THE IMPORTANCE OF VALUE-BASED LEADERSHIP

A framework of factors related to a manager's perception of value-based leadership

Strategic Management 30 hp

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“The only thing that work is management by values. Find people who are competent and really bright, but more importantly, people who care exactly about the same things you care about”.

~ Steve Jobs ~
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As these words are written, this study has reached its end. It has been a very interesting, instructive and challenging process that the authors are both happy and satisfied with. A better result could not have been hoped for and there are many people to thank this for.

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Lastly, we would like to thank each other, for the time and commitment that has been put into this study. Now, we hope that this study can contribute with new knowledge in the field of value-based leadership and be used in practice among managers.

Thank you,

Matilda Ahdrian
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ABSTRACT

Title: The importance of value-based leadership: A framework of factors related to a manager’s perception of value-based leadership.

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Level: Master thesis, 30 credits

Keywords: Value-based Leadership, Values, Manager, Organizational Culture, Social Transformation.

Background: Value-based leadership is needed and demanded in today’s complex and changing business environment. Values facilitate upcoming obstacles and difficult situations that everyone in an organization encounters. Hence, a manager should be able to lead and influence the entire organization towards these values, which make the role of the manager essential. Research argue for the effectiveness of implementing value-based leadership in organizations. Yet, less is known about how today’s companies and managers work with it, and what the factors are related to it.

Research Question
How are managers working with value-based leadership and how can certain factors be related to it?

Purpose: The purpose of this study is to describe how managers both view and work with value-based leadership in terms of social transformation, organizational culture and leadership behavior. Further, to explain how certain factors are related to value-based leadership in the company. The study also aims to develop and broaden the academical field with a framework of value-based leadership in order to create a deeper understanding of value-based leadership in practice and its possible outcomes.

Method: A qualitative approach was used during this study, where ten managers from four Swedish companies from the private sector were interviewed. These companies were chosen due to their awareness of value-based leadership and clarification of values.

Theoretical framework: The framework consists of three theoretical blocks: value-based leadership, leadership behavior, and organizational culture. Based on this, an analyze model was created to facilitate the analysis of the empirical data.

Findings: All managers and their companies are working in accordance with value-based leadership, but to different extents, which is partly due to social transformation in terms of a shift in generations and social sustainability. The factors trust and values are most emphasized and related to value-based leadership, while the factors organizational culture and self-leadership are less emphasized. Still, the authors claim that these factors are crucial in value-based leadership.
Sammanfattning:

Titel: Vikten av värderingsstyrt ledarskap: Ett ramverk av faktorer relaterade till hur en chef uppfattar värderingsstyrt ledarskap.

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Nyckelbegrepp: Värderingsstyrt ledarskap, Värderingar, Chefer, Organisationskultur, Social Transformation.

Bakgrund: Värderingsstyrt ledarskap är nödvändigt och efterfrågat i dagens komplexa och föränderliga arbetsmiljö. Värderingar underlättar kommande hinder och svåra situationer som alla i organisationen möter. En chef ska därav kunna leda och påverka hela organisationen i riktning mot dessa värderingar, vilket gör rollen som chef avgörande. Forskning argumenterar för effektiviteten av att implementera värderingsstyrt ledarskap i organisationer. Däremot vet man mindre om hur dagens företag och chefer faktiskt jobbar med det, och vilka faktorer som är relaterade till det.

Forskningsfråga
Hur arbetar chefer med värderingsstyrt ledarskap och hur kan vissa faktorer vara relaterade till det?

Syfte: Syftet med denna studien är att beskriva hur chefer både ser på och arbetar med värderingsstyrt ledarskap, i termer av social transformation, organisationskultur och ledarskapsbeteende. Vidare, att förklara hur särskilda faktorer är relaterade till värderingsstyrt ledarskap i företaget. Studien strävar efter att utveckla och bredda det akademiska fältet med ett ramverk av värderingsstyrt ledarskap för att skapa en djupare förståelse för värderingsstyrt ledarskap i praktiken och dess möjliga utfall.

Metod: Ett kvalitativt tillvägagångssätt användes i denna studien, där tio chefer från fyra olika svenska företag inom den privata sektorn var intervjuade. Dessa företag var utvalda för deras medvetenhet om värderingar och kommunicering av deras egna värderingar.

Teoretiskt ramverk: Det teoretiska ramverket består av tre block: värderingsstyrt ledarskap, ledarskapsbeteende och organisationskultur. Från detta skapades en analysmodell för att underlätta analysen av den empiriska datan.

Resultat: Alla chefer och deras företag arbetar i enlighet med värderingsstyrt ledarskap, men till olika omfattningar, vilket delvis beror på social förändring avseende generationsskifte och social hållbarhet. Faktorerna föortroende och värderingar är mest betonade och relaterade till värderingsstyrt ledarskap, medan faktorerna organisationskultur och självledarskap är desto mindre betonade. Hur som helst så hävdar författarna ändå att dessa faktorer är väsentliga i ett värderingsstyrt ledarskap.
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1. Introduction

This chapter provides the background to the problem of this study, starting with the evolvement of value-based leadership due to new generations' expectations, global changes, and ethical aspects. Moreover, its connection to the increased expectation of companies to provide value for society and its employees. Followed by a discussion regarding previous research of value-based leadership, values in companies, as well as organizational culture. The discussion leads forward towards the knowledge gap and the research question for this study.

1.1 Problem background

It is important for managers to realize that value-based leadership is required in today’s companies. The need for this kind of leadership has emerged foremost due to social transformation, where companies are required to take more responsibility towards society, and not just focus on making a profit. As well as a shift in generations, where the newer generations require a softer type of leadership where values are integrated within the leadership. Hence, the importance of value-based leadership evolved. However, values can also be negative and just because a leader is a value-based one, does not necessarily mean he or she is a good one. Nevertheless, as Kraemer (2011) stated, now, more than ever, value-based leadership is crucial for companies.

A business that makes nothing but money is a poor kind of business.

— Henry Ford —

The concept of value-based leadership has presumably never been as relevant as it is today. The leadership that once was successful, that is the more structured and monitoring, is not capable to efficiently handle the challenges of the twenty-first century (Whitney, Trosten-Bloom & Rader, 2010) nor the increasingly complex and competitive business environment (Malik, 2019). Today’s world even called the Industrial Revolution 4.0 by experts, is facing plenty of challenges and changes, especially in terms of digitalization. Hence, Malik (2019) claims that today’s companies need to be able to handle human resources well to be able to possess a competitive advantage due to the increasingly fierce competition. Consequently, value-based leadership has received increased attention in the last decade (Gudiksen & Sørensen, 2017). The complex concept of leadership has been studied for more than 100 years and it has led to several paradigm shifts and changes over the years (Antonakis & Day, 2017; Yukl, 2013). One early leadership style was the transactional leadership, which Carswell, Sasso and Ross (2017), claim are leaders who desire control and lead others in exchange for something they can obtain value from. Yet, Copeland (2014) calls this kind of leadership ineffective, unreliable and consisting of unethical behavior. Besides, Kellerman (2004) claims that a bad leader is someone who is unethical. This is the opposite to a value-based leader,
who is ethical and shows concern for others; the employees, the organization and society (Frost, 2014; Copeland, 2014). A value-based leader is relationship-oriented, and not only task-oriented, which many of the leaders back in history were such as the callous Al “Chainsaw” Dunlap (Erickson, Shaw, Murray & Branch, 2015). Nevertheless, according to Erickson et al. (2015), previous research is vast when it comes to good and effective leadership, yet, less is known about bad and destructive leadership, that is the toxic, rigid and incompetent leaders, but they are still common in today’s organizations. Still, as Rao (2017) stated it: “When leaders keep their personal interests above their organizational interests, they are bound to fail miserably” (p. 4). Kellerman (2004) claim that good leaders are the ones who are willing share power, adapt and who are reflective. Yet, the importance of leadership itself has been questioned, if it matters or if it only is a social construction. However, according to Frost (2017), leadership is vital for any company since it has an impact on, among other things, the culture, operational structure and the strategies that have been chosen to reach growth and satisfy stakeholders. Especially in larger organizations, where the complexity is vast, leaders may encounter more challenges with their leadership, for example in terms of communication (Vaccaro, Jansen, Frans, Van den Bosch & Volbeda, 2010). Nevertheless, Vaccaro et al. (2010) also claim that larger organizations, that need to compensate for their complexity, can benefit from leaders who have a transformational approach. That is a softer type of leadership, which in turn can result in flexibility and innovation (Vaccaro et al., 2010).

Rao (2017) states that value-based leadership is needed in the 21st century. He further claims that several global companies, such as Apple, have reached success thanks to value-based leadership. This because they have managed to demonstrate both trust and accountability while making a difference in the lives of others and still satisfying shareholders with financial progress (Rao, 2017). Today many companies seek leaders who can not only sustain profitability but also integrate values of ethical dimensions within the organization (Viinamäki, 2012). Besides, Ulrich (2016) explains that companies nowadays are increasing their involvement in social responsibility partly since the globalization creates both pressure and requirements for it. In addition, increased competition is another factor which pressures companies to handle human resources well (Malik, 2019). Hence, the importance of social sustainability emerged. Social sustainability is described as a process of responsible actions that result in preserving and improving the human resources at a company in terms of social health and well-being (Siegfried, 2015; Dujon, Dillard, Brennan, 2015). For instance, the United Nations (2015) emphasizes the importance of companies to take responsibility, among other things when it comes to social sustainability, which is a part of the Global Goals. Moreover, the Swedish government also state that Swedish companies should participate fully in reaching these goals. The government concludes that if the companies conduct their businesses in a sustainable and responsible way and at the same time are innovative, they can contribute to solving challenges in society (Regeringskansliet, 2016). Consequently, the manager has an important role to play, to make sure that values concerning sustainability are implemented and accomplished throughout the whole business. They walk the talk and set
the example (Rao, 2017). Also, Renjen (2019) emphasizes that leaders who are doing well by doing good, can handle challenges of society and strategy more successfully.

Nevertheless, to count on a manager to achieve this, trust is needed. Yet, trust in managers is decreasing and employees claim that they do not believe that their leaders have their best interest at heart (Frost, 2017). Besides, this is also something that Edelman Trust Barometer (2017) affirms, for several countries. For instance, 60% agree that CEOs are driven more by greed than a desire to make a positive difference in the world (Edelman Trust Barometer, 2017). Taking Sweden as an example, the Trust Index of 2018 revealed that only 47 % trust Swedish businesses, which is, according to the index level, considered to be low. Especially when comparing with China, where 74% trust Chinese businesses. This is problematic since companies that only have a concern for themselves and to make profits will fail (Edelman Trust Barometer, 2018). Besides, trust is a prerequisite to exhibit value-based leadership, and it can only be successfully done if the leader act and behave in a way that creates both safety and enthusiasm among the employees (Kirkhaug, 2015).

Value-based leadership did actually not emerge until the beginning of the 21st century due to, what was just mentioned, lack of trust. At this time, several extensive leadership failures concerning ethical and moral aspects occurred in companies such as Enron and Peregrine Systems, that consisted of financial greed, corruption and unethical practices (Copeland, 2014; Brown & Treviño, 2006; Avolio & Gardner, 2005). This, in turn, has created a mistrust from the newer generations such as the Millennials. Besides, the shift in generations is a major reason why value-based leadership is needed. The younger ones have both demands and expectations of what kind of leadership they are willing to follow (Gamb, 2018). Today, Generation Y\(^1\), also known as the Millennials, are starting to take over the leading positions after the Baby-boomers\(^2\) and Generation X\(^3\). Baby Boomers are known for respecting authority and hierarchy, while the Millennials oppose it (Eisner, 2005). Furthermore, Millennials have a desire to explore, create and innovate, and regarding a review “more than 80 % of the Millennials state that making a positive difference in the world is more important than professional recognition” (Gamb, 2018, p. 332). According to results in a study by Maier, Tavanti, Bombard, Gentile & Bradford (2015), it is revealed that Millennials desire value-based leaders who are both inclusive and people-oriented. Moreover, according to a study, Grow and Yang (2018) claim that representatives from Generation Z\(^4\) require soft skills when it comes to what kind of leadership they want in the future. They demand leaders that are empathetic, good listeners and friendly as well as leaders who are leading by example and focus on CSR (Grow & Young, 2018). A convincing example from someone in Generation Z is the 16-year-old Swedish climate activist Greta Thunberg, who was nominated by Times

\(^1\) Generation Y refers to people born between 1978 - 1996  
\(^2\) Baby boomers refers to people born between 1946 - 1964  
\(^3\) Generation X refers to people born between 1965 - 1977  
\(^4\) Generation Z refers to people born between 1996 - 2013
The challenging part of value-based leadership is to succeed in implementing values in companies. Values can be truly helpful when it comes to influencing and guiding the organization and its people, especially in today’s complex and unpredictable business environment (Barrett, 2010). Still, they need to be managed and everyone in the organization needs to understand them and know how to act by them (Dolan & Garcia, 2002). "Managing values mean managing the culture of the company, strengthening it day by day and always revitalizing it, to face the unknowns of the future” (Dolan & Garcia, 2002, p. 116). Steve Jobs also highlighted the importance of managing values in order to create organizational success (Dean, 2008). The word value is often associated as something positive, but there can be values that are bad and have a negative impact on people and be contradictory to one’s personal values. Yet, the transparency within companies makes it difficult for them to have bad or unethical values since the modern workforce will not accept to work for a company with unethical values (Cordial, 2005). Still, if a value is bad or good is also depending on a person’s individual perception from within us (Taylor, 2007). However, implementing values is not an easy task since it is a long term process and many leaders claim that they experience difficulties with it, especially due to the fast-changing environment (Hester, 2019; Renjen, 2019). Moreover, since value-based leadership is concerned with emotions and values, it can become challenging. For instance, when it comes to decision-making, where leaders have much responsibility. According to Yukl (2013), emotions and intuition often have an extensive impact on decision-making since it is frequently concerned with confusion and emotionality, rather than rationality. Although, excluding objectiveness when making decisions can lead to unfavorable outcomes (Yukl, 2013). Still, both Rao (2017) and Viinamäki (2012) claim that there is an evident need for value-based leadership. However, the process of it is challenging. With this background in mind, it would be interesting to make a deeper exploration of value-based leadership in practice due to its increased importance.

1.2 Problem discussion

Previous research that is relevant for this study, has been focusing on a few different areas. The authors have chosen to highlight previous research concerning value-based leadership (I), values in companies (II), and having a distinctive organizational culture (III). These different areas are important parts of this study. The knowledge gap will be presented as a result of a summary (IV) and a discussion of previous research.

When it comes to previous research of value-based leadership (I), is it limited since the approach is rather new (Rao, 2017; Copeland, 2014). The existing research has focused on
explaining and developing the theoretical field of value-based leadership (Rao, 2017; Czabanowska & Rethmeier, 2016; Copeland, 2014; O’Toole, 2008). For instance, Frost (2014) developed a value-based leadership model consisting of three parts; leading oneself, leading others and leading the organization. In turn, less focus has been on managerial aspects, and at the same time, the employees’ perception of it has been highlighted (Gudiksen & Sørensen, 2017; Engelbrecht, Heine & Mahembe, 2015). Foremost, the previous research in the field of value-based leadership has mainly focused on how schools view and implement this kind of leadership as well as discussing the importance of having shared core values in their organizations (Niekerk & Botha, 2017; Reficco, Jaén & Trujillo, 2017; Anggorowati, 2016; Warwas, 2015). For instance, Anggorowati (2016) studied the implementation of value-based leadership in schools in Indonesia that were faced with shifting values, mistrust and ineffectiveness. It was concluded that when value-based leadership was implemented throughout the schools, it proved to have a positive outcome on work culture, which led to progress and higher productivity amongst the schools (Anggorowati, 2016). Copeland (2014) also argues for the efficiency of value-based leadership. According to Frost (2014), when value-based leadership was implemented in the company Apple, a connection with the organization was created, which in turn had an essential impact on organizational performance. Most researchers advocate value-based leadership and highlight the many advantages of it (Rao, 2017; Czabanowska & Rethmeier, 2016; Engelbrecht et al. 2015; Copeland, 2014).

However, there are both disadvantages and challenges (Viinamäki, 2012). According to Viinamäki (2012), there is a lack of research concerning the disadvantages and challenges of value-based leadership. Yet, there are plenty, and especially in larger organizations when it comes to practice value-based leadership, but also for already professionals. To pursue a value-based organization requires comprehensive participation from both the employees and the stakeholders (Frost, 2014). According to Viinamäki (2012), "if the challenges are not identified, it would lead to unintended consequences, such as insignificant value-statements, inappropriate use of values and illegitimate leadership practices" (p. 28). Furthermore, Frost (2014) claims that implementing value-based leadership is not an easy task since it is time-consuming and requires much courage due to difficult decisions need to be made as well as behaviors and beliefs may be changed and challenged. Viinamäki (2012) concludes that further research is required to understand to what extent value-based leadership can backfire as well as the unintentional outcomes of it, but also more about the benefits of it is needed.

Leading with a value-based approach creates the importance of how to properly implement values in companies (II). According to several studies, there is a difference between just having values and actually using values in daily work (Smikle, 2019; Frost, 2014). Besides, Frost (2014) claims that many companies present their values clearly externally, however, internally, the values are not reflected in the company culture. For instance, if a company advocates innovation and a leader does not prioritize this value, the performance of the organization will suffer (Grant, 2016). In other words, the actual values differ from the ones that have been written down. Values can both backfire from not being fulfilled, but also they
can be negative in themselves. Therefore, it is important that everyone in a company understands and shares the same values (Hester, 2012). Previous research state that leaders who practice a value-based approach in their companies are more effective, have a greater impact and can do good for the company, compared to those who do not utilize values (Smikle, 2019; Corte, Gaudio, Sepe, Zamparelli, 2017; Copeland, 2014; Hester, 2012; Barrett, 2010). Sharing values creates trust, which in turn can lead to enhanced performance (Barrett, 2010). However, "to introduce organizational values and to integrate values into managerial work as well as organizational procedures and processes is often a complicated and challenging task" (Viinamäki, 2012, p. 65).

Even though there are several studies that argue for the benefits of using values and being united, there are studies that indicate that there could be a point of backfire. For instance, Cha and Edmondson (2006) suggest that the usage of values could result in incongruence and disenchantment as a consequence of the leader's behavior. Smikle (2019) concludes that the shortcoming of leadership development efforts often is the failure to implement values to the process. Moreover, tough decisions need to be made, because in order to achieve one value, another value may be sacrificed (Viinamäki, 2012). According to a study, Gudiksen and Sørensen (2017) discovered that in some situations, when the employees experience practical dilemmas, they have difficulties to explain for their managers why they perceived it challenging to work in accordance with the company's values. Connecting values to leadership are both long-term and learning process that takes time to adapt to, which implies the importance of implementing values in a correct and careful way (Hester, 2019). One of the underlying reasons for the struggle of implementing values throughout the company is that some people are less flexible to adapt for new values, and instead hold on to old ones. Therefore, to be able to implement values in a company and benefit from it, the underlying factors that can affect the outcomes need to be taken into consideration (Hester, 2019).

Being able to create a distinctive organizational culture (III) is an important aspect for every company (Cameron & Quinn, 2011). However, according to Chatman and O'Reilly (2016), research is lacking in the area of organizational culture. The previous research within the field agree that company culture sets the frames for what the company stands for and how it will appear, both internal and external (Greyser & Urde, 2019; Kratzer, Meissner & Roud, 2017). In a survey made, 78 % of Fortune 1000 CEO's and CFO's answered that they acknowledged culture as one of the most important factors affecting the value of the company (Graham, Harvey, Popadak & Rajgopal, 2016). Furthermore, according to Naranjo-Valencia, Jiménez-Jiménez, and Sanz-Valle (2016), innovation is an important factor that is strongly related to a company's culture. This is considered to be essential when it comes to influencing long-term success. Innovation can be both stimulated but also restrained from a company's culture (Naranjo-Valencia et al., 2016). Moreover, according to Maldonado, Vera, and Ramos (2018), a humble culture is acknowledged to be a successful one, which in turn can lead to employee development, mistake tolerance, and openness.
To be able to even create a working company culture, trust is needed. If leaders act according to the values of the company, he or she is easier to trust (Frost, 2014). However, trust can backfire. For instance, according to Engle (2018) a person with tendencies for inertia, which is someone who has difficulties to take his or her responsibility into action, will do more harm than good when being assigned with trust. Nevertheless, in 2012, Google started a project called Aristotle, in order to investigate how to build the perfect team. The results revealed that psychological safety is the key ingredient for a team to perform well, which involves trust, security, and respect for others. For example, when everyone in a team had the chance to speak their mind, their performance was enhanced (Duhigg, 2016). Before the project, Google’s top executive was confident that the best team was built on combining the best people. However, this was not the case. The study concluded that team members who experienced high psychological safety were considered to be more innovative, generate more in revenue and less concerned about leaving the company. Moreover, they were often rated as effective in their work (Duhigg, 2016). When people feel safe, they become more open-minded, motivated and persistent. If there is no trust, there will not be any team (Delizonna, 2017).

To summarize the discussion of previous research (I.III), there is a need for a new type of effective leadership that emphasize values and balance, and according to previous research, value-based leadership is effective (Rao, 2017; Czabanowska & Rethmeier, 2016; Engelbrecht et al., 2015; Copeland, 2014). However, since the approach is rather new, the research is limited, particularly when it comes to the unintentional outcomes and challenges of value-based leadership (Copeland, 2014; Viinamäki, 2012). Yet, previous research agrees that when everyone in an organization shares and accepts the same values and the leader focus on a value-based dimension, the efficiency is greater (Smikle, 2019; Corte et al., 2017; Copeland, 2014; Hester, 2012). Furthermore, many companies today are stating their values clearly, at least externally, but less internally, which is unfortunate since this is just as important (Frost, 2014; Hester, 2012). Yet, implementing values properly in a company can be challenging, especially in larger organizations (Viinamäki, 2012). This brings out the importance of the organizational culture since it emphasizes the values and sets the frames for the actions of the company, both internal and external (Greyser & Urde, 2019; Kratzer et al., 2017; Denison, Nieminen & Kotrba, 2014). Researchers also agree that an organizational culture that consists of humility and trust is crucial and can lead to successful results, for example, in terms of innovation (Engle, 2018; Maldonado et al., 2018; Delizonna, 2017; Duhigg, 2016). Yet, trust can backfire and especially the manager has an important role of responsibility here (Engle, 2018).

Today, companies are struggling to keep up with the complex and changing business environment and with the increasing requirements on sustainability, but at the same time create profitability (Besharov, Smith & Tushman, 2019). Moreover, companies need to focus on the differences between generations. Especially the newer generations, the Millennials and Generation Z, since they are the new workforce that demands and expect a leadership with a value-based dimension (Grow & Yang, 2018; Bernstein, 2015). This, in turn, put
pressure on the managers to take this into consideration in their managerial practices. Another pressure on today's managers is the decreasing trust in managers (Frost, 2017). Hence, a **practical problem** exists. Still, the research of value-based leadership is rather new and therefore limited (Boyer, Peterson, Arora & Caldwell, 2016; Copeland, 2014). When it comes to empirical research on value-based leadership, less is known about how today's managers are working with it, or even if they do. Besides, there is limited knowledge of how certain factors are related to a manager's perception of value-based leadership. Hence, an **empirical problem** exists. Given the fact that value-based leadership is a rather new approach, there are not an extensive amount of models and theories explaining it. Besides, combining value-based leadership with different factors such as organizational culture, leadership behavior, and social transformation, is something that not has been done before. This means that there is a **theoretical problem** as well. The importance of value-based leadership will continue to increase in today's modern and global society, at least when taking the expectations of the new generations into account. Nevertheless, research of how managers practically work with value-based leadership in companies is lacking, as well as how certain factors affect it and what outcomes it brings. Hence, this leads to the knowledge gap in the area of value-based leadership.

**1.3 Research question**

How are managers working with value-based leadership and how can certain factors be related to it?

**1.4 Purpose**

The purpose of this study is to describe how managers both view and work with value-based leadership in terms of social transformation, organizational culture and leadership behavior. Further, to explain how certain factors are related to value-based leadership in the company. The study also aims to develop and broaden the academical field with a framework of value-based leadership in order to create a deeper understanding of value-based leadership in practice and its possible outcomes.

**1.5 Delimitations**

**The perspective of managers**

The aim of this study is to explore and analyze the manager's role in a company, and thereby, the perspective of employees will be excluded. The managers are foremost exhibiting leadership and have responsibility for that both the company and its employees will thrive (Yukl, 2013).
Companies with values
The authors have chosen to interview companies that are expressing their values throughout the organization, for instance in terms of annual reports and web sites. This choice has been done because these companies are considered to more likely to be aware of value-based leadership.

Large companies
Larger companies with at least 200 employees have been chosen to look into since the implementation of value-based leadership is more challenging in larger organizations (Viinamäki, 2012). According to 1 chapter. 3 § in the Swedish Annual Accounts Act (SFS 1995:1554), a larger company is one that has had an average of more than 50 employees, at least one out of two latest fiscal years.

Private Sector
Most previous research in the area of value-based leadership has focused on the public sector, particularly how it can be used in schools amongst principals (Niekerk & Botha, 2017; Anggorowati, 2016; Warwas, 2015). Therefore this study will exclude the public sector and only focus on companies operating in the private sector.

Sweden
This study will have Swedish companies as a geographical limitation. The reason for this is that Sweden is a part of the industrialized and democratic countries that reject demanding and powerful leadership (Kirkhaug, 2015). In addition to this, Swedish businesses are considered to have a low rate of trust (Edelman Trust Barometer, 2018). This, in turn, creates a strong interest in examining Swedish companies and their connection to value-based leadership.

1.6 Key concepts

Value-based leadership
According to O’Toole (2008), finding a suitable definition to value-based leadership has been difficult due to it is considered to be elusive. However, in this study, value-based leadership is defined as: “By word, action, and example, value-based leaders seek to inspire and motivate, using their influence to pursue what matters most.” (Kraemer, 2011, p. 3). Furthermore, Czabanowska & Rethmeier (2016) claim that a value-based leader acts ethical and for the greater good of all, as well as, creating trust and organizational culture.

Values
Values are a wide term and can be described differently, but in this study, values will be based on the following definition: “traits, behaviors or qualities to which we ascribe some worth or importance” (Switzer, 2009, p. 1).
Manager
Managers have a responsibility for guiding employees, improving performances and productivity. "The backbone of every organization, large or small, is its managers” (Gilley & Gilley, 2007, p. 1). Yukl (2013) uses the terms leader and manager interchangeably, which also will be done in this study.

Organizational Culture
Organizational culture can have a different meaning in different organizations. In this study, it will be defined as: “The values, beliefs, and assumptions that are held by members of an organization and which facilitate shared meaning and guide behavior at varying levels of awareness” (Denison et al., 2014, p. 4).

Social Transformation
Social transformation has different definitions and can be interpreted differently. However, in this study, it will be described as when major changes occur in terms of society, the economy as well as socio-political factors. Further, changes in attitudes and values (Hegmon & Peeples, 2018). This study will focus on the two social factors, which are generations and social sustainability.
1.7 Disposition

The remaining parts of the study will be structured in the following way:

- Chapter 2
  - In the next chapter, the theoretical findings from previous research will be presented. Presenting models and theories that will be used further in this study. Ending with a developed analysis model from the authors.

- Chapter 3
  - Chapter three outlines the method for this study. Explaining the choices of methods which have been used in order to conduct the study. In this chapter information and choices about respondents for the interviews can be found.

- Chapter 4
  - Chapter four presents the empirical findings. The data presents each company separately and through the themes *value-based leadership and its challenges, social transformation, organizational culture and leadership behavior*.

- Chapter 5
  - The fifth chapter contains the analysis of the empirical findings together with the theoretical framework. The chapter ends with the developed framework built on the different factors.

- Chapter 6
  - Lastly, chapter six presents the final results of this study. This consists of the main findings as well as the empirical, practical and theoretical implications. Further, suggestions for future research is given.
2. Theoretical framework

In order to create a basis for the empirical study as well as the analysis, this chapter provides theories and literature relevant to the problem in this study. The theoretical framework consists of three blocks: value-based leadership, leadership behavior, and organizational culture. When linking these three blocks together is it possible to understand and gain an insight into managers work and perception of value-based leadership. Lastly, the authors present an analyze model based on the three blocks as well as other factors affecting VBL. Figure 1 gives an overview of the chapter.

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*Figure 1 - Overview of the theoretical framework consisting of three blocks.*

2.1 Value-based leadership

2.1.1 Values

Before exploring value-based leadership, values need to be understood. Values are attitudes about what is right and wrong such as ethical aspects (Yukl, 2013) and are considered to be the glue that connects people in the organization (Niekerk & Botha, 2017). According to Barrett (2010), values can guide people in their decisions since values concerns what we want to achieve in the future, as well as they are adaptable to new situations. However, values are also something that can create conflicts and uncertainty, as well as values can fade, but they can also be strengthened (Kirkhaug, 2015). According to Gamb (2018), core values are the
ones that are permanent and constant in a company and work as the basic beliefs. Furthermore, they also have an important impact on the organizational decision-making and outcomes, when they are clearly highlighted by the top management (Jin & Drozdenko, 2009). This indicates a powerful value statement since the core values are concluded to be essential for an organization (Yukl, 2013). This, in turn, will help a company to stake out a favorable position towards shareholders, investors, and customers (Gamb, 2018).

Kraemer (2011) also emphasizes the importance of values in an organization because without values, a company will not be able to handle problems and challenges such as social interactions with customers, and less to generate creativity. Besides, if values are lacking, a company could experience a problem with ethical aspects since it is not clear what is acceptable and what is not. If values not are affecting ones reality it will only be a social scientific discourse (Sayer, 2011). However, many companies often have difficulties concerning the written values and the actual values since they may differ. A company can clearly communicate its values externally, example through its web site, but internally, within the organization culture, the resemblance is limited (Frost, 2014). Nevertheless, in a company where everyone shares and accept the same values, the efficiency is greater when it comes to support creativity and to work through complexity and uncertainty, and even to take advantage of it (Smikle, 2019; Corte et al. 2017). This is an especially difficult task in a large company, where the values need to be reached out and understood by a lot of people (O’Donnell & Boyle, 2008).

2.1.2 Value-based leadership

Value-based leadership takes leadership to the next level. Copeland (2014) describes value-based leadership as concerning ethical, moral as well as authentic aspects, while Czabanowska & Rethmeier (2016) state that the leadership results in trust. Moreover, Reilly and Ehlinger (2007) claim that it concerns social responsibility. Nevertheless, Kraemer (2011) argues that value-based leaders are demanded and expected in today’s business environment, where they do the right thing, and at the same time deliver exceptional results in a long-term perspective. The leadership focus on ‘do right by doing good’ regarding behavior and decision making. According to Shatalebi and Yarmohammadian (2011), value-based leadership focus on values and insights formed from stated core values, instead of supervision, exact control, and hierarchy. This implies a more decentralized approach, which in turn creates a higher need for professionalism, autonomy, and responsibility. Furthermore, value-based leadership generates a need for creativity from the employees along with a capability to understand their own values and turn them into initiatives (Dolan & Garcia, 2002).

“Value-based leadership wins the trust, respect and confidence of the people in the organization” (Frost, 2014, p. 129). A value-based leader is someone who is self-aware, empathetic and emotionally intelligent, but should not be mistaken for weak and powerless,
instead, they are strong enough to take time to understand others and implement engagement in the whole organization (Dhiman, 2015). Besides, Gamb (2018) suggest that trust, courage, and hope are possible outcomes of value-based leadership. Moreover, value-based leaders are secure and sensible and are aware of the fact that they may not always be the best person to find an answer for a solution. Hence, they let others lead and puts others needs first (Taylor, 2007). Furthermore, these leaders are determined and committed to making a difference in terms of making the world a better place as well as setting an example (Rao, 2017).

According to Kraemer (2011), there are four fundamental principles that need to be fulfilled in order to become a value-based leader. These are self-reflection, balance & perspective, true self-confidence and genuine humility, where all four must be fulfilled (Kraemer, 2011). Furthermore, the principles can work as a helpful prerequisite to create a successful company culture (Gamb, 2018). These principles will be used by the authors when interviewing the managers, in order to understand to what extent they are value-based leaders. Out of these four, self-reflection is the most important and mandatory one to become a value-based leader (Gamb, 2018; Kraemer, 2015). This involves understanding oneself, which in turn can make it easier to influence others (Kraemer, 2015). The importance of self-reflection cannot be underestimated since many leaders today have problems with separating activity from productivity. They usually finish task after task, without stepping back to see the whole picture and to reflect upon why they are doing what. Therefore, through self-reflection, a leader can turn activity into productivity (Peregrym & Wolff, 2013). Balance and perspective refer to “the ability to see issues, problems, and questions from all angles, including from differing viewpoints” (Kraemer, 2011, p. 27). The leader then seeks inputs, opinions, and feedback from others before making a decision, in other words, the ability to take others viewpoint into consideration (Peregrym & Wolff, 2013).

![Figure 2 - Four Principles of a Value-based Leader (Kraemer, 2011).](image)

A **true self-confident** leader knows his or her weaknesses and strengths as well as knowing that the leader’s answer may not always be the correct one. Consequently, a self-confident
leader asks employees for inputs and accepts that they may have greater expertise and knowledge in some areas (Kraemer, 2011). A leader who is able to admit mistakes and take responsibility for it will lead to an environment where the employees will be influenced to dare owing up to their own mistakes and take responsibility for it (Gamb, 2018). Lee (2006) also argues that a confident leader often is courageous, and that courageous is the backbone of leadership. Genuine humility enables a leader to recognize the value of everyone as well as seeing each employee as important as the next one. Consequently, they appreciate and treat everyone respectfully, no matter the person’s position in the company. The leader leads by an example, influence behavior and show appreciation and positivity towards others (Frost, 2014). Other studies outlines some core principles, but these four are in this study the most relevant and useful. It can be outlined twelve core principles, but as some of these, as trust, risk-taking and feedback, are involved separately in other blocks this model will only use these four (Latemore, 2005).

2.2 Leadership behavior

Given the fact that the perspective of managers will be examined in this study, the behavior of the leader needs to be understood. Yukl (2013) describes that leadership behavior concerns the behavior of an individual who directs and leads a group towards a common goal (Yukl, 2013). Furthermore, in order to exhibit a value-based leadership and implement values in a company, the role of the manager has a great impact since leadership starts on an individual level. Bäckström, Ingelsson, Snyder, Hedlund, and Lilja (2018) state that it is the manager of the organization that affects which type of culture that will permeate, and their behavior directly affects the employees’ behavior and attitudes. Nevertheless, a leader needs to be able to influence and improve his or her individual behavior, in order to be able to influence others, which brings forward the importance of self-leadership (Yukl, 2013). Another important aspect of leadership behavior is how the leader makes decisions (Mintzberg, 1973) since the decision-making process can lead to favorable or unfavorable outcomes for the organization and it puts pressure on the leader to be rational as well as emotional (Yukl, 2013). Furthermore, Frost (2014) claims that “using values actively around decision-making builds a leader’s internal confidence and provides consistency in behaviors which allows others to build their confidence in you” (p. 126).

2.2.1. Self-leadership

Self-leadership, also referred to as “inside-out leadership”, has gained increased attention over the years (Cashman, 2017) and since value-based leadership is achieved on an individual level, where it is important to be aware of oneself and one’s behavior, therefore self-leadership is a relevant field to take into consideration. Furthermore, Kellerman (2004) states that a good leader is able to self-reflect and Kraemer (2015) claims that self-reflection is the most important aspect in order to become a value-based leader, because without it, is it an impossibility. Neck and Manz (2010) defines the term in short, as “the process of influencing
oneself” (p. 4). It has been proven that increased self-leadership leads to effective responses from followers and improved work performance (Stewart, Courtrigh & Manz 2011).

The concept is built on self-awareness, self-confidence, and self-efficacy (Bryant & Kazan, 2012). Different researches discuss the importance of these three components, and how each of them can affect one’s leadership and the outcome in the organization (Söderhjelm, Larsson, Sandahl, Björklund & Palm, 2018; Yukl, 2013). Nevertheless, the level of successful self-leadership depends on the ability to demonstrate all three. To be able to lead others, leadership, one must be able to lead oneself, self-leadership (Bracht, Junker & van Dick, 2018; Shooraj, 2016). Stewart et al. (2011) argue that self-leadership is about when individuals perceive a situation and choose to engage behavior to reach the desired change. Furthermore, studies agree on that a working self-leadership benefits the organization and work engagement. Yet, the struggle is to manage self-leadership constantly since it is an ongoing process and not just a task to finish (D’Intino, Goldsby, Houghton & Neck, 2007).

2.2.2. Emotional and rational decision-making

“You can’t be rational if you are too emotional.
But you can’t be rational if you are not emotional”.
Fred Kofman, 2017, Huffingtonpost.

The decision-making behavior is a part of the theory that Mintzberg (1973) developed concerning what roles, responsibilities and activities a manager has. Furthermore, Marchisotti, Almeida and Domingos (2018) state that decision-making is the maximum activity of a manager, which can be both simple and complicated. In today’s complex and changing environment, managers need to be able to manage uncertainty and confusion and still making quick and reasonable decisions (Corso, Raimundini, Granado & Janissek-Muniz, 2014; Sayegh, Anthony & Perrewe, 2004). The traditional approaches of decision-making concerned rational processes, while the emotional aspects emerged much later (Yukl, 2013). Early research agreed that decisions need to be made based on rationality and that emotions should not be involved. However, this perspective has changed throughout the years (Andriotti, Freitas & Martens, 2014; Sayegh et al., 2004). Moreover, the emotional perspective of decision-making has increased among today’s manager (George & Dane, 2016).

Moreover, Sayegh et al. (2004) argue that the emotional aspect of decision-making is essential, especially during intuitive moments and crisis as well as to be able to function in today’s dynamic business world. Besides, a leader with a high level of emotional intelligence, have a greater capacity to manage crises, solve complex problems and adapt their behavior to a specific situation (Yukl, 2013). This can be connected to a value-based leader, which is someone who is emotionally intelligent as well as empathetic (Gamb, 2018). Nevertheless, “decision processes are often characterized more by confusion and
emotionality than by rationality” (Yukl, 2013, p. 26). Further, decision-making is often influenced by intuition instead of rational analysis (Salas, Rosen & DiazGranados, 2010). However, emotions can have a negative impact on decision-making such as panic reactions (Janis & Mann, 1977). Therefore, rational decision-making is still required since it makes it possible for the manager to process the information both logically and clearly (Marchisotti et al., 2018). Another important aspect to take into consideration is the organizational culture since it influences the decision-making process (Truong, Hallinger & Sanga, 2017). If the organizational culture is not taken into account during the decision-making process, the consequences can be both unintentional and undesired (Marchisotti et al., 2018).

2.3 Organizational culture

Organizational culture is an important factor in a company. Value-based leadership reflects itself throughout the organization’s culture (Maldonado et al., 2018), which implies that these two are correlated and therefore organizational culture is necessary to understand. Still, Engle (2018) argues that there is no rightful organizational culture that is suitable for all companies and that will automatically lead to success. Different companies need and have different types since they have different purposes and goals (Engle, 2018). Besides, Cameron and Quinn (2011) emphasize the comprehensive importance of possessing a distinctive organizational culture in a company. They also state that the most successful companies, such as Microsoft and McDonald’s are having a distinctive organizational culture, which is explicitly perceived and recognized by its employees. A sustained organizational culture also impacts the employees’ morale, commitment, emotional well-being and productivity (Cameron & Quinn, 2011).

2.3.1 The Competing Values Framework

Cameron and Quinn (2011) presented a framework that diagnoses and understand the culture of a company. The framework has been chosen to be able to understand what prerequisites, and thereby possibilities, a company has to implement and work with value-based leadership. Hence, the Competing Values Framework will make it possible for the authors to understand and analyze the connection between company culture and value-based leadership. As stated, the framework makes it possible to interpret the company culture, however, it is important to remember that the framework does not suggest that one culture is better than another nor that a company fits into only one of the four types (Senior & Swailes, 2016). As Cameron and Quinn (2011) explain, the framework can be a useful model for identifying the major aspects of leadership roles, theories of effectiveness and management skills. Tong and Arvey (2005) state that the framework can help to measure a manager’s behavioral role. From this framework, four dominant cultures types emerge (Tong & Arvey 2015; Cameron & Quinn, 2011).
The main focus will be the **adhocracy culture** since it meets the requirements most for an environment of value-based leadership. For instance, both adhocracy and value-based leadership emphasize shared values, empowerment, innovation and creativity (Gamb, 2018). As with value-based leadership, the adhocracy culture did not emerge until the 21st century (Copeland, 2014; Cameron & Quinn, 2011). According to Cameron and Quinn (2011), adhocracies are known for reconfiguring themselves during complex and rapid changes. Tong and Arvey (2015) also point out that the use of this framework may improve on managing complex situations. This kind of culture has little hierarchy (Senior & Swailes, 2016) with decentralized power since the power is rather shifting between individuals or task team, depending on the situation (Cameron & Quinn, 2011). Furthermore, adhocracy assumes that innovation is the key to success. The leaders who are effective in this culture are visionary, innovative, and risk-oriented, as well as they encourage entrepreneurship and creativity. It is believed that adaptation and innovativeness lead to profitability and new resources (Cameron & Quinn, 2011). However, another relevant and decentralized approach is the **clan culture**, also known as a family-type organization, which highly emphasize the importance of shared values and participation (Yu & Wu, 2009). Rapid changes and turbulent environment makes it difficult for managers to govern their employees, but when making sure that every employee shares the same values, beliefs, and goals, then the turbulence can be handled more efficiently. The management’s task is to empower employees and work as a facilitator for their commitment and loyalty (Cameron & Quinn, 2011).
Two more centralized, cultural approaches are the *market culture* and *hierarchy culture*. These two cultures have a more focus on stability, control, competitiveness and bureaucratic. The market culture is result-oriented with leaders who are hard-working, tough and demanding with a task to create profitability, where the focus is not put on internal management (Yu & Wu, 2009). The hierarchy culture, on the other hand, emphasizes rules, structure, and efficiency (Quinn & Cameron, 2011). These kinds of cultures contradict a value-based approach. As Barrett (2010) claims, organizations that share the same values are less hierarchical, and since market and hierarchy culture do not prioritize values they will most likely not be relevant to explore. Still, even if connections between the cultures and value-based leadership can be seen, it needs to be examined if this is the case in practice as well.

### 2.3.2 Why trust matters

As stated earlier, trust is a prerequisite for even exhibit value-based leadership and it can only be successfully done if the leader act and behave in a way that creates both safety and enthusiasm among the employees (Kirkhaug, 2015). Therefore, the authors have chosen to highlight trust as a crucial part of company culture. As Gamb (2018) states, trust is a requirement if a leader wants to be able to influence and engage a group, and trust given is trust returned. Therefore is it crucial that a company’s culture is built on trust. When there is trust, clear direction, goals and support, there is a winning company culture. It is the leaders behavior that influences the trust from the employees (Engelbrecht & Mahembe, 2015). Furthermore, according to Thomas, Zolin and Hartman (2009), “Communication plays an important role in the development of trust within an organization” (p. 287). Other research concludes that team members who trust each other, are more willing to share knowledge with one another (Park & Lee, 2014). Besides, trust is also important when it comes to achieving creativity and innovation since employees will be enabled to be inventive and not feeling judged. “Trust promotes growth, which is essential to the organization’s life” (Gamb, 2018, p. 28). However, according to studies, trust in managers is decreasing (Frost, 2017).

Moreover, Gamb (2018) provides a theory of how trust can prevent a ‘halt’ environment, but it requires a leader to have the ability to increase trustworthiness in an organization, which in turn results in a thriving environment. However, in an organization where trust is limited, referred to having a ‘halt’ environment, creates tensions. This is something Mainemelis and Ronson (2006) states is a unfavorable culture for a company to have, partly because it excludes creativity. Therefore, Gamb (2018) claims that value-based leadership can have a great impact when it comes to changing from a ‘halt’ environment to one that consists of trust, which in turn leads to an environment of growth and sustainability. Moreover, companies that are going through difficult times have easier to manage it when the culture is built on trust, then they stick together through trust: trust in the leader and trust in each other (Hester, 2012).
This analyze model was developed in order to create a deeper understanding of value-based leadership in practice as well as facilitating the analysis. It was conducted based on the previous research from the literature review and will facilitate the analysis of the empirical data. In this context are we looking at three parts: external factors, internal factors, and value-based leadership. The external factors concern outside the company, while the internal factors concern inside the company. The external factors are discussed in the introduction of this study, as an underlying reason for why value-based leadership is needed and are therefore necessary to take into consideration when making the analysis. The external factors consist of changes in the context in terms of social transformation, where the focus is on generations and social sustainability. Hence, the external factors are placed in a individual circle. The internal factors are also placed in an individual circle and these ones are covered in the theoretical blocks. They have been chosen since one aim of this study is to explain how certain factors are related to value-based leadership in a company. These internal factors
concern how companies and managers are working with the factors: organizational culture, values, trust, self-leadership, and decision-making. Meanwhile, value-based leadership is the core of this study and analysis and mainly consists of a framework where a manager needs to fulfill four principles to become a truly value-based leader as well as the challenges of value-based leadership.

The model should be interpreted as a connection, where all three parts are related to each other. Therefore, the arrows are structured in both directions since it should be understood as a mutual relation. Moreover, all the factors in the analyze model are the themes in the interview guide, that is being asked to the managers, where they will contribute with their perceptions of each factor. Hence, the analysis model will be used to understand how managers view and work with these factors in order to understand their work with value-based leadership in practice.
3. Methodology

The methodology that was used in this study is presented in this chapter. Based on the research question and purpose, a qualitative study was chosen with both personal and telephone interviews in order to receive a deep understanding. The research process is presented including the literature review, research approach, research strategy, data collection, data analysis, quality criteria, and ethical consideration.

3.1 Research approach

The authors have chosen to perform a qualitative study through qualitative interviews along with an abductive approach. This study is based on a hermeneutic approach and is according to Jacobsen (2002) also called an interpretation-based approach. This kind of approach aims to create an understanding for the examined data (Bryman & Bell, 2013). The choice is due to fulfilling the purpose of the study and reach a holistic overview of the field. Moreover, the authors interpret the data from a subjective point of view, which is characterized by a hermeneutic approach (Eriksson & Widersheim-Paul, 2011). The concepts and choices made will be explained and developed below.

3.1.1 Abductive approach

In this study, the authors have used an abductive approach, which in turn is based on both a deductive and an inductive approach (Alvehus, 2013). The abductive approach enables to move back and forth between theory and empirical data, finding grouped concepts in the data and once again bring in theory (Glaser & Strauss, 1967). Initially, the study had an inductive approach, which is known for starting with observation and theories and hypothesis is developed first afterwards (Thomas, 2006), and then based on the interviews, the authors developed an analyze model in order to understand how the theoretical parts impact each other. Thereafter a deductive approach was used, as the theories and hypothesis are developed based on existing theory, but during the study the approach moved back and forth, and therefore an abductive approach has been used. This indicates that the authors started the research without expectations and collects a correct view of reality, the theory was conducted from the collected data (Jacobsen, 2002). This study also used existing theory to be able to understand reality, and are more hypothesis generating than testing. Alongside with the empirical data, new theories was be developed, especially the authors’ analyze model (Bryant & Charmaz, 2007).

For this kind of study is it impossible to maintain an objective perspective, which is one reason why a purely deductive approach not is possible. Consequently, this study will have a subjective perspective and will together with a qualitative approach contribute to an overall understanding and explanatory result (Söderbom & Ulvenblad, 2016). By using an abductive
approach the authors eliminate some of the weaknesses of both inductive and deductive approaches. An inductive approach has its weaknesses in the amount of data. It is not possible for any author to collect all relevant data and stay fully open-minded since there are human factors affecting different situations, both consciously and unconsciously (Söderbom & Ulvenblad, 2016). Consequently, the deductive part of the study contributes to more reliable results when moving from theory to empirical data. The authors have been aware of that the abductive approach limits the open-minded attitude when doing the research, but have concluded that to reach the aim of this study this is a preferable way of doing the study.

3.1.2. Qualitative research

A qualitative research will be done to answer the research question. The aim of this study was to understand how value-based leadership is used in practice and how certain factors affect it. This is an explorative problem and it is, therefore, necessary to use a method that can bring many different aspects. An explorative problem usually requires focus on a few units (Jacobsen, 2002). Consequently, a quantitative research direction would not be successful for this study since it usually concerns measuring and correlational analysis, and thereby, being objective. Bryman (2013) explains the increased interest of in-depth views of organizations as well as the qualitative research is well suited for unfamiliar settings. Furthermore, a qualitative research focuses on details and the uniqueness in each participant, which corresponds with the aim of this study, where each individual will contribute to the study and have different background histories (Jacobsen, 2002).

The decision for a qualitative research was based on the purpose to describe and explain parts of this relatively abstract field. Moreover, to use the research in order to develop and bring out a new perspective and framework for the field of value-based leadership. “The qualitative approach is often suitable to create greater clarity in an unclear subject and get a nuanced description of it” (Jacobsen, 2002, p. 145). Through using a qualitative approach the study avoids the weaknesses of a quantitative approach, which concerns limitations of theory development and mainly a lack of supplementary questions and explanations. Using a qualitative approach results in fewer limitations and the empirical data can be more open, unique and situational (Jacobsen, 2002). However, Jacobsen (2002) also states a few downsides of qualitative research, partly that it is time-consuming and that a lot of data need to be managed. Still, the advantage of a high amount of data is that the research is more flexible, compared to the quantitative approach, which in this study will be beneficial (Bryman, 2013).

3.1.3. Qualitative interviews

Interviews are among the most common methods to perform a qualitative research (Brinkmann, 2013). Still, there are different ways of doing interviews. This study used a semi-structured interview guide to keep the flexibility and to make the most out of each interview.
Semi-structured interviews open up the possibilities to gain a deeper understanding, in this case, of the managers’ point of view. By using semi-structured interviews there is still room for supplementary questions as well as the respondent is able to speak openly and give a broader insight, compared to if the interview was structured (Jacobsen, 2002). It also enables to ensure that all areas are covered in each interview, which could be lost if the interviews was fully open. A risk with unstructured interviews is that it tends to become too complex and not possible to analyze, especially since this study requires relatively comparable interviews it would not be suitable. However, using semi-structured interviews was based on the subject, value-based leadership, which includes individual perceptions and thoughts, which makes it necessary to give room for each respondent to explain their point of view more freely. Nevertheless, qualitative interviews are time-consuming, both in preparation, literature review, construction of interview guideline, then the implementation of the interviews followed by the transaction of collected data. This is a choice the authors have done, well aware of the time needed, with consideration of the best possible outcome for this particular study.

3.2 Literature review

Before the authors started to write on this thesis, they visited Eric Åkervall, who works for Capture Innovation in Gothenburg and has a lot of knowledge of value-based leadership and theories concerning it. Hence, he was the inspiration for beginning the literature review. The collection of theory for this study is derived from scientific articles, mainly collected from Halmstad University’s database, OneSearch as well as Google Scholar. Furthermore, physical and online versions of traditional books have also been used. The collection of data has evolved through the snowball effect, where the chosen articles have referred and used other relevant references, which in turn, the authors utilized. Moreover, different search words have been used, especially different compositions of the words; value-based leadership, values in a company, managers, organizational culture, trust, generation, paradigm shift, and social sustainability.

Theories for the theoretical framework have been based on previous research, and well-established theories has been chosen despite their age, which is due to the lack of updated and relevant theories as well as the validity of more used and tested theories. This, in turn, has lead to the authors developing an own framework since theoretical models of value-based leadership and factors affecting it are lacking. This kind of understanding- and explanation framework are underlying and supports this qualitative study (Söderbom & Ulvenblad, 2016).

3.3 Empirical data

The sampling used in this study was convenience sampling, which is due to different factors such as as time limitation, geographical distance and companies that fulfilled the criteria for interviews. Convenience sampling refers to choosing companies and respondents that are
easy for the authors to access and interview (Bryman, 2011). Data was collected through the semi-structured interviews with the chosen Swedish companies. The selection of companies and respondents will be presented in this section.

### 3.3.1 Selection of companies and respondents

The selection of companies for this study was based on a few requirements. Firstly, they had to clearly communicate their values today, because if not, they would probably not be aware of the field to a wide extent and could therefore not contribute to a deeper understanding. Hence, the authors looked into the companies websites and annual reports, to receive an overview of how values are implemented in their businesses. Secondly, the authors aim was to examine companies that had more than 200 employees since they then are acknowledged as large companies (SFS 1995:1554) and leadership is considered to be more challenging in larger companies (Vaccaro et al., 2010). With this in mind, the authors used the databases google.com and allabolag.se to find companies that fulfilled these requirements. Nevertheless, one the companies, Essiq, was spotted by the authors during a trade show, where the company explicitly stated the importance of their values.

Regarding industries, the authors concluded that the participating companies do not have to operate in the same industries. Hence, with an insight into different industries, the study can develop a higher validity and generalizability. However, there are limitations with a qualitative study, especially in terms of the number of respondents, since a lack of participants can create a problem with generalizability and fairly representativeness (Jacobsen, 2002). To minimize this, a selection of companies in different industries, and where the representatives have equivalent positions, has been chosen. The choice of companies was also impacted by the private or public sector. Previous research has mainly focused on the public sector, particularly schools (Niekerk & Botha, 2017; Anggorowati, 2016; Warwas, 2015) and therefore, this study focused on the private sector.

<table>
<thead>
<tr>
<th>Name of the company</th>
<th>Industry</th>
<th>Number of employees</th>
<th>Number of interviews</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acando AB</td>
<td>IT &amp; Management</td>
<td>~ 1200</td>
<td>3</td>
</tr>
<tr>
<td>Essiq AB</td>
<td>Technology consulting</td>
<td>~ 300</td>
<td>2</td>
</tr>
<tr>
<td>Forsen AB</td>
<td>Construction</td>
<td>~ 220</td>
<td>3</td>
</tr>
<tr>
<td>Martin &amp; Servera AB</td>
<td>Wholesaler Restaurant</td>
<td>~ 3000</td>
<td>2</td>
</tr>
</tbody>
</table>

*Table 1 - Information about the selected companies*
To fulfill the purpose of this study, the respondents had to be managers and thereby having a leading position in the company. Moreover, the authors have chosen to interview a CEO from each selected companies since they have a wide overview when it comes to understanding the whole organization. Additionally, managers within the company were interviewed. Furthermore, the study is constructed to have more than one representant from each participating company, in order to receive a better understanding and have material for comparison. The authors aimed to have gender equality between the participants, to reduce factors that can have an impact on why or why not certain actions are considered. However, the authors did not manage to find a female CEO. Hence, all four CEO’s from the participating companies are men. Still, the authors managed to reach gender equality throughout the interviews since half of the interviews are with females. The first interview in this study were chosen by convenience sampling, during a phone call to the customer service the authors were linked to the CEO of Acando. Except the other three CEO’s, the managers was overall chosen though convenience sampling, but the selection for convenience sampling where also based recommended managers from previous managers, and due to answers and availability, different managers were chosen (Etikan, 2016).

<table>
<thead>
<tr>
<th>Company</th>
<th>Name</th>
<th>Position</th>
<th>Date</th>
<th>Type of interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acando AB</td>
<td>Carl-Magnus Månsson</td>
<td>CEO</td>
<td>13/3 - 2019</td>
<td>Telephone interview</td>
</tr>
<tr>
<td>Acando AB</td>
<td>Erik Lindeberg</td>
<td>Business Unit Manager</td>
<td>26/3 - 2019</td>
<td>Telephone interview</td>
</tr>
<tr>
<td>Acando AB</td>
<td>Åsa Lindström</td>
<td>Team Manager Consulting</td>
<td>28/3 - 2019</td>
<td>Personal communication</td>
</tr>
<tr>
<td>Essiq AB</td>
<td>Jonas Sohtell</td>
<td>CEO</td>
<td>27/3 - 2019</td>
<td>Personal communication</td>
</tr>
<tr>
<td>Essiq AB</td>
<td>Caroline Samson</td>
<td>Consultant Manager - IT</td>
<td>27/3 - 2019</td>
<td>Personal communication</td>
</tr>
<tr>
<td>Forsen AB</td>
<td>Ulrika Hyll</td>
<td>Business unit Manager</td>
<td>20/3 - 2019</td>
<td>Personal communication</td>
</tr>
<tr>
<td>Forsen AB</td>
<td>Caja Lindgårdh</td>
<td>Communication Manager</td>
<td>26/3 - 2019</td>
<td>Telephone interview</td>
</tr>
<tr>
<td>Forsen AB</td>
<td>Bengt Johansson</td>
<td>CEO</td>
<td>28/3 - 2019</td>
<td>Telephone interview</td>
</tr>
<tr>
<td>Martin &amp; Servera AB</td>
<td>Kristina Ossmark</td>
<td>Marketing Manager</td>
<td>26/3 - 2019</td>
<td>Telephone interview</td>
</tr>
<tr>
<td>Martin &amp; Servera AB</td>
<td>Håkan Åkerström</td>
<td>CEO</td>
<td>27/3 - 2019</td>
<td>Telephone interview</td>
</tr>
</tbody>
</table>

*Table 2 - Information about the respondents*
3.3.2 Data collection

Before the data was collected, the authors constructed an operationalization chart (appendix 3), which was based on the theoretical framework and previous research. The chart is divided into different themes, which, in turn, facilitated the construction of the interview guide (appendix 4). The interview guide was also based on these themes. The aim of the interview guide was to capture the problems that this study focuses on (Söderbom & Ulvenblad, 2016). Moreover, to make sure that similar areas were covered from each individual interview. The questions in the interview guide was structured with the help of the operationalization chart, where theory is converted into specific questions that, in turn, is being asked to the respondents (Söderbom & Ulvenblad, 2016).

After the interview guide was structured, the authors contacted the respondents, in other words, the managers. They were contacted by email (appendix 1), where the purpose of this study was described along with the request for participation. When the managers agreed to participate, a meeting was booked. However, the participating managers did not see the questions beforehand, to receive as honest answers as possible. The interviews were done both personally, face to face, and by telephone. Face to face interviews were desired, mainly since it creates a trusting environment which can provide more comprehensive answers as well of the advantages of it in terms of body language and face expressions (Bryman, 2011; Jacobsen, 2002). However, telephone interviews were necessary due to geographical distance. Still, Lundahl and Skärvad (1999) argue that telephone interviews create a greater personal connection and thereby a higher validity. The telephone interviews made it possible to interview a wider type of managers from each company, especially concerning distance to the CEO of the companies. Therefore, the authors instead aimed to have at least one personal interview with each company. Yet, the authors did not succeed with this with Martin & Servera due to the geographical distance as well as the difficulty to find any available manager who had the time.

During all the interviews, the authors started by asking the managers if they were allowed to record the interview to ensure that all answers from the managers were conducted in order to not miss out on important information. Moreover, to keep a natural dialog, where the authors could focus on listening to the managers instead of only taking notes (Jacobsen, 2002). Still, since the authors took turns in asking the questions, one author was focusing on listening to the manager, while the other author took notes. This was done to make sure that all data was conducted if any technical problems would arise (Jacobsen, 2002). The recording of the interviews also made it possible for the authors to listen to the information that was given several times and to transcribe it after the interviews. Besides, the recording made it possible for the authors to present the quotes in exact words. Another important aspect was to make sure to ask all respondents if they wanted to be anonymous, but no one required this and everyone was willing to let their names be used.
3.3.3 Data analysis

According to Söderbom and Ulvenblad (2016), the aim of the data analysis is to identify patterns and to make comparisons, which the authors made through comparing the managers’ answers in terms of their work and perception of each certain related factor. The data analysis was based on the analytical model (see Chapter 2) and the Gioia methodology (Gioia, Corley & Hamilton, 2012), which has facilitated the systematic analysis of the collected data, from transcribed data to apply the theoretical concepts. The authors wanted to bring a qualitative rigor to the conducted research and therefore the Gioia methodology was used, which is a flexible approach that enables possibilities for creativity and innovation during the process (Gioia et al., 2012). The following steps will explain how the authors structured the data, which Gioia et al. (2012) acknowledge as vital when analyzing data.

The first step of the data analysis was to review all interviews separately on an individual level, which was done by printing out the transcribed data. Thereafter, the authors used colored pens to organize and categories all data. This facilitated the management of the huge amount of data and created a structure for the continuation of the study. The second step was to compile the data on a company level, which resulted in the empirical chapter. When each company had been categorized, was it easier to make a comparison and to discover similarities and difference between the companies as well as between the managers. Moreover, a short summary of the empirical findings was made to bring out the main findings from the interviews. During the third step, the authors used a whiteboard table, where all the main theories and models were drawn to be able to analyze the data and receive a clear overview. Thereafter, the empirical findings were implemented in these drawings and compared to the theoretical framework as well as the previous research. During this step the authors also removed different theories since they did not contribute to analyze the data for the purpose of this study. The analysis was then structured and organized in accordance with the analyze model, which means it is mainly divided into external and internal factors.

Furthermore, this process is in accordance with the Gioia methodology, where the analysis is divided into a 1st-order and 2nd-order analysis (Gioia et al., 2012). In the beginning, the amount of data to identify and categorize was vast and even a bit overwhelming, but this is something as Gioia et al. (2012) state it usual at this stage. However, during this process, when the data was structured systematically, and similarities and differences were found, was it easier to find patterns among the many categories, which made the data more manageable (Gioia et al., 2012). The authors chose to finalize the analysis with a summary in order to receive a clear understanding and to point out the important findings. Lastly, the analysis led to that the authors developed a framework of value-based leadership that shows how certain factors are related to value-based leadership in order to create a deeper understanding of it in practice. The framework consists of the relevant connection from empirical data to theory (Gioia et al., 2012).
3.4 Quality criteria

When conducting a research there are two terms that are important to take into consideration when it comes to a study’s credibility, namely validity and reliability. The terms are originally derived from quantitative studies, however, they can still be used during a qualitative study when collecting data through interviews (Söderbom & Ulvenblad, 2016). However, since this study is a qualitative one, it needs to be understood that it is not possible to completely avoid subjectivity due to that the study can be affected by the authors’ own perceptions and personal values (Bryman, 2011).

3.4.1 Validity

High internal validity is achieved when a study successfully measures what it is supposed to measure (Söderbom & Ulvenblad, 2016). The idea of providing one objective perspective and description of society has been rejected. Instead, qualitative studies, concern intersubjectivity rather than the only truth. A study can reach close to the truth only when several people agree that the description is correct (Jacobsen, 2002). This is important to bring through the process since there is an impact of subjectivity that can not be avoided. Further, the operationalization has been developed from the theoretical framework to assure that what is supposed to be measured actually is measured. Furthermore, both authors have been participating in each interview, to ensure all interviews were performed according to plan. Moreover, to avoid misinterpretation, the respondents were able to read through the results before it was finalized. Still, one can never cover all the factors affecting a certain connection, even if this study demonstrates a covariance between the examined phenomenons (Jacobsen, 2002).

The purpose of qualitative studies is not primarily to generalize the selected units to a larger amount of units. This study aims to describe and explain managers work and create a deeper understanding of value-based leadership in practice. The aim is therefore not about to generalize it to every other company but in line with what Jacobsen (2002) states, to understand more general phenomenons. The possibility to generalize the results of this study increased by having 10 units in the qualitative interviews. This study is, therefore, seeking external validity by generalizing results to theory, the conclusions aim for more analytical generalizability and not statistical (Bryman, 2011). Moreover, the authors are having a term-developing purpose since the purpose, among other things, is to develop a theoretical framework. This implies there is an analytical generalization, even called ‘conceptual generalization’ (Yin, 1994). The developed framework can be used in similar studies in the future within the field of value-based leadership to create a deeper understanding.

3.4.2 Reliability

According to Söderbom and Ulvenblad (2016), reliability, in terms of a qualitative study, refers to what extent it is possible to repeat a study as well as to then achieve equivalent results.
The term reliability can be divided into both internal and external reliability. To increase the internal reliability of this study, which Bryman (2011) states concerns the trustworthiness of the study and its results, both the authors have attended every interview as well as that every interview has been recorded and transcribed in order to ensure that misinterpretations were kept at a low level and, in turn, increase the internal reliability (Bryman, 2011). External reliability, on the other hand, concerns to what extent the study can be similarly repeated again and is a main struggle when it comes to qualitative studies due to the authors’ subjective way to structure the study (Bryman, 2011). Nevertheless, the authors have attempted their best to use methods and processes that has been presented clearly and structured as well as used an interview guide in order to be able to repeat the same research in other contexts, which is in line with what Bryman (2011) suggests. Still, Silverman (2015) claim two that there are two mainly problems with reliability in general, which are the interviewer effect and the context effect. As stated above, it is impossible for the authors to avoid subjectivity in a qualitative study (Bryman, 2011), since there are different factors affecting the interviews, both how the interviewer presents itself and the underlying expectations are individual and therefore hard to replicate the study identically. To decrease the impact of the interview affect the authors have kept a neutral attitude as possible during the interviews and given the respondents focus. Concerning the context effect, the interviews have been held in the respondents’ natural environment, at their offices, to avoid changed behavior and ensure the respondents feel comfortable (Silverman, 2015).

3.6 Ethical considerations

Interviews and collection of data can be sensitive and private for the respondents. If the respondents do not feel safe and comfortable with sharing their information, it can lead to misleading data, and in turn, misleading results from the analysis. Hence, the authors must take this into consideration before the interviews. Furthermore, Jacobsen (2002) explains three basic requirements for avoiding ethical dilemmas; informed consent, privacy requirements and a requirement to be correctly reproduced. To ensure that these three requirements are fulfilled, the authors have taken them all into consideration before beginning any of the interviews. Each respondent is participating voluntary and is assigned with the purpose of the study and how their data will be used before agreeing on an interview. Besides, each respondent has been given the choice of anonymity. Furthermore, the recorded data, consisting of written documentation as well as audiotapes, will also be stored safely and only until the purpose of this study is fulfilled. The presentation of empirical data has been done as accurate as possible to eliminate possible misleading interpretations.
4. Empirical findings

This chapter consists of the empirical data that was conducted from the interviews with the managers. The interview questions, that the managers were given, are based on the literature review and the theory in chapter two. Hence, the empirical data represents the answers of the respondents based on the theory. In this chapter, each of the four companies will be presented separately, where background information of the companies will firstly be given. The aim is to present the views and perspectives of the interviewed managers when it comes to value-based leadership.

4.1 Acando AB

Acando is a consultant company within the IT and management industry. It is a B2B company that strives for helping their clients to develop and improve their businesses. The company was founded in 1999 and is today located in several cities in Sweden with over 1200 employees. Acando also has businesses in four other countries in Europe, that is Norway, Finland, Germany, and Latvia. The vision of the company is ‘a more capable world’. Acando has three values that permeate the company; courage, empathy, and clarity. They help Acando to create a well-being and innovative workplace as well as guiding all personnel of Acando in decision-making and communication. To fulfill the purpose of this study, the authors choose to interview the CEO, Carl-Magnus Månsson. Furthermore, Erik Lindeberg, a business unit manager was interviewed as well as Åsa Lindström, who is a team manager of the consulting part in West. She is also responsible for the culture and values of Acando and the market team. Acando mentions their values on their website. Yet, the values are not explicitly stated in the annual report., but values in general are mentioned, but not the core values.

4.1.1 Value-based leadership and its challenges

Acando is a consultant company within the IT and management industry. It is a B2B company that strives for helping their clients to develop and improve their businesses. The company was founded in 1999 and is today located in several cities in Sweden with over 1200 employees. Acando also has businesses in four other countries in Europe, that is Norway, Finland, Germany, and Latvia. The vision of the company is ‘a more capable world’. Acando has three values that permeate the company; courage, empathy, and clarity. They help Acando to create a well-being and innovative workplace as well as guiding all personnel of Acando in decision-making and communication. To fulfill the purpose of this study, the authors choose to interview the CEO, Carl-Magnus Månsson. Furthermore, Erik Lindeberg, a business unit manager was interviewed as well as Åsa Lindström, who is a team manager of
the consulting part in West. She is also responsible for the culture and values of Acando and the market team. Acando mentions their values on their website. Yet, the values are not explicitly stated in the annual report, but values in general are mentioned, but not the core values.

4.1.1 Value-based leadership and its challenges

First of all, when it comes to the values of Acando, all managers emphasize the importance of them. Åsa points out that it is important that everyone knows and relates to the values of the organization since they are connected to the organization’s strategy, and that it is a part of the company culture’s spine. Carl-Magnus explains their values as:

“Our idea is that our values shall guide us through the decisions we make every day and our actions everyday, towards both customers and each other in the organization.”

When it comes to disadvantages of the values, the managers have difficulties to come up with one. Yet, Carl-Magnus states that values could become negative if someone uses them as an excuse to not do something. The managers further agree that the values of Acando do not differ externally from internally. For instance, Carl-Magnus mentions that they review all external material to make sure that it has the same quality and statement towards customers and other stakeholders. Besides, the values are frequently spoken of at Acando, and the managers point out the importance of discussing them already when recruiting new people. Erik highlights that from the very beginning, the employees are educated in the values and trained to act in accordance with them. However, Åsa mentions that the employees have requested even more values in their daily work. Still, Carl-Magnus highlights that values are not a project. As he states:

“Everyone that states that they already have reached their values are wrong. It is a living material.”

When it comes to value-based leadership, all three managers believe that value-based leadership will increase in the future and Carl-Magnus adds that he thinks it is very relevant right now. He further describes value-based leadership as allowing decisions to be made based on the content of the values, rather than being rule-based. Still, Carl-Magnus also explains that Acando has rules and processes. He further claims that he is well aware of the work of value-based leadership in the organization, while both Erik and Åsa say they have not reflected especially on that. Nevertheless, all three mention trust when discussing value-based leadership. As Carl-Magnus explains it:
“In value-based leadership, trust is necessary, because in this kind of leadership, a manager does not have full control. It brings higher risk in some parts, but also creates more creativity.”

Furthermore, when it comes to feedback, Carl-Magnus states it is something they practice a lot and that and positive and negative feedback is given straight up at Acando. Erik explains that feedback is part of their culture and that it makes them grow. Still, Åsa believes that is can always become better. It is common to ask the employees for opinions and thoughts, for Erik this is on a daily basis. Åsa asks for thoughts of her leadership during the annual personal performance review. Carl-Magnus thinks that the more comfortable one is with value-based leadership, the easier it is to turn to employees since the leadership is based on exposing oneself to the organization. Concerning the challenges of value-based leadership, Carl-Magnus concludes that this kind of leadership is time-consuming. Moreover, Erik and Åsa believe that value-based leadership would be problematic in companies where the teams are too large because then it will be difficult to see everyone. Hence, Åsa believes that it can work in larger companies where the teams are small. Carl-Magnus points out that it might be easier to solve problems in companies with a clear structure, but value-based leadership makes it easier to solve those that are more complex, no matter what size of the company is.

4.1.2 Social Transformation

Generations

The three managers state that they clearly notice differences between different generations. They argue that younger ones are more impatient, eager to learn fast and want to make a career quickly. They require a different type of treatment. Carl-Magnus claims that this treatment affects the older generations too and Erik thinks that the mix of generations is good since the older ones can adapt themselves a bit and become more alert. Carl-Magnus also states that there is a need for a balance between the power-structure and the more value-based structure, throughout different situations and towards generations. He mentions the increased importance of a higher purpose today and not just concern for the financial incitements anymore. Åsa states that there is a huge difference between the generations, which requires adaptation. She further says:

“One can see that the younger generations are more controlled by values and to be able to do good - more than other generations have been.”
Social sustainability

When it comes to social sustainability, Erik says that Acando wants to good things for both society and their employees. Furthermore, Åsa explains that the company has an understanding for the employees’ private lives, for instance, in terms of pregnancy and parental leave and no matter what state in life someone is, they are welcomed. This is something she thinks permeate the workplace. She further explains that they try to focus on issues before they become overloaded and results in, for example, a sick leave. Furthermore, Erik highlights the importance of keeping employees, which they try to manage through activities, team lunches, conferences and so on. Carl-Magnus highlights the importance of affecting positively and that creating value for society is absolutely crucial, today because otherwise, a company will not make it.

4.1.3 Organizational Culture

Culture

Carl-Magnus, Erik and Åsa state that the values of Acando are embedded in their culture. Erik says that the employees make the company and the company takes care of their employees. They are helping each other, and solving problems together. Åsa says:

“What distinguishes our culture is that we have worked long-term with it and built it up.”

Carl-Magnus claims that Acando has a decentralized approach where the teams are autonomous, but this still requires a certain structure, to be able to utilize all employees’ competence in a trustworthy way. He further believes that they have an environment where everyone feels safe and trusts each other, where they dare to make mistakes and this in turn also creates space for creativity. Erik explains that ideas come from all levels in the organization and that it does not get stuck anywhere on the way. Acando works continuously with developing their culture. For example, Carl-Magnus says that they have tools and methods that practice them in building teams with high trust. That they have a toolkit that mainly concerns reflection, self-awareness, and feedback, where all parts are equally important. Erik mentions team-building as well as their work with ‘how’ exercises, where they practice on giving feedback. Further, Åsa states there is even an online database for giving anonymous feedback. At Acando there is always permission to learn from mistakes, but Erik explains that it is important to be honest, especially when things go wrong, in order to learn from it.
Trust
The importance of trust is emphasized by all three managers at Acando. According to Åsa, trust is created from transparency since it is easier to trust someone when knowing that there are no hidden agendas. Carl-Magnus also points out the importance of transparency, because otherwise, the trust will disappear in one afternoon. Åsa claims that trust also facilitates decision making, especially when unfavorable decisions need to be made. Carl-Magnus explains their own developed leadership-model, ‘the trusting leadership’, which measures love versus fear, and purpose versus power. He claims that when love and purpose are fulfilled, trust is built. At the same time, Åsa points out that you have to start with trust initially, and that it has to be proven in small steps to be built up and strengthen otherwise it will disappear. Erik further states that trust takes time to build and can quickly be broken down. Trust is a subject discussed and spoken frequently about at Acando. Carl-Magnus explains their trust-work:

“We measure trust each week through a questionnaire that our employees answer to. Still, if it is measured, it also has to be shown.”

Erik explains that if the results from the questionnaires are low, they will involve the HR-department. He also states that it is as a way to achieve quick feedback. Concerning the decreased trust in managers, according to previous research, the managers have a few different theories. Carl-Magnus speculates if leadership can keep up with the modern changes and that the generations may be affecting this. Erik is on the same track, focusing on decreased patience. He concludes that in this fast treadwheel, the patience is tested and this may affect the trust. Åsa, on the other hand, talks about a change in knowledge, where managers nowadays are not the authoritative ones, that always knows more than the employees. She thinks this change might be affecting the trust towards the managers.

4.1.4 Leadership Behavior

Self-leadership
When it comes to self-leadership, Carl-Magnus says ‘it’s my job’ and claims that he has been working closely with it the latest four years. He is aware of how he leads and believes in leading by participating. He claims that he has to be able to lead and understand himself, to be able to lead others. Also, Åsa states that she works with her self-leadership actively and that they speak about it at work. Acando also offers each manager a coach, whom Erik explains is helping him with his self-leadership, through help, guidance, and advice. Erik also talks about the feedback in their database as a receipt on how you are as a leader.
Decision-making

Both Erik and Åsa claim that emotions do not considerably affect their decision-making. Åsa explains that she is good at separating emotions from her actions and Erik prefers to base his decisions and actions on facts. Still, Erik admits that the gut might lead to a decision sometimes. Carl-Magnus takes another approach in this subject. He believes that sometimes it is necessary to let feelings and emotions involve decisions. He further claims that showing vulnerability and talk about emotions can increase trust, which in turn can create space for taking rational decisions. He explains that this makes people feel safer when making more difficult decisions, as he states:

“For example, when firing someone, you step back to the values, lean towards them and brings them into the conversation which results in a fine talk.”

Carl-Magnus also discusses analysis paralysis, where there will always be more facts to look for, always something more to understand, but that one must move forward. He also thinks it might be more difficult to involve emotions in larger companies since the distance becomes further. This while Erik does not think it should be any particular difference, just the awareness of having to make decisions on the gut sometimes.

4.2 Essiq AB

Essiq is a consultant company within the technology and IT industry. It was founded in 2005 with a vision to build a company where the employees come in first hand. Today, Essiq has around 300 employees and operate in Sweden’s three largest cities. The company is offering user-centric product development. Essiq has been rewarded with different awards, for example winning DI Gasell four years. They want to contribute to developing the future. Essiq has three core values that they aim to permeate the company; open, rethinking and professional. The interviews were done with the CEO of the company, Jonas Sothell, who also is one of the three founders. Moreover, with Carolina Samson, a consultant manager with a focus on IT and cloud, who has worked for Essiq in about one year. Further, Essiq mentions their values on their website. The annual report is not available online and has therefore not been taken into observation.

4.2.1 Value-based leadership and its challenges

When it comes to values in general, both Caroline and Jonas claim the values of Essiq are the foundation stone of the whole organization. The company and its employees should view and approach situations in accordance with the values. When the values were developed as Essiq,
both the personnel and the customer was involved, which Jonas thinks is important, to involve everyone and not only the owners. Moreover, the values of Essiq are already brought up during the recruitment process. Caroline highlights the importance of that the values need to be actively reminded and worked with. Furthermore, both Jonas and Caroline state that their values should not differ internally and externally. Caroline states that:

“If everyone in the organization thinks and behave similar, then we will also be similarly in our behavior towards the consultant or the customer”.

Regarding value-based leadership, Caroline and Jonas believe that it is simple, unforced and concerns much freedom. When it comes to letting others make decisions, both Jonas and Caroline claim that they feel comfortable about it. They both also work a lot with feedback, where they try to give constructive and positive feedback to their employees. Caroline points out that feedback is always given once a year through the employee satisfaction index, and then she tries to have an open dialogue with her employees now and then. Jonas believes that Essiq has that kind of climate: that feedback is always encouraged, both ways. Jonas describes that one of his employees told him only a month ago that he did not experience sufficient appreciation from Jonas. This was something Jonas appreciated by his employee: his honesty and that feedback go both ways. Further, Jonas highlights the benefit of value-based leadership:

“At Essiq we work in accordance with value-based leadership, which makes me having the best job on the planet”.

When it comes to the challenges of value-based leadership, both agree: it may not work for people who prefer clear structures and processes. Both Jonas and Caroline believe that some people may think value-based can be too ‘dopey’. Furthermore, Caroline believes that it can be challenging with value-based leadership if a company has high employee turnover because then there are many new employees and it takes time before there is a group dynamic. Moreover, Caroline thinks that Essiq works well with value-based leadership, but there is still a lot to do. For example, she experiences that it differs between teams in the organization and depends on the people in the teams. Both Caroline and Jonas agree that value-based leadership may not work for every company. Caroline states that larger companies have less freedom than smaller ones. The larger ones have more guidelines and directions. Jonas agrees and believes that value-based leadership suits Essiq just fine, but do not think it can work for much larger companies. Furthermore, both Jonas and Caroline agree they think that value-based leadership will increase in the future. Caroline claims that the old type of leadership, where there is a great extent of respect for the manager, will diminish, and that organizations will become flatter. She further believes the newer generations have a great impact on that matter since they do not desire the old leadership, they rather prefer a coaching one.
4.2.2 Social Transformation

Generations
Jonas states that different generations have different values, which brings out the importance of understanding and adjust to this. He believes it is more challenging to understand the younger generations since they have more demands as well as a higher commitment to tasks. Caroline believes that the younger ones have less patience and want to make a quick career. For example, she explains that today’s younger ones do not keep the same job for more than a few years since they rather move forward to the next job and challenge. This, in turn, leads to high employee turnover and lost competence. Still, Caroline claims:

“It is very important to have people from different generations in one’s workgroup. The younger learns something from the older, and the older from the younger, which is a great exchange”.

Social sustainability
According to both Jonas and Caroline, social sustainability is a crucial aspect of the organization. It concerns being perceptive for all the employees, Jonas points out. According to Caroline, social sustainability is believing in the people and having a mix of gender, culture and ages. She further thinks that the importance of social sustainability will only increase in the future. Both Caroline and Jonas agree that creating value for society is necessary in today’s business world.

4.2.3 Organizational Culture

Culture
Regarding what makes Essiq organizational culture distinctive, Jonas states that it is the personal and flat organization with a down-to-earth approach. Caroline agrees about this and highlights the decentralized power, where everyone has a saying. Moreover, she thinks that the culture is characterized by its family-feeling atmosphere, where everyone feels involved in the business. Moreover, creativity is encouraged at Essiq according to both Caroline and Jonas. For example, there is a box where everyone can put a paper of suggestions such as events for charity. Besides, both Caroline and Jonas agree that everyone in the organization is allowed to make mistakes and in turn, learn from them. Jonas is very clear with this, that mistakes are acceptable and are being done every day, and that he will not criticize when someone makes a mistake. As Jonas points it out, they will not be able to move forward and develop if mistakes are not made. He once again emphasizes the employees when it comes to the culture, as he concludes it:

“We focus on our employees. Consequently, we basically earn money when people are feeling good”.
Trust
When it comes to trust, both Caroline and Jonas agree that trust is very important. Jonas believes that trust is something someone deserves and it takes time to build up. Caroline further believes that trust is particularly important in the consulting industry, where one must have trust in the consultants that are out on the field. To trust that they do their job in accordance with the values of Essiq. When it comes to measuring trust, Jonas explains that they use a tool called employee satisfaction index, which is a questionnaire that the employees answer once a year. Still, Jonas believes that they should do this more often. Concerning the decreased trust in managers, according to previous research, Jonas does not think Essiq has a problem with this since they always work with clarity and openness. Still, Caroline believes that the decreased trust in managers depends on that today’s employees have other expectations on managers such as to function more as a coach. Caroline believes that to become an attractive manager, one must be a good coach.

4.2.4 Leadership Behavior

Self-leadership
When it comes to self-leadership, Jonas explains that his childhood has affected his leadership behavior. He took a lot of responsibility then, which in turn has led to him giving others a lot of responsibility. Caroline describes that she tries to be open when it comes to reflecting upon her own leadership; what is good and what can be better. Yet, she states that it has not always been obvious for her to reflect upon her own leadership, but she thinks it is something that comes with experience. Caroline further believes that one should be critical when it comes to one’s own leadership:

“I think it is of great importance to work with my self-leadership because if you cannot question yourself, you will not be able to develop”.

Decision-making
When it comes to decision-making, both Jonas and Caroline believe that feelings affect them a lot, which Caroline thinks is positive. Still, she thinks it is important to find a balance between being rational and emotional. Jonas also tries to find a balance between facts and emotions. Nevertheless, he believes that Essiq is what it is today due to it revolves around feelings and emotions. He further concludes:

“Emotion and intuition is a big part of my decision-making”.

Yet, Jonas claims that he has over the years managed to reach a fair self-image, which has led to that the most important decisions do not contain too much emotions. He needs to think about what is best for the company and its employees. Both Jonas and Caroline agree that they think that the size of the company affects the amount of feelings that will be involved in the decision-making. They both believe that the bigger the company is, the fewer feelings and emotions there is.
4.3 Forsen AB

Forsen is specialized when it comes to a qualified project- and construction management, particularly within housing, facilities, and accommodations. Furthermore, they are experts on construction management (CM). Forsen does not build themselves, but reflect and plan how best to do it, preferably along with its customers and partners. Forsen was founded in 1997 and has more than 200 employees and has offices in several cities in Sweden. According to their website, Forsen is a value-based company, with room for creativity and diversity. Their three core values are called REP: respect, engagement and productivity. Forsen has been designated as one of Sweden’s best workplaces. according to a Great Place to Work Institute (GPTW). The authors chose to interview the CEO, Bengt Johansson, as well as the business unit manager, Ulrika Hyll. In addition to this, Cajs Lindgåradh was interviewed, who is the communication manager. In their annual report from 2017, Forsen mentions that they are a value-based company. Still, REP cannot be found.

4.3.1 Value-based leadership and its challenges

When it comes to values, the three managers all agree that values are crucial for Forsen. Cajsa points out that they should imprint and guide every decision throughout the company. The employees at Forsen are even measured and judged on how they are living up to Forsen’s three core values: respect, engagement, and proactivity, during annual performance reviews. High accordance can lead to a bonus. Nevertheless, Ulrika, Cajsa, and Bengt all agree that one must be able to live and behave in accordance with the values, otherwise, they will only be empty words. Furthermore, Bengt points out that the values are being discussed during conferences, where the employees need to solve cases and dilemmas while working in accordance with the core values. As Bengt states it:

“We all need to work actively with the values. It comes down to practice, practice and practice. Otherwise, we will not develop”.

Cajsa believes that the challenge with values is to fulfilling them and acting in accordance with them. As she puts it: “you must practice what you preach”. Ulrika explains that not everyone was involved when the values were composed. Still, everyone has accepted them. Further, Ulrika believes that the company’s values differ a bit internally from externally. For instance, she states that ‘engagement’ is more shown towards customers, as well as ‘proactivity’. Cajsa states that she thinks that most companies make values to a project, but it is not. As she expresses it:

“Values are a never-ending process, which is both exhausting and challenging, but still necessary and crucial. A company will never be ‘finished’ with their values”.

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When it comes to value-based leadership, Cajsa claims that it comes naturally for her, but that it has not been stated by the company. Bengt claims that value-based leadership is a part of Forsen, but that it has not always been like that. Ulrika expresses that the term itself is relatively new to her but not the type of leadership. When it comes to asking employees for opinions, both Cajsa and Ulrika does this a lot. Ulrika also thinks she can become even better at giving feedback to the employees. Bengt says that he appreciates feedback, both ways. People in the organization can express their opinions to him, and he is willing to adjust to it. Still, Cajsa claims that the exhibition of value-based leadership differs:

“The usage of value-based leadership vary throughout the organization. Some are more committed to it than others and some might find it dopey”.

According to Ulrika and Cajsa, one of the challenges with value-based leadership is that it can become too diffuse and confusing for some people. Moreover, Ulrika mentions the cyclical fluctuations as a possible challenge. She states that during a recession, employees are more worried and at the same time more concerned about their jobs and then the attitude towards the company changes. On the other hand, during a boom, it can be difficult to obtain workforce and the leadership will suffer a lot because the company does not want to lose their employees. Ulrika further states that during a boom, people will be more like ‘what’s in it for me?’’. Furthermore, Cajsa also points out that a risk with value-based leadership is if a lot of time is put on it, but it does not result in a lucrative outcome. Still, Ulrika and Bengt believe that value-based leadership can work in all type of companies, as long as it is implemented correctly. Cajsa believes that this kind of leadership is easier in smaller organizations, where there are fewer people and ‘things’ do not get stuck on the way. All three believe that value-based leadership will increase in the future. Bengt claims that values will be given more focus since people will become more educated, have the knowledge and will then not accept unethical behaviors. Cajsa states:

“Value-based leadership will increase in the future for two reasons: a shift in generations and because it is profitable. But if it is not profitable, then it will not blossom”.

4.3.2 Social Transformation

Generations

The respondents agree that one must take the differences between different generations into account throughout the business. Cajsa claims that values are very important for younger people who join Forsen. Further, Bengt states that the younger ones have less patient and want to make a career much faster, and Ulrika describes that the younger ones want more balance, that the work is not their entire identity. Cajsa highlights that the younger generation today wants to make a difference in society and that they question if it is not made, while the older ones just accept how things are. She further states:
“In 20 years, companies who not work with a ‘why’ will not manage to attract any workforce since people want to make a difference and be useful to a greater extent”.

Both Ulrika and Cajsa believe that the whole GIG economy is affecting this. Cajsa further believes that in the future, more people will thrive and have fun at work. Besides, she highlights a recent report that revealed that only 14 % in Sweden thinks it is fun to go to work. Cajsa thinks this statistic will change in the future since people most likely will find it more meaningful to work, which put pressure on the companies. Furthermore, Ulrika believes that companies must be able to adjust to these differences, which will be challenging.

Social Sustainability
According to Cajsa, there is an increased need for social sustainability today that did not exist before. She further explains that this most likely is due to today’s demanding society, which creates a lot of stress for many people, that in turn leads to vicarious traumatization. Furthermore, Cajsa claims that the company culture of Forsen has a positive impact on social sustainability, particularly since they want sustainable employees who can manage their work with balance. Ulrika describes the increased importance of creating value for society, not just profitability. Besides, Bengt emphasizes the importance of being a role model and lead with example and thinks the newer generation has an impact in that, as he expresses it:

“I think the newer generation contributes to a change in sustainability in general, as an example, look at the young Swedish climate activist Greta Thunberg”.

4.3.3 Organizational Culture

Culture
When it comes to the organizational culture, Ulrika claims it is ‘family-based’, with a decentralized approach, which also Cajsa agrees on. Ulrika states that questions and ideas are always welcomed, no matter the employee’s position. Nevertheless, Bengt does not think that Forsen has a distinctive or special culture, they have a good one, but he thinks most companies have that. When it comes to taking risks, they all agree that Forsen is not very good at it and should become much better at it. Moreover, creativity and innovation is also something that is rather limited. Still, Cajsa believes that creativity and innovation do not exist in every company. When it comes to the connection between values and culture, Cajsa states the following:

“I believe that the culture is stronger than the values. Still, the values are affecting the culture, like a catalytic converter. But culture is more difficult to change than the values, so it can be the other way around as well”.

Trust
Regarding trust, all three respondents agree on the importance of it. They all explain it as something reciprocally that concerns trusting others with tasks as well as their competence.
When it comes to measuring it, Ulrika and Bengt talk about the American measure instrument ‘great place to work’, which the company performs once a year and one part concerns trust. They both point out that Forsen has scored high on this five years in a row. When it comes to possible reasons for why trust has decreased in managers, according to previous research, Ulrika believes it depends on increased stress amongst manager as well as a higher requirement on employees. Cajsa believes it has to do with the values, that managers do not ‘practice what they preach’, which decreases trust in them. Bengt, on the other hand, thinks it has to do with the relationship between the manager and the employee, where the managers need to listen more to their employees; their life balance and their long-term goals. As he states:

“Creating trust requires a comprehensive work, which no one has patience for today. This leads to often replacing managers and then there is no time to build a safe and necessary relationship. Besides, we have greater trust in data systems today, than in humans”.

### 4.3.4 Leadership Behavior

#### Self-leadership

When it comes to self-leadership, all respondents agree that they can become even better at leading themselves. As Bengt states it:

> “Self-leadership is probably my weakest side. I usually prioritize others than myself”.

Bengt states that it is easy to forget himself since he perceives the employees as the company’s greatest resource and he gives them a lot of his commitment. He also thinks this is the toughest part of being a manager: to find the balance between giving oneself as much time and attention for reflecting as the employees. Ulrika agrees on this, she usually prioritizes herself last but still, she has given it more attention the last years. Still, Cajsa is aware of it, which she thinks may be due to her being a curious person.

#### Decision-making

All three respondents agree that emotions are affecting their decision-making a lot. Ulrika believes a manager need to have emotions involved when making decisions, but still she points out that it can backfire. She states that as a manager, one needs to think ‘what is best for the company’. Bengt explains that he makes decisions based on the ‘gut feeling’ and it has worked well all his seven years as a CEO at Forsen. Still, he clarifies that this kind of decision-making requires carefully listening. Cajsa believes that a manager should be allowed to be affected by his or her emotions, as she expresses:

> “A leader needs to be able to show emotions and lead by example. Therefore, the feedback
Ulrika believes that smaller companies are more emotionally based. However, Cajsa believes that the size of the company does not necessarily need to matter, but instead the size of the groups within the company. She continues explaining that it is probably easier to show emotions in smaller groups, but if everyone is feeling safe in the group, the size has less significance.

4.4 Martin & Servera

Martin & Servera is a leading restaurant wholesale in Sweden. It is a B2B company where they aim to be ‘the obvious choice where food and beverages are served’. They deliver food, beverage, and equipment every day to thousands of customers all around Sweden. Today they have 3046 employees. Martin & Servera was founded 2012 from a merger of two companies, Martin, and Servera. At that time, Servera almost had none-existing values, while Martin only had complicated ones. However, when the two companies joined together, a more value-based approach was created. Today, the core values are, engaged, brave and competent. The interviews have been done with Håkan Åkerström, CEO, who has been at the company for five years. The second interview was with Kristina Ossmark, who is the marketing manager for 8 years back. The core values of Martin & Servera can be found clearly stated in their annual report as well as on their website.

4.4.1 Value-based leadership and its challenges

According to both Håkan and Kristina, values are important. Håkan explains that their values are a part of and builds the company culture. Moreover, he describes that their values state how they want to be, both internal and external. Kristina explains that they actively work with their values through appraisals with the employees, follow-ups for targets, etc. Still, she thinks that they can always become even better at working with them. Håkan thinks that it is time for the refreshment of their values, since they were stated almost four years ago, and then by the top management. At that time, they had a higher focus, and it is important to keep them updated and alive. Furthermore, as their values are in line with what they offer there are no differences internal and external, according to Kristina. Håkan describes that in the latest years, the company has developed into a more value-based one. Still, he states:

“The crucial part with values is that they easily can be hollowed if you do not live what you have said. Hence, if you have expressed to act value-based, then you have to live it”.

Concerning value-based leadership, Kristina states that value-based leadership is about not controlling the details, set frames and let people act within them in their own way. Håkan further explains that he tries to create an atmosphere where it is not only him that can make
decisions. Moreover, Håkan highlights that just because he is the CEO, he should not need to control things and that the work is done better by leading, encourage and excites others. Still, Håkan points out that there are situations when it is necessary to work more rule-based, but that in the long-run, value-based leadership is crucially needed. Kristina says that the crucial and challenging part of value-based leadership is to make people engaged as well as it requires more from leaders, particularly time. Kristina states that there are different ways of using it and that everyone needs to find their model in order to stay competitive today. She points out that:

“Value-based leadership is harder in practice, but it is the only way”.

Both Kristina and Håkan experience themselves as good at giving feedback. Håkan also states that it is important with both the good and less good things, and prefers to give less good feedback with only the concerned person’s presence. Kristina says that this is done all the time since no one knows everything, which leads to a dependence of others and this requires communication. She also believes that the extent of value-based leadership depends on the size of a company, where she says that in larger companies, there is a bigger need for processes and business plans since everyone cannot know everything all the time, while this is different in smaller companies. Håkan is on the same path but believes it has to do with groups, that cannot be too big in this kind of leadership. He further states:

“I think that all good leaders want to work value-based. Still, these leaders must live what they say”.

Nevertheless, Håkan thinks value-based leadership may be more challenging for global companies since they have different local cultures to adjust to and some countries require a hard and authority leader to not feel weak. Yet, he thinks it is about finding a working model and let it take time. Both Kristina and Håkan think that value-based leadership will increase in the future. Further, Håkan claims that Martin & Servera, with 3000 employees, already have come a long way with it.

4.4.2 Social Transformation

Generations

When it comes to differences between generations, Håkan explains that the older generation has a more authority perspective and view Håkan as their ‘boss’. Consequently, he thinks that this huge respect might not always bring the most honest answers. At the same time, Håkan thinks it is fun with the younger generation that questions everything. Kristina further explains that young people wants to grow faster, change tasks faster and view their own role in a different way with more focus on the ego. Håkan thinks that a mix of these generations is good since both are needed. He further claims that sometimes there is a need for hierarchy, but still, flexibility with curiosity creates new innovative solutions. Furthermore, Kristina says:
“I think generations will affect the future organizations and their speed. Hence, everyone needs to get used to and accept constant changes, whether they like it or not”.

Furthermore, Kristina believes that there likely will be a change in roles in the future, where titles will not look like they do today in terms of top-down. This will require more from people along with a wider competent and flexibility to changes. Håkan mentions that he thinks this will bring forward more autonomous groups, but it is important to know that there is no ‘one size fits all’ for these constructions.

**Social Sustainability**

Håkan points out that the overall concept of sustainability is nowadays more of a requirement, which he refers to as becoming a ‘hype’ today. Kristina also discusses that in order to reach their vision, integration is an important part and to see people’s differences as a strength. Further, she states that promoting diversity is an important aspect as an employer.

Kristina says that sustainability will always affect what they put on their agenda, and it is not only the big things, the small one’s matters as well.

**4.4.3 Organizational Culture**

**Culture**

Håkan explains that there have been changes in the company culture of Martin & Servera over the years, where they have become more decentralized compared to five years ago when it was extremely centralized. Now, he says that what differentiates their culture from others is that they have worked with their questions through a long-term perspective together with continuity. He experiences that they have been clear on what they want and expect. Still, Kristina mentions that there is a struggle with maintaining consistent company culture, mainly since there are many different departments with different orientations. In some departments, the values are more emphasized than others. However, she points out that their strength is that they are close to their customers. The creativity in the culture is something that differs as well, according to Håkan. Still, it is very important, for both managers, that creativity is given space. Kristina argues that creativity is part of their value ‘brave’. They try to encourage new ideas and participation in finding solutions internally.

According to Kristina:

“It is important that employees experience that managers do something, not only receiving proposals, actions are important”.

Together with creativity also lies the allowance for mistakes and taking risks, according to Kristina. Håkan also advocates this. Yet, he claims that overall Martin & Servera have been rather careful with this, which is something Håkan prefers to see more of.

**Trust**

Trust is important for both managers. According to Håkan, trust is about that people can trust
and rely on what someone says and if someone is not living what they are communicating, trust breaks. Kristina and Håkan mention trust on different levels; Kristina mentions customers and management groups, while Håkan highlights colleagues and providers. Trust is measured within the company through an employee survey, both towards the closest manager and to the management group. Håkan points out the importance of trust since it creates safety. Concerning the decreased trust in managers, according to previous research, Håkan thinks it depends on the lack of communication and actions. Kristina also bases her theory on the communication from managers, which she thinks depend on rapid changes and that the managers need to be able to communicate the whole picture to their employees, in order to make them understand and accept the change and solution. Kristina further continues:

“This is a point where all managers are not equally good at everything. And this might create uncertainty, which in turn creates questioning about if the manager really has control and can be trusted”.

4.4.4 Leadership Behavior

Self-leadership

Regarding self-leadership, Håkan mentions that he has a coach that he ventilates and discusses things with, which he has had since he started at his positions. He thinks it has been a change since the old rules concerned not exposing oneself to the colleagues, but today Håkan experiences that he works the best when he has a few colleagues that he can trust with personal things as well. He also can see the change during his own career, in the words:

“In the beginning, you want to be good at everything, then you realize that you cannot be. Then, with some self-awareness, you realize that it can be useful”.

Kristina claims that self-leadership is a necessary path to take, that nowadays is popular, which it has not been before. It is no longer about education-sessions where new tasks come along, rather it is more about a personal employee responsibility to stay updated. This is a change for Martin & Servera and she thinks there still is a lot to work on in this area. Without self-leadership, Kristina thinks that manager will not be able to keep up with the speed in the future. Therefore, she works a lot with her own.

Decision-making

It is inescapable for Kristina to not be impacted by emotions because she claims that one has to understand how other people feel and experience things. She thinks that situations, where decisions affect employees' private life, are the hardest decisions to make. She further states that she thinks it is difficult when people are emotional in their work, but she believes that it is a manager’s job to be prepared on people's reactions and emotions. On the other hand, Håkan states that he is not emotional controlled, but he is engaged in things. Although, he
mentions that one cannot have all the facts in every situation and then his gut and experience can affect the decision. He states:

“I do not make decisions based on emotions, I base decisions on fact”.

Håkan thinks that the empathic ability is important as a manager. He claims that it is more beneficial to use and show emotions and commitment when performing management. Furthermore, Kristina thinks that it can be more difficult to be rational in small companies since people come closer to each other, while in larger companies there are more processes, which makes it easier to be rational. Still, she says it is important to separate private relations from work.

4.5 Summary of empirical findings

To summarize the empirical data, the most common and similar opinions from all the managers will be emphasized, which can be seen in figure 5. Consequently, it can be seen that there are three factors that are viewed most similar by all managers, which are values, trust, and generations. For instance, they all state that values are important, but some believe it is more difficult than others. Moreover, everyone emphasizes trust as an essential tool in a company. All companies experience differences between different generations and that the younger ones bring new demands to the market. However, when it comes to differences between the managers the most separated ones are social sustainability, self-leadership and decision-making. For instance, many of the managers had little knowledge and focus on social sustainability, while others were well-aware of it such as Acando. The range of how active and aware of self-leadership they are is wide. Some are working consciously every day while some does not even reflect upon it. When it comes to decision-making, all managers at Forsen and Essiq were driven by emotions, while it was less of this at Acando and Martin & Servera. Concerning each company’s culture, the majority of the managers did not highlight their culture as something spectacular. Lastly, the active work of value-based leadership varieties a lot between the companies and managers, but it is something they all are aware of. The variations can be seen for example in how they create space for creativity and innovation. Still, everyone believes that value-based leadership will increase in the future, with different motivations.
Figure 5 - An overview of how much each company promotes the certain factors, which is based on a ranking made by the authors. The columns are a brief overview and comparison based on the interviews.
5. Analysis

In this chapter, the empirical data will be analyzed using the three theoretical blocks as well as the analyze model. Foremost, the analyze is based on the managers’ perception of the internal and external factors, which is in accordance with the analyze model. The theoretical concepts are analyzed separately, but with the aim to fulfill the purpose of the study, to lead to a possible answer to the study’s research question; How are managers working with value-based leadership and how can certain factors affect it?

5.1 Internal Factors

This section consists of factors affecting value-based leadership internally, divided into the three blocks value-based leadership, leadership behavior, and distinctive organizational culture. Analyzing these factors will help the authors to understand to what extent they are related to value-based leadership.

5.1.1 Value-based leadership

Values

When it comes to the companies work with values in general, all four companies do describe their values as highly important and believe that they connect the people in the organization, which is in line with what Niekerk & Botha (2017) stated about values. Furthermore, Barrett (2010) stated that values guide people in their decisions, which is something all interviewed managers agreed on. Besides, all companies claimed that they are working actively with their values, where almost all the managers mention that this is done foremost during meetings, follow-ups, and conferences. However, the companies work with values differ a bit. For instance, at both Acando and Essiq, the core values are brought up already during interviews in the recruitment process. This is not mentioned at Forsen or Martin & Serve ra. Yet, when it comes to Forsen’s work with values, the three managers state that when employees are working in accordance with their values it may result in bonus pay, something the employees are measured and evaluated in once a year. At Martin & Serve ra both Kristina and Håkan believe that they could work even more active with their values. Håkan even claims that the values would need to be updated and refreshed since the values had more focus when they were new. Now they have faded a bit, which could be explained with the reasoning of Kirkhaug (2015). Besides, Åsa explains that the employees at Acando have requested to work even more with values. Consequently, all companies do work with values, however, they could work even more frequently and actively with them.

In another aspect, the empirical findings differ from what research has stated. Previous research state that it is not uncommon that many companies have problems with expressing their internal values as clear as the external ones, for instance, it is more clear through web
sites and towards the customer (Frost, 2014). However, at least all managers at Acando, Essiq and Martin & Servera claim that their values are the same within the organization as well as towards external stakeholders. Hence, this finding contradicts previous research. However, this could most likely be explained by that the managers are not aware of the communication of their values to an extensive level or that they actually do not differ externally and internally. On the other hand, at Forsen, Ulrika mentions that it can happen that their values may be showed with more engagement towards customers than between employees. In this case, it conforms with the theory of Frost (2014); values are more clear externally. Nevertheless, based on the authors’ own observation during the interviews, the values in all companies were both perceived by the authors and described by the managers as very clear internally compared to what the authors could find online before the interviews. This implies that the values could actually differ externally from internally in all companies, since the authors’ did not understand or perceive the companies’ values as important as the managers have claimed. This, in turn, is a bit of a disadvantage for the companies since external stakeholders could perceive it the same way. This, on the other hand, could be explained by what Frost (2014) argued for, that values differ internally from externally.

Moreover, previous research has also stated that there could be a point when values may backfire, for example, they can create conflicts and uncertainty (Kirkhaug, 2015). Still, when the managers were asked about the challenges of their values, most of them had difficulties to even mention one. Instead, they claimed that they only facilitated and helped them and their company. Thus, it contradicts previous research. However, if this depends on that the values actually are not challenging, or that the managers have not investigated in this and are thus, not aware of the challenges, is difficult to answer. However, this is something the companies should look into. Consequently, the managers seem to not be fully aware of downsides of values. What then can be said, is that managers might need to view their values from more perspectives to discover the challenging parts and, in turn, be able to prevent them. Furthermore, previous research state that values are often associated as something positive, but there can be values that are bad and have a negative impact on people and be contradictory to one’s personal values (Cordial, 2005). However, as Taylor (2007) stated, if a value is bad or good is also depending on a person’s individual perception of it. In addition, the authors do agree that if a company possess values that a person views as bad, that person most likely would not join the company in the first place, which implies that a person should probably look more into if a company’s values matches the person’s ones values. Yet, it needs to be taken into account that organizations may also change their values, especially due to today’s the fast-changing business world (Malik, 2019). However, bad managers can also work with values, but whether that manager is considered value-based leader or not is the question. Working with values, despite what kind of values, does not make one to a value-based leader, since value-based leadership is about doing right by doing good (Renjen, 2019).
Value-based leadership and its challenges

When it comes to the awareness of value-based leadership, most of the managers were aware of the term, but for some it was new or that they had not reflected especially much upon it. This could be explained by the fact that the approach is rather new (Rao, 2017; Copeland, 2014). Acando was the company where all managers highlighted trust when discussing value-based leadership, which is something previous research also highlights (Czabanowska & Rethmeier, 2016; Kirkhaug, 2015; Frost, 2014), and therefore, in this case, this empirical finding is matching previous research. Moreover, since there is a lack of unintentional outcomes and challenges of value-based leadership (Copeland, 2014; Viinamäki, 2012), the managers were asked about this. The answers were different, but they all agree about one challenge of value-based leadership, which is time. They claim that value-based leadership is time-consuming and requires much from everyone in the organization, especially the manager, which is consistent with what Frost (2014) stated. For instance, Caroline at Essiq claims that it takes time, which could be hurtful in companies with a high employee-turnover since it then is many new employees to involve. Cajas claims that this is especially problematic if the lucrative outcome defaults. As all the managers confirm this challenge in practice, the time requirement is a contribution to the lack of challenges concerning value-based leadership. Moreover, the managers at both Essiq and Forsen mention that value-based leadership may not work for everyone since some may find it confusing and too ‘dopey’ due to them preferring clear structures. It can therefore be said that value-based leadership takes and requires both time and effort, but must also be suited for the company and the people involved, to not make it be perceived as a ‘dopey’ method for some.

Carl-Magnus at Acando claims that value-based leadership concerns a higher risk, where one cannot have full control. On the other hand, Ulrika at Foren mentions cyclical fluctuations as a challenge and that during a recession, people are more worried about their jobs. This attitude changes during a boom, where people are more “what’s in it for me?”. Companies then have more difficulties to obtain workforce and to obtain workforce and then the leadership suffers. Håkan at Martin & Servera claims that value-based leadership may be challenging for global companies, where the culture is different and some countries want an authoritarian leader because otherwise, they may feel weak. When it comes to challenges in terms of the size of a company, the managers are of a different opinion. For instance, Caroline claims that value-based leadership concerns much freedom and therefore the leadership could be problematic in larger companies, where the freedom is limited. Kristina is on the same page and claims that larger companies have more processes to follow and Cajas believe that value-based leadership is easier in smaller companies with fewer employees. On the other hand, there are a few managers that do not believe that the size of the company matters, instead of the sizes of the groups within the company. Åsa claims that value-based leadership may work in large companies with small teams, which Håkan agrees on. Nevertheless, all managers claim that value-based leadership will only increase in the future. Cajas states that it will increase for two reasons; the younger generations demand it and since
it is profitable. Consequently, all these challenges may contribute with filling the gap of challenges and unintentional outcomes with value-based leadership.

**The four principles of value-based leadership**

When it comes to the theoretical framework of Kraemer (2011), concerning the four principles of value-based leadership, the fulfillment of the principles differ between the managers, which can be seen in table 3. Still, the framework does not outline how to measure if someone fulfill the principles, which creates room for interpretations and adjustments. Besides, the framework has not been used in a vast amount of articles and therefore, the authors are not affected how to interpret it and can make own suggestions and even improvements of it. When it comes to analyzing the framework, the authors claim that the first principle self-reflection is indeed crucial to become a value-based leader; in order to create value for many parties such as the employees, the organization, society, but also for oneself. Hence, it has been given most focus. On the other hand, the principles balance and perspective as well as genuine humility is viewed as more common for people in general, without it, there is not really any humanity since them both involves seeing problems from different angels and being humble (Kraemer, 2011). Nevertheless, the authors conclude that genuine humility is necessary in more soft leadership styles in general such as transformational and authentic leadership. Hence, these two principles have been given less focus, also since the authors’ experience them diffuse and difficult to concrete determine if any of the managers actually fulfill. Still, the principle self-confidence is considered to be important in order to become a value-based leader since the authors believe it takes courage to have confidence in oneself and one’s values.

Nevertheless, to what level each manager belongs to is based on the information and observations that the authors have attempted to successfully conduct throughout the interviews. Still, there are other aspects that also may be taken into consideration. When it comes to the most important principal self-reflection, according to both the authors and previous research (Gamb, 2018; Kraemer, 2015), the managers differ the most. There are a few managers who fulfill a high level since they highlight their work with themselves and thus, their self-reflection, which can be seen in table 3. For example, Håkan receives help with this from a coach, while Carl-Magnus actively uses a tool called self-presentation that involves knowing oneself. Nevertheless, two managers, Bengt and Ulrika, can be found on the lower level of self-reflection since they rather prioritize their employees than themselves. Yet, this is also something a value-based leader is characteristics for according to Taylor (2007), which may make this balance difficult. Further, in the medium-level, the managers who are aware of self-reflection, but still believe that they can become better at it, can be found.
Further on, when taking the second principal balance and perspective into account, which concerns feedback, seeking inputs and opinions (Peregrym & Wollf, 2013) it can be seen in table 3 that there are some managers that reach a higher level than others. For example, the six managers that have fulfilled a high level of this principal have expressed their importance of feedback. All managers at Acando reaches a high level since they acknowledge that Acando integrate this in every day practice. Jonas also encourages feedback and opinions both ways, for example, he mentions that his employees can come up to him and be straightforward, which he appreciates. Bengt also claims that he appreciates everyone's opinion and that his employees know that he is willing to adjust when something comes up. Both Håkan and Kristina also reach a high level due to them stating the importance of it and that one person cannot know everything and inputs are necessary. Still, as mentioned, this principal is difficult to concrete determine based on only speaking once to a manager and not taking the employees’ perspective into account. Once again, it is important to understand that this is based on how the authors’ have perceived the responses.

Moving forward, all managers from Acando, Essiq and Martin & Servera are categorized to the high level of the third principle, self-confident, which Kraemer (2011) state is about knowing one’s weaknesses and strengths, as well as admitting mistakes and take responsibility for them. This principal is considered to be important to possess in order to

Table 3 - Each managers level of fulfillment of the four principles of a value-based leader (Kraemer, 2011).

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5 The position of each manager are based on the authors perception of how they emphasized each principle and thereby have been categorised by high, medium or low level of fulfillment
become a value-based leader according to the authors and is something these managers reach a high level of, while the managers are Forsen have been placed on a medium-level, based on their space for taking risks and mistakes, which they did not emphasize especially much. On the other hand, the managers with a higher level of self-confident mention their awareness of themselves. For example, Erik discusses the importance of being honest when things go wrong and to set an example, while Jonas states that one will not move forward and develop if one do not dare to make mistakes. When it comes to the fourth principle; genuine humility, it can be clear, based on the overall impression of how the managers talk about their employees, that there are a genuine interest and value for each employee. They all talk about the importance of being able to rely on each other, which could be explained by Kraemer (2011) reasoning of this. Hence, all managers have been placed on a high level of it. Yet, the authors claim that genuine humility is necessary and probably exist in all kinds of softer leadership styles.

By implementing the four principles, it can be understood that the managers are value-based leaders to different extents since the principles are fulfilled differently by each manager, as it can be seen in table 3 above. Furthermore, what can be seen is that there are more representatives from Acando and Martin & Servera fulfilling the higher levels. Essiq and Forsen sometimes also fulfill the higher levels but represents the medium and low levels as well. This could mean than Acando and Martin & Servera have more value-based managers or a deeper understanding of the whole process of value-based leadership. It is interesting to notice that is the two largest companies that are fulfilling higher levels of value-based leaders. This despite that previous research points out that value-based leadership is more challenging in larger organizations (Viinamäki, 2012; Vaccaro et al., 2010). Still, research also points out that larger companies must compensate for their complexity (Vaccaro et al., 2010), which could therefore explain why these companies achieve high levels. Another thing to notice is that the one principle that Kraemer (2011) outlines as the most important one, is where the managers differ the most. The framework says that to become a truly value-based leader all four principles need to be fulfilled, but this does not necessarily be the case. The authors believe that the most important ones to fulfill are self-reflection and self-confident, while the others are more humanitarian based. Consequently, it can be stated that the managers are value-based to a different extents.

5.1.2 Leadership behavior

Self-leadership

When it comes to the factor self-leadership, it is interesting to notice the differences and similarities in this area between the managers. Both Bracht et al. (2018) and Shooraj (2016) claim that one must be able to lead oneself to be able to lead others, which some of the managers brings the same conclusion of when discussing self-leadership. All managers are to different extents more or less aware of their self-leadership than others. The most significant difference between the managers are the practical implications, where for example, both
Acando and Martin & Servera mention having a coach. At Acando, each manager is offered a coach, which Erik claims helps him with guidance and advice. Håkan at Martin & Servera also explains that he has had a coach with whom he ventilates and discusses things. Carl-Magnus is one of the managers who the authors experience discusses and understands self-leadership the most since he has been working particular with it the last four years and even claims that self-leadership is his job. Besides, Kristina states that self-leadership is increasing in popularity today, compared to before, which she believe is a requirement to be able to keep up in the future. Moreover, Bryant and Kazan (2012) claim that self-leadership is partly consisting of self-awareness, which is something Håkan highlights to be an important tool for a leader. Besides, the authors experience that self-awareness is most emphasized by the managers. The availability and use of a coach could be one reason why these managers experience their self-leadership better than some of the other managers. Still, for some it might work better with reflecting on their one, but the physical meeting with a coach could make it more concrete.

However, all managers do not explain their concrete way of working with it but still discusses the importance and that they do. Cajsa gives a new perspective of self-leadership in this study since she thinks that her reason for working with her self-leadership comes from her being a curious person and therefore develops from seeking feedback and her own performance. Still, some managers only mention that they speak openly about it and take feedback into consideration. The managers at Forsen state that their awareness of this area is not their strongest side since they prioritize others first and have a hard time finding the balance between oneself and others. Still, Bengt understands and claims that this is his weakest side and a possible interpretation of this could be that Bengt actually fulfills self-awareness of this behavior, at least in this way. Moreover, the theory does not tell if self-awareness of being weak is one way of self-leadership. As value-based leadership can have different approaches, the authors believe that so could self-leadership. However, the authors still believe that it is not a preferable direction since one must not always lead oneself to the better just because you work with self-leadership. However, D'Intino et al. (2007) explain that self-leadership is an ongoing progress and that the difficulties lie in managing to work with it consistently. Therefore the authors would not condemn the managers in this area even if they are critical towards themselves, but there is a need for increased awareness. Moreover, the awareness of self-leadership and the practical work with it, are by the authors, experienced as limited among most of the managers. As increased self-leadership leads to effective responses from the employees, all these managers can benefit giving self-leadership more effort (Stewart et al., 2011).

**Decision-making**

The managers have different perspectives on their decision-making, where some are more emotional while others are more rational. The differences can be seen in table 4 below. The position of each manager are based on how the authors have perceived the managers’
decision making process. The managers that have been placed in the middle have expressed that the use equally much of emotions and rationality.

**Table 4 - Composition of to what extent the managers are impacted by emotions or rationality when making decisions.**

As can be seen, all managers at Essiq and Forsen believe that emotions are affecting their decision-making to a high extent. Something they all together believe is necessary in today’s business world, which also researches such as Sayegh et al. (2004) and Yukl (2013) discusses. Nevertheless, Ulrika at Forsen mentions that even though it is necessary, it may also backfire, which could be explained by the statement of Janis and Mann (1977) that it too much emotions could result in panic reactions. Carl-Magnus and Kristina are also affected by emotions but to a lesser extent. Consequently, they has been placed in the middle of the line in table 4. For example, Carl-Magnus explains that sometimes emotions are necessary when making decisions and to dare to show vulnerability, which he, in turn, believes creates space for rationality, while Kristina claims that as a leader is it inescapable to not be impacted by emotions because one has to understand how other people feel and experience things. An interpretation of this is could be that Carl-Magnus and Kristina are the ones that have understood and actualize the importance of having a balance between emotions and rationality (Yukl, 2013).

However, there are three managers who express that emotions do not affect their decisions; Åsa, Erik and Håkan. Hence, they have been placed at the rational side of the line. For instance, Åsa claims that she is good at separating emotions from her actions, and Erik and Håkan prefer to base their decisions on facts. Although, admitting that sometimes it is necessary to take decision based on the gut. This could be explained by what Marchisotti et al. (2018) claim, that sometimes is it necessary to make rational decisions to process information logically and clearly. Still, there is a need to balance emotions with facts (Yukl, 2013). As Carl-Magnus states it, there will always be more facts to look out for, but one must move forward.

Furthermore, it is interesting to notice that the managers who make decisions based on emotions belong to the smallest companies: Essiq and Forsen. Besides, the majority of the managers believe that it is easier to be emotionally-based in smaller companies, for example, some mentions that people become more ‘friends’ with each other in smaller companies, which makes it harder to separate private relations from work. Consequently, this could be a possible interpretation, why these managers base their decisions on emotions: they belong
to smaller companies. An interesting reflection is if they would adjust and change this behavior if they were to move to a larger company. Moreover, the managers who are making their decisions based on rationality can be found in the larger companies. This could be explained by the fact that employees in larger companies have more distance towards each other and it could therefore be more difficult to involve emotions. Furthermore, as all managers show different ways of making decisions, could it tell us that both ways of making decisions, emotional or rational, are sufficient when it comes to leading with a value-based approach since the authors experience that all managers are value-based, to different extents. Still, the authors do believe that it is important to find a balance between both ways. Hence, the research about having a balance between them can be true of being the best way (Yukl, 2013).

5.1.3 Distinctive organizational culture

Culture

The four companies have different cultures, which is in line with what Engle (2018) described since they have different purposes and goals. Still, they are similar on one point: all ten managers experience that their companies have a decentralized approach. For instance, the managers at Essiq and Forsen highlight that everyone has a saying and that ideas and questions are always welcomed, no matter position. Yet, since none of the companies have a centralized approach, is it difficult to compare and see if there would be differences, both in their perception of culture but also possibility for value-based leadership in both type of culture. Cameron and Quinn (2011) claim that it is crucial for every company to have a distinctive company culture. When asking the managers what makes their cultures distinctive, is it interesting to notice that everyone believes that their company has a distinctive one, besides from Bengt at Forsen. He believes that almost every company has a good company culture, but having a distinctive one is difficult, which contradicts previous research (Cameron & Quinn, 2011). Still, both Acando and Martin & Servera claim that it is the long-term work with building up their cultures’ that make them distinctive from others. Furthermore, Caroline states that Essiq’s culture is distinctive because of its down-to-earth approach with a personal, flat and family-feeling atmosphere, while Ulrika and Cajsa believe that Forsen is distinctive because of its family-oriented atmosphere.

The authors will now demonstrate and discuss the companies’ cultures based on ‘the Competing Values Framework’, in order to understand and interpret the different company’s connection to value-based leadership. As described earlier, there are four possible cultures in this framework: market, hierarchy, clan and adhocracy culture (Cameron & Quinn, 2011; Tong & Arvey, 2015).
First of all, both the market culture and hierarchy culture can be excluded since all four companies recognize themselves as decentralized with little hierarchy (Swales & Senior, 2016; Barrett, 2010), which both clan and adhocracy culture is known for. Besides, all four companies are more or less flexible and none of the managers are by the authors perceived as controlling, demanding or advocates high structure and rules which both Cameron and Quin (2011) and Yu & Wu (2009) argue is the opposite to clan and adhocracy leaders. Still, as Håkan expressed it, Martin & Servera was more like this a few years ago as well as Kristina states that the amount of values in the organization differ between their many departments, which implies that they are closer towards hierarchy culture than the other companies. It is interesting to notice that the two companies that are placed in the box ‘adhocracy’ are the two largest ones, Acando with 1200 employees and Martin & Servera with 3000 employees. This while the two smaller companies, Essiq with 300 employees and Forsen with 220 employees, are placed in the box ‘clan’. Hence, the sizes of the companies could be an explanation for their culture. Yet, both Acando and Essiq are placed closer towards the top; ‘flexibility’, because they are the ones that are most tolerated about making mistakes. For instance, both Carl-Magnus and Erik believe that Acando is permeated by an environment where mistakes are allowed. Moreover, at Essiq, Jonas claims that mistakes are being done every day and he always tells his employees that he wants them to dare make mistakes. By contrast, Martin & Servera and Forsen do not reach the same level. For instance, Håkan claims that his employees could become even more comfortable about making mistakes, while all managers at Forsen agree that the company is not good at making mistakes.

Besides, the authors experience that Acando and Martin & Servera have a higher external focus; on customers and clients, which is mainly why they are placed in an adhocracy culture.
For instance, when Kristina and Håkan talk about trust at Martin & Servera, they especially mention the importance of this in relation to customers. Same goes for Acando. Still, Acando emphasizes their employees to a greater extent than Martin & Servera, which is why Acando is placed closer towards ‘internal focus’. Overall, Acando is viewed as having the highest level of adhocracy since they are more risk-taking as well as innovation is more frequently mentioned, which is in line with what Cameron and Quinn (2011) state about an adhocracy culture. The same goes for creativity, which is actively encouraged at Acando, while it differs between the departments at Martin & Servera. Still, it is important to remember that it exists creativity at Martin & Servera, but not to the same extent as with Acando. However, the authors agree that innovation was not having an extensive focus at neither Acando or Martin & Servera, and since Cameron and Quinn (2011) claim that innovation is a key to success for adhocracy cultures, the extent of adhocracy that exists in the two companies culture may be questioned.

On the other hand, Essiq and Forsen are placed in a clan culture. Particularly since they both have an internal focus, especially in terms of employees. For instance, Forsen put a lot of effort to make sure the employees feel comfortable and safe and they even have won ‘A great place to work’ four years in a row, a measurement based on the employees’ perception. Essiq also focuses a lot on their employees and their well-being. Another reason why the two companies belong in a clan culture is that they both have expressed and highlighted their family atmosphere, which a clan culture is especially known for (Yu & Wu, 2009). Further, Jonas and Caroline described the distinctive culture of Essiq to be permeated by a personal approach, which can be explained by Cameron and Quinn (2011) view of a clan culture. Both Caroline and Jonas as well as Ulrika and Cajsa claim that everyone is encouraged to participate and always has a saying. Hence, they have an internal focus. Besides, managers in a clan culture empower employees and work as a facilitator (Cameron & Quinn, 2011), which especially both Jonas and Caroline at Essiq emphasize; to act like a coach who is empowering and nurturing the employees.

To sum this up, the framework has been used as a tool to understand to what extent the companies are emphasizing a value-based culture. As stated earlier, adhocracy culture is the culture most aline with a value-based approach (Gamb, 2018; Cameron & Quinn, 2011). Therefore, the company that is considered to be the most value-based one is Acando, due to a high level of flexibility with risk-taking and creativity. Martin & Servera are approaching into a more value-based organization, but still, they have more structures than Acando. Essiq is placed close to Acando, due to the encouragement of risk-taking and many value-based elements. Forsen, on the other hand, have difficulties taking risks and therefore they are placed lower below Essiq. Nevertheless, there could be several reasons for why the smaller companies, Essiq and Forsen, are more clan, while the larger ones, Acando and Martin & Servera, are more adhocracy such as that the companies are going through different maturity phases and have a different impact of external factors.
Trust

According to Kirkhaug (2015) trust is a prerequisite to even be able to exhibit a value-based leadership. Fortunately, all ten managers have highlighted the importance of trust and expressed how crucial it is for them and their organizations. As Gamb (2018) stated, “Trust promotes growth since it is essential to the organization’s life” (p. 18). Moreover, if a leader acts in accordance with the company’s values, he or she will be easier to trust (Frost, 2014). However, the empirical findings reveal that trust occurs to different extents in the companies. Particularly one company distinguish themselves from the others, which is Acando since they have developed their own leadership model of trust, which is called ‘the trusting leadership’, that they work in accordance with. Still, Acando is aware of how fragile trust can be. Hence, they actively work and discuss it since the managers believe that it takes time to build up, strengthen it as well at it can easily be broken down. This is something Jonas and Håkan also agree on, that it it takes time and work since it will break if people are not able to live what they communicate.

When it comes to measuring trust, Acando is once again distinguishing themselves. Acando measures trust every week, while Essiq, Forsen and Martin & Servera do this much less, only do it once a year, through a questionnaire that the employees answer. Although, Jonas is stating that Essiq should measure it more frequently. Forsen has achieved great results in the latest years on each questionnaire, where trust is a part, which indicates that trust exists in the company. Nevertheless, none of the companies give the impression of a halt environment, where trust is lacking as well as creativity (Mainemelis & Ronson, 2006). Acando shows the highest level of trust, they even involve the HR department if the trust would decrease based on the every-week-questionnaire. The high level of trust at Acando could explain why they also have the highest level of creativity and innovation, which Gamb (2018) claims is derived from trust. It can therefore be understood that the active discussions and measurement of trust at Acando pays off, which is probably something the other companies should do more often if they want more creativity and innovation, as interpreted by the authors.

According to previous research, trust in managers is decreasing (Frost, 2017). The Edelman Trust Barometer (2018) affirms the decreased trust both in managers and in business in general, particularly when it comes to Swedish businesses, where the trust-level is considered to be low. The managers had different explanations for this fact, but what was common was that they concerned modern changes as well as communication. For instance, both Carl-Magnus and Caroline believe it concerns other requirements from the newer generations, where they expect a manager to function more as a coach. Erik and Bengt believe that it concerns decreased patience. For example, Bengt states that trust is a comprehensive work, that no one has the patience for today, which in turn leads to often replacing managers and then there is no time to build a safe and necessary relationship. Concerning the
communication part, Cajsa believes that it depends on managers that do not ‘practice what they preach’, especially concerning the company’s values. Furthermore, both Håkan and Kristina believe it depends on a lack of communication and actions. As Kristina pointed out, rapid changes lead to uncertainty where the managers fail to communicate the whole picture, which in turn results in questioning if the manager has control and can be trusted. Moreover, Bengt believes that it depends on that managers do not listen to their employees sufficiently, both life-balance and long-term goals. He also thinks that social media has an impact of decreased trust since it leads to invisibility as well as there today is a greater trust in data systems, than in humans. Consequently, the manager’s different perceptions is a possible contribution to why trust is decreasing in managers. Especially since less is known about the reasons for decrease. Nevertheless, value-based leadership may increase trust, which Czabanowska & Rethmeier (2016) claim and Gamb (2018) emphasize that value-based leadership can have a great impact on organizations where trust is lacking since it can result in more trust, as well as growth and sustainability.

5.2 External Factors

The external factors focus on generations and social sustainability. According to the authors, these factors are a possible explanation to why companies need to work with value-based leadership as well as why is has increased. A shift in generations leads to new demands and expectations such as a softer type of leadership that emphasizes innovation, creativity as well as making a positive difference (Grow & Yang, 2018; Bernstein, 2015). Furthermore, value-based leadership is also needed today due to increased pressure and requirements on companies to take social responsibility, and not only making a profit (Ulrich, 2016; Viinamäki, 2012). Based on the interviews, it can be stated that all the managers were well aware of changes in generations, but less aware of social sustainability, even though in some cases were to higher extents.

Generations

All managers from the four companies claim that there are differences between generations at least from a practical point of view, which is consistent with previous research (Grow & Young, 2018; Maier et al., 2015; Bernstein, 2015). Half of the managers agree that the difference is mostly due to that the younger ones are more impatient, eager to learn fast and make a career fast. Differences in the new generations are also explained by a desire to do good for society, a higher purpose and that work is no longer one’s whole identity, which is claimed by the other half of the managers. This could be explained by previous research that state that the new generations do not accept any kind of values in a company anymore, and as Gamb (2018) explained it, 80% of the Millennials have a desire to make a positive difference in the world. Moreover, a few managers chose to highlight the importance of having a mix of generations, which is beneficial since they can learn from each other. Still, the managers also highlight challenges of the different generations, for example Håkan claims that employees
from the older generations, who are more used to a authoritarian behavior, are viewing Håkan more as a ‘boss’ and with huge respect and therefore he might not always receive the most honest answers. Furthermore, Carl-Magnus states that a balance between a more power structured leadership and a value-based leadership is needed, towards different situations and generations.

By contrast, the managers claim that the younger ones oppose authority, question everything and do not just accept situations, which is consistent with what previous research has stated (Eisner, 2005). Moreover, Jonas explains that he experiences different values from different generations and that he thinks it is more challenging to understand the younger ones, this could be due to that Jonas is a manager who belongs to the generation categorized as the older ones and therefore have been taught another approach or that the younger ones actually are harder to understand since they have a more specific demand. The managers at Acando believe that there is a need for a different type of treatment between the generations. Further, all managers at Forsen also highlight the need of taking the differences into consideration throughout the business, which is consistent with the research from, among others, Grow and Yang (2018) and Bernstein (2015), who outline that there is a need to focus on this area in order to adapt the leadership. The authors believe that it is important for managers to be able to adapt to new generations and will also need to be done continuously since this new generation is not the whole future, the generation after that will probably require something more or new since each generation brings their own characteristics.

In addition, Ulrika also claims that companies must be able to adjust to these differences and that it will be challenging. As this new leadership approach is growing, is it important to be aware that no one said the change will be easy. Håkan states that there will not be a ‘one size fits all’ and that each company has to customize it for themselves. Both Åsa and Kristina state that everyone needs to get used to and accept constant changes, learn to adapt, whether one like it or not. Mostly since new generations require a softer type of leadership, where values are integrated (Grow & Young, 2018; Bernstein, 2015; Maier et al., 2015). Moreover, Kristina speculates that there will be a change concerning roles in the future and she believes that the titles will not look like they do today and Håkan thinks this will bring out more autonomous groups. Both Ulrika and Cajsa mention an interesting aspect concerning the changes in generations, where they believe that one underlying reason could be the GIG economy. What the future holds can no one tell for sure, but based on previous research and these empirical findings, there will be changes and a requirement to adapt. Moreover, the authors can state that in order to succeed with value-based leadership, managers need to listen to their employees and find a balance that both the older and younger generations will accept. Still, the younger ones are the new workforce and they cannot be ignored.
Social sustainability
As society and globalization create higher pressure on companies to take responsibility, the concept of social sustainability has increased among businesses to different extents (Ulrich, 2016) and this statement was acknowledged by a few managers, who claim that today’s demanding society creates stress and, in turn, challenges for companies. Yet, all the managers did not seem to be well familiar with this kind of sustainability. Some claimed that they are working actively with it, while some were less aware of it. The company that the authors perceived is most familiar with social sustainability was Acando since the managers stated that they want to do good things for both society and employees and that they have an understanding of the employees private lives. They also claim that they try to focus on issues before they become overloaded and, in turn, create sustainable employees, as they put it. The authors believe that the managers have an important role in this since they are the ones setting and leading by example (Rao, 2017). The importance of being a role model is discussed by Bengt at Forsen, who believes that the newer generation has an impact on this in general. He also mentions Greta Thunberg, as an example, the climate activist from Generation Z, who was nominated by Times Magazine as one of the world’s 100th most influential people (Cassemar, 2019, 18 April). She is representing the new generation and shows how change can be made and how she can make others take responsibility, also by leading through actions and not only words.

According to Boyer et al. (2016), the social aspect of sustainability has increased over the years, which could be an explanation for why not all of the managers seemed to be well familiar with it. Still, Carl-Magnus states that creating value for society is crucial, otherwise, a company will not make it, and Ulrika mentions that it is not only about making a profit anymore. However, creating value is discussed by the managers in all companies and no one opposes it, instead, they highlight that it will increase and companies need to keep up with the changes that it brings. Moreover, Ulrich (2016) and Viinamäki (2012) highlight the increased importance of having a manager who can find a balance between maximizing profit and still behaving ethically. Furthermore, the United Nations (2015) and the Swedish government (2016) emphasize the importance of that companies need to take their responsibility, which is a part if the global goals. Still, the managers seemed to be focusing on social sustainability to different extents. Many of them focused what can be done for the employees and less what themselves can do as managers. The importance of diversity among employees in terms of a mix in gender, culture, and age was emphasized as well as having a company culture that promotes social sustainability.

Still, managers themselves have an essential responsibility concerning social sustainability, according to the authors, which also was emphasized by some of the managers. For instance, Bengt mentions the importance of being a role model, while both Cajsa and Håkan highlight the importance of ‘practice what you preach’. The authors agree and do believe that hollowed words will decrease the trust of a leader. As previous research stated, companies should seek
leaders who can integrate values of ethical dimensions (Viinamäki, 2012) as well as leaders who are doing well by doing good since they are able to handle challenges more successfully (Renjen, 2019). Social sustainability can thereby be interpreted as going hand in hand with value-based leadership. However, these aspects are difficult to measure, but at least the interviews have contributed to an insight into the managers’ work. Yet, the fact that the businesses are operating in different industries also need to be taken into account, which can explain their differences. Companies may have different why’s and how’s, but the impression from the managers is that the social aspect of sustainability is relatively new and has increased differently in the businesses so far. Social sustainability might be one way businesses can differ today, since the environmental part is a requirement from the new generation. With managers who are emphasizing social responsibility, society will hopefully develop in a good direction.

5.3. Summary

To summarize the analysis, the authors have found that some factors are perceived to be related to value-based leadership to a higher extent than others, based on the interviews. These factors are trust, generations and values. By contrast, there are factors that the managers perceived and emphasized to a lower extent, both regarding awareness and practical implications. These factors are self-leadership, decision-making, social sustainability and organizational culture. When it comes to practicing these factors, it can be stated that there are differences between the companies.

When it comes to generations, all managers experienced differences and changes with the younger generations concerning higher demands and requirement on what kind of leadership they are willing to follow, which seems to conform previous research (Grow & Young, 2018; Maier et al., 2015; Bernstein, 2015). This is something the managers believe will affect both leadership as well as companies in the future. The managers also agreed about the high importance of values, which previous research claim can lead to enhanced performance (Barrett, 2010). Still, values may be negative and can backfire. However, if leaders act according to the values of the company, this person is easier to trust (Frost, 2014). Therefore, trust and values are positively related to each other and the authors believe that they need to be frequently worked with and reminded of, which could be done even more in the participating companies. Moreover, all managers confirm that trust is essential to succeed with their leadership, which can be explained by the study of Google that trust leads to better results for companies (Duhigg, 2016).

When it comes to social sustainability, which concerns human resources, that previous research stated is crucial to be able to compete in today’s market (Malik, 2019), but the companies did not show a high extent of awareness and practical work with this factor. Still, they all confirmed that the importance of social sustainability is increasing. This factor is
believed to have an impact on organizational culture, since the authors believe it concerns a choice of how a company wants to behave and be perceived. However, the authors interpreted that the companies are not aware of how much their culture affects their whole business, in terms of innovation and creativity since they did not point it out. Especially since the authors believe that the culture tells us what kind of leadership that most likely is implemented throughout the company. The Competing Values framework made it possible for the authors to understand the culture’s impact on value-based leadership, which the managers should have a look at to help them in their culture work as well as their work with value-based leadership. Another factor that the managers did not show a high extent of is self-leadership, which is believed to depend on a lack of awareness as well as the managers rather prioritize their employees instead of themselves. Regarding decision-making, which differs between both managers and companies, but overall, emotions are used to a greater extent in the smaller companies, while rational decisions are more common in the bigger ones.

5.4. Discussion and development of framework

Based on the analysis, the authors have developed a framework of value-based leadership in order to create a deeper understanding of it in practice, which can be seen visually below in figure 7. Through the analysis, the authors have discovered that there are certain factors that are related to value-based leadership to a higher extent than others, which is visualized below. This framework can be used to help companies and managers in the future to achieve or increase value-based leadership in their organizations.

![Framework Diagram](image)

*Figure 7 - Construction of to what extent these seven factors are related to value-based leadership according to the study.*

The seven factors that have been discussed and analyzed throughout this study, is now constructed into a framework, that is visually shown through a puzzle above in figure 7. The
seven pieces, thus, factors, are together symbolizing value-based leadership. Although, all of the pieces do not have the same sizes since they represent how important and closely related they are to value-based leadership, which is based on the empirical findings as well as the authors’ own interpretation and perception. As with the entire analysis, the framework is divided into external and internal factors. The external factors, explaining why value-based leadership is needed, have a light blue color. This while the internal factors, explaining how to work with value-based leadership, have a dark blue color. Together, they represent value-based leadership. A deeper explanation will be given below.

As can be seen in figure 7, the external factors, the ones with a grey color, are believed to be a pressure instrument for why companies and its managers need to adapt and embrace value-based leadership. Hence, this is wherefore they have been placed on the sides of the figure, pushing the internal factors together. Further, as can be seen in the figure, these two factors, generations and social sustainability, are of the same sizes in the framework since they are claimed to be just as important. Because the younger generations demand a job where they feel inclusive as well as where they can contribute with making a difference in the world (Gamb, 2018; Maier et al., 2015). Hence, they go hand in hand with each other. Besides, according to the managers, social sustainability will most increase in the future, which could be explained by the fact that both the United Nations (2015) and the Swedish government (2016) highlight the requirement that companies need to take responsibility. Consequently, since not all managers were not aware of social sustainability to an extensive level, they should increase both the knowledge and implementation of it, especially when taking the statement of Malik (2019) into account, that companies need to manage human resources to compete in today’s market. Otherwise, the may fail to attract new workforce, especially regarding the newer generations who require people-oriented leadership with soft attributes such as empathy and where leaders lead by example (Grow & Young, 2018; Maier et al., 2015), which value-based leadership is known for. Hence, both social sustainability and generations are two external factors that cannot be overseen by companies when it comes to the importance of value-based leadership.

As the external factors explain why, the internal factors explain how companies practically have to work with certain factors to succeed with value-based leadership. The most important factor is claimed by the authors to be trust. Hence, the piece of trust in figure 7 is the biggest one. Trust is also the factor that was most highlighted by the managers. Still, it is not only because of the fact that trust is claimed to be a prerequisite to even exhibit value-based leadership (Kirkhaug, 2015), but also because value-based leadership concerns much freedom and flexibility and with no trust, the approach will not work. Moreover, as Duhigg (2016) stated, trust is necessary for companies to succeed in terms of effectiveness and innovation, which also is closely associated with value-based leadership (Gamb, 2018). Another big piece, that can be seen in figure 7, is values. Both the managers and previous research has highlighted the importance of an active work with values. Previous research state that leaders
who practice a value-based approach in their companies are more effective, have a greater impact and can do good for the company, compared to those who do not utilize values (Smikle, 2019; Corte et al., 2017; Copeland, 2014). Yet values could be viewed as something obvious when it comes to value-based leadership, but it does not have to be. There could be values who are fading or even changing into bad ones. If the values are not clear and positively viewed by the managers, the employees and the organization overall, the value-based leadership will suffer. Hence, companies should often check up on their values and making sure that they are accepted and understood by everyone in an organization. However, the managers in this study did not seem to be aware of the challenges with values since they only congratulated them, but as with everything, there are pros and cons. As Vinnamäki (2012) said, if the challenges are not identified, they may result in insignificant value-statements, inappropriate use of values and illegitimate leadership practices. Consequently, values are an important part of the framework to achieve a value-based leadership.

Another important piece in the framework is self-leadership. However, when taking the study into consideration, it can be stated that many of the managers did not work actively with self-leadership or were even aware of it. Still, the authors believe that this factor is an important part of value-based leadership. Partly because if managers cannot lead themselves, they will have a problem leading others (Bracht et al., 2018; Shooraj, 2016) and mainly because self-reflection is one of the four principles of becoming a value-based leader (Kraemer, 2015). Therefore, both the awareness and usage of self-leadership in daily work should increase if a manager wants to become a truly value-based leader. Hence, this framework can help the managers to realize this. Another important piece in the framework is organizational culture, even though the managers did not emphasize their culture to a high extent. Still, after having placed the companies in the Competing Values Framework, it can be understood that the culture a company possesses actually affects the business as a whole especially in terms of innovation, creativity, and values, which value-based leadership is characterized by (Cameron & Quinn, 2011). The culture sets the frame for the overall behavior within the company, and therefore an important part of the framework since it may lead to a higher extent of value-based leadership.

When it comes to the decision-making process, which has the smallest piece in the framework, it cannot be stated whether emotions or rationality is the right recipe to become a value-based leader. This study shows that there are more decisions based on emotions in the smaller companies and that the managers overall are more rational in their decisions in the bigger companies. However, the underlying reason for this cannot be answered in this study. Still, the authors believe that a balance between them is a good recipe, for leadership in general, which Yukl (2013) also highlights, that there should be a balance between making rational and emotional decisions. Moreover, since making decisions is a crucial part of a manager’s role overall (Moresi, 2000; Mintzberg, 1973), it should be taken into consideration
in this framework, but to a lesser extent. Hence, this piece in the framework is smaller than the others.

These factors are not operating individually by themselves. All these factors are constantly in practice and that can be the crucial part. It might not only be values that can be sacrificed on each others behalfs, also these certain factors. The managers meet this every day, they take decision, emotional or rational, they are facing different generations, who requires trust which could be built up within the organizational culture together with the active work with values and the pressure from social sustainability. For example, if someone is not working in accordance with the values it can decrease trust, it can set a new atmosphere and change the type of decision-making. Self-leadership is an ongoing process, how much effort it gets is also part of it. This is only one brief of how the factors are part of each other, but the important part is to understand that when they all come together, they can create value-based leadership.
6. Conclusions

Based on the analysis in chapter five, the authors have reached some conclusions, that will be presented below. In addition to this, implications and limitations will be presented. Lastly, the authors will present recommendations for future research.

6.1. Conclusions

In the introduction was it emphasized that value-based leadership is needed in today’s business world since the leadership that once was successful is not capable to efficiently handle the challenges of the twenty-first century (Whitney, Trosten-Bloom & Rader, 2010) nor the increasingly complex and competitive business environment (Malik, 2019). This, in turn, is concluded to mainly be because of social transformation in terms of a shift in generations and a need of handling human resources well, that is, social sustainability, which pressure companies to adapt and embrace a new kind of leadership. In this study, this has been conformed by the managers. Nevertheless, the empirical problem was that less is known about how today’s managers are working with value-based leadership as well as how certain factors are related to a manager’s perception of it. Consequently, the research question was composed:

How are managers working with value-based leadership and how can certain factors be related to it?

- According to the study, the managers are working with value-based leadership to a higher extent than expected, where much of it is done unconsciously.
- There are certain factors that are related to value-based leadership to different extents, which can be seen in the authors’ own developed framework of value-based leadership, which, in turn, can help managers to gain a deeper understanding of how to work with it.
- The factors trust and values are the ones most understood and focused on in practice by the managers.
- There are also factors that the managers need to increase both their knowledge and practical work of, which are foremost organizational culture and self-leadership.

The purpose of this study was to describe how managers both view and work with value-based leadership. The findings suggest that all managers view value-based leadership positively and believe that it will increase in the future. Yet, before this study began, the authors did not expect the participating companies to exhibit a high level of value-based leadership based on an external perspective when reviewing their websites and annual reports. Furthermore, also because previous research has stated that value-based leadership
in practice is lacking due to it being a rather new approach (Rao, 2017; Czabanowska & Rethmeier, 2016). Therefore, the authors were surprised by how much value-based leadership almost every manager was showing. This implies that the companies should emphasize this even more clear externally since it may attract new workforce, especially from the newer generations that desire this kind of leadership. Although, the managers had difficulties to say straight out exactly how they are working with value-based leadership. Instead, it seemed as if they were doing it unconsciously. Nevertheless, the Competing Values Framework is something that has helped the authors to understand how their value-based approach is reflected through their cultures. Acando is the company that the authors concluded to be the one showing the highest extent of value-based leadership due to their extensive work with factors such as trust, innovation, flexibility, and self-leadership. This was confirmed when they were put in the Competing Values Framework, where they were concluded to belong to an adhocracy culture, where high levels of flexibility and risk-taking were seen, which value-based leadership is associated with. Consequently, if a company aim to become a value-based one, they should first aim to fulfill a culture of adhocracy.

The overall finding and contribution of this study is the ‘development of framework’, which can be found in section 5.4. Moreover, no previous study has combined factors related to value-based leadership, which this study does. It cannot be guaranteed that a manager will succeed with value-based leadership based on the framework, but it may help. Moreover, not every leader may be able to become a value-based one, just as some leaders may not be able to become a evil one. Some factors are more important than others, but this could differ between manager, companies and industries. Furthermore, the authors also believe that the factors are boosting each other. Still, one factor that cannot be overlooked is trust since value-based leadership is a flexible approach with much free responsibility, where you do not have any other option than trusting others to do their job in accordance with the values of the company. Still, it needs to be understood that just because a leader is a value-based one, does not necessarily mean that he or she is a good leader. However, bad leaders are concluded to be unethical and unreliable (Copeland, 2014; Kellerman, 2004), which value-based leaders are supposed to be the opposite of. Moreover, most bad leaders are unable or unwilling to change (Erickson et al., 2015), which is and will be inevitable in our fast-changing world. Additionally, because of that the world is turning into a more digitalized and automated one, routine task are diminishing, which in turn opens up for more flexibility and creativity, in other words, value-based leadership. Yet, this approach may backfire because it may not work for every employee since some needs and prefers a structured and monitoring approach. This, in turn, puts pressure on leaders to be both understanding and able to adapt. Furthermore, to have clear goals, communication as well as expectations. Being a value-based leader is not an easy task, but at the same time, being a leader who is callous, rigid and unreliable is not easy for anyone in an organization.
Besides, the study also aimed to develop and broaden the academical field with a framework of value-based leadership in order to create a deeper understanding of value-based leadership in practice and its possible outcomes. First of all, value-based leadership is a new approach (Rao, 2017), where both definitions and models of it are lacking as well as O’Toole (2008) claims that it is elusive. However, this study has contributed with findings of how to deeper explain and understand value-based leadership. Moreover, the conducted framework in this study breaks down the concept into pieces, which makes it easier to analyze and create an understanding for how managers work with it. When it comes to the possible outcomes of value-based leadership, the authors believe that it results in a more free and disengaged environment that creates a need for creativity as well as responsibility-taking. This means that trust is highly important and when trust is given, value-based leadership will be fulfilled. As Gamb (2018) stated, trust given is trust returned, which is especially important to emphasize since the trust in managers have decreased over the years (Frost, 2017). Furthermore, the authors believe that trust, in turn, creates motivation and development among employees, which may lead to greater well-being and social health for human resources, consequently, higher social sustainability. This, in turn, means that value-based leadership may be a strategic requirement for companies in the future, both to attract and maintain their employees. Hence, the authors believe that this study can contribute to increase the knowledge and give a deeper understanding of value-based leadership.

6.2 Theoretical implications

As stated in the introduction chapter, value-based leadership is a rather new approach and there are limited models and theories explaining it. This is the first study combining and explaining value-based leadership and its connection to certain factors. Separately, most of the factors are well studied in themselves, but not their relation to value-based leadership. When it comes to theoretical implications, a few ones have been found since the field is relatively new. The developed framework in this study shows important factors related to value-based leadership. Firstly, the study shows that the external factors are the ones pushing value-based leadership ahead and making managers adapt to society’s changes. Secondly, the internal factors are the ones leading to a value-based leadership approach. Still, each company can create its own formula with the factors. Thereby, the study contributes to fulfilling a part of the identified knowledge gap. The framework puts different fields together and gives a deeper understanding of the concept of value-based leadership. The framework contributes to the theoretical field and can be used in further studies for the examination of value-based leadership.

6.3 Practical implications

This study contributes to a framework of how managers practically can work with and emphasize certain factors in order to implement and increase value-based leadership. As stated in the introduction, today’s companies are struggling to keep up with the complex and
changing business environment and with the increasing requirements on sustainability, but at the same time create profitability. However, according to previous research, value-based leadership is effective and Apple is the strongest example of this. Therefore, it is important for both managers and companies to stay updated and adapt to changes, which can be facilitated by the creative and innovative environment that value-based leadership creates. Furthermore, as previously stated, there is a decreased trust in managers among employees, especially when it comes to the newer generations. However, this is something value-based leadership may change as well as prevent since trust is the most crucial factor to succeed with value-based leadership. If companies do not succeed with this, they may fail to attract new workforce.

The key to achieving a high level of value-based leadership in practice can be found by increased awareness and knowledge of value-based leadership itself as well as the factors related to it. The different factors can make managers realize what they need to put extra focus on. However, it is about creating a balance and structure that fits one as a manager and the specific company. Through increasing the awareness and reflection of each factor, a manager can identify and improve on his or her strengths in order to develop and learn more when it comes to value-based leadership. Hence, this framework may work as a facilitator on a manager's journey towards future leadership: value-based.

6.4. Limitations

There is no other research combining value-based leadership with the factors as this study does. Since the factors are chosen by the authors based on previous research and studies, the study and thereby results are limited to only find how these factors are related to value-based leadership. Still, the authors are convinced that the most important and related factors are included. Furthermore, this is a qualitative study, with a few selected respondents from four different companies and therefore the statistical generalizability of the results is limited. Moreover, all interviews were not personal, instead, a few of them were done over the phone, which may have limited the understanding as well as observations. Besides, since the selection of companies were based only on the requirement of communicating values and operating in the private sector, the participating respondents were practicing more value-based leadership than expected. The authors cannot exclude the possibility of it to have had an impact on the result. Other companies, or more companies, might have shown another type of result and different importance of the factors. Furthermore, the geographical delimitation to only Swedish companies might have an impact since value-based leadership might be perceived and practiced differently in other countries. The perspective of managers have been examined and therefore nothing can be concluded of how the employees who are working in the companies experience this. However, the aim of the study was not to understand the perception of the employees.
6.5. Recommendations for future research

This study concludes how certain factors are related to value-based leadership, from a manager's point of view. Further research can contribute with the perspective of the employees in line with the related factors, since previous research already has focused on the employees' perspective, to broaden the field and knowledge of value-based leadership in practice. Furthermore, it would be interesting to examine how centralized and hierarchical companies, that do not practice value-based leadership, would view it and if they would give another view of challenging aspects of value-based leadership. It would also be interesting to study value-based leadership in even larger organizations such as multinational enterprises since previous research has stated that larger companies have more challenges with value-based leadership. Besides, since the field of value-based leadership is among the newest and unexplored in the great field of leadership studies, the authors recommend more research on value-based leadership overall. This could be done through a quantitative study that concerns more objectiveness and could result in more statistical generalizability because of a greater amount of respondents.

Moreover, the authors also would also find it interesting to continue the research with other related factors and its connection to other changes in society. For example, a study could be made examining how or if the GIG economy can be related to value-based leadership, which may be another underlying reason for why value-based leadership is increasing. Another suggested future research could be value-based leadership connection to virtual teams, which also involves freedom with responsibility. Furthermore, it would be interesting to examine if the different phases companies are going through can have an impact on value-based leadership, such as the difference between a start-up and an established company.
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Appendices

Appendix 1 - Interview request: Mail to respondents, Swedish

Hej XX!

Vi är två studenter läser sista året på Civilekonomprogrammet och skriver just nu vår D-uppsats. Syftet med vår uppsats är att undersöka hur organisationer och i synnerhet chefer arbetar med värderingsstyrt ledarskap idag.

Intresset för värderingsstyrt ledarskap har enligt forskning ökat de senaste åren. Nya generationer, ny teknik och globalisering är några faktorer som ligger till grund för detta. Vi tror att det bara är början för detta ämne och har därför valt att studera det djupare.

Vi har noterat att ni kommunikerar värderingar i er årsredovisning och/eller hemsida. Därav är ni ett intressant företag för att uppfylla studiens syfte. Vi önskar få möjlighet till en intervju där vi ställer frågor med fokus på ledarskap och kultur, både individuellt och uppfattningar om organisationen. Ifall vi har missuppfattat och värderingarna inte är en del av ert arbete, ber vi gärna om den feedbacken då studiens syfte faller isåfall.

Genom denna uppsats vill vi bidra med en mer praktisk insikt i hur dagens chefer arbetar med värderingar i sitt ledarskap och möjligheterna, resultaten det kan medföra. Vi önskar intervjuav två chefer på ert företag, vardera intervju beräknas ta ca 1h.

Vi hoppas att Ni vill vara en del av detta och återkommer så snart Ni har möjlighet. Vi önskar boka in en tid för intervju när det passar Er som bäst. Ifall Ni känner att förfrågan passar bättre till någon annan i organisationen, är vi tacksamma ifall det förs vidare till rätt person.

Tack på förhand,
Vi hörs!

Vänlig hälsning
Emelie Claudén, emecla15@student.hh.se, 0702791285
Matilda Ahdrian, matahd15@student.hh.se, 0707300718
Appendix 2 - Interview request: Mail to respondents, English

To whom it may concern at...

We are two students who right now are writing our thesis in Master of Science in Business and Economics at Halmstad University. The purpose with our thesis is to examine how organizations, and foremost managers, are working with value-based leadership today.

According to research, the interest in value-based leadership has increased in the last couple of years. New generations, new technology and globalizations are a few fundamental reasons for this. We believe that this is only the beginning for value-based leadership and have therefore chosen to study it closer.

We have noticed that You are communicating values through your website. Hence, your company is very interesting for us in order to fulfill the purpose of this study. We wish to have the opportunity to an interview, where we ask questions with focus on leadership and culture, both individually as well as the perception of the organization. In case of that we have misunderstood and that values is not a part of Your work, we would like to receive this feedback, in order to not make the purpose of this study to malfunction.

Through this thesis would we like to contribute with a more practical insight in how today’s managers are working with values throughout their leadership and the result it may lead to. Ww wish to interview at least two managers at Your company, where each interview is calculated to take about one hour.

We do hope that You want to become a part of this and respond back to us as soon as You have the chance to. We wish to book a time for an interview whenever it suits You the best. In case that You believe that this request is better suited for someone else in the organization, would ww be grateful if this mail was transmitted to that person.

Thank you in advance,
We will come back to You.

Kind regards,
Emelie Claudén, emecla15@student.hh.se, 0702791285
Matilda Ahdrian, matahd15@student.hh.se, 0707300718
The operationalization chart enabled and facilitated the construction of the interview guide and can be found below.

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Appendix 4 - Interview-guide, Swedish

Introduktion
● Titel, position
● Namn
● Ålder
● Kön
● Antal år i företaget och i nuvarande position

Övergripande
1. Beskriv er organisation med tre ord.
2. Beskriv dina anställda/medarbetare med tre ord.

Värderingar
4. Vad innebär värderingar för dig?
5. Vilka är företagets grundvärderingar?
6. Vilka värderingar eftersträvar ni?
7. Hur aktivt jobbar ni med värderingar i företaget?
8. Hur fungerar värderingarna internt vs. externt? Skiljer de sig åt?
9. Hur viktiga är värderingarna, både individuellt och företaget?
10. Vad är fördelarna och nackdelarna med era värderingar?
11. Hur svårt är det att arbeta med och få värderingar att genomsyras i företaget?
12. Händer det att för att hålla fast vid en värdering kan ske på bekostnad av en annan? I så fall hur?

Generationer
13. Vilken typ av skillnad märker du av i att leda olika generationer?
14. Hur tror du att skillnaden kommer att bli på arbetsmarknaden i framtiden på grund av generationsskifte?
15. Vilka fördelar och nackdelar tror du att det finns med ett generationsbyte?

Tillit
16. Vad innebär tillit för dig och hur viktigt är det?
17. Pratar ni något om tillit i företaget och i så fall hur?
18. Hur mäter och bedömer ni tillit?
19. Enligt forskning har tilliten till chefen bland de anställda minskat genom åren, vad tror du att detta beror på?

Företagskultur
20. Vad tror du skiljer er kultur mot andras och vad gör eran speciell?
21. Hur tydligt märks era värderingar av i er företagskultur?
22. Har ni en kultur med decentraliserad eller centraliserad makt?
23. Finns det utrymme för att ta risker?
24. Hur viktigt är det med kreativitet i ert företag? Uppmuntras det?
25. Hur mycket påverkas möjligheten till innovation av er företagskultur?

Self-leadership
26. Hur tänker du kring ditt självledarskap?
27. Jobbar du aktivt med självledarskap, isåfall, på vilket sätt? Har det alltid varit självklart för dig att jobba med ditt självledarskap?
28. Hur mycket tror du att ditt självledarskap påverkar de som följer dig?

Beslutsfattande
29. Hur svårt är det att fatta beslut som inte är för rationella eller för emotionella? D.v.s. hur mycket tror du att dina känslor påverkar ditt ledarskap och dina beslut?
30. Hur viktigt är det att vara objektiv och rationell vid beslutsfattande? Påverkas det av situationen?
31. Vilka beslut/handlingar är tuffast för dig att genomföra?
32. Vad tror du är den största skillnaden gällande att fatta beslut i ett större företag jämfört med ett mindre?

Hållbarhet
33. Hållbarhet, socialt, ekonomiskt och miljö, är ett ämne som ökat i dagens samhälle. Hur har du märkt av det i både er kultur och ledarskap?
34. Hur viktigt tycker du och företaget det är att skapa värde för samhället?

Värderingsstyrt ledarskap
35. Vad innebär värderingsstyrt ledarskap för dig och hur arbetar du med det idag?
36. Vad finns det för fördelar och nackdelar med värderingsstyrt ledarskap jämfört med något annat ledarskap?
37. Hur trygg är du med att låta andra fatta beslut t.ex. dina anställda?
38. Hur duktig är du på att se och visa uppskattning för samtliga av dina anställda?
40. Hur mycket fokuserar ni på den personliga utvecklingen hos de anställda?
41. Hur tror du/upplever du att organisationen i helhet jobbar med värderingsstyrt ledarskap?
42. Hur tror du att ledarstilen, d.v.s. hur man utför sig ledarskap, påverkas av storleken på ett företag?

Utmaningar
43. Vad är svårigheterna och de negativa utfallen med att använda värderingsstyrt ledarskap?

44. Om det sker förändringar i organisationen, hur utmanande är det då att förhålla sig till sina värderingar?

45. Tror du att VBL funkar för alla typer och storlekar på företag?

46. Tror du att vikten av värderingsstyrt ledarskap kommer att öka eller minska i framtiden?

Övrigt
Är det något annat du vill tillägga?
Appendix 5 - Interview-guide, English

Introduction
- Title, position
- Name
- Age
- Gender
- Number of years in the company and in current position

General questions
1. Describe your organization with three words.
2. Describe your employees with three words.
3. Describe your leadership with three words.

Values
4. What does values mean to you?
5. What are the core values of the company?
6. What values are you aspiring towards?
7. How actively do you work with values in the company?
8. How do the values function internally vs. externally? Do they differ?
9. How important are the values, both individually and for the company?
10. What are the advantages and disadvantages with your values?
11. How difficult is it to work with the values and to make them permeate the company?
12. Could it happen that to hold on to one value, might be done on the cost of another? In that case, how?

Generations
13. What kind of difference do you notice with leading different generations?
14. How do you think the labour market will be affected because of a shift in generations?
15. What kind of advantages and disadvantages do you think there is because of a shift in generations?

Trust
16. What does trust mean to you and how important it is?
17. Do you ever talk about trust in the organization and in that case how?
18. How do you measure and evaluate trust?
19. According to research, trust in managers among employees have decreased throughout the years. What do you think this depends on?

Organizational culture
20. What do you think makes your culture differ from others and what makes it distinctive?
21. How clear does your values appear in your culture?
22. Do you have a culture based on decentralized power or instead a centralized one?
23. Are there room to make mistakes?
24. How important is creativity in your organization? Is it encouraged?
25. How much is the possibility to innovation affected by your company culture?

Self-leadership
26. How do you contemplate upon your self-leadership?
27. Do you work actively with self-leadership and in that case, how? Has it always been clear to you to work with your self-leadership?
28. How much do you think your self-leadership affects the people who follow you?

Decision-making
29. How difficult is it to make decisions that are not too rational nor too emotional? In other words, how much do you think your emotions affect your leadership and decisions?
30. How important is it to be objective and rational when making decisions? Does the situation affect it?
31. What kind of decisions and actions are the toughest for you to go through?
32. What do you think is the greatest difference when it comes to making decisions in a larger company compared to a smaller one?

Sustainability
33. Sustainability in terms of social, economical and environmental have increased in today’s society. How have you noticed this in your leadership as well as in the company?
34. How important is it to create value for society?

Value-based leadership
35. What does value-based leadership mean to you and how do you work with it?
36. What are the advantages and disadvantages of working in accordance with value-based leadership compared to another type of leadership?
37. Are you comfortable with letting others make decisions, for instance, your employees?
38. How good and how often do you show appreciation for all of your employees?
39. How do you and the company work with feedback? How often do you ask employees for their opinions and how important is it?
40. How much focus is given the personal development among the employees?
41. How do you experience that the company as a whole work with value-based leadership?
42. How do you think that the leadership style is affected by the size of a company?

**Challenges**
43. What are the difficulties to work with value-based leadership?
44. In case there are changes in the organization, how difficult is it then to maintain to the values throughout changes?
45. Do you believe that value-based leadership works for all kinds and sizes of companies?
46. Will value-based leadership increase or decrease in the future and why?

**Other:**
Is there anything else you would like to add?