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VERTICAL LEADERSHIP IN A CASE COMPANY

Thesis

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ABSTRACT

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<p>The thesis concentrated about vertical leadership. The topic clarifies leadership behaviours in different styles. Based on unique characteristics would build up different leadership styles. A good leader is not only be independence, responsibility, visionary, but also must be interpersonal. Creating network through the rest of organization, a leader establishes relationship with his or her employees. Building trust then would help an organization overcome obstacles in order to accomplish common goals.</p> <p>Without cooperation of followers, a leader could not success. As a follower, evaluating strengths as well as weaknesses himself or herself is the key term in order to cope with requirement from a leader. Employee gives opportunities himself/herself, to work hard, and it also means give a chance to serve a leader. Like win-win situation, an employees could improve himself/herself, a leader could achieve goals because of helping from employees.</p> <p>Managing people is an issue. Because it is hard to ask changing from anyone. The thesis would give recommendation that it would take time to persuade a person and push driving him/her to work in a certain direction. Be equal and be fair to treat followers. If he do good work, a leader should reward him, or punish him in case he make mistake. Employees then could learn lessons from himself/herself from making mistakes.</p>		
Key words Vertical leadership, shared-leadership, servant leadership, level 5 leadership, good behaviours, equally, fairly.		

ABSTRACT

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FOREWORD

I would like to thank Lassila and Tikanoja, especially both S. Riita and J. Varpu who give me a chance to enhance Finnish working culture and help me overcome many problems that I have faced so far.

I am so thankful to Professor Birgitta Niemi, Professor Janne Peltoniemi, and all of professors that have had supported me during the time I studied in Centria University of Apply Sciences. Thank to all the staff that establish the best environment for me to learn as well as improve myself.

1 INTRODUCTION

The idea of the thesis has come from the time the writer worked at Lassila and Tikanoja Group (L&T Oyj) as a part time job for approximately 8 months. Becoming a member in a Finnish company, but a foreigner, brings many challenges for the writer not only about the language, but the working culture as well. Firstly, there is concerned about manager's behaviour. The writer puts herself in a manager's position and thinks about the messages that managers try to transform information effectively and efficiently. Secondly, all about issues concerning understanding and catching up the ideas of the tasks and implementing them in orders. Followed by Simo, the smart phone for both interaction and managing time and tasks. Each L&T's employee own one. Approaching high technology to lead a company not only exist, but also keeps moving forwards during fluctuate economy. With nearly a year is experiences the writer was motivated to write about this thesis.

There are three key words which lead a company to extent and development: (i) human resource, (ii) strategies, and (iii) technology. A leader is considered as a head of an organization, his/her vision is the driving force the rest of company. However, asking for appropriate implementation from followers, a leader is requested to own professional behaviours to treats his/her employees. Leadership skills whether coming from nature or not, need to be improved to adapt with non-stop new technology in general, and be familiar with social media like Facebook in specific (Kreitner& Kinichi, 2013).

To begin with, the thesis will clarify the definition of leadership. Afterwards, it will go deeper into leadership behaviour. From the basic levels of leadership behaviour, the thesis will access some examples of how a leader could manage followers efficiently. Then, leadership behaviour supported to change to adopt new environments. Afterwards, followers would be carried out by different types. Consequently, tips will be defined then in order to help employees improve their behaviours to become better followers.

There is no denying the fact that high technologies have been breakthrough the global economy. Hence, the thesis will approach technology as a priority tool within human resource management. The case study about Lassila and Tikanoja will introduce role of Simo with organizational behaviour.

2 LEADERSHIP KNOWLEDGE

As a head of an organization, a leader not only builds up trust, establishes relationship among followers, but also has to share visions to them in order to achieve a common goal. There were studies during twenty years, about effective leadership and the result in net profit regarding to thirteen industries within one hundred sixty seven organizations (Lyon, 1994). Research has shown net profits increased rapidly based upon on good leadership behaviour within a company. Researched from John Kotter, an expert in organizational change had indicated that effective leadership contributed approximately 80 per cent in achievement targets, and management impacted under than twenty per cent.

TABLE 1. The gap between expectation and reality from CEO (adapted from Collins, 2001)

	What He/She Should Have	Case company present CEO Has
Able to built effective teams	96%	50%
Knows how to listen	93%	44%
Capable of making decisions on his own	87%	66%
Knows how to retain good people	86%	39%
Energetic	85%	62%
Innovative	83%	47%
Visionary	79%	45%
Has high ethical standards	76%	53%
Strong-willed	70%	65%
Charismatic	54%	34%
Motivated by power	35%	59%
Motivated by money	17%	40%
Ruthless	10%	28%
Paternalistic	6%	24%

Analysing Table 1, the highest expectation for a successful leader is the ability to build effective team (96 %). The case company's CEO reached approximately 50 % in reality. Paternalistic perspective made up the lowest range for requirement from a leader and present CEO. 66 % is the highest result to present CEO according to capable of making decision on his own, 87 % compared to expectation that a leader supported to be.

Followed by, characteristics like, good listening, making decision, retaining potential employees, energetic, innovative, visionary, ethics, strong-willed, and charismatic all stand in high percentages for a leader should be. In contrast, the results in reality were defined as a half compared to those requirement. For example, being a good listener reached 93 % for potential leader, but just it was just half of that result in present CEO (44 %). Another issue was retaining good staffs, the study received 86 % for what a successful business leader should have, and what CEO really has approximately 39 % from that point of view. Nevertheless, those behaviours keep remaining as priority characteristics that a leader is expected to become.

Those four last characteristics of Table 1, included motivated by power, motivated by money, ruthless, and paternalistic, resulted rapidly higher rate for case company's CEO has, compared to what a leader should have. For instance, the impact of power and money to a present CEO respectively 59 %, 40 %, whereas it consisted about 35 %, and 17 % to a leaders should have. According to Table 1 just remain as low range compared to other characteristics, there is still no denying the fact that the influences from money as well as power to personal behaviours.

A leader is not simple a head person always pushing and driving the rest of the organization to follow his/her visions. If he/she does not equip himself/herself to be flexible and affordable, that would cause hazardous not only to him/her, but to the whole company as well. Followed by, the writer is going to defined basics characteristics that a leader is supported to behave. Then, leadership behaviours are split into many levels according to working cultures that he/she participated in.

A bad leader would lead a business downwards, or bankrupt, a good leader on the other hand would help the organization survive and keep moving through the time. To manage an organization more effectively and efficiently, a leader is supported to change

management skills. Like transaction lines, every specific part has to connect with the next one at the same point. With regards to implementation plans, leaders have to exploit appropriate ways to transform his/her vision to followers. Circumstances, communications, and behaviours are considered priority keys leading to succeed (Kreitner & Kinichi, 2013).

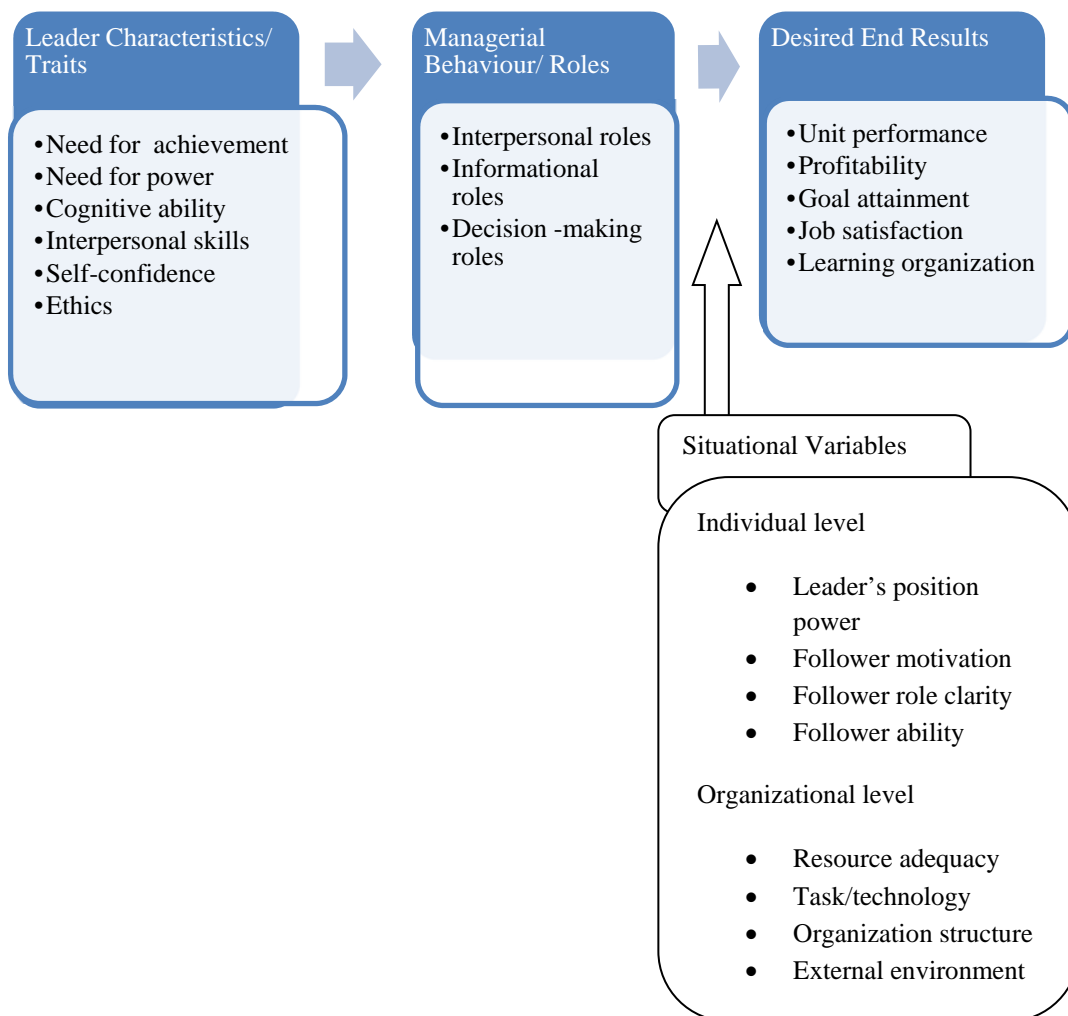
The role of a leader is extremely influential to contribute profit within company. However, without coalitions, an organization would face huge challenges in order to accomplish objectives. Hard workers would create motivations themselves at work and follow side by side the leader and organization. In contrast, bad workers, or un-cooperative ones would lead an organization facing with failures. As a result, followers play principal parts among organization (Kreitner & Kinichi, 2013).

2.1 Defined leadership

Leadership is a process where a leader impacts on follower's behaviour to accomplish the organisational goals. In addition, the moral and followership play an important role in building effective leadership. On one hand, there are many leaders who take advantage of followers in order to cope with hazardous purposes, which would cause negative influence on others. On the other hand, there cannot be denying the follower perspectives. Consequently, a leader is considered to be success when he can engage his skills and develop positive attributes through the entire of organizational missions (Baysiner, 1980).

More or less a leader ought to have similarities in personal characteristics that could persuade followers obey a common goal. However, it is important to consider that a common goal has to bring benefits to everyone. There are three issues have to take into account; Firstly, characteristics should have from a successful business leader; Secondly, behaviour of leader is priority part; Thirdly, clarifying step by step during implementation plan would be extremely necessary.

In order to accomplish the goal, not only the leader plays a main role, but followers contribute to the success as well. Without enthusiastic, or responsibility, an employee would face with obstacles in breaking through the goal. Workers who could not understand clearly the vision of organization could be another reason leading to failure. There must be a need in sharing and cooperation between a leader and followers.



GRAPH 1. A conceptual framework for understanding leadership (adopted from Yukl, 2002)

The concept from Graph 1 indicates a connection among the roles of leader impact to followers in specific, and to the rest of organization in general. According to Yuki, to become a leader, a person requires to have vision, communication skills, and ethics. Those skills would help him/her to associate with employees and the rest of organization in order to achieve targets.

2.2 Leading versus Managing

According to Bernard Bass, a leader is a person who identifies core competences, strategies or sets up business plans for an organization. Afterwards, manager will demonstrate further details to implement planning. In order to meet the requirements, firstly, a good manager has to understand turn the leader's visions into effective and efficient performance. Secondly, a good leader sponsors and associates with manager tasks. Even though, becoming a good manager does not mean that he would be a good leader, and vice versa. However, an expert leader needs to be effective not only in leading skills, but also in managerial skills at some levels (Kern, 1987).

TABLE 2. Differences between leader and manager (adopted from Lorenzi, 1999)

Being a leader means	Being a manager means
Motivating, influencing, and changing behaviours.	Practicing stewardship, directing and being held accountable for resources.
Inspiring, setting the tone, and articulating the vision.	Executive plans, implementing, and delivering the goods and services.
Managing people.	Managing resources.
Being charismatic.	Being conscientious.
Being visionary.	Planning, controlling, directing, and organising.
Understanding and using power and influence.	Understanding and using authority and responsibility.
Acting decisively.	Acting responsibly.
Putting people first; the leader knows, responds to and act for his or her followers.	Putting the customers first, the manager knows, responds to and acts for his or her customers.
Leader can make mistake when: <ul style="list-style-type: none"> • They choose the wrong goal, direction, or inspiration, due to incompetence or bad intentions, or • They overload, or • They are unable to deliver on, implement the vision due to incompetence or lack of follow-through commitment. 	Managers can make mistakes when: <ul style="list-style-type: none"> • They fail to grasp the important of people as the key resources, or • They underlead; they treat others like resources, numbers, or • They are eager to direct and to control, but are unacceptable to accountability.

Managers in general would manage small teams to implement specific tasks. Giving guidelines or inspecting tasks to make sure that customers would satisfy with services or goods. Leaders on the other hand would inform about visions to managers and share information needed to achieve the common goals. Both managers and leaders are required to understand and have interpersonal skills to persuade followers. To ensure that the coalition among leaders, followers and the rest of organization work smoothly, the vision

support to acknowledge widely among them. A manager could empower employees from step by step to break through the obstacles during implementing plans.

2.3 Leadership styles

According Fred Fiedler theory, he evaluates how effectiveness the leader' styles match with the situational controls.

TABLE 3. Representation of Fiedler contingency model (adopted from Fielder, 1964)

Situational Control	High-Control Situations			Moderate-Control Situations				Low-Control Situations
Leader-member relations	Good	Good	Good	Good	Poor	Poor	Poor	Poor
Task structure	High	High	Low	Low	High	High	Low	Low
Position power	Strong	Weak	Strong	Weak	Strong	Weak	Strong	Weak
Situation	I	II	III	IV	V	VI	VII	VIII

Optimal Leadership Style

**Task-Motivated
Leadership**

**Relationship-
Motivated
Leadership**

**Task-
Motivated
Leadership**

In the former, task-motivated leadership was concerned about the result, or production. Taking into consideration, people who belong to this group concentrate on accomplishing goals. In the latter, relationship-motivated leadership would focus on the working process

and people. Followed by, a leader building up the relationship among followers to enrich their satisfaction through the entire of an organization. According to the study, an individual gains high scores if he owns a relationship-motivated style, whereas, low scores are consequences of an individual who has a task-motivated style (White, 2003).

2.4 Leadership situation and motivation control

The outcome determines whether a leader has plenty of control or little impact on working environment. A high outcome is a result of high impact of leadership during implementing a plan to accomplish objects. In contrast, a low outcome describes how little power a leader owns to control followers. There are three situations mentioned in Fiedler's contingency model, namely, leader-member relations, task structure, and powerful position (Burchell, 2002). Leader-member relation, is the most important dimension as opposed to others. It reflects the abilities of a leader belief or support to group work. Therefore, a leader can avoid negative effects caused during process.

Task structure indicates different performance in various situations. In each environment requires amount of typical steps. For instance, a book keeper; his task structure must differ from a bank teller. As there are specific steps to implement, thus, leader can put more impact during the tasks to achieve organizational goals. This is considered as a second important dimensions of situational control (Kreitner & Kinichi, 2013).

Position power, based on the degree a leader has, he can deal with punishing, rewarding, or firing employees. For example, an organization cannot expect an expert human resource manager works well in playing stock market. The reason is that his skills do not fit in that environment. Therefore, an organization may get lost income if they put people in wrong situation. Secondly, another factor deal with success refers to changing. In order to avoid failure, organization needs to change situation in order to keep the trait and behaviour of leader fit with his or her skills. Hiring and training new employees always make amount of capacity, hence, be flexible with internal factors will prevent company away from losing money (Kreitner & Kinichi, 2013).

3 THE FULL RANGE OF LEADERSHIP

According to Bernard M. Bass and Bruce J. Avolio, they have dedicated three typical behaviour concepts among various model of leadership, namely, Laissez-Faire leadership, transactional leadership, and transformational leadership. The writer will go for further in details from each model leadership to clarify characteristics need to improve or avoid (Bass & Avolio, 1994).

3.1 Laissez-faire leadership

Within the list, Laissez-Fair leadership is realized as the worst behaviour style of leadership for a number of reasons. First of all, because of lacking responsibilities, this leader denies complicated tasks in working environment. For example, he does not give predictable results from implement planning, or he has not suggested positive performance to accomplish goals. Secondly, he or she does not give feedbacks, or support followers whenever they need help. As a result, Laissez-Faire style just has only disadvantages which any organization tries to keep away from (Kreitner & Kinichi, 2013).

3.2 Transactional leadership

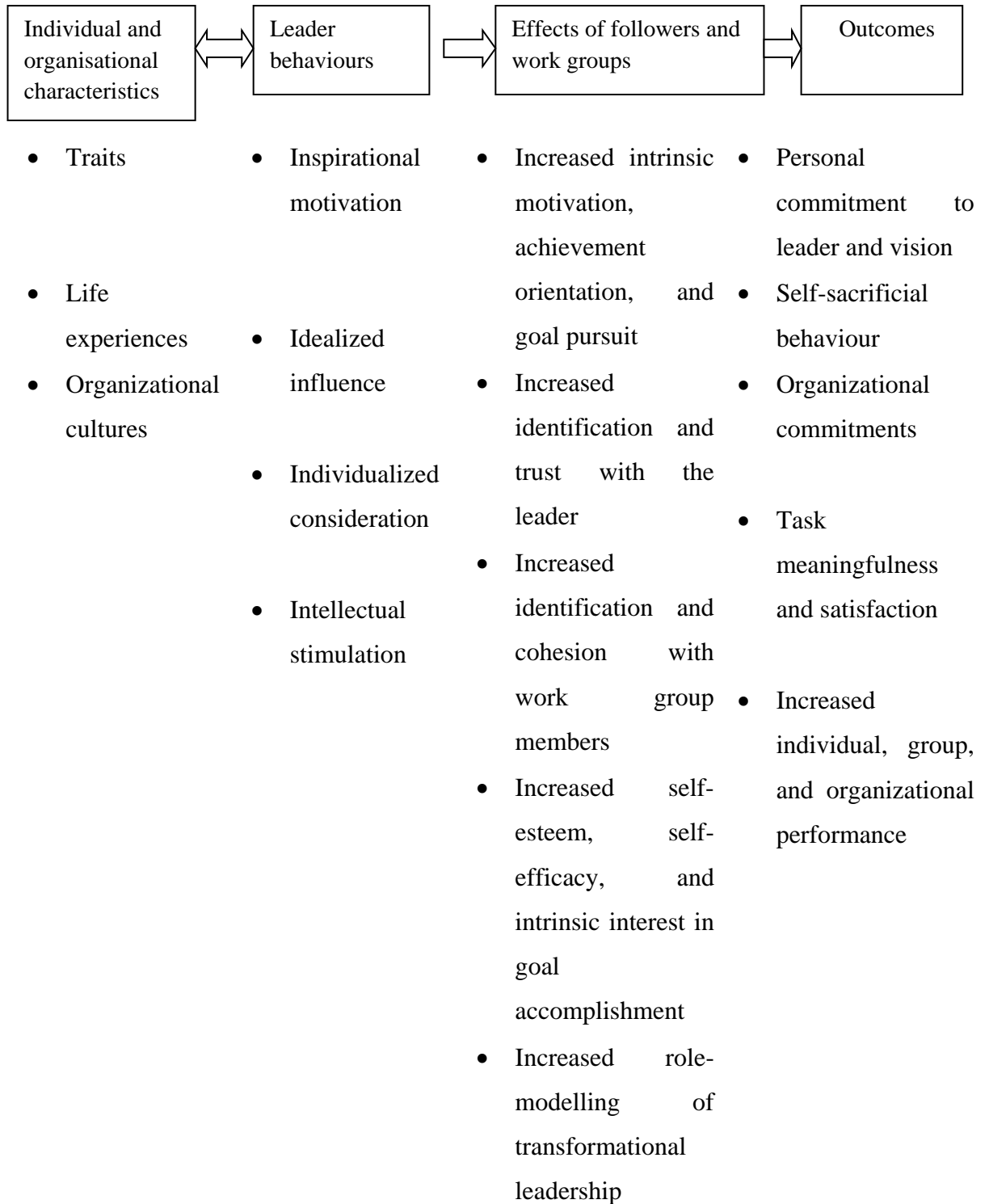
In terms of transactional leadership, it indicates that leaders will reward or punish to followers based on levels of strategic architectures. In addition, the leaders focus on the role of employees and setting control, endorsing progress toward task requirements (Kreitner & Kinichi, 2013). For instance, an employee will receive bonus in case if customers come and purchase more goods which belong to that company.

3.3 Transformational leadership

Turning to transformational leadership, this style of behaviour concentrates on relationship between a leader and his employees. The leader pays more attention to workers atmosphere. He tries to provide more satisfaction to his co-workers. Consequently, by

making them satisfied, followers will work harder and be more creative in performances to accomplish common goals. Thus, they will bring more profit to the company. This style of leader plays a key role in an organization, because the leader commits the trust, loyalty, and engagement of employees through the entire of organization (Kreitner, 2013). Reducing hiring and training costs and improving effectiveness are what transformational leaders support to do today. That is the reason why this level stands for the highest dimension of leadership behaviour which is the most important condition that any head hunter looks for. Last but not least, not only to the company, but an individual tries to acknowledge even more experiences as well as high level of education to satisfy either his followers or competitive business environment.

TABLE 4. Transformational leadership's disciplines (adopted from Waldman & Yammarino, 1999)



Owning emotional intelligence provides an amount of advantages for transformational leaders when dealing with followers. Those leaders understand what makes their employees satisfied, such as personal identification, values, demands, or trusts. Following this, they inspire work groups and transforms followers to achieve the tasks. The more experiences the leaders enhance through their lives the more effective transform they confess. However, these traits and behaviours can also be improved by learning. There are numbers of researches showing that based on cultures, such as low context or high context, that reveals to the relationship between the leaders and followers will be low or high. Others say that female leaders gain higher emotional intelligence than male leaders (Kreitner & Kinichi, 2013). To sum up, the managerial influence skills need to be changeable and flexible unless an organization desires to lose opportunities.

3.4 Transformational leaders engage in four key sets of leader behaviours

Inspirational motivation is the first majority set to recognize. By involving group members in an objective and make them to be interest in the idea that a leader has proposed, thus they together can keep moving for further process. Just after people in the same boat they will alternatively establish their brain to work out motivation to achieve their common purposes. When a leader shares a vision, he also has to establish with realistic challenges, like failure lessons or successful models, which commit follower to breakthrough (Kreitner & Kinichi, 2013)

Idealized influence stands for the second set of leader behaviours which deals with high ethical standards during performance. In charging with the task, a leader evaluates how a worker creates productivities, thus he can give and receive feedback from others to improve the tasks more effective.

Intellectual stimulation constitutes as the fourth set of transformational leadership behaviours. Taking into consideration about the process, this requires team groups to give opinions, or solutions to what an organization is facing. Nokia's CEO, Stephan Elop, wrote an emergence message and sent it to all employees to ask for an idea which could bring Nokia away from losing market shares. In other words, intellectual stimulation behaviour encourages employees to be more creative and more innovative to target to the right objectives (Kreitner & Kinichi, 2013).

4 THREE STYLES OF LEADERSHIP

There are three types of leadership, included shared leadership, servant leadership, and level 5 leadership (Kreitner & Kinichi, 2013). They have some similarities and differences perspectives, that the writer would clarify further.

4.1 Shared leadership

The interaction process in which a leader shares his vision with work group is defined as a shared leadership. During the influence process, peers, individuals or colleagues are all involved in the project. They all work very hard for this part as it plays a basic role to target missions. Steve Jobs is a historical model to take into consideration. The success of Apple Inc becomes the result for both CEO and employees. Jobs had shared his vision and pushed driving employees to work even at day or at night. They came together for the discussing and meeting frequently and ridiculously. There is no denying that, Ipod, Ipad, Macbook, or Iphone has stranded as the first modern products in competitive markets which cause influences to global high-end technologies (Loizos, 2009).

In this influence process, both ties, included a leader and group members, have to come together with as high creative as possible, they support to unstop work until achieve the target. In other words, individuals keep performing and take responsibilities at a high level because they are all in the same boat to move. Despite multicultural differences, people need to combine two theories. The leader shares information, and simultaneously, inspires and motivates teams to contribute to the complex projects. On the other hand, followers, conduct with professional performance skills and intellectual capital (Swell, 1992).

Table 5 below illustrates basic questions concerning a supported shared-leadership. From the very beginning, one of key questions is about task characteristics. The research dedicated three major issues; included independence, being creativity and complexity. A shared-leadership responds to guide team members during implementing the vision, or plan. Meanwhile, a leader has to evaluate irrelevant details, as well as decide who would be match with the tasks. That leader is required to understand and get to know employees' strengths, or weaknesses.

The question about facilitating the improvement of shared-leadership, is about utilizing short-term win strategies. Rewarding is one of keys priorities, which would improve the relationship between leader and followers. Motivation to keep moving forwards would develop systems. There is also a concerns about the role of vertical leaders impact on team outcomes. Like a process, any part would response a specific important as any other part. A leader support provide full of enthusiasm, task-focused direction, or higher-order needs.

TABLE 5. Key questions and answer to consider when developing shared leadership (adopted from Pearce, 2004)

Key questions	Answers
What task characteristics call for shared leadership?	Tasks those are highly interdependent. Tasks that require a great deal of creativity. Tasks those are highly complex.
What is the role of leaders in developing shared leadership?	Designing the team, including clarifying purpose, securing resources, articulating vision, selecting members, and defining team processes. Managing the boundaries of the team.
How can organisational systems facilitate the development in shared leadership?	Training and development systems can be used to prepare both designing leader and team member to engage in shared leadership. Reward systems can be used to reward shared leadership. Cultural systems can be used to articulate and to demonstrate the value of shared leadership.
What vertical and shared leadership behaviours are important to team outcomes?	Directive leadership can provide task-focused directions. Transactional leadership can provide both personal and material rewards based on key performance metrics. Transformational leadership can stimulate commitment to a team vision, emotional engagement, and fulfilment of higher-order needs. Empowering leadership can reinforce the importance of self-motivation.
What are the ongoing responsibilities of the vertical leaders?	The vertical leaders need to be able to step in and fill voids in a team. The vertical leaders need to emphasize the importance of the shared leadership approach, given the task characteristics facing the team.

4.2 Servant-leadership

Indra Nooyi, CEO of Pepsi Co, an instance of role model for servant leadership. She creates a pleasure environment for employees, make them comfortable in the working atmosphere (Kreitner & Kinichi, 2013). Acting like a servant, a leader serves employees, or customers as first priorities. Servant-leadership engages with community. For example, leaders demonstrate on personal identification, try to listen to worker desires, or commit with customers with emotional intellectual skills. However, this type of leadership needs to be aware before applying based on the culture that an organization deals with. Otherwise, a leader would fail for lacking of alert. In Western countries, people prefer a directive approach, but many nations in Asia, individuals advocate for collaborative approach to leadership.

Table 6 below clarifies basics characteristics that a servant-leadership is supposed to be. Not only concerning interpersonal skills that he behaves, but giving a hand needed also a key priority as a servant-leader. The leader understands what strengths as well as weaknesses that his employees have in order to match with right position within an organization. An instance of this is an employee who is good at associating, a good place to match his personalities is marketing environment. A servant-leadership is encouraged to keep further a connection with people inside and outside the company. Going further in relations could make the distance between employees and leader closer. Building trust and establishing relationship, are factors that help in developing a long term business.

TABLE 6. Characteristics of the Servant-Leader (adopted from Spears, 2010)

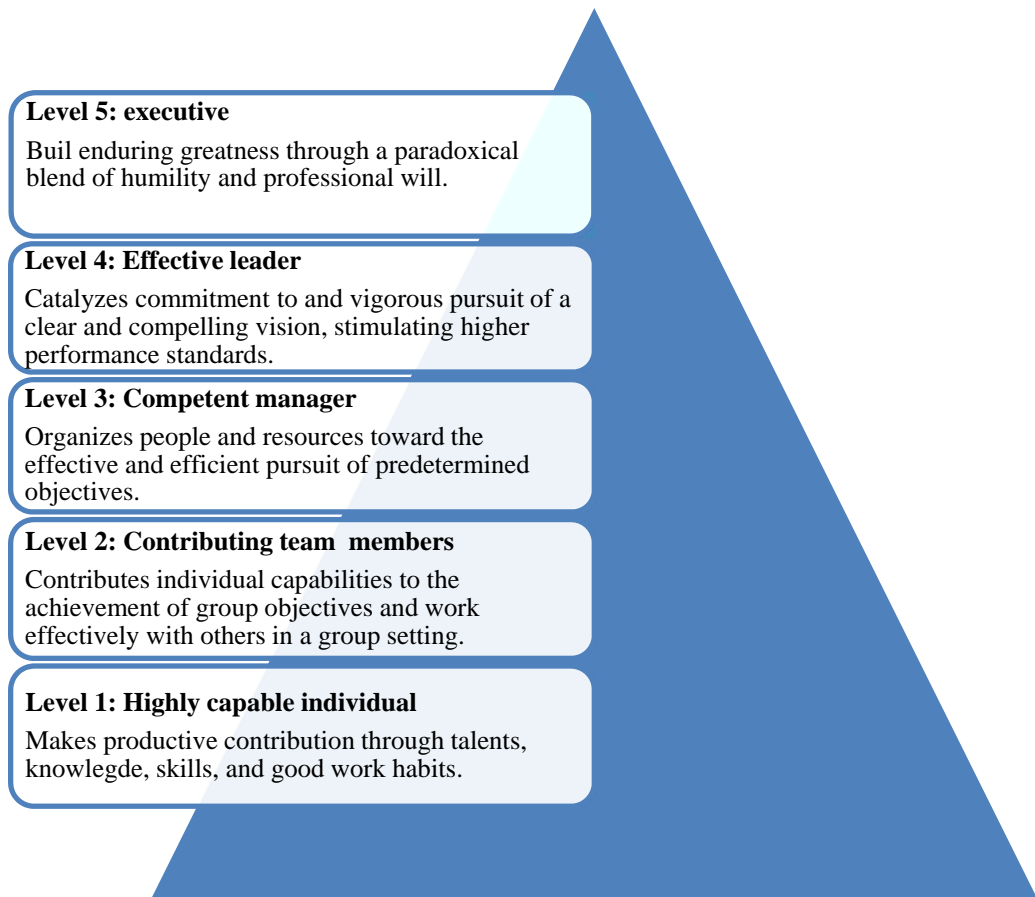
Servant-leadership characteristics	Description
i. Listening	Servant-leaders focus on listening to identify and clarify the needs and desires of a group.
ii. Empathy	Servant-leaders try to empathize with others feelings and emotions. An individual's good intentions are assumed even when he or she performs poorly.
iii. Healing	Servant-leaders strive to make themselves and others whole in the face of failure or suffering.
iv. Awareness	Servant-leaders are very self-aware of their strengths and limitations.
v. Persuasion	Servant-leaders rely more on persuasion than positional authority when making decision and trying to influence others.
vi. Conceptualization	Servant-leaders take the time and effort to develop broader based conceptual thinking. Servant-leaders seek an appropriate balance between a short-term, day-to-day focus and a long-term, conceptual orientation.
vii. Foresight	Servant-leaders have the ability to foresee future outcomes associated with current courses of action or situation.
viii. Stewardship	Servant-leaders assume that they are stewards of the people and resources they manage.
ix. Commitment to the growth of people	Servant-leaders are committed to people beyond their immediate work role. They commit to fostering an environment that encourages personal, professional, and spiritual growth.
x. Building community	Servant-leaders strive to create a sense of community both within and outside the work organization.

4.3 Level 5 leadership

Steve Jobs' skills are considered reaching level-5-leadership. Steve Jobs' own characteristics covered both shared leadership and servant-leadership. Despite the amount of pressure that Jobs had put on his employees, there were a number of people who agreed with the way he worked within Apple Inc. There was neither a comfortable environment, nor leisure time in the company. People just kept moving harder and harder, and they spent hours in meeting rooms for implementing tasks, or staying awake for the whole night to innovate Ipad 5 (Kahney, 2008). In front of many people, there were serious complain from Jobs without caring to lose face. It is just about a stressful and tough working condition that individuals have had when they worked with Jobs (Burrows & Grover, 2006).

On the other hand, Steve Jobs had succeeded by the way he was, he was a shared-leader. Jobs had shared his visions to create high-end products as Ipad or Iphone, whereas others still kept concentrating on PDA at the time. He was creative and predictable which led Apple Inc to successful and effectivity. As a servant-leader, Jobs inspired and motivated followers. His employees still refer to his managerial influence skills, and they were committed to projects with high intellectual capital investment (Jackson, 1999).

To sum up, standing at level-5-leadership requires more than just about professional leadership behaviours. By learning and collecting feedback improve the situation and increase power of influence for leaders.



GRAPH 2. The level 5 hierarchy (adopted from Collins, 2001)

Level 1 and level 2 in Graph 2 describe best supervisors, because they take care of all individuals who belong to the group. Coming with basic management skills to make sure workers accomplish their tasks correctly. Moving to a higher level would be a manager, standing on level 3 as he commands groups to push all members breakthrough targets and give a hand when needed. A manager guiding the whole followers going on the right tracks, and provide good climate for systems. An effective leader remain on level 4, he creates opportunities for individuals to cope with performance standards. Level 5 leadership, or executive would share visions and eliminate tools for systems.

5 THE ROLE OF FOLLOWERS IN THE LEADERSHIP PROCESS

There are two main components which lead an organization to accomplish targets, which come from a leader's behaviours. Being able to cooperate of followers is another key role in success. A connection between a leader and employees during a process would propose tasks run efficiently and effectively. For instance, a company would not accomplish common goals without support of productive employees. Leaders are expected to conduct with responsible, independent, and helpful team members. A leader's behaviours determine whether followers would or would not to be able to accommodate (Lucas, 2000).

5.1 Leader and follower relationship

The study has conducted a four-step process for followers to adopt the leader-follower relationship: understand-integrate-develop-maintain. To begin with understanding, followers, they have to understand themselves as well as their leaders. Individuals should identify their strengths and weaknesses. An employee has to figure out what are the core competences which belong to an organization, or a leader. Followers are proposed to develop an organization when they work for a company. Followers have to understand their leader's strategic architecture, personal identification in order to associate with differences in behaviours (Dewit, 2010). By integrating with leaders, employees understand their leader's characteristics and deal with pressure alternatively. The third step is improving relationship. When two parties keep in touch to each other, followers in short minimize the distance among individuals. For instance, they would show how willingness to collaborate, being productive in project performance, or honest to suppose opinion. The third step, is maintaining relationship, followers evaluate the leader's expectations, or feedbacks.

5.2 Analysing two issues from followers

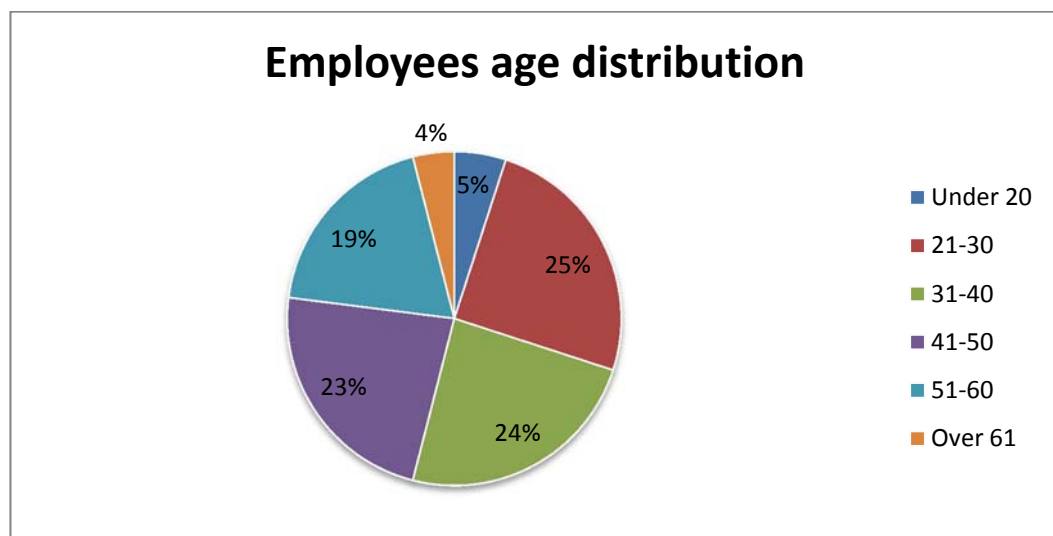
A personal and ethical trade-off need to be recognized. A responsible worker is a potential choice for a leader to look for, and vice versa, an employee also expects he would follow good leader. For example, a follower contributes with his or her intellectual capital to a leader who associates with significant, motivates excitement, or builds community. Personal identification may or may not fit or match each others. As a result, individuals would decide to keep or quit the job (Kreitner & Kinichi, 2013).

Becoming better follower would give individuals an opportunity for themselves and for an organization as well. A follower can improve his competences to be a good employee, and leaders seek for potential followers.

6 PRESENTATION OF CASE COMPANY: LASSILA AND TIKANOJA

Leadership is an important part of company, with respect to those under response to push driving the rest of the organizational to accomplish the common goals. However, that is not everything without combining co-operation of followers. Within Lassila and Tikanoja Company (L&T), they put personnel perspectives as the priority key success factor to achieve so far.

L&T is a recycling company which has operation in Finland, Sweden, and Russia. The company manages approximately 8,000 employees. Employee ages are divided into six groups from about 20 until over 61.



GRAPH 3. Employee age distribution

There are three age groups which belong to the labour force, from 21 to 50, make up the largest percentage, respectively 25 %, 24 % and 23 %. However, those who under 20 years just meet 5 %. The smallest percentage (4 %) is employees who are over 61 (lassila-tikanoja.fi, 2014).

Cleaning sector requires amount of physical movement, would match with those who are full of energy and young age in order to deal with heavy tasks. Human resources contribute within Lassila and Tikanoja included full time, part time, or seasonal. The table 7 present the contribution of human resources.

Between 2012 and 2014, there was a slightly decrease in total number of employees, from 8.962 to 7.830 employees. In Finland, with 7.076 participants, still remained as the major business environment compared to Sweden, Russia, and Latvia respectively 507, 247, and there was no figure from Latvia. L&T in Finland reaches dramatically ten times larger business' opportunities compared to others (lassila-tikanoja.fi, 2014).

TABLE 7. Human resources contribution in Lassila and Tikanoja.

	2014	2013	2012
Total number of full-time and part-time employees at year end	7830	8847	8962
Finland	7076	7088	7035
Sweden	507	582	783
Russia	247	238	232
Latvia		939	912
Average number of employees converted to full-time	7257	8267	8399
Personnel by gender			
female, %	47	50	50
male, %	53	50	50
Personnel by type of employment			
permanent, %	94	95	87
temporary, %	6	5	13
full-time, %	63	57	64
part-time, %	25	33	27
employees called in when necessary, %*	12	10	10
Personnel by personnel group			
salaried employees, %	16	15	16
employees, %	84	85	84
Share of employees with an immigrant background, %**			
from the EU, %	41	43	40
outside the EU, %	59	57	60
Average retirement age**	63,1	63,3	62,9
Sickness absences, %**	5,3	5,3	5,4
Accident frequency	17	17	31
Percentage of employees who had target setting and performance reviews, %	80	87	-
* Type of employment in use only in Finland			
** Figures cover only operations in Finland			

In 2014, male workers made up a little bit higher at 53 %, and 47 % for female. At the same year, a big gap was clarified according to type of employment. A reason to this, permanent workers (94 %) stand dramatically much higher compared to the temporary group (6 %). On the other hand, average retirement age for both male and female was about 63 years. Those figures have proved that L&T develops according to fine strategies, which means loyal workers, and customers satisfied with the services. A good business to business means that each side of business receive benefits, and L&T therefore is on the right track to go further for long term.

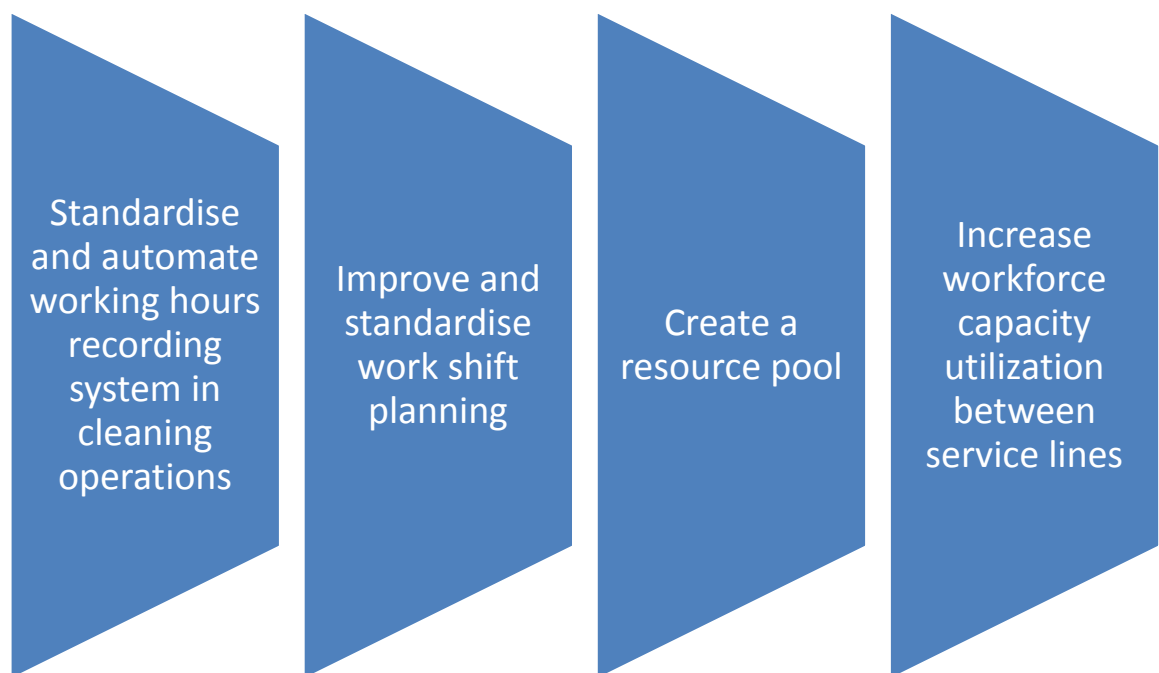
The company was founded 1905 and has developed for over a century, and which secrets that help the company moving toward until present time. The saying “together, we create wellbeing and jobs”, becomes a particular norm that in L&T stands for working culture, and contribute to sustainable international business.

Priority factors that has helped Lassila and Tikanoja develop included customer orientation, skilled and sufficient human resources, cost-efficiency, safe and uniform corporate culture. Customer-driven thinking is a key success, L&T invests in sales and account management skills. As demanding changes from time to time as well as consumers behaviours, the organization would fall behind unless it had new strategies. Human resource management (HRM) supported to approach appropriately. Three Ps have been exploited within HRM to adapt to the high demand of the organization (Gallie, 1991). They are people, place and price, which supported to be in right order. Skilful employees should be arranged in the atmosphere matching with their strengths. The final P is price, or labour costs, standing as the complicated part. Providing potential costs to attract the right people, and remain loyal workers. Afterwards, putting effort on supply chain, L&T targets to cost-efficiency and to maintain profitability. The organization demonstrates harmonizing the corporate and divisional levels. The head of the organization illustrates effective solutions in order to minimize occupational accidents. Those factors come together and make success through the rest of Lassila and Tikanoja (lassila-tikanoja.fi, 2014).

6.1 Investing in employee competences

From 2013, L&T has run “Workforce Management Programme” in order to deskill and requisite resources. The aiming of the program prefers harmonizing management structure or the organization. The company rather eliminates appropriate projects matching with right skilful employees and saving capacity during fast pace growing economic.

Through step by step, there are many sub projects involved comprising support to the management programme process.



GRAPH 4. People with right skills at right place at right time

Graph 4 shows Lassila and Tikanoja’s leader plans to improve working skills more effectively and efficiently to adapt fast pace. “Time is money”, each hour order would cost money from customers, and they would expect the work must complete appropriately. For this reason, L&T workers are trained before experiencing themselves with the tasks. In this way, workers acknowledge responsibilities as well as training which match with right

place and right time. Customers can be satisfied with expectation that they demand from L&T, and keep long business to business relationship (lassila-tikanoja.fi, 2014).

The company keeps promises and they will continue to associate with the Leadership Development Programme, together with supervisor's attention from 2013. An example here is Simo, that is introduced in Graph 4 which is impressive. This is a mobile working that L&T is using to manage working time and job activities performed. It impacts to worker behaviour, because they are under timing to finish the tasks themselves. Managers can control and watch over worker performance at different work placements. This is the fine activities for an international company doing business parallel with high technological developments (Taylor, 1999).

6.2 Accessing new level of skilled supervisory work

With respect to the Leadership Management Programme, L&T' supervisors are required to accomplish leadership skill training programme. Following this, performance will receive feedback in order to find out better ways. An executive and a manager first take part in the training, later, primary offers are to assembled to group leaders and foremen. The concepts of the programme conduct skilled supervisors to executive employee daily job activities, because they rather perform in L&T's client premises, especially in cleaning field.

L&T has launched supervisor forums since 2012, where all supervisors can take place and share experiences with their colleagues. In this ways, the company's services have gained positive feedback from customers. A critical part is that the entire organization, supervisors are supported to take part in ABC and DEF training during next period (lassila-tikanoja.fi, 2014).


7 ANALYSIS OF LEADERSHIP IN LASSILA AND TIKANOJA

According to Fielder's contingency model, leadership in L&T is separated into three categories, leader-member relationship, task structures, and position power. Then, the writer will analyse processes for further details to clarify L&T leadership's role along organization. Based on activities and strategies that have been implemented, types of leadership in L&T are presented.

7.1 Fielder's model and leadership in Lassila and Tikanoja

First of all, according to Fielder's contingency model, among situation controls, leadership in Lassila and Tikanoja are at moderate-control level. As there are many levels in the organization, at the top Chief Executive Officer (CEO), followed by managers, supervisors, office staff, and others, which include workers staying in different places in the company. The cleaning sector, those who work outside the company and alone, the office lacks face to face communication with staff or CEO. Taking into consideration leader-members relationship, L&T would be at level VIII. Leaders to each group have own ways to command their workers. Trust is built every day between workers and leaders. Leaders trust their workers through activities and positive feedback from customers. Trust is established via tight relationships moving forwards. Hard working person receives rewards, and lazy receive warning as a consequence. For those reasons, leadership from small groups would be marked as level IV.

TABLE 8. Leader-member relations model in L&T

Situational Control	High-Control Situations			Moderate-Control Situations				Low-Control Situations
Leader-member relations	Good	Good	Good	Good	Poor	Poor	Poor	Poor
								
Situation	I	II	III	IV	V	VI	VII	VIII

As a consequence, the relationship among leaders and employees would remain from level IV (moderate-control situation) to VIII (low-control situation).

The task structure should be considered very clearly. Workers should receive all adequate training when they start a new task. There is also a handbook which describes most essential issues. The very basic terms, like equipment and materials are combined logically to ensure workers right acknowledge for right job. Those activities improve the management skills in L&T effectively and efficiently. From the view point of workers, safety level at work has increased dramatically.

TABLE 9. Occupational safety in L&T 2006-2013

	2013	2012	2011	2010	2009	2008	2007	2006
Safety observation report	14885	10987	5341	4433	3503	3128	1883	729
Hazard/risk assessment	1839	3086	1707	1958	1192	842	116	84
Safetywalk observation rounds	5577	1670	1519	1242	354			
Occupational safety sessions	4973	1491	680					
Occupational accident frequently	18	33	35	34	43	54	67	87

The aim to reduce accidents at workplace is one of L&T's strategies. Accidents have decreased through the rest of the year 2013, remaining at about 18 accidents which was lower when there were than 87 accidents in 2006.

TABLE 10. Task structure model in L&T

Situational Control	High-Control Situations			Moderate-Control Situations				Low-Control Situations
Task structure	High	High	Low	Low	High	High	Low	Low
	L&T							
Situation	I	II	III	IV	V	VI	VII	VIII

The range level from I to II would mark task structure, as a transformational leader, L&T has improved influence leadership behaviour which has an impact to satisfaction of workers in general, and of customers in specific. Customers are satisfied as the work is more effective and efficient.

TABLE 12. Position power in L&T

Situational Control	High-Control Situations			Moderate-Control Situations				Low-Control Situations
Position power	Strong	Weak	Strong	Weak	Strong	Weak	Strong	Weak
	L&T							
Situation	I	II	III	IV	V	VI	VII	VIII

Range I to II would describe for position power of leadership in L&T. As the results of manager meeting during the year, managers from premises of all cities in Finland have opportunities to share and have experiences from each other's.

TABLE 13. Leadership range of L&T according to Fiedler contingency model

Situational Control	High-Control Situations			Moderate-Control Situations				Low-Control Situations
Leader-member relations	Good	Good	Good	Good	Poor L&T	Poor	Poor	Poor
Task structure	High L&T	High	Low	Low	High	High	Low	Low
Position power	Strong L&T	Weak	Strong	Weak	Strong	Weak	Strong	Weak
Situation	I	II	III	IV	V	VI	VII	VIII
Optimal Leadership Style	Task-Motivated Leadership			Relationship-Motivated Leadership				Task-Motivated Leadership

The power position in L&T stays quite high. The reason is that when the organization makes up a vision, the leader shares his ideas with the employees. An illustration of this is approaching recycling society. Since Lassila and Tikanoja is running a business about environmental industry, and prefer to optimize energy consumption. "It is easy to produce a folk from recycling, but it is difficult to change people's behaviour," according to L&T, they want to change consumer society into recycling society (lassila-tikanoja.fi, 2014). It means that they set up missions to encourage consumer save material. L&T's strategy

spread through the rest of organization, and any worker understands the purpose when he/she doing his/her tasks. However, a connection between leader and employees is not tight. Because workers remain in their own working places, and a leader stays in the office. There is not much time for communicating and building relationship. For the reason, leader-member relations is poor in L&T. Overall, L&T's leader should try to go overcome the distance in building relationship to employees to improve longer development.

7.2 Leadership types in L&T

Transactional leadership and transformational leadership are two types included. They are two foundations to push driving employees with regards to any small, medium or large business. In terms of reward or punishment employees, there are two major characteristics that leaders always utilize in L&T. For example, when achieving targets, the company celebrates short-term wins and evaluates those workers who have been working hard and bring profits to company (Waldman and Yammarino, p 266-285).



GRAPH 5. The impact of individual to outcomes

Workers in L&T are taken care of the leader. They cannot be besides workers, but they should be at the right time and right place when workers ask for help. This would help in help workers stay, or become loyal to the organization. On the other hand, a leader defines the right visions and right tasks to support employees understand

Task structures in L&T make up a good point too. Since a worker takes part in a work place, his promises are clearly written down in, there is an agreement between clients and L&T. Leaders also provide a guideline how to implement the tasks effectively and efficiently. As L&T takes part in many business fields, not only recycling, that is one of

the major reasons the organization creates different structure forms which appropriate with the field (lassila-tikanoja.fi, 2014).

Servant leadership or shared leadership are two types are utilized. L&T is committed to exploit leadership's behaviour. Leaders always ask for feedback. They are always available listening and helping when workers are absent because of sick leave, or private reasons. Being flexible, a leader is the one who raises recommendations when customers complain. Those actions would give a hand in building long term relationship between workers and customers.

During implementation of tasks, leaders in the organization keep on non-stop to enrich worker satisfaction. They make sure that employees get both a healthy and safe working environment. The organization desires that workers accomplish the common goals as they promised in the very beginning. Lassila and Tikanoja has a strong position of task-motivated leadership. Alternatively, developing management is one of the priority strategies within the company (lassila-tikanoja.fi, 2014).

L&T aims to improve management skills to adapt to new modern life. Due to technological developments, the economic activities have changed as a consequence of unlimited sharing information and communication. Small and medium sized organizations widen both their size and reputation of advancing information technology. The powerful of technology and push driving in the company have to change and adapt to new demands. In spite of a huge amount of capital, the return on investment would be recognized. However, the degree of job satisfaction evaluate in different levels when applying new technology in organization. Consequently, at L&T, they launch many training courses for leaders, managers, and supervisors to improve adapt business management and developing in modern life. This means L&T reaches quite near to level 5 leadership according to Collin's study (Collins, 2001).

8 CONCLUSION AND RECOMMENDATION

Leading a business requires much more than just responsibilities. A leader is supposed to be flexible and independent, which leads the organization to achieve the common goals. An individual should like to influence on the whole company's performance, should own natural leadership skills, or even being trained in order to adapt to the cooperation environment. Depending on leadership skills, he would push driving the rest of organization by his own methods. On the other hand, a leader is supposed to understand an organization's working culture to utilize the appropriate tools with his or her followers. For example, Western Engineering has been success for a period of time no matter changing director from an outside industry. Even though it takes a specific of time, there is no denying the fact that flexible leadership has changed the ways that staff used to behaved, and a leader as himself also enhance feedback to improve his skills to adopt challenges in new environment.

It is important to worry about "path-goal" behaviours. To begin with, a leader should dedicate specific tasks to his members. Co-workers would then follow guidance and implement the process. The performance, a leader should set up, are standards and expectations to drive others in the right direction. A leader should utilize both positive and negative feedback of team members. There is necessary to alert employees if they make something wrong. Rewards are motivation for those who act positively through the entire performance.

A leader support and make up some oriented behaviours, then confidence would be set up within the team. When team members believe they can accomplish the task, the environment is more comfortable. Everyone understands and encourages group work. On the other hand, the goals must be challenging and realistic.

"Work-facilitation" behaviours are advocated, task performance needs to be as specific as possible. For example, a leader provides an appropriate schedule to individuals and distributes assignments fairly among co-workers. As followers have enhanced enough resources, acknowledge information, the business plan runs smoother. Creating the abilities to make decisions among team members must accumulate. As a consequence, they know when they should take action independently without support of others.

One of the key priorities to success is interaction behaviours. When the relationship among individual is established, the work would implement more effectively and efficiently. For instance, in Pepsi Ltd, the main reason that the staff stay and work for a long time is that their manager brings happiness to work placement. Be friendly and be fair is the method for success in leadership.

When a problem has occurred in the organization, posing obstacles among colleagues is needed. At that time, an individual has a chance to give out his or her opinions. Together, doing workshops would be helpful in finding out the solution to achieve the common goals, instead of disputing each other about the mistakes, wasting a lot of time and capital. Obviously, a leader has to work harder compared to followers. He or she always maintains networking availability to others. When a co-worker needs help, a leader should give a hand to his followers without condition. However, he has to represent necessary decision making which influence on participation through the entire the organization.

Connecting a clear vision to employees is compulsory. Followers need to feel that they belong to projects, then they can contribute their responsibilities and share passion to others. Networking behaviour supports cooperation effectively. Furthermore, a leader demonstrates himself-confidence. He should show expectation to the group and participate in a positive way. Consequently, a leader has to evaluate the projects and give feedback whether performances have been achieved or not.

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