3	2	1
5 Whys		5	4	3	2	1
Tally charts and counting of issues		5	4	3	2	1
Root Cause Analysis		5	4	3	2	1
Histograms and graphs		5	4	3	2	1
Pareto analysis (80:20)		5	4	3	2	1
Demand and Capacity Analysis		5	4	3	2	1
Bottleneck process analysis		5	4	3	2	1
Statistical Analysis (process control/correlation/regression)		5	4	3	2	1
Risk assessments		5	4	3	2	1
Visual Management		5	4	3	2	1
Standard Operating Procedures (Standard work)		5	4	3	2	1
Single Point Lessons		5	4	3	2	1
Mistake proofing		5	4	3	2	1
Multi-skilling		5	4	3	2	1
Suggestion scheme		5	4	3	2	1

Job Rotation		5	4	3	2	1
Grouping of sequential processes (Group technology)		5	4	3	2	1
Cellular working		5	4	3	2	1
Single piece flow/one customer at a time		5	4	3	2	1
Takt Time monitoring or pacing production with the customer rate of product demand		5	4	3	2	1
Pull systems including pulling new work and support materials		5	4	3	2	1
Quick Changeover		5	4	3	2	1
Policy Deployment		5	4	3	2	1
A3 charts		5	4	3	2	1
Rapid improvement events		5	4	3	2	1
Visual Team Performance information boards		5	4	3	2	1
Team Briefings		5	4	3	2	1

Your Perceptions - Please insert a '✓' in the box (one only) that best describes your view of the business

Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
The workplace is clean and tidy at all times					
The offices are clean and tidy at all times					
We can find all tooling and parts easily					
The layout of the facility supports good material flow					
We have a participative management style					
We employ staff for their minds as well as their hands					
I believe we are 'customer focused'					
We believe in the principles of teamwork					
We practice teamwork in the business					

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Managers meet their teams on a daily basis					
We make decisions based on data					
Our managers would know all the key improvements their teams are working on					
Our business has effective data collection processes					
We feel comfortable discussing issues in the business					
We actively seek cost reductions					
Our customers are only interested in cost reductions					
We don't have any power with our suppliers					
Suppliers want to do business with us					
We try and develop partnerships with our customers					
We try and develop partnerships with our strategic suppliers					
Our staff know how their equipment functions					
The factory equipment is reliable					
We monitor equipment performance					
Our teams have trend information about their performance					
We review production performance on a daily basis					
Employees take pride in their work					
Our teams are enthusiastic about improving their performance					
We respect each other and other colleague's views					
We find working across departments difficult					
We learn from our mistakes					
We take pride in the quality of our work					
We actively seek to reduce waste in our processes					
We proactively develop employee skills					
We empower staff to take decisions					

In your experience what enables and inhibits successful improvement at the business?

Item	ENABLES	INHIBITS
No 1		
No 2		
No 3		
No. 4		
No. 5		

Measures

Please circle Yes or No

Statement	Measured? Yes/No	Approximate Performance last Year
Customer complaints	Yes/No	
Defects at the end of production/Right First Time	Yes/No	
In process defect rates	Yes/No	
The number of audited procedure non-conformances	Yes/No	
He cost of poor quality	Yes/No	
Employee attendance	Yes/No	
Employee ideas suggested	Yes/No	
Productivity per person	Yes/No	
Overall Equipment Effectiveness	Yes/No	
Production line downtime	Yes/No	
Production line rate against design speed	Yes/No	
Unscheduled Overtime	Yes/No	
Productivity	Yes/No	
Sales per employee	Yes/No	
Landfill costs	Yes/No	
Facility Pollution	Yes/No	
Energy Usage	Yes/No	
Accidents	Yes/No	
Near miss reports	Yes/No	
Schedule adherence	Yes/No	
On Time In Full (OTIF)	Yes/No	
Customer complaints	Yes/No	
Returns from customers	Yes/No	
Returns to suppliers	Yes/No	
Capacity utilisation	Yes/No	

Who takes part in improvement activities? Please insert a '✓' in the box that best describes your company's practice:

Staff but only when there is problem		Specialist staff only		Operations Team Members only		Office staff only	

What percentage of the workforce, have been involved with at least two improvement events? __ %

Standards: Please insert a '✓' in the box that best describes usage at your company:

ISO9001 or sector equivalent		ISO14001		Other ISO standard		Other Standard	

Are all employees trained in improvement techniques?

Who delivers improvements training?

What improvement activities have you undertaken with customers in the last 3 years?

What improvement activities have you undertaken with suppliers in the last 3 years?

Appendix D   Leaders Individual Leadership Scores

Key		Practices & Behaviours		KG
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to followers	2
3	Expclicit and intergrated		engages followers in creating KPIs	0
				5
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	2
			Problem ownership	1
				6
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	1
				4
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	3
			written vision statement	1
				7
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				5
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KPIs	3
			discusses individual achievements	2
				5
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	3
			makes time 1 to 1	2
			addresses conflict	2
				7
		Relational Transparency(Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	2
				5
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	3
			reduces formality	3
			removes hierarchy	1
				7
		Effective Delegation		
			formally delegates KPIs and development	2
			role clarity	1
				3
		Active Management by exception (Bass & Riggio, 2006)		
			discusses challenges	3
			delegates problems	2
				5
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	2
				7
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving tools	1
				4
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dynamics	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with others	2
				8
		Reflective Practice (Alvesson et al, 2017)		
			reflects on events	3
			questions own assumptions	3
			considers alternatives	2
				8
		High Intelligence (Antonakis, 2011)		
			critical thinking	3
			self-disciplined	2
			systematic judgement & wisdom	3
				8
		Place		
			Region (Geographic operating region)	3
			Sector (SIC)	2
			Role/Professional Culture	3
			Organisation Culture	2
				10
		Total		110

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Key		Practices & Behaviours		CR
0	*Never*	Articulates achieveable goals (Mumford et al, 2008)		
1	*Occasional*		Sets KPIs	3
2	*Informal regular*		Communicates plans and goals to followers	2
3	*Expclicit and intergrated*		engages followers in creating KPIs	2
				7
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	3
			Problem ownership	2
				8
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	1
				4
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	3
			written vision statement	2
				8
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				5
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KPIs	3
			discusses individual achievements	2
				5
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	3
			makes time 1 to 1	2
			addresses conflict	2
				7
		Relational Transparency(Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	1
				4
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	3
			reduces formality	3
			removes hierarchy	2
				8
		Effective Delegation		
			formally delegates KPIs and development	3
			role clarity	3
				6
		Active Management by exception (Bass & Riggio, 2006)		
			discusses challenges	3
			delegates problems	2
				5
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	3
				8
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving tools	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dynamics	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with others	2
				8
		Reflective Practice (Alvesson et al, 2017)		
			reflects on events	3
			questions own assumptions	3
			considers alternatives	1
				7
		High Intelligence (Antonakis, 2011)		
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
				9
		Place		
			Region (Geographic operating region)	3
			Sector (SIC)	3
			Role/Professional Culture	3
			Organisation Culture	3
				12
		Total		123

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Key		Practices & Behaviours		RG
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to followers	2
3	Expclicit and intergrated		engages followers in creating KPIs	1
				6
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	2
			Problem ownership	1
				6
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	2
				5
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	3
			written vision statement	1
				7
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				5
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KPIs	3
			discusses individual achievements	2
				5
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	3
			makes time 1 to 1	2
			addresses conflict	2
				7
		Relational Transparency(Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	2
				5
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	3
			reduces formality	3
			removes hierarchy	2
				8
		Effective Delegation		
			formally delegates KPIs and development	2
			role clarity	2
				4
		Active Management by exception (Bass & Riggio, 2006)		
			discusses challenges	3
			delegates problems	2
				5
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	3
			praises team achievements	2
				8
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving tools	1
				4
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dynamics	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with others	2
				8
		Reflective Practice (Alvesson et al, 2017)		
			reflects on events	3
			questions own assumptions	3
			considers alternatives	2
				8
		High Intelligence (Antonakis, 2011)		
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
				9
		Place		
			Region (Geographic operating region)	3
			Sector (SIC)	2
			Role/Professional Culture	3
			Organisation Culture	2
				10
		Total		116

Key		Practices & Behaviours		AB
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to followers	2
3	Expclicit and intergrated		engages followers in creating KPIs	0
				5
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	2
			discusses problems	2
			Problem ownership	1
				5
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	1
				4
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	3
			written vision statement	0
				6
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				5
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KPIs	3
			discusses individual achievements	2
				5
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	3
			makes time 1 to 1	2
			addresses conflict	1
				6
		Relational Transparency(Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	2
				5
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	3
			reduces formality	3
			removes hierarchy	1
				7
		Effective Delegation		
			formally delegates KPIs and development	2
			role clarity	1
				3
		Active Management by exception (Bass & Riggio, 2006)		
			discusses challenges	3
			delegates problems	2
		Humility (Collins, 2001)		5
			shares credit of success	3
			self deprecating	2
			praises team achievements	2
		Balanced Processing (Gardner et al, 2011)		7
			open discussion of challenges	3
			formal explicit problem solving tools	1
		Understanding of power (Parry & Bryman, 2006)		4
			engages with shop floor	3
			awareness of organisational dynamics	3
		Self Awareness (Gardner et al, 2011)		6
			Describe shortfalls	3
			Describe work preferences	2
			Change behaviour in working with others	2
		Reflective Practice (Alvesson et al, 2017)		7
			reflects on events	3
			questions own assumptions	3
			considers alternatives	1
		High Intelligence (Antonakis, 2011)		7
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
		Place		9
			Region (Geographic operating region)	3
			Sector (SIC)	3
			Role/Professional Culture	3
			Organisation Culture	2
				11
		Total		107

Key		Practices & Behaviours		RC
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to followers	3
3	Expclicit and intergrated		engages followers in creating KPIs	2
				8
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	3
			Problem ownership	2
				8
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	3
				6
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	3
			written vision statement	3
				9
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	3
				6
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KPIs	3
			discusses individual achievements	3
				6
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	3
			makes time 1 to 1	3
			addresses conflict	3
				9
		Relational Transparency(Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	3
			reduces formality	3
			removes hierarchy	3
				9
		Effective Delegation		
			formally delegates KPIs and development	3
			role clarity	3
				6
		Active Management by exception (Bass & Riggio, 2006)		
			discusses challenges	3
			delegates problems	2
		Humility (Collins, 2001)		5
			shares credit of success	3
			self deprecating	3
			praises team achievements	3
		Balanced Processing (Gardner et al, 2011)		9
			open discussion of challenges	3
			formal explicit problem solving tools	2
		Understanding of power (Parry & Bryman, 2006)		5
			engages with shop floor	3
			awareness of organisational dynamics	3
		Self Awareness (Gardner et al, 2011)		6
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with others	2
		Reflective Practice (Alvesson et al, 2017)		8
			reflects on events	3
			questions own assumptions	3
			considers alternatives	3
		High Intelligence (Antonakis, 2011)		9
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
		Place		9
			Region (Geographic operating region)	3
			Sector (SIC)	3
			Role/Professional Culture	3
			Organisation Culture	2
				11
		Total		135

Key		Practices & Behaviours		CH
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to followers	1
3	Expclicit and intergrated		engages followers in creating KPIs	1
				5
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	2
			discusses problems	2
			Problem ownership	1
				5
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	2
			explicit development budget	2
				4
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	2
			written vision statement	1
				6
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	2
			disucsses appropriate targets	2
				4
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KPIs	3
			discusses individual achievements	1
				4
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	3
			makes time 1 to 1	2
			addresses conflict	1
				6
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	2
				5
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	3
			reduces formality	2
			removes hierarchy	2
				7
		Effective Delegation		
			formally delegates KPIs and development	2
			role clarity	2
				4
		Active Management by exception (Bass & Riggio, 2006)		
			discusses challenges	3
			delegates problems	1
		Humility (Collins, 2001)		4
			shares credit of success	3
			self deprecating	2
			praises team achievements	2
		Balanced Processing (Gardner et al, 2011)		7
			open discussion of challenges	2
			formal explicit problem solving tools	1
		Understanding of power (Parry & Bryman, 2006)		3
			engages with shop floor	3
			awareness of organisational dynamics	2
		Self Awareness (Gardner et al, 2011)		5
			Describe shortfalls	3
			Describe work preferences	2
			Change behaviour in working with others	2
		Reflective Practice (Alvesson et al, 2017)		7
			reflects on events	3
			questions own assumptions	3
			considers alternatives	0
		High Intelligence (Antonakis, 2011)		6
			critical thinking	3
			self-disciplined	2
			systematic judgement & wisdom	3
		Place		9
			Region (Geographic operating region)	2
			Sector (SIC)	2
			Role/Professional Culture	3
			Organisation Culture	2
				9
		Total		100

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Key		Practices & Behaviours		MGY
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to followers	1
3	Expclicit and intergrated		engages followers in creating KPIs	1
				5
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	1
			Problem ownership	1
				5
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	2
				5
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	1
			written vision statement	2
				6
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	1
				4
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KPIs	3
			discusses individual achievements	2
				5
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	2
			makes time 1 to 1	1
			addresses conflict	1
				4
		Relational Transparency(Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	2
				5
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	2
			reduces formality	2
			removes hierarchy	1
				5
		Effective Delegation		
			formally delegates KPIs and development	3
			role clarity	3
				6
		Active Management by exception (Bass & Riggio, 2006)		
			discusses challenges	3
			delegates problems	2
		Humility (Collins, 2001)		5
			shares credit of success	3
			self deprecating	1
			praises team achievements	1
		Balanced Processing (Gardner et al, 2011)		5
			open discussion of challenges	2
			formal explicit problem solving tools	1
		Understanding of power (Parry & Bryman, 2006)		3
			engages with shop floor	3
			awareness of organisational dynamics	2
		Self Awareness (Gardner et al, 2011)		6
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with others	1
		Reflective Practice (Alvesson et al, 2017)		7
			reflects on events	3
			questions own assumptions	3
			considers alternatives	1
		High Intelligence (Antonakis, 2011)		7
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
		Place		9
			Region (Geographic operating region)	3
			Sector (SIC)	2
			Role/Professional Culture	2
			Organisation Culture	2
				9
		Total		101

Key		Practices & Behaviours		HW
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	2
2	Informal regular		Communicates plans and goals to followers	2
3	Expclicit and intergrated		engages followers in creating KPIs	1
				5
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	2
			Problem ownership	2
				7
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	2
				5
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	3
			written vision statement	1
				7
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	3
				6
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KPIs	3
			discusses individual achievements	2
				5
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	3
			makes time 1 to 1	2
			addresses conflict	2
				7
		Relational Transparency(Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	2
				5
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	3
			reduces formality	3
			removes hierarchy	2
				8
		Effective Delegation		
			formally delegates KPIs and development	2
			role clarity	2
				4
		Active Management by exception (Bass & Riggio, 2006)		
			discusses challenges	3
			delegates problems	2
		Humility (Collins, 2001)		5
			shares credit of success	3
			self deprecating	1
			praises team achievements	2
		Balanced Processing (Gardner et al, 2011)		6
			open discussion of challenges	3
			formal explicit problem solving tools	2
		Understanding of power (Parry & Bryman, 2006)		5
			engages with shop floor	3
			awareness of organisational dynamics	3
		Self Awareness (Gardner et al, 2011)		6
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with others	1
		Reflective Practice (Alvesson et al, 2017)		7
			reflects on events	3
			questions own assumptions	3
			considers alternatives	2
		High Intelligence (Antonakis, 2011)		8
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	2
		Place		9
			Region (Geographic operating region)	3
			Sector (SIC)	2
			Role/Professional Culture	3
			Organisation Culture	2
				10
		Total		115

Key		Practices & Behaviours		RBD
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to follo	2
3	Expclicit and intergrated		engages followers in creating KPIs	0
				5
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	2
			discusses problems	2
			Problem ownership	1
				5
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	1
				4
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	2
			written vision statement	1
				6
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				5
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KP	3
			discusses individual achievements	2
				5
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	2
			makes time 1 to 1	2
			addresses conflict	2
				6
		Relational Transparency(Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	1
				4
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change proces	3
			reduces formality	3
			removes hierarchy	1
				7
		Effective Delegation		
			formally delegates KPIs and developme	3
			role clarity	2
				5
		Active Management by exception (Bass & Riggio, 2006)		
			discusses challenges	3
			delegates problems	2
		Humility (Collins, 2001)		5
			shares credit of success	3
			self deprecating	2
			praises team achievements	2
		Balanced Processing (Gardner et al, 2011)		7
			open discussion of challenges	3
			formal explicit problem solving tools	1
		Understanding of power (Parry & Bryman, 2006)		4
			engages with shop floor	3
			awareness of organisational dynamics	2
		Self Awareness (Gardner et al, 2011)		5
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with othe	2
		Reflective Practice (Alvesson et al, 2017)		8
			reflects on events	3
			questions own assumptions	3
			considers alternatives	1
		High Intelligence (Antonakis, 2011)		7
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
		Place		9
			Region (Geographic operating region)	3
			Sector (SIC)	2
			Role/Professional Culture	3
			Organisation Culture	2
				10
		Total		107

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Key		Practices & Behaviours		BB
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to followers	2
3	Expclicit and intergrated		engages followers in creating KPIs	2
				7
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	2
			Problem ownership	1
				6
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	1
				4
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	3
			written vision statement	0
				6
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				5
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KPIs	3
			discusses individual achievements	2
				5
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	3
			makes time 1 to 1	2
			addresses conflict	2
				7
		Relational Transparency(Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	3
			reduces formality	3
			removes hierarchy	1
				7
		Effective Delegation		
			formally delegates KPIs and development	3
			role clarity	2
				5
		Active Management by exception (Bass & Riggio, 2006)		
			discusses challenges	3
			delegates problems	2
		Humility (Collins, 2001)		5
			shares credit of success	3
			self deprecating	3
			praises team achievements	2
		Balanced Processing (Gardner et al, 2011)		8
			open discussion of challenges	3
			formal explicit problem solving tools	2
		Understanding of power (Parry & Bryman, 2006)		5
			engages with shop floor	3
			awareness of organisational dynamics	3
		Self Awareness (Gardner et al, 2011)		6
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with others	3
		Reflective Practice (Alvesson et al, 2017)		9
			reflects on events	3
			questions own assumptions	3
			considers alternatives	2
		High Intelligence (Antonakis, 2011)		8
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
		Place		9
			Region (Geographic operating region)	3
			Sector (SIC)	3
			Role/Professional Culture	3
			Organisation Culture	2
				11
		Total		119

Key		Practices & Behaviours		THC
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	2
2	Informal regular		Communicates plans and goals to followers	1
3	Expclicit and intergrated		engages followers in creating KPIs	1
				4
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	2
			discusses problems	2
			Problem ownership	1
				5
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	0
				3
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	2
			written vision statement	1
				6
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				5
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KPIs	3
			discusses individual achievements	2
				5
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	3
			makes time 1 to 1	2
			addresses conflict	1
				6
		Relational Transparency(Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	2
				5
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	3
			reduces formality	3
			removes hierarchy	1
				7
		Effective Delegation		
			formally delegates KPIs and development	3
			role clarity	2
				5
		Active Management by exception (Bass & Riggio, 2006)		
			discusses challenges	3
			delegates problems	2
		Humility (Collins, 2001)		5
			shares credit of success	3
			self deprecating	2
			praises team achievements	2
		Balanced Processing (Gardner et al, 2011)		7
			open discussion of challenges	3
			formal explicit problem solving tools	1
		Understanding of power (Parry & Bryman, 2006)		4
			engages with shop floor	3
			awareness of organisational dynamics	3
		Self Awareness (Gardner et al, 2011)		6
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with others	2
		Reflective Practice (Alvesson et al, 2017)		8
			reflects on events	3
			questions own assumptions	3
			considers alternatives	1
		High Intelligence (Antonakis, 2011)		7
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	2
				9
		Place		
			Region (Geographic operating region)	3
			Sector (SIC)	2
			Role/Professional Culture	3
			Organisation Culture	1
				9
		Total		106

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Key		Practices & Behaviours		MA
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to followers	2
3	Expclicit and intergrated		engages followers in creating KPIs	2
				7
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	2
			Problem ownership	1
				6
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	3
				6
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	3
			written vision statement	3
				9
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				5
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KPIs	3
			discusses individual achievements	3
				6
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	3
			makes time 1 to 1	3
			addresses conflict	2
				8
		Relational Transparency(Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	3
			reduces formality	3
			removes hierarchy	1
				7
		Effective Delegation		
			formally delegates KPIs and development	3
			role clarity	2
				5
		Active Management by exception (Bass & Riggio, 2006)		
			discusses challenges	3
			delegates problems	2
				5
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	3
			praises team achievements	2
				8
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving tools	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dynamics	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with others	3
				9
		Reflective Practice (Alvesson et al, 2017)		
			reflects on events	3
			questions own assumptions	3
			considers alternatives	2
				8
		High Intelligence (Antonakis, 2011)		
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
				9
		Place		
			Region (Geographic operating region)	3
			Sector (SIC)	3
			Role/Professional Culture	3
			Organisation Culture	2
				11
		Total		127

Key		Practices & Behaviours		SL
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to followers	1
3	Expclicit and intergrated		engages followers in creating KPIs	0
				4
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	1
			Problem ownership	1
				5
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	1
				4
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	2
			written vision statement	1
				6
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	1
				4
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KPIs	3
			discusses individual achievements	1
				4
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	3
			makes time 1 to 1	2
			addresses conflict	1
				6
		Relational Transparency(Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	1
				4
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	3
			reduces formality	3
			removes hierarchy	1
				7
		Effective Delegation		
			formally delegates KPIs and development	2
			role clarity	1
				3
		Active Management by exception (Bass & Riggio, 2006)		
			discusses challenges	3
			delegates problems	1
				4
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	2
				7
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving tools	2
				5
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	2
			awareness of organisational dynamics	1
				3
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	1
			Change behaviour in working with others	1
				5
		Reflective Practice (Alvesson et al, 2017)		
			reflects on events	2
			questions own assumptions	1
			considers alternatives	1
				4
		High Intelligence (Antonakis, 2011)		
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
				9
		Place	Region (Geographic operating region)	3
			Sector (SIC)	3
			Role/ Professional Culture	3
			Organisation Culture	2
				11
		Total		95

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Second phase semi structured interviews

Key		Practices & Behaviours		WH
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to followers	2
3	Explicit and intergrated		engages followers in creating KPIs	0
				5
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	2
			discusses problems	2
			Problem ownership	2
				6
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	1
				4
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	2
			written vision statement	0
				5
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	1
				4
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KPIs	3
			discusses individual achievements	2
				5
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	2
			makes time 1 to 1	3
			addresses conflict	2
				7
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	3
			reduces formality	3
			removes hierarchy	3
				9
		Effective Delegation		
			formally delegates KPIs and development	3
			role clarity	3
				6
		Active Management by exception (Bass & Riggio, 2006)		
			discusses challenges	3
			delegates problems	3
		Humility (Collins, 2001)		6
			shares credit of success	3
			self deprecating	2
			praises team achievements	1
		Balanced Processing (Gardner et al, 2011)		6
			open discussion of challenges	3
			formal explicit problem solving tools	3
		Understanding of power (Parry & Bryman, 2006)		6
			engages with shop floor	3
			awareness of organisational dynamics	3
		Self Awareness (Gardner et al, 2011)		6
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with others	3
		Reflective Practice (Alvesson et al, 2017)		9
			reflects on events	3
			questions own assumptions	3
			considers alternatives	3
		High Intelligence (Antonakis, 2011)		9
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
		Place		9
			Region (Geographic operating region)	3
			Sector (SIC)	3
			Role/Professional Culture	2
			Organisation Culture	3
				11
		Total		125

Key		Practices & Behaviours		WBA
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals st	3
3	Explicit and intergrated		engages followers in creating KPl	3
				9
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	2
			discusses problems	2
			Problem ownership	2
				6
		Develops People (Parry & Bryman, 2006)		
			development formally part of str	3
			explicit development budget	3
				6
		Articulates vision (Podsakoff, 1990)		
			outlines company direction	3
			communicates direction and vis	3
			written vision statement	1
				7
		Fosters acceptance of goals (Podsakoff, 1990)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				4
		Communicates high expectations (Podsakoff, 1990)		
			sets department/area and perso	3
			discusses individual achievemen	2
				5
		Provides individual support (Podsakoff, 1990)		
			coaches and mentors	2
			identifies capabilities and addre	3
			addresses conflict	2
				7
		Relational Transparency(Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change	3
			reduces formality	3
			removes hierarchy	3
				9
		Effective Delegation		
			formally delegates KPIs and deve	3
			role clarity	3
				6
		Intellectual stimulation (Podsakoff, 1990)		
			discusses challenges	3
			delegates problems and challeng	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	2
				7
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dyn	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working wi	2
				9
		Traits		
		Agreeableness (Costa & McRae, 1982)		
			people orientated	3
			concern for others welfare	3
			creates family atmosphere	3
				9
		Conscientiousness (Costa & McRae, 1982)		
			determined	3
			self-disciplined	3
			deliver against plans	3
				9
		Place		
		Region (Geographic operating region)		3
		Sector (SIC)		3
		Personal sense of place		2
		Learned Leadership		3
				11
		Total		128

Key		Practices & Behaviours		HM
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals t	2
3	Explicit and intergrated		engages followers in creating KP	0
				5
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	2
			Problem ownership	2
				7
		Develops People (Parry & Bryman, 2006)		
			development formally part of st	3
			explicit development budget	1
				4
		Articulates vision (Podsakoff, 1990)		
			outlines company direction	3
			communicates direction and vis	2
			written vision statement	0
				5
		Fosters acceptance of goals (Podsakoff, 1990)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				4
		Communicates high expectations (Podsakoff, 1990)		
			sets department/area and person	3
			discusses individual achievemen	2
				5
		Provides individual support (Podsakoff, 1990)		
			coaches and mentors	2
			identifies capabilities and addre	2
			addresses conflict	2
				6
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change	3
			reduces formality	3
			removes hierarchy	2
				8
		Effective Delegation		
			formally delegates KPIs and deve	3
			role clarity	3
				6
		Intellectual stimulation (Podsakoff, 1990)		
			discusses challenges	3
			delegates problems and challeng	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	2
				6
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving	2
				5
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	2
			awareness of organisational dyn	3
				5
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working wi	2
				8
		Traits		
		Agreeableness (Costa & McRae, 1982)		
			people orientated	3
			concern for others welfare	3
			creates family atmosphere	2
				8
		Conscientiousness (Costa & McRae, 1982)		
			determined	3
			self-disciplined	3
			deliver against plans	3
				9
		Place		
		Region (Geographic operating region)		3
		Sector (SIC)		3
		Personal sense of place		1
		Learned Leadership		3
				10
		Total		109

Key		Practices & Behaviours		MMD
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals t	2
3	Explicit and intergrated		engages followers in creating KP	1
				6
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	2
			discusses problems	2
			Problem ownership	2
				6
		Develops People (Parry & Bryman, 2006)		
			development formally part of str	3
			explicit development budget	3
				6
		Articulates vision (Podsakoff, 1990)		
			outlines company direction	3
			communicates direction and vis	3
			written vision statement	1
				7
		Fosters acceptance of goals (Podsakoff, 1990)		
			talks to followers about goals	3
			disucsses appropriate targets	1
				4
		Communicates high expectations (Podsakoff, 1990)		
			sets department/area and persor	3
			discusses individual achievemen	2
				5
		Provides individual support (Podsakoff, 1990)		
			coaches and mentors	3
			identifies capabilities and addre	3
			addresses conflict	2
				8
		Relational Transparency (Gardner et al 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change	3
			reduces formality	3
			removes hierarchy	1
				7
		Effective Delegation		
			formally delegates KPIs and deve	3
			role clarity	3
				6
		Intellectual stimulation (Podsakoff, 1990)		
			discusses challenges	3
			delegates problems and challeng	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	2
				7
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dyn	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working wi	3
				9
		Traits		
		Agreeableness (Costa & McRae, 1982)		
			people orientated	3
			concern for others welfare	3
			creates family atmosphere	1
				7
		Conscientiousness (Costa & McRae, 1982)		
			determined	3
			self-disciplined	3
			deliver against plans	3
				9
		Place		
		Region (Geographic operating region)		3
		Sector (SIC)		3
		Personal sense of place		2
		Learned Leadership		3
				11
		Total		122

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Key			Practices & Behaviours		JF
	0	Never	Articulates achieveable goals (Mumford et al, 2008)		
	1	Occasional		Sets KPIs	2
	2	Informal regular		Communicates plans and goals t	2
	3	Explicit and intergrated		engages followers in creating KP	1
					5
			Problem Solving (Mumford & Van Doorn, 2001)		
				reframes challenges	2
				discusses problems	2
				Problem ownership	3
					7
			Develops People (Parry & Bryman, 2006)		
				development formally part of st	2
				explicit development budget	1
					3
			Articulates vision (Podsakoff, 1990)		
				outlines company direction	3
				communicates direction and vis	2
				written vision statement	1
					6
			Fosters acceptance of goals (Podsakoff, 1990)		
				talks to followers about goals	3
				disucsses appropriate targets	1
					4
			Communicates high expectations (Podsakoff, 1990)		
				sets department/area and perso	3
				discusses individual achievemer	2
					5
			Provides individual support (Podsakoff, 1990)		
				coaches and mentors	2
				identifies capabilities and addre	3
				addresses conflict	1
					6
			Relational Transparency (Gardner et al 2011)		
				open discussions with followers	3
				acceptance of differences	3
					6
			Bureaucracy reduction (Parry & Bryman, 2006)		
				encourages followers to change	3
				reduces formality	3
				removes hierarchy	0
					6
			Effective Delegation		
				formally delegates KPIs and deve	3
				role clarity	3
					6
			Intellectual stimulation (Podsakoff, 1990)		
				discusses challenges	3
				delegates problems and challeng	2
					5
			Humility (Collins, 2001)		
				shares credit of success	3
				self deprecating	1
				praises team achievements	1
					5
			Balanced Processing (Gardner et al, 2011)		
				open discussion of challenges	3
				formal explicit problem solving	3
					6
			Understanding of power (Parry & Bryman, 2006)		
				engages with shop floor	3
				awareness of organisational dyn	3
					6
			Self Awareness (Gardner et al, 2011)		
				Describe shortfalls	3
				Describe work preferences	2
				Change behaviour in working wi	1
					6
			Traits		
			Agreeableness (Costa & McRae, 1982)		
				people orientated	3
				concern for others welfare	3
				creates family atmosphere	1
					7
			Conscientiousness (Costa & McRae, 1982)		
				determined	3
				self-disciplined	3
				deliver against plans	3
					9
			Place		
			Region (Geographic operating region)		3
			Sector (SIC)		3
			Personal sense of place		2
			Learned Leadership		2
					10
			Total		108

Key		Practices & Behaviours		TS
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals t	2
3	Explicit and intergrated		engages followers in creating KP	2
				7
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	3
			Problem ownership	2
				8
		Develops People (Parry & Bryman, 2006)		
			development formally part of st	3
			explicit development budget	3
				6
		Articulates vision (Podsakoff, 1990)		
			outlines company direction	3
			communicates direction and vis	3
			written vision statement	3
				9
		Fosters acceptance of goals (Podsakoff, 1990)		
			talks to followers about goals	3
			disucsses appropriate targets	1
				4
		Communicates high expectations (Podsakoff, 1990)		
			sets department/area and perso	3
			discusses individual achievemen	3
				6
		Provides individual support (Podsakoff, 1990)		
			coaches and mentors	3
			identifies capabilities and addre	3
			addresses conflict	2
				8
		Relational Transparency (Gardner et al 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change	3
			reduces formality	3
			removes hierarchy	1
				7
		Effective Delegation		
			formally delegates KPIs and deve	3
			role clarity	3
				6
		Intellectual stimulation (Podsakoff, 1990)		
			discusses challenges	3
			delegates problems and challeng	2
				5
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	2
				7
		Balanced Processing (Gardner et al 2011)		
			open discussion of challenges	3
			formal explicit problem solving	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dyn	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working wi	1
				7
		Traits		
		Agreeableness (Costa & McRae, 1982)		
			people orientated	3
			concern for others welfare	3
			creates family atmosphere	3
				9
		Conscientiousness (Costa & McRae, 1982)		
			determined	3
			self-disciplined	3
			deliver against plans	2
				8
		Place		
		Region (Geographic operating region)		3
		Sector (SIC)		3
		Personal sense of place		3
		Learned Leadership		3
				12
		Total		123

Key		Practices & Behaviours		BP
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to followers	2
3	Explicit and intergrated		engages followers in creating KPIs	0
				5
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	2
			Problem ownership	2
				7
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	2
				5
		Articulates vision (Podsakoff, 1990)		
			outlines company direction	3
			communicates direction and vision	2
			written vision statement	0
				5
		Fosters acceptance of goals (Podsakoff, 1990)		
			talks to followers about goals	3
			disucsses appropriate targets	1
				4
		Communicates high expectations (Podsakoff, 1990)		
			sets department/area and personal KPIs	3
			discusses individual achievements	2
				5
		Provides individual support (Podsakoff, 1990)		
			coaches and mentors	2
			identifies capabilities and addresses needs	3
			addresses conflict	1
				6
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	2
				5
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	3
			reduces formality	3
			removes hierarchy	1
				7
		Effective Delegation		
			formally delegates KPIs and development	3
			role clarity	3
				6
		Intellectual stimulation (Podsakoff, 1990)		
			discusses challenges	3
			delegates problems and challenges	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	1
				6
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving tools	1
				4
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dynamics	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with others	1
				7
		Traits		
		Agreeableness (Costa & McRae, 1982)		
			people orientated	3
			concern for others welfare	3
			creates family atmosphere	1
				7
		Conscientiousness (Costa & McRae, 1982)		
			determined	3
			self-disciplined	3
			deliver against plans	3
				9
		Place		
		Region (Geographic operating region)		3
		Sector (SIC)		3
		Personal sense of place		2
		Learned Leadership		3
				11
		Total		111

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Key		Practices & Behaviours		DS
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals t	1
3	Explicit and intergrated		engages followers in creating KP	0
				4
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	2
			Problem ownership	2
				7
		Develops People (Parry & Bryman, 2006)		
			development formally part of st	3
			explicit development budget	1
				4
		Articulates vision (Podsakoff, 1990)		
			outlines company direction	3
			communicates direction and vis	3
			written vision statement	1
				7
		Fosters acceptance of goals (Podsakoff, 1990)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				5
		Communicates high expectations (Podsakoff, 1990)		
			sets department/area and perso	3
			discusses individual achievemen	2
				5
		Provides individual support (Podsakoff, 1990)		
			coaches and mentors	2
			identifies capabilities and addre	3
			addresses conflict	2
				7
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	2
				5
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change	3
			reduces formality	3
			removes hierarchy	2
				8
		Effective Delegation		
			formally delegates KPIs and deve	3
			role clarity	2
				5
		Intellectual stimulation (Podsakoff, 1990)		
			discusses challenges	3
			delegates problems and challeng	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	1
				6
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dyn	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working wi	3
				9
		Traits		
		Agreeableness (Costa & McRae, 1982)		
			people orientated	3
			concern for others welfare	2
			creates family atmosphere	1
				6
		Conscientiousness (Costa & McRae, 1982)		
			determined	3
			self-disciplined	3
			deliver against plans	3
				9
		Place		
		Region (Geographic operating region)		3
		Sector (SIC)		3
		Personal sense of place		2
		Learned Leadership		3
				11
		Total		116

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Key		Practices & Behaviours		JoF
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	2
2	Informal regular		Communicates plans and goals t	2
3	Explicit and intergrated		engages followers in creating KP	1
				5
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	2
			Problem ownership	2
				7
		Develops People (Parry & Bryman, 2006)		
			development formally part of str	3
			explicit development budget	1
				4
		Articulates vision (Podsakoff, 1990)		
			outlines company direction	3
			communicates direction and vis	3
			written vision statement	1
				7
		Fosters acceptance of goals (Podsakoff, 1990)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				5
		Communicates high expectations (Podsakoff, 1990)		
			sets department/area and person	3
			discusses individual achievemen	2
				5
		Provides individual support (Podsakoff, 1990)		
			coaches and mentors	3
			identifies capabilities and addre	2
			addresses conflict	2
				7
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change	3
			reduces formality	3
			removes hierarchy	1
				7
		Effective Delegation		
			formally delegates KPIs and deve	3
			role clarity	3
				6
		Intellectual stimulation (Podsakoff, 1990)		
			discusses challenges	3
			delegates problems and challeng	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	1
				6
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving	2
				5
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dyn	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working wi	2
				8
		Traits		
		Agreeableness (Costa & McRae, 1982)		
			people orientated	3
			concern for others welfare	3
			creates family atmosphere	1
				7
		Conscientiousness (Costa & McRae, 1982)		
			determined	3
			self-disciplined	3
			deliver against plans	3
				9
		Place		
		Region (Geographic operating region)		2
		Sector (SIC)		3
		Personal sense of place		2
		Learned Leadership		3
				10
		Total		109

Key		Practices & Behaviours		SM
	0	Never	Articulates achieveable goals (Mumford et al, 2008)	
	1	Occasional		Sets KPIs	3
	2	Informal regular		Communicates plans and goals t	2
	3	Explicit and intergrated		engages followers in creating KP	1
				6
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	2
			discusses problems	3
			Problem ownership	2
				7
		Develops People (Parry & Bryman, 2006)		
			development formally part of st	3
			explicit development budget	2
				5
		Articulates vision (Podsakoff, 1990)		
			outlines company direction	3
			communicates direction and vis	3
			written vision statement	1
				7
		Fosters acceptance of goals (Podsakoff, 1990)		
			talks to followers about goals	3
			disucsses appropriate targets	1
				4
		Communicates high expectations (Podsakoff, 1990)		
			sets department/area and perso	3
			discusses individual achievemen	2
				5
		Provides individual support (Podsakoff, 1990)		
			coaches and mentors	2
			identifies capabilities and addre	3
			addresses conflict	2
				7
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change	3
			reduces formality	3
			removes hierarchy	2
				8
		Effective Delegation		
			formally delegates KPIs and deve	3
			role clarity	2
				5
		Intellectual stimulation (Podsakoff, 1990)		
			discusses challenges	3
			delegates problems and challeng	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	2
				7
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving	2
				5
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	2
			awareness of organisational dyn	3
				5
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working wi	2
				8
		Traits		
		Agreeableness (Costa & McRae, 1982)		
			people orientated	3
			concern for others welfare	3
			creates family atmosphere	2
				8
		Conscientiousness (Costa & McRae, 1982)		
			determined	3
			self-disciplined	2
			deliver against plans	3
				8
		Place		
		Region (Geographic operating region)		2
		Sector (SIC)		3
		Personal sense of place		2
		Learned Leadership		3
				10
		Total		117

Key		Practices & Behaviours		AP
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals t	2
3	Explicit and intergrated		engages followers in creating KP	1
				6
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	2
			discusses problems	2
			Problem ownership	2
				6
		Develops People (Parry & Bryman, 2006)		
			development formally part of str	2
			explicit development budget	2
				4
		Articulates vision (Podsakoff, 1990)		
			outlines company direction	3
			communicates direction and vis	3
			written vision statement	1
				7
		Fosters acceptance of goals (Podsakoff, 1990)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				5
		Communicates high expectations (Podsakoff, 1990)		
			sets department/area and persor	3
			discusses individual achievemen	2
				5
		Provides individual support (Podsakoff, 1990)		
			coaches and mentors	3
			identifies capabilities and addre	3
			addresses conflict	2
				8
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	1
				4
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change	3
			reduces formality	3
			removes hierarchy	1
				7
		Effective Delegation		
			formally delegates KPIs and deve	3
			role clarity	3
				6
		Intellectual stimulation (Podsakoff, 1990)		
			discusses challenges	3
			delegates problems and challeng	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	2
				7
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dyn	2
				5
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working wi	2
				8
		Traits		
		Agreeableness (Costa & McRae, 1982)		
			people orientated	3
			concern for others welfare	3
			creates family atmosphere	2
				8
		Conscientiousness (Costa & McRae, 1982)		
			determined	3
			self-disciplined	2
			deliver against plans	3
				8
		Place		
		Region (Geographic operating region)		2
		Sector (SIC)		3
		Personal sense of place		2
		Learned Leadership		3
				10
		Total		116

Key		Practices & Behaviours		ASW
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals t	2
3	Explicit and intergrated		engages followers in creating KP	1
				6
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	3
			Problem ownership	2
				8
		Develops People (Parry & Bryman, 2006)		
			development formally part of st	3
			explicit development budget	2
				5
		Articulates vision (Podsakoff, 1990)		
			outlines company direction	3
			communicates direction and vis	3
			written vision statement	1
				7
		Fosters acceptance of goals (Podsakoff, 1990)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				5
		Communicates high expectations (Podsakoff, 1990)		
			sets department/area and perso	3
			discusses individual achievemer	3
				6
		Provides individual support (Podsakoff, 1990)		
			coaches and mentors	3
			identifies capabilities and addre	3
			addresses conflict	2
				8
		Relational Transparency (Gardner et al 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change	3
			reduces formality	3
			removes hierarchy	3
				9
		Effective Delegation		
			formally delegates KPIs and deve	3
			role clarity	3
				6
		Intellectual stimulation (Podsakoff, 1990)		
			discusses challenges	3
			delegates problems and challeng	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	2
				7
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dyn	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working wi	3
				9
		Traits		
		Agreeableness (Costa & McRae, 1982)		
			people orientated	3
			concern for others welfare	3
			creates family atmosphere	1
				7
		Conscientiousness (Costa & McRae, 1982)		
			determined	3
			self-disciplined	3
			deliver against plans	3
				9
		Place		
		Region (Geographic operating region)		3
		Sector (SIC)		3
		Personal sense of place		3
		Learned Leadership		3
				12
		Total		122

Key		Practices & Behaviours		APL
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals t	2
3	Explicit and intergrated		engages followers in creating KP	0
				5
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	2
			Problem ownership	2
				7
		Develops People (Parry & Bryman, 2006)		
			development formally part of str	2
			explicit development budget	2
				4
		Articulates vision (Podsakoff, 1990)		
			outlines company direction	3
			communicates direction and vis	3
			written vision statement	0
				6
		Fosters acceptance of goals (Podsakoff, 1990)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				5
		Communicates high expectations (Podsakoff, 1990)		
			sets department/area and persor	3
			discusses individual achievemen	3
				6
		Provides individual support (Podsakoff, 1990)		
			coaches and mentors	2
			identifies capabilities and addre	2
			addresses conflict	2
				6
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	1
				4
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change	3
			reduces formality	3
			removes hierarchy	1
				7
		Effective Delegation		
			formally delegates KPIs and deve	3
			role clarity	3
				6
		Intellectual stimulation (Podsakoff, 1990)		
			discusses challenges	3
			delegates problems and challeng	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	2
				7
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving	2
				5
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dyn	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working wi	1
				7
		Traits		
		Agreeableness (Costa & McRae, 1982)		
			people orientated	3
			concern for others welfare	3
			creates family atmosphere	1
				7
		Conscientiousness (Costa & McRae, 1982)		
			determined	3
			self-disciplined	2
			deliver against plans	3
				8
		Place		
		Region (Geographic operating region)		2
		Sector (SIC)		3
		Personal sense of place		2
		Learned Leadership		3
				10
		Total		112

Key		Practices & Behaviours		RM
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals t	3
3	Explicit and intergrated		engages followers in creating KPI	1
				7
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	3
			Problem ownership	2
				8
		Develops People (Parry & Bryman, 2006)		
			development formally part of str	3
			explicit development budget	3
				6
		Articulates vision (Podsakoff, 1990)		
			outlines company direction	3
			communicates direction and vis	3
			written vision statement	3
				9
		Fosters acceptance of goals (Podsakoff, 1990)		
			talks to followers about goals	3
			disucsses appropriate targets	3
				6
		Communicates high expectations (Podsakoff, 1990)		
			sets department/area and persor	3
			discusses individual achievemen	2
				5
		Provides individual support (Podsakoff, 1990)		
			coaches and mentors	3
			identifies capabilities and addre	3
			addresses conflict	3
				9
		Relational Transparency(Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change	3
			reduces formality	3
			removes hierarchy	3
				9
		Effective Delegation		
			formally delegates KPIs and deve	3
			role clarity	3
				6
		Intellectual stimulation (Podsakoff, 1990)		
			discusses challenges	3
			delegates problems and challeng	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	1
			praises team achievements	3
				7
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dyn	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working wi	3
				9
		Traits		
		Agreeableness (Costa & McRae, 1982)		
			people orientated	3
			concern for others welfare	3
			creates family atmosphere	3
				9
		Conscientiousness (Costa & McRae, 1982)		
			determined	3
			self-disciplined	3
			deliver against plans	3
				9
		Place		
		Region (Geographic operating region)		3
		Sector (SIC)		3
		Personal sense of place		2
		Learned Leadership		3
				11
		Total		134

Key		Practices & Behaviours		FW
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals t	3
3	Explicit and intergrated		engages followers in creating KP	2
				8
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	3
			Problem ownership	2
				8
		Develops People (Parry & Bryman, 2006)		
			development formally part of str	3
			explicit development budget	3
				6
		Articulates vision (Podsakoff, 1990)		
			outlines company direction	3
			communicates direction and vis	3
			written vision statement	3
				9
		Fosters acceptance of goals (Podsakoff, 1990)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				5
		Communicates high expectations (Podsakoff, 1990)		
			sets department/area and persor	3
			discusses individual achievemen	3
				6
		Provides individual support (Podsakoff, 1990)		
			coaches and mentors	3
			identifies capabilities and addre	3
			addresses conflict	2
				8
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change	3
			reduces formality	3
			removes hierarchy	3
				9
		Effective Delegation		
			formally delegates KPIs and deve	3
			role clarity	3
				6
		Intellectual stimulation (Podsakoff, 1990)		
			discusses challenges	3
			delegates problems and challeng	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	3
				8
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dyna	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working wi	3
				9
		Traits		
		Agreeableness (Costa & McRae, 1982)		
			people orientated	3
			concern for others welfare	3
			creates family atmosphere	3
				9
		Conscientiousness (Costa & McRae, 1982)		
			determined	3
			self-disciplined	3
			deliver against plans	3
				9
		Place		
		Region (Geographic operating region)		3
		Sector (SIC)		3
		Personal sense of place		3
		Learned Leadership		3
				12
		Total		136

Key		Practices & Behaviours		RR
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals t	2
3	Explicit and intergrated		engages followers in creating KPI	1
				6
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	3
			Problem ownership	2
				8
		Develops People (Parry & Bryman, 2006)		
			development formally part of str	3
			explicit development budget	1
				4
		Articulates vision (Podsakoff, 1990)		
			outlines company direction	3
			communicates direction and vis	3
			written vision statement	0
				6
		Fosters acceptance of goals (Podsakoff, 1990)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				5
		Communicates high expectations (Podsakoff, 1990)		
			sets department/area and person	3
			discusses individual achievemen	3
				6
		Provides individual support (Podsakoff, 1990)		
			coaches and mentors	2
			identifies capabilities and addres	3
			addresses conflict	3
				8
		Relational Transparency (Gardner et al 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change p	3
			reduces formality	3
			removes hierarchy	3
				9
		Effective Delegation		
			formally delegates KPIs and deve	3
			role clarity	3
				6
		Intellectual stimulation (Podsakoff, 1990)		
			discusses challenges	3
			delegates problems and challeng	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	2
				7
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving t	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dyna	3
				6
		Self Awareness (Gardner et al 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working wit	1
				7
		Traits		
		Agreeableness (Costa & McRae, 1982)		
			people orientated	3
			concern for others welfare	3
			creates family atmosphere	1
				7
		Conscientiousness (Costa & McRae, 1982)		
			determined	3
			self-disciplined	3
			deliver against plans	3
				9
		Place		
		Region (Geographic operating region)		3
		Sector (SIC)		3
		Personal sense of place		3
		Learned Leadership		3
				12
		Total		124

Key		Practices & Behaviours		BR
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals t	1
3	Explicit and intergrated		engages followers in creating KP	1
				5
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	3
			Problem ownership	1
				7
		Develops People (Parry & Bryman, 2006)		
			development formally part of str	3
			explicit development budget	1
				4
		Articulates vision (Podsakoff, 1990)		
			outlines company direction	3
			communicates direction and vis	3
			written vision statement	1
				7
		Fosters acceptance of goals (Podsakoff, 1990)		
			talks to followers about goals	3
			disucsses appropriate targets	2
				5
		Communicates high expectations (Podsakoff, 1990)		
			sets department/area and person	3
			discusses individual achievemen	3
				6
		Provides individual support (Podsakoff, 1990)		
			coaches and mentors	2
			identifies capabilities and addre	2
			addresses conflict	2
				6
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change	3
			reduces formality	3
			removes hierarchy	2
				9
		Effective Delegation		
			formally delegates KPIs and deve	3
			role clarity	3
				6
		Intellectual stimulation (Podsakoff, 1990)		
			discusses challenges	3
			delegates problems and challeng	2
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	2
				7
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dyn	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working wi	1
				7
		Traits		
		Agreeableness (Costa & McRae, 1982)		
			people orientated	3
			concern for others welfare	3
			creates family atmosphere	1
				7
		Conscientiousness (Costa & McRae, 1982)		
			determined	3
			self-disciplined	3
			deliver against plans	3
				9
		Place		
		Region (Geographic operating region)		3
		Sector (SIC)		3
		Personal sense of place		3
		Learned Leadership		3
				12
		Total		121

Key		Practices		ED
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to followers	3
3	Explicit and intergrated		engages followers in creating KPIs	2
				8
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	2
			discusses problems	3
			Problem ownership	3
				8
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	3
				6
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	3
			written vision statement	2
				8
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	3
				6
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KPIs	3
			discusses individual achievements	2
				5
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	2
			makes time 1 to 1	3
			addresses conflict	2
				7
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	3
			reduces formality	3
			removes hierarchy	3
				9
		Effective Deleg formally delegates KPIs and development		3
			role clarity	3
				6
		Active Manage discusses challenges		3
			delegates problems	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	3
			praises team achievements	2
				8
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving tools	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	2
			awareness of organisational dynamics	3
				5
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with others	3
				9
		Reflective Practice (Alvesson et al, 2017)		
			reflects on events	3
			questions own assumptions	3
			considers alternatives	3
				9
		High Intelligence (Antonakis, 2011)		
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
				9
		Place		
			Region (Geographic operating region)	3
			Sector (SIC)	3
			Role/Professional Culture	2
			Organisation Culture	3
				11
		Total		132

Key		Practices		MF
0	*Never*	Articulates achieveable goals (Mumford et al, 2008)		
1	*Occasional*		Sets KPIs	3
2	*Informal regular*		Communicates plans and goals to followers	3
3	*Explicit and intergrated*		engages followers in creating KPIs	3
				9
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	3
			Problem ownership	3
				9
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	1
				4
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	3
			written vision statement	2
				8
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	3
				6
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KPIs	3
			discusses individual achievements	3
				6
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	2
			makes time 1 to 1	3
			addresses conflict	3
				8
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	3
			reduces formality	3
			removes hierarchy	3
				9
		Effective Delegation	formally delegates KPIs and development	3
			role clarity	3
				6
		Active Management by excep	discusses challenges	3
			delegates problems	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	3
			praises team achievements	1
				7
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving tools	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dynamics	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with others	2
				8
		Reflective Practice (Alvesson et al, 2017)		
			reflects on events	3
			questions own assumptions	3
			considers alternatives	3
				9
		High Intelligence (Antonakis, 2011)		
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
				9
		Place		
			Region (Geographic operating region)	3
			Sector (SIC)	3
			Role/Professional Culture	3
			Organisation Culture	3
				12
		Total		134

Key		Practices		AD
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to followers	3
3	Explicit and intergrated		engages followers in creating KPIs	3
				9
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	2
			discusses problems	3
			Problem ownership	3
				8
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	3
				6
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	3
			written vision statement	2
				8
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	3
				6
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KPIs	3
			discusses individual achievements	3
				5
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	2
			makes time 1 to 1	3
			addresses conflict	3
				7
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	3
			reduces formality	3
			removes hierarchy	3
				9
		Effective Delegation	formally delegates KPIs and development	3
			role clarity	3
				6
		Active Management by excep	discusses challenges	3
			delegates problems	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	3
			praises team achievements	2
				8
		Balanced Processing (Gardner et al 2011)		
			open discussion of challenges	3
			formal explicit problem solving tools	2
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dynamics	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with others	1
				9
		Reflective Practice (Alvesson et al, 2017)		
			reflects on events	3
			questions own assumptions	2
			considers alternatives	3
				9
		High Intelligence (Antonakis, 2011)		
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
				9
		Place		
			Region (Geographic operating region)	3
			Sector (SIC)	3
			Role/Professional Culture	3
			Organisation Culture	3
				12
		Total		134

Key		Practices		GR
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to followers	3
3	Explicit and intergrated		engages followers in creating KPIs	3
				9
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	3
			discusses problems	3
			Problem ownership	3
				8
		Develops People (Parry & Bryman, 2006)		
			development formally part of strategy	3
			explicit development budget	3
				6
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	3
			written vision statement	2
				8
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	3
				6
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal KPIs	3
			discusses individual achievements	3
				5
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	2
			makes time 1 to 1	3
			addresses conflict	2
				7
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change processes	3
			reduces formality	3
			removes hierarchy	3
				9
		Effective Delegation	formally delegates KPIs and development	3
			role clarity	3
				6
		Active Management by exception (Bass & R	discusses challenges	3
			delegates problems	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	3
			praises team achievements	3
				8
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving tools	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dynamics	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with others	3
				9
		Reflective Practice (Alvesson et al, 2017)		
			reflects on events	3
			questions own assumptions	3
			considers alternatives	3
				9
		High Intelligence (Antonakis, 2011)		
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
				9
		Place		
			Region (Geographic operating region)	3
			Sector (SIC)	3
			Role/Professional Culture	3
			Organisation Culture	3
				12
		Total		135

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Key		Practices		α
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to fol	3
3	Explicit and intergrated		engages followers in creating KPIs	1
				7
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	2
			discusses problems	3
			Problem ownership	1
				6
		Develops People (Parry & Bryman, 2006)		
			development formally part of strateg	3
			explicit development budget	2
				5
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	3
			written vision statement	2
				8
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	3
				6
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/ area and personal l	3
			discusses individual achievements	2
				5
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	2
			makes time 1 to 1	3
			addresses conflict	2
				7
		Relational Transparency(Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change prod	3
			reduces formality	3
			removes hierarchy	2
				8
		Effective Delegation	formally delegates KPIs and develop	3
			role clarity	3
				6
		Active Management by exception (	discusses challenges	3
			delegates problems	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	3
			praises team achievements	2
				8
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving tools	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dynami	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with ot	3
				9
		Reflective Practice (Alvesson et al, 2017)		
			reflects on events	3
			questions own assumptions	3
			considers alternatives	3
				9
		High Intelligence (Antonakis, 2011)		
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
				9
		Place		
			Region (Geographic operating region	3
			Sector (SIC)	3
			Role/ Professional Culture	3
			Organisation Culture	3
				12
		Total		129

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Key		Practices		GK
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to fol	3
3	Explicit and intergrated		engages followers in creating KPIs	1
				7
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	2
			discusses problems	3
			Problem ownership	3
				8
		Develops People (Parry & Bryman, 2006)		
			development formally part of strateg	3
			explicit development budget	3
				6
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	3
			written vision statement	0
				6
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	3
				6
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/ area and personal t	3
			discusses individual achievements	2
				5
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	3
			makes time 1 to 1	3
			addresses conflict	2
				7
		Relational Transparency(Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change prod	3
			reduces formality	3
			removes hierarchy	3
				9
		Effective Delegation	formally delegates KPIs and develop	3
			role clarity	3
				6
		Active Management by excep	discusses challenges	3
			delegates problems	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	3
			praises team achievements	2
				8
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving tools	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dynami	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with ot	3
				9
		Reflective Practice (Alvesson et al, 2017)		
			reflects on events	3
			questions own assumptions	3
			considers alternatives	3
				9
		High Intelligence (Antonakis, 2011)		
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
				9
		Place		
			Region (Geographic operating region	2
			Sector (SIC)	3
			Role/ Professional Culture	3
			Organisation Culture	2
				10
		Total		132

Key		Practices		JP
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to fol	3
3	Explicit and intergrated		engages followers in creating KPIs	3
				9
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	2
			discusses problems	3
			Problem ownership	2
				7
		Develops People (Parry & Bryman, 2006)		
			development formally part of strateg	3
			explicit development budget	3
				6
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	3
			written vision statement	3
				9
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	3
				6
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/ area and personal l	3
			discusses individual achievements	1
				4
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	3
			makes time 1 to 1	3
			addresses conflict	2
				7
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change prod	3
			reduces formality	3
			removes hierarchy	3
				9
		Effective Delegation	formally delegates KPIs and develop	3
			role clarity	3
				6
		Active Management by exception (	discusses challenges	3
			delegates problems	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	3
			praises team achievements	2
				8
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving tools	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dynami	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with ot	3
				9
		Reflective Practice (Alvesson et al, 2017)		
			reflects on events	3
			questions own assumptions	3
			considers alternatives	3
				9
		High Intelligence (Antonakis, 2011)		
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
				9
		Place		
			Region (Geographic operating region	3
			Sector (SIC)	3
			Role/ Professional Culture	3
			Organisation Culture	3
				12
		Total		133

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Key		Practices		CM
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to fol	2
3	Explicit and intergrated		engages followers in creating KPIs	1
				6
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	2
			discusses problems	2
			Problem ownership	2
				6
		Develops People (Parry & Bryman, 2006)		
			development formally part of strateg	3
			explicit development budget	1
				4
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	3
			written vision statement	0
				6
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	1
				4
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/ area and personal l	3
			discusses individual achievements	2
				5
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	2
			makes time 1 to 1	3
			addresses conflict	2
				7
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change proc	3
			reduces formality	3
			removes hierarchy	3
				9
		Effective Delegation	formally delegates KPIs and development	
			role clarity	3
				3
		Active Management by exception (	discusses challenges	3
			delegates problems	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	2
				7
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving tools	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dynami	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with oth	3
				9
		Reflective Practice (Alvesson et al, 2017)		
			reflects on events	3
			questions own assumptions	3
			considers alternatives	3
				9
		High Intelligence (Antonakis, 2011)		
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
				9
		Place		
			Region (Geographic operating region	3
			Sector (SIC)	3
			Role/ Professional Culture	2
			Organisation Culture	3
				11
		Total		118

Key		Practices		ME
0	Never	Articulates achieveable goals (Mumford et al, 2008)		
1	Occasional		Sets KPIs	3
2	Informal regular		Communicates plans and goals to fol	2
3	Explicit and intergrated		engages followers in creating KPIs	0
				5
		Problem Solving (Mumford & Van Doorn, 2001)		
			reframes challenges	2
			discusses problems	2
			Problem ownership	2
				6
		Develops People (Parry & Bryman, 2006)		
			development formally part of strateg	3
			explicit development budget	2
				5
		Inspirational motivation (Bass & Riggio, 2006)		
			outlines company direction	3
			communicates direction and vision	3
			written vision statement	0
				6
		Idealized Influence (Bass & Riggio, 2006)		
			talks to followers about goals	3
			disucsses appropriate targets	1
				4
		Intellectual stimulation (Bass & Riggio, 2006)		
			sets department/area and personal I	3
			discusses individual achievements	2
				5
		Individualised consideration (Bass & Riggio, 2006)		
			coaches and mentors	2
			makes time 1 to 1	3
			addresses conflict	2
				7
		Relational Transparency (Gardner et al, 2011)		
			open discussions with followers	3
			acceptance of differences	3
				6
		Bureaucracy reduction (Parry & Bryman, 2006)		
			encourages followers to change prod	3
			reduces formality	3
			removes hierarchy	3
				9
		Effective Delegation	formally delegates KPIs and development	
			role clarity	3
				3
		Active Management by exception (Ba	discusses challenges	3
			delegates problems	3
				6
		Humility (Collins, 2001)		
			shares credit of success	3
			self deprecating	2
			praises team achievements	1
				6
		Balanced Processing (Gardner et al, 2011)		
			open discussion of challenges	3
			formal explicit problem solving tools	3
				6
		Understanding of power (Parry & Bryman, 2006)		
			engages with shop floor	3
			awareness of organisational dynami	3
				6
		Self Awareness (Gardner et al, 2011)		
			Describe shortfalls	3
			Describe work preferences	3
			Change behaviour in working with ot	3
				9
		Reflective Practice (Alvesson et al, 2017)		
			reflects on events	3
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		High Intelligence (Antonakis, 2011)		
			critical thinking	3
			self-disciplined	3
			systematic judgement & wisdom	3
				9
		Place		
			Region (Geographic operating region	3
			Sector (SIC)	3
			Role/Professional Culture	2
			Organisation Culture	3
				11
		Total		117

SCHOOL OF MANAGEMENT, SWANSEA UNIVERSITY

LIGHT-TOUCH ETHICAL REVIEW FORM

To be completed for all research involving human subjects or datasets

Name of PI or PGR Student	GARETH MORGAN
Staff Number or Student ID	▉▉▉▉
Supervisors*	
Date Submitted	26.6.17
Title of Project	Circular Economy practices of SMEs
Name of Funder / Sponsor*	WG
Finance Code / Reference*	1
Duration of Project	3 mths

* *Complete if appropriate*

Risk evaluation: *Does the proposed research involve any of the follow?*

✓ *Tick those boxes for which the answer is YES*

✗ *Cross those boxes for which the answer is NO*

☒ Will the research harm or pose any risk to the environment? (e.g. research in environmentally sensitive areas (e.g. SSSIs); permission needed to access field sites; transport of samples between countries (e.g. soil); sampling of rare or hazardous material (e.g. invasive species) that could deplete or endanger)

☒ Will the study involve recruitment of patients or staff through the NHS or the use of NHS data or premises and/or equipment? If this is the case, the project **must** be reviewed by the NHS

☒ Does the study involve participants aged 16 or over who are unable to give informed consent? (e.g. people with learning disabilities: see Mental Capacity Act 2005. All research that falls under the auspices of the Act **must** be reviewed by the NHS)

☒ Does the research involve other vulnerable groups: children, those with cognitive impairment or in unequal relationships? (e.g. your students). This **may** require NHS review, and will typically require the researcher to get **Disclosure & Barring Service (DBS) clearance** (formerly CRB checks)

☒ Will the study require the co-operation of a gatekeeper for initial access to the groups or individuals to be recruited? (e.g. students at school, members of self-help group or residents of nursing home?)

☒ Will it be necessary for participants to take part in the study without their knowledge and consent at the time? (e.g. covert observation of people or use of social media content)

☒ Will the research involve any form of deception? (e.g. misinformation or partial information about the purpose or nature of the research)

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