

The role of a leader in a creative entertainment company - Case: Universal Music Finland

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<p>The aim of this thesis is to find out through research, how the leadership methods currently applied in Universal Music Finland correspond with the needs of the followers. Universal Music Finland is a subsidiary of Universal Music Group (UMG), which is the world's leading music company. UMG operates in wide range of businesses from music recording and publishing to merchandising and audio-visual content. Universal Music Finland's market share is 30% in Finland.</p> <p>The theoretical framework goes through the basics of leadership, its development throughout the years, and in the end some early commonly known leadership theories. Based on one theory, a research fitting for the purpose is conducted to reveal the points where the leading in Universal Music Finland should be developed.</p> <p>Building a conclusion by combining the theory and the results of the research, the author gives development suggestions for the company; if something could be done differently to have a more efficient environment and satisfied followers, and to have a more fruitful relationship between the leaders and the followers. In addition, the author also identifies the factors where the leading has already been successful in the company.</p>	
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1 Introduction

Throughout the years leading creative minds effectively has been a hot subject on the industry influencers' lips, and not with a less enthusiasm there has been attempts to create a theory base to support the leading of creative people. This thesis is created for the reader to have a possibility to take a peek to the leadership ways of a creative company.

Universal Music Finland is a big player in the creative industry. For them to maintain their position, they cannot settle, but they need to be aware of the new trends and innovations emerging in the industry. A group is as strong as its weakest link – that is why the company leaders need to completely understand and support their followers' needs and development strategy and to be able to fully implement that, the leaders need to constantly develop themselves to have the right tools. The aim of this thesis is to tackle that problem by finding out, how the leadership methods currently applied correspond with the needs of the followers. In the end the study should indicate if something could be done differently to have a more efficient environment and satisfied followers and to have a more fruitful relationship between the leaders and the followers.

In the theory part the thesis will go through the history of leadership and then some common theories from which one will be chosen as a base for conducting a qualitative research. Qualitative research is chosen as a method because of the characteristics of the research: the study should be able to address the research problem in a detailed and versatile manner to create a deeper understanding of the complexity of the factors affecting to it.

Although it is just a small step on developing the theory of leadership of creative people, all this combined the thesis will give suggestions to the leaders of Universal Music Finland on how to lead more effectively while making the followers feel supported and understood. With the help of the author's suggestions the leaders can understand their followers better, and make changes to lead more successfully in the future.

2 Universal Music Finland

A word about Universal Music Finland. Universal Music Finland is a subsidiary of Universal Music Group (UMG), which is the world's leading music company. UMG operates in wide range of businesses from music recording and publishing to merchandising and audio-visual content. Universal Music Finland's market share is 30% in Finland, and its CEO is Kimmo Valtanen.

UMG is owned by a French integrated media and content group Vivendi. Vivendi's broad artist agreements support UMG to act internationally in over 70 countries. The strength of the company in the industry is based on the extensive label network, which in addition to Universal Music companies include highly valued labels such as Def Jam Recordings. Employees have often artistic backgrounds or are just very passionate music consumers. The most known recording artists internationally are for example Madonna, Eminem, Lady Gaga, Justin Bieber and The Rolling Stones. Universal Music Finland's best known recording artists are for example Robin, Mikael Gabriel, Evelina and Kasmir. (Universal Music Finland 2016.)

UMG concentrates on team working, artistry, entrepreneurship and innovation in everything it does. The company wants to find promising artists and songwriters, and help them to develop themselves in their path to become commercially successful artists or songwriters. UMG feels a sense of pride about acting in an industry where it can inspire and bring people together. The company emphasizes the importance of social responsibility, and believes it can make a difference, because music is a universal language. (Universal Music Group 2016a.)

UMG has a long history in music production, its present organization being formed in 1998. For all these years it has been able to maintain its position in the ever-changing industry by committing to be the lead in developing new services, platforms and business models to deliver meaningful content and experiences to the customers, and to let artistic opportunities to flourish. (Universal Music Group 2016b.)

3 Leadership Definition and Developments

Leaders are often described as guides, providers, the channels of vision and maximizers of effort. A leader is the one with the authority and ability to command and act in demanding situations, but also the one who is in charge of creating the atmosphere and goals of the group or organization. (Business Dictionary 2016.)

Many researchers have been approaching the definition of a leadership from their own angle. To mention a few, it is said to be part of the group or influence process, an introduction of structure and a tool of goal achievement. Leaders are even mentioned to act as servants of their followers. Nahavandi (2015, in Nahavandi 2015, 25.) wants to emphasize, that although there are several different definitions, they all have four elements which are common:

1. There are no leaders without others.
2. Leaders move others towards goals and actions.
3. Leadership is goal directed and action oriented.
4. The presence of a leader assumes some form of hierarchy within a group.

What is important to remember, is that any definition of a leader does not mention any characteristics, personal traits or positions in a hierarchy. One does not need a title to lead, and a charismatic person does not automatically become a leader. There are many roads to take to become an effective leader. (Kevin Kruse 2013.)

3.1 The Trait Era

The first understanding of leadership, where people were said to be born with inherited traits especially suitable for leaders, was dominating from the late 1800s to mid-1940s. Good leaders were believed to own certain features or combinations of them, allowing them to become a successful leader, and pushing them towards it. This, and the social structure of the time, gave limited possibilities for people to become leaders of any context. Although, some theories of the time loosely mention that at least theoretically, if studying efficient leaders carefully, one could absorb these skills to become a successful leader. (Changingminds 2016a.) This ideology dates back to the psychological focus of the time, where unique individual traits and motivational processes determine the competences of a person. Such a strong characteristics hunt gave tests such as IQ a whole another level of importance when studying the competences. (Saul McLeod 2014.)

The significant assumption which attracted the interest of researchers, and which was commonly shown in every trait theory was, that if certain traits divide leaders and followers, then the existing industrial, political and religious leaders should hold these traits. Based on this assumption, researches conducted over 40 years lasting study, where they observed and identified full demographic and personality information about the leaders and the followers. This study provided minor evidence on the hypothesis of successful leaders being born, or leadership itself being explained by traits or combinations of them. (Nahavandi 2015, 87.)

According to the study, on average leaders tend to be more sociable, aggressive, popular and original, and they have a sense of humour. Situation effects on the relevance of any trait, so it does not automatically mean that an effective leader has any of the traits mentioned above, or even a combination of them.

On the late days of the era, researchers' findings changed the understanding of leadership to the direction where it should not be viewed outside the particular situation. Personality has some effects on the leader's behavioural range or learning those skills, but it does not seal one's chance to become or not become an effective leader. (Doyle & Smith 2001.)

3.2 The Behavioural Era

When the theory of traits did not bring the wanted results, something needed to be changed. The need to recognize and train leaders became urgent during the World War II, so the researchers turned their eyes on behaviours rather than traits. The same way trait era was affected by the psychological focus of the time, behaviourist theories were very dominant from mid-1940s to early 1970s, when behavioural era was blooming.

Rather than identifying who could become an effective leader, behavioural theory concentrates on the aspects of what an effective leader does: specific response to a specific stimulus. Compared to the trait theory, behavioural approach has several advantages, such as measurability and the fact that it can be taught and learnt. This was a huge benefit for example for the military, since they no longer had to focus on finding the leader with an exact trait, but to train people to perform as an effective leader. (Nahavandi 2015, 88.)

When defining the leadership behaviours, researchers used the early work of Lewin and his partners, where they dealt with democratic, autocratic and laissez-faire leadership.

Along with other studies, Ohio State Leadership Studies came up with 1800 different leadership behaviours, from which central leadership behaviours were born. These two behaviour groups were consideration and initiating structure, and they correlated strongly together. (Leadership Central 2016.)

After time, the problem became clear: even though numerous studies were conducted, the connection between effective leadership and behaviours could not be appointed. It was agreed, that soft behaviours such as supportiveness and people-orientation were often linked to follower satisfaction, whereas structure was often linked to performance. However, since different cultures have different perceptions of leadership, behavioural theory alone, without taking notice any situational element, is too simplistic. Therefore, it is unsuccessful to deliver throughout understanding of an effective leadership, even though in general terms researchers and practitioners still continue to use the theory in discussion. (Doyle & Smith 2001.)

3.3 The Contingency Era

When behaviour approach failed to truly explain leadership effectiveness, researchers started to seek more extensive theories to understand leadership. This transformation period started already in the early 1960's, when behavioural era was taking its last breaths, and it is still running.

Researchers pointed out, that all the situational factors should be taken into account when reflecting on leadership, mentioning for example the task and type of work group. Some people might have been good in leading in some situations, but in other situations not. Leadership models evolved to more complex ones that did not just take the leader into consideration, but also the contingency perspective. This means that the call of the situation effects on the style, behaviour or personality of the leader, and there is no best way to lead. (Nahavandi 2015, 89.)

Even though one can learn to be a good leader, personal traits together with the situation effect on leadership effectiveness. In addition, effectiveness itself is proven to be linked to a good leadership. The contingency model is widely accepted, but in recent studies there has been talk about the relationship between leaders and followers, and the way charismatic and visionary leaders can change the game with their huge asset. (Boundless 2016.)

Effective leadership

There are countless ways to define an effective leader, none of them being the best one: through group performance (leaders are effective when the group is performing well), follower satisfaction (leaders are effective when followers are satisfied) or successful execution of change in organization, to name a few. The chosen definition is determined by the angle the person wants to approach it from. Interesting addition to the defining is drawing a line between a successful and an effective leader. Fred Luthans (1989) suggests that being an effective leader is having satisfied and productive employees, whereas effective leader is promoted in short order. Successful managers concentrate more on networking activities, while effective leaders motivate, develop and manage their employees.

According to Luthans' studies, only few managers are both successful and effective. It shows clearly the disorder of rewarding the leaders from their effectiveness, when the leaders should be rewarded from their activities that lead to that effectiveness. If the culture of rewarding is not implemented correctly in companies, companies will find themselves with leaders who shine through networking, instead of through taking good care of their employees and goals. New ideas and methods are often killed in a second if the company has already developed a certain culture of how things are done and what is acceptable.

In ways of measuring effectiveness, companies tend to take the easy way out. Instead of carrying out a thorough analysis of all the actions and parts that leader implements, it suddenly becomes easier to measure the effectiveness for example through the company's rising stock prices, and leaving the satisfaction of current employees as a secondary thing. When companies are facing crisis, shareholders start to demand immediate attention, and then there is no patience for any learning processes. Ironically, executing new methods of leadership would make the dealing of the crisis easier in a long run. After all, to have that effective result, it is a much more complex process. That is why, in addition of having the ideal end result, effective leadership contains also the smooth internal work which leads to the result, and the ability of the employees to adapt in changes and develop themselves. (Nahavandi 2015, 26.)

The key to become an effective leader, is having the organizational support, the environment where to practice new skills, observe the effect of those and avoid routine actions. Moreover, to prime the learning process, it is important to already have the knowledge, experience and ability to learn from one's mistakes. In most cases the success of a learning process is defined at the time of a failure. (Mayer & Caruso 2002, 4-5.)

Situational leadership

In early years of leadership studies the focus was primarily on the traits of the leaders: their roles, behavioural styles and learned skills in the organization. What was completely forgotten was the people the leader wants to influence. Followers will either accept or reject the leader based on their readiness, so followers are the crucial factor when the power of the leader is measured.

The situational leadership means that the leader identifies what is the current state of the group or the organization, and according to the findings adapts his or her style. This means that the leader does not act for own personal interests, but for development, growth and effectiveness of the group or the organization. The identifying includes evaluation of the competences, skills, motivation and confidence of the group or the organization. If the leader is unable to be flexible with his or her style, the group or the organization is forced to act according to the leader's style in every situation, which is not favourable in a long run. (Gupta 2009a.)

Leadership styles

The task of a leader is to further improve the development level of the followers. Followers need to be not only committed to the task but also competent enough for it. There are two factors, ability and willingness of the follower, which have an impact on the development level. Ability of the follower means the job related knowledge and experience, and willingness of the follower means the confidence, commitment and motivation the follower shows for the task. These two factors are closely related and work across each other. As an example, when the follower does not have enough experience of the assigned task, he or she might lack in confidence.

What is important to understand in the situational leadership model is what the leader should do to enhance the development level of the follower. For example, when the development level is low, and the follower does not have the confidence nor the experience needed for the task, the leader should concentrate on giving directions to the follower: this is where more directive approach should be applied. The directive style is often explained as the task oriented one, where the leader directs and leads and the communication is just one-way. The other extreme of a leadership style is considered to be supportive. When talking about supportive styles, they are often explained as people oriented ones, where the communication is a two-way street, and the style itself implies social and emotional support. This leadership style should be applied when the development level is high, the follower is very independent in decision-making and already has the proficiency of the task.

According to the model and based on the two factors mentioned earlier, ability and willingness of the follower, there are four different levels of follower development. Each level has its own characteristics; to help the follower to develop himself or herself, the leader needs to adjust his or her style of leading according to the follower's development level. From task oriented concern (directive) to people-oriented concern (supportive), there are one style to match to each development level. According to the follower's development level, leader picks the right style and applies it. The following table explains on detail the four development levels of the situational leadership, their characteristics and the four styles for leaders to use according to the follower's current needs. (Gupta 2009a.)

The follower is new to the task; lack in experience and confidence to complete the task.	The follower has become more productive, due to right directions. Completing tasks has made the follower more enthusiastic and confident. The follower is dependent on the leader; therefore a good listener.	The follower has reached a sufficient proficiency, but willingness towards accomplishing the goal starts to reduce. This is a result of the following: follower becomes productive → leader reduces directions → decision-making to the follower → reduced confidence and willingness	The follower has reached the required proficiency, and is able to make independent decisions. The performance is on the highest level, and the follower reports the progress to the leader.
LOW low ability low willingness	LOW-MODERATE low ability high willingness	MODERATE-HIGH high ability low willingness	HIGH high ability high willingness
<p>▲</p> <p>THE DEVELOPMENT LEVELS OF A FOLLOWER</p> <p>SITUATIONAL LEADERSHIP STYLES</p> <p>▼</p>			
DIRECTING high directive low supportive	COACHING high directive high supportive	PARTICIPATING low directive high supportive	DELEGATING low directive low supportive
The leader gives clear instructions on how and when a task should be accomplished, supervises them throughout the project. Communication is mostly depending on the task accomplishment, a little support is expected from the leader.	The leader still gives clear instructions and has the decision-making power, but in addition the leader encourages the follower and explains the reasons behind the decisions.	The leader tries to make the follower more independent and lets the follower make routine decisions. The leader shares the ideas, but still makes the final decision, and maintains the supportive behavior by giving social support.	The follower has a high independency, the leader is less involved in the activities. The leader takes part in the discussion of the details and goal of the task, but after gives complete freedom to the follower on how to actually accomplish the task.

Table 1. Development levels of situational leadership (Gupta 2009a.)

4 Early Leadership Theories

This part of the thesis explains three common ground theories of the contingency era of the leadership from the early days to the present. The theories evolve in a timeline, but the core has lasted unchangeable: the researches have always tried to understand how to use the resources available at the time to build a functional relationship with a follower to reach an actual goal.

4.1 Fiedler's Contingency Model

Fiedler's Contingency Theory (1967) is exceedingly well researched contingency approach to leadership. The basic idea of the model is that effective leadership is a result that forms from a match between the leader's style and the dominating situation. If these two match, the leader will be effective. In the theory, Fiedler concentrates on how to make use of the existing resources to make the process effective.

Leader's style is defined with a scale called the least-preferred co-worker scale, shortened as LPC. It tells if the leader is merely motivated through task accomplishment or through maintaining relationships. Employees' perception and description of their least-preferred co-worker gives an understanding of their goals and motivational habits.

Employees, who give a low rank to their least-preferred co-worker (assessing their trustworthiness, competences and traits), have low LPC scores, and it transfers to the scale as being task motivated. If task-motivated leaders or their groups fail, they tend to judge strongly their subordinates, since they build their self-esteem mostly on task accomplishment. If on the other hand the task is proceeding as planned, task-motivated people concentrate on details and like to control even the routine actions. Employees with high LPC score rank their co-workers rather positively, and are relationship motivated. They build their self-esteem through having good relationships with others, and because of that their least-preferred co-worker is often someone who has been untrustworthy to them rather than seen as incompetent. People who are motivated through relationships, often get bored with details and concentrate mainly on social interaction. These differences between motivations are clearly seen in the time of crisis, when task-motivated persons concentrate on tasks and relationship-motivated person's concern is on relationships when under pressure.

People landing in the middle of the scale are called socio-independent. Their motivational factors depend on are they in the high or low end of the scale: closer to relationship or

task motivation. Socio-independent people do not usually seek leadership roles, and tend not to care so much of other people's opinions. Some researchers have suggested that the people landing in the middle are more effective in all situations than the people landing clearly in either end of the scale. (Levine & Moreland 2006, 348-349, 370-371; Nahavandi 2015, 90-91.)

Situational requirements

As mentioned before, to make the leadership effective, in the model Fiedler emphasizes the need to have a match between the leadership style and the situation in progress. Fiedler uses three different elements to differentiate these situations.

Placed in order of importance, the elements are:

1. Relationship between the leader and the follower
2. The amount of structure of the task
3. The position power of the leader.

Fiedler highlights the quality of the relationship and the integrity between the leader and the followers (and also among the followers) as the most important matter or any situation. When the leader-member relations (LMR) are good, the group is coherent and encouraging, giving the leader a possibility to implement actions. If the LMR are bad, the group is divided and the leader enjoys only a little trust of the group. In that case the leader's control over the situation is low. (Nahavandi 2015, 90-92.)

The second element of leadership situation is the task structure (TS). If the task has a high structure, it is clear with its goals and practices. It also has clarified paths to correct solutions which can be easily evaluated. The level of structure affects the leader's ability to have a control over the situation. When the structure level is low, the leader has only a touch of control, whereas when the structure level is high, the leader has a significant control over the situation. Experience level of the leader has effect on the task structure: if the leader has experience of the task, they will be comfortable with it and find the task as more structured, while to the leader with less or no experience the task will appear as unstructured.

The third element of leadership situation is the least effective one. PP, or the leader's position power, explains the leader's level of power and influence over subordinates. Simply the leader with more position power will feel more in control over the situation, than the one with just a little power. (Levine & Moreland 2006, 371-374.)

These three elements (LMR, TS and PP) combined together define the amount of control the leader has over the situation, and how accepted is the leader's influence in the group. If there are good leader-member relations, a highly structured task and the leader has a high position power, the leader's influence is well accepted. When there are low leader-member relations, an unstructured task and the leader has a low position power, the situation is chaotic and it can't continue a long time in the organization, because of the crisis environment, and the lack of support it offers for the leader. The situation in the middle causes unstructured tasks and relationship problems between the leader and the follower. In these situations, the environment for leading is poor, and the leader cannot have a full control over the situation. (Nahavandi 2015, 92.)

Evaluation of the model

Although the great support of the model through years, it has got criticism from the researchers for the validity of the LPC scale, the predictability of the model, the lack of research that has been done for the leaders landing in the middle of the LPC scale and the lack of development possibilities it gives for the leader as career wise. What needs to be kept in mind is that LPC score is not the only clincher affecting on leader's activities, since there are numerous internal and external factors that have influence on person's behaviour. Within the model, Fiedler's views are reliable predictors of effectiveness, but they should not be used beyond it.

To get the most out of the model, leaders should understand their style and the situation completely to be able to forecast how effective they will be. When the style is matching the situation, leader will be effective – the model believes that the focus should be on changing the situation to match the style instead of changing the actions. If there are any obscurity of task or position power, it can be compensated by a good relationship with followers or by experience and training. (Miner 2015, 234-235; Mitchell, Biglan, Oncken & Fiedler 1970, 260-267.)

Regardless of the criticism, Fiedler's model with all its supporting research and analysis, continues to be one of the most reliable models when trying to understand leadership. The model is unique when considering the way it concentrates on changing the situation instead of the leader's style, and encouraging to develop the strengths rather than trying to compensate any weakness. (Nahavandi 2015, 94-95.)

4.2 The Normative Decision Model

On the contrary to Fiedler's Contingency Model, the Normative Decision Model suggests that the leader can change the leading style according to the needs of the situation. The model, developed by Victor Vroom, Philip Yetton and Arthur Jago in 1973, also determines when the leader should bring followers into decision-making. Like in the contingency model, the situation and the leader's style should be matching, but in other ways these two models differ quite a lot. (Vroom & Yetton 1973, 10-12.)

The normative decision model's theory is limited to only decision-making, and it is based on more logic than long-term observations. Leaders should adapt their decision-making style according to how important is the quality of the decision and the probability of employees accepting the decision. The model points out four different methods to leaders:

1. Autocratic: little or no involvement from followers in decision-making (A)
2. Consultation: consultation with followers, leader still maintaining the authority in decision-making (C)
3. Group: leader relies on consensus building to solve the problem (G)
4. Delegation: leader delegates the total decision-making to one employee (D)

The style the leader should use depends on the situation facing the leader and the group and on whether the situation involves the whole group or just one individual. For example, recognizing one's work is an individual problem, whereas cutting down business is a group problem. There is not always a fair line between these two: some individual problems may have an effect on the whole group and a whole group's problem may have an effect on individuals. For every style there is subcategories to help the leader with these vague lines. All of the decision styles and how to use them are explained in the table below. (Vroom & Yetton 1973, 13-19; Nahavandi 2015, 95-97.)

DECISION STYLE	AI	AII	CI	CII	GI	GII	DI
DESCRIPTION	Unassisted decision	Ask for specific information but make the decision alone	Ask for specific information and ideas from each group member	Ask for information and ideas from the whole group	Ask for one person's help; mutual exchange based on expertise	Group shares information and ideas and reaches consensus	Other person analyzes the problem and makes the decision
THE DECISION MAKER	Leader	Leader	Leader	Leader with considerable group input	Leader and one other person	Group with leader input	Other person
PROBLEM TYPE	Group and individual	Group and individual	Group and individual	Group	Individual	Group	Individual

Table 2. Decision Styles in the Normative Decision Model by Afsaneh Nahavandi (Nahavandi 2015, 97.)

The normative decision model has a so-called decision tree, where series of questions are asked, and by depending is the answer “yes” or “no”, the leader can define which decision style should be used. These questions are formed from the contingency factors of the model, the first two being the key ones to consider.

1. Quality requirement (QR)

How important is the quality of the decision?

2. Commitment requirement (CR)

How important is the employee commitment to the implementation?

3. Leader information (LI)

Does the leader have enough information to make a high-quality decision?

4. Structure of the problem (ST)

Is the problem clear and well structured?

5. Goal congruence (GC)

Do employees agree with and support organizational goals?

6. Employee conflict (CO)

Is there a conflict among employees over a solution?

7. Subordinate information (SI)

Do employees have enough information to make a high-quality information?

(Nahavandi 2015, 97.)

One of the most widely used decision making trees is presented below, even though there are several others available. It is known as the “time efficient” one, since it is assumed that using consultation and participation when making any decision takes time and is not seen as efficient. As an example, other common used decision making model is the “time investment” one, and it focuses on the development of employees keeping the efficiency as a secondary thing, supporting participation in decision making whenever possible. (Vroom & Yetton 1973, 35; Nahavandi 2015, 98-99.)

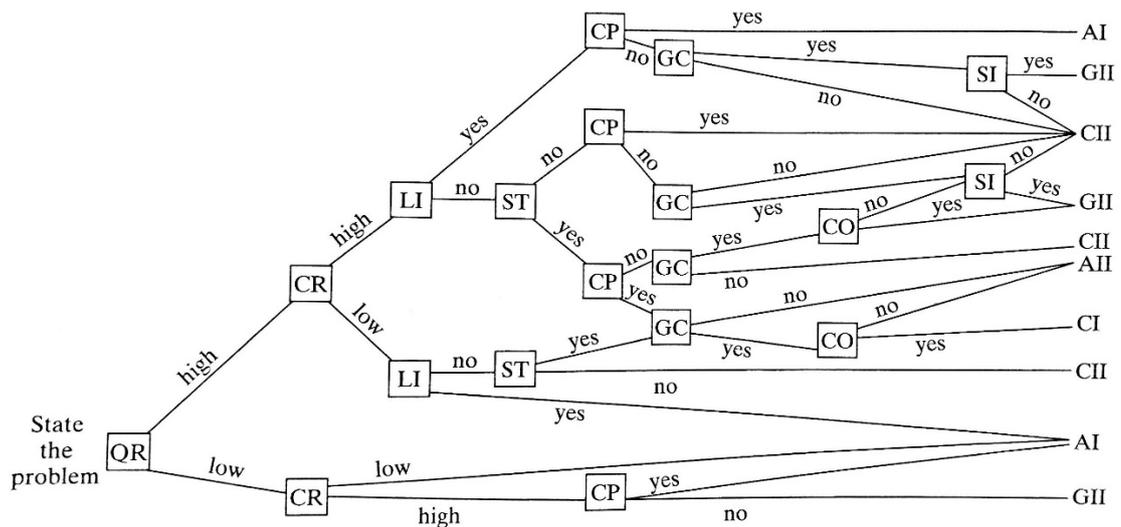


Figure 1. Normative Decision Model: The decision tree by Afsaneh Nahavandi (Nahavandi 2015, 98.)

Evaluation of the model

The Normative decision model is praised from its clearly defined decision methods and extensive research about participative management and group dynamics. Several further research studies have shown to support the normative model in different environments, even in non-profit settings. (Nahavandi 2015, 99.)

Some researchers have criticized the model from its complexity in a practical matter. When for example in a crisis environment leaders have only a marginal of time to use, only few of them will climb all of the steps through. Partiality can become a problem in some cases because the model leans on leaders self-reporting. Leaders may not have the ability to use all of the decision styles equally. According to the model, leaders should use the autocratic model for one decision, consultative to another, and still be group oriented for other decisions. The model does not also consider that managers own self-interest would have any effect on the decision-making and that only subordinates have problems

acting in organization's interests. This disconnects the model from the reality. (Field 1979, 253-255.)

Compared to Fiedler's Contingency Model, the Normative Decision Model is a much more narrowed one. Within the limited model, it works for leaders help, but to use it to its maximum capacity, leaders need to have transparent options, they need to understand the situation clearly and all the model's different decision styles. It is not clear, if the model is meant to train managers or just to act as a directive tool, or both. To begin with, leaders must take a close look at their followers needs when making decisions, and see that participative leading is not always the answer. (Changingminds 2016b.)

4.3 The Path-Goal Theory

The Path-Goal theory is based on Vroom's (1964) Expectancy theory, which states that people will act in a certain way, because they expect that the act will lead to a given outcome, and because of the attractiveness of that given outcome to the individual. The Path-Goal theory was first introduced by Martin Evans in 1970, and further developed by House in 1971. (Clark 2015.)

The theory tries to specify the leader's style or behaviour best fitting the followers and the environment in order to achieve a goal. The ultimate goal is to empower and increase the motivation and satisfaction of the followers, to commit them to the organization as productive members. The Path-Goal Theory can be best understood as a process, where leaders choose specific behaviours based on the environment and followers' needs, so that the leaders will be able to guide the followers through their path to achieve their goal in the best possible way.

The theory does not have a detailed and specific process to follow, but it generally goes through some basic steps. First, leader needs to define the employee and environment characteristics. Next, leader selects a leadership style that matches those characteristics, and as a last step, leader needs to concentrate on the motivational factors of the follower to help the follower succeed. These steps are introduced in the graphic below. (Clark 2015b.)

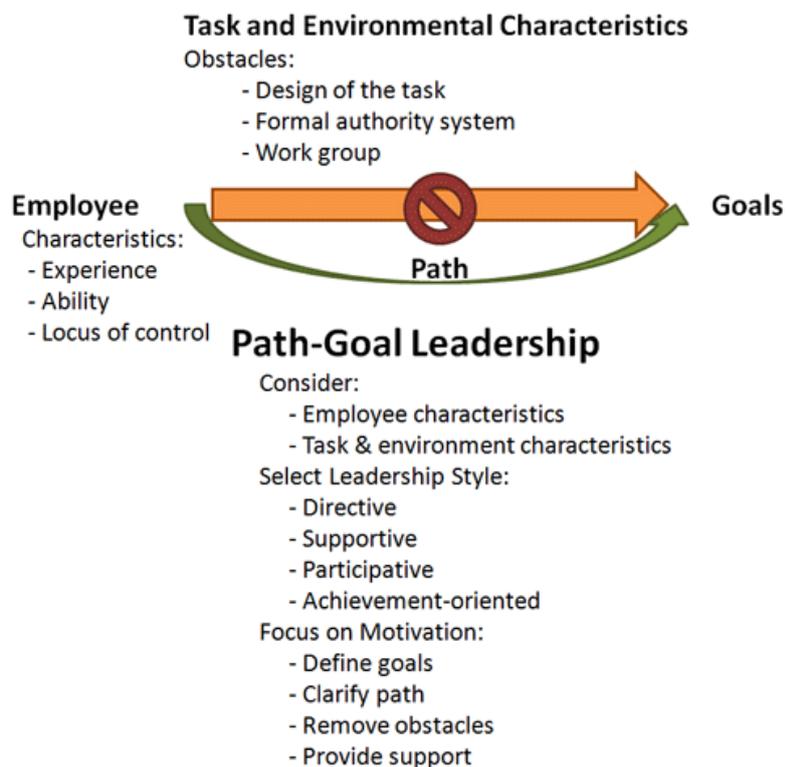


Figure 2. Path-Goal Leadership by Donald Clark (Clark 2015b.)

Employee, task and environmental characteristics

To understand motivational factors, leader needs to understand follower's needs. Follower interprets leader's behaviour through own personal needs; for example through the need of structure, the sense of affiliation, the desire of control and the perceived level of ability. If a leader controls the follower too much compared to the needs of the follower, the follower automatically becomes less motivated.

The main idea of the theory is for the leader to help clear any overpowering obstacles that the follower might face when trying to reach a goal. This requires stepping in when things get tough, so that the follower finds its way to conquer the obstacle. As seen on the figure 2 above, there are some characteristics in tasks that might become more difficult for the follower to clear without the support of the leader. If the design of the task is unclear, the leader might need to give more structure to it. Depending on the task, the leader can either provide clear goals, or even give all the control to the followers. If the work group does not give each other enough support, the leader needs to build up the team work and dedication to all of the team members. (Clark 2015b.)

Leadership style

For the follower's motivation to succeed in reaching the goal effectively, the leader needs to adjust his or hers style of leading according to the employee and task characteristics. House and Mitchel (1974) defined four independent leadership styles to support this thought: directive, supportive, participative and achievement. These styles are based on the behaviour study done in Ohio State University, which identified two factors: consideration and initiating structure. Consideration is about relationship behaviours such as respect and trust, whereas initiating structure is about task related behaviours such as organizing and scheduling.

Directive style was created based on initiating structure, and supportive, participative and achievement styles were created based on consideration factor. All of the Path-Goal type of styles are explained in detail below.

Directive The leader gives the followers detailed guidelines on how to perform, what is expected of them, and coordinates the task closely. This style works the most effectively when the followers are unsure about the task, or the environment is altogether uncertain.

Supportive The leader supports the followers by making the environment pleasant. The leader is friendly, easily approachable, and is concerned of their well-being. This style works the most effectively when tasks and relationships are challenging physically and/or psychologically.

Participative The leader consults the followers always before making any decision on how to proceed. This style works the most effectively when the followers are highly trained and dedicated to their work.

Achievement The leader challenges the followers by setting high goals, expects them to perform in their highest level and as the main thing shows confidence in the followers' abilities to complete the task as expected. This style works the most effectively in achievement environment such as sales, and in professional environment such as the scientific ones. (Clark 2015b.)

Even though these are the most common leadership styles to use when discussing about the Path-Goal theory, in 1996 House added four new behaviours to the list.

Work facilitation The leader plans, schedules and coordinates the followers' work by providing mentoring, coaching, guidance and also feedback for the followers to develop

their knowledge and skills in order to achieve the goals. This style works the most effectively when the followers do not have task relevant experience, or the environment is uncertain and unpredictable.

Group oriented decision process The leader presents to the group problems rather than solutions, identifies mutual interests of the group and encourages all the members to participate in the discussion. This style works the most effectively when there is mutual interest within the group, and the decision requires acceptance of the whole group for implementation.

Work group representation and networking For the followers to work effectively, they need resources from the organization, and acquiring them depends on the followers' relative power within the organization. Effective representation of the followers contributes to the relative power. The leader enhances the group representation by effectively networking and maintaining positive relationships with the other members of the organization. This style works the most effectively when there is comparatively lower inter-organizational power.

Value based The leader articulates the vision and expresses the passion for it, demonstrates self-confidence, selectively stirs the unconscious motives of the followers, takes personal and organizational risks to plunge into the situation, communicates high performance expectations and has confidence in the followers' ability to exceed them, and uses positive evaluation. This style works the most effectively when it concerns the leadership of individuals, small groups, work units, organizations, movements, political parties, societies or nation states. (House 1996.)

The leadership styles explained below are not the only ones that can be used, since there are several other options available. The decision of which style to use is the most importantly depending on the situation. This is where the Path-Goal theory is closely linked but more evolved theory when comparing to the theory of situational leadership, which was opened up already in the chapter 2.3.2.

Evaluation of the model

The Path-Goal theory presumes that leaders are flexible and so available to change their leading style whenever the situation requires. This coheres with the understanding that although genes define people internally, experiences have the last say on how we behave. (House 1996.) The Path-Goal theory is the first theory that combines together the situational theory, the expectancy theory and Fiedler's contingent model. It has its concentration point on the follower's perspective of motivation, and it is quite easy theory for leader to adopt because it gives such a clear roles for the leader.

There has been several research studies done to support the actual model, but the empirical support still remains to be mixed. To effectively embrace the theory in practice, it requires a throughout analysis, which might be challenging for the organization to implement. The Path-Goal theory turns the attention of leadership studies to the supportive leading and using behaviours as a guidance to followers, which has been seen to bring too much responsibilities to the leader. Although, it might instead have the followers more comfortable to work for their own professional growth. (Gupta 2009b.)

5 Conducting the Research

The goal of the research is to find out how do the leadership methods currently applied correspond with the needs of the followers in Universal Music Finland. The research should in the end point out if something could be done differently to have a more efficient environment and satisfied followers and to have a more fruitful relationship between the leaders and the followers.

The leaders are in this case the labels directors and/or managers, and the followers are the managers and/or artists, depending on through which leader the situation is viewed.

5.1 Methodology

This part of the thesis explains what method is used in the research, and which of the theories explained earlier is chosen.

The two most common research methods are quantitative and qualitative. Quantitative research's basics are presenting structured questions to randomly selected people. It is based on numbers, and is interested in different classifications, causality and comparison, and tries to discuss the phenomenon through them. The target of the study is examined quite like with the eyes of an impartial external person, and the questions are formed

based on a theory. The quantitative research analyses the results with the help of statistics and calculatory methods. (Lähdesmäki, Hurme, Koskimaa, Mikkola & Himberg 2015.) The validity of the research has an important part of the research. The research process itself has critical points, and after passing them there is no possibility to go back. In the qualitative research the process expands over the whole research process.

Qualitative research differs from the quantitative with its concentration on the quality. The interviews are conducted usually with specifically chosen persons, and the questions or the theme of them is formed as open. The researcher does not have any power in producing the research material, the power is fully on the hands of the person who is interviewed. Hence the researcher cannot influence the answers at the time when forming the actual questions, but he or she has the power and responsibility when interpreting the material. The objectivity of the research is based on the fact that the researcher does not have his or hers own values and beliefs in the questions. In qualitative research the interviewer is interacting with the interviewee to understand the viewpoints. The results are mostly discussed in a written form rather than with graphics, and the researcher uses the theory to organize and comprehend the material.

Nowadays when talking about quantitative and qualitative research methods it does not necessarily mean separating them from one-another. In the same research there is a possibility to use different theories and methods to solve the problem. However, when using different methods at the same time, the researcher has to be very aware of the requirements and the differences between them. (Statistics Finland 2016.)

In this research, qualitative measures are chosen as a method to view the current situation of leadership in Universal Music Finland in a detailed and versatile manner, and to create a deeper understanding of the complexity of the factors affecting to it. In qualitative research the interviewees can be chosen according to the needs, instead of for example through random selection. What is important is not decided by the interviewer, since the interviewee has a big impact on the result of the research. Every interview is unique and the material is interpret accordingly. Data acquisition is then comprehensive when also the collection happens in natural and real situations. (Hirsijärvi, Remes & Sajavaara 1997, 164.)

The purpose of the interviews are to dig deep and to even touch the issues that may be personal in some ways to some of the people who are being interviewed. To allow the interviewees to talk freely, the interviews are conducted as semi-structured. This technique works the best when you have some information about the subject, but you still lack some

angles. (Clifford, Cope, Gillespie & French 2016, 145-146.) Because of the style of the questions, the purpose of the research is evaluated carefully, and the interviews are done anonymously and confidentially, to prevent any kind of ethical conflicts. The idea is to create an environment where the interviewee can answer the questions easily without feeling any discomfort. This is why none of the transcriptions of the interviews are found as an appendix of the thesis. (Hirsjärvi & Hurme 2008, 20.)

The interviews are conducted for three different groups working for the label: directors, managers and artists. In total there are 8 people being interviewed separately, all with a different professional background. The interviews are conducted in the office of Universal Music Finland, which is a natural place for all of the groups. All of the interviews are recorded and analyzed carefully later on. The results will give a better understanding on how to apply the methods of the Path-Goal theory, and either strengthen or weaken the functionality of the theory in real-life situations.

The choice of the theory: the Path-Goal Theory

The Path-Goal theory brings added value to other models such as Fiedler's Contingency Model, by considering several different angles of leadership. Instead of focusing on the leader's goals, it includes followers' understanding of the task and the leader's role in eliminating all the obstacles in the path to reach the goal. The model is unique with its use of follower satisfaction as a criteria of an effective leadership. According to the model follower wants to be an autonomous factor that impacts on leader's behaviour, since all the behaviours will not be effective with every follower. (Nahavandi 2015, 99-100.)

"If you treat people like they make a difference, they will make a difference." (Nahavandi 2015, 101.) Commitment to a specific record label, or any other company, is an ongoing challenge for every industry and its leaders and followers. For leaders to act as obstacle removers in the Path-Goal theory, in practice helps to create trust and through that commitment to the organization. Creative work and the path to a goal can sometimes be a rocky one, and the obstacles can often be uncontrolled and cannot be foreseen, so leaders play a very important role as supporters and developers in those paths.

In Path-Goal theory the leader and the follower together establish a relationship, which rallies on swap of support and guidance from the leader for productivity and contentment from the follower. Throughout the years creativity has been considered as something that is unmanageable, so it has not been given that much of an attention from the leaders. Life-cycle of trends is short, and the competition of who can create the best outcome builds up the pressure strongly. One day something that was put on some intellectual

thought has now become a rat race. Diego Rodriguez, a partner at IDEO, has mentioned that the biggest obstacle when trying to become one of the top ranks in creative leadership, is the myth of a “lone inventor”. The reality is that many of today’s success stories are drawn on many contributions. The Path-Goal theory sums it up in a theory: the leader needs to engage the right people, in the right time, and in the right level to create the best possible creative environment, by taking into concern all the different angles of the leadership. (Amabile & Khaire 2008.)

Interview questions

The questions of the research are formed so that instead of any actual methods, an insight of experiences and current thoughts of the directors, managers and artists will be provided through the answers. Their experiences will then help to apply the methods of the Path-Goal theory into every-day situations of Universal Music Finland.

The questions are formed based on the three factors that leader needs to concentrate on in the Path-Goal theory: employee, task and environmental characteristics. Through the input of these three different blocks should be shaped a thorough understanding of the complexity of the factors and the overall picture of the current situation. After acknowledging the strengths and the weaknesses, this research should be able to give suggestions on how to further develop the leading to more effective levels in Universal Music Finland.

After forming the questions, they are then adjusted to fit to directors, managers and artists. Some questions are meant to give answers to several characteristics. The final questions for each group are found in the Appendix 1, but the questions are constructed from the following themes.

Employee characteristics (questions 1-2, 5-8, 11-12 for directors; 1-2, 5-8, 12-15, 24-26, managers; 4, 6-9, 14-15 for artists)

Professional background

Style of leading

Motivational factors

Satisfaction at work

Need of guidance

Building a trust

Commitment to work/the label

Through these questions the research tries to indicate all the complex factors that have an impact on the satisfaction of the followers of Universal Music Finland, and if there can be found any inconsistency between the leaders' and the followers' experiences. Ability of the followers to act in their highest level and for them to feel trusted and supported creates commitment for the label and desire to work for its success.

Task characteristics (questions 3-5, 14-15 for directors; 3-5, 18, 21, 22, 25, 27 for managers; 2, 5, 12-13 for artists)

Publishing process

Scheduling and internalization of tasks

Creating the goals

Analyzes of paths to goals

Pressure and challenge factors

The use of incentives and constraints

If the guidance, support and challenges the leader gives is on the right level according to the followers needs, they feel that they can handle the task and succeed in reaching the goal. These questions try to find out if the leading has been successful in the label in defining the task characteristics and has the leader been participating enough or too much when there has been obstacles to tackle.

Environmental characteristics (questions 4, 9-10, 13, 16, 17 for directors; 9-11, 16-20, 22-23, 28 for managers; 3, 10-11, 16-20 for artists)

Encouragement of career development and creating goals

Preparing for crisis and acting in those situations

Decision-making culture

Working atmosphere

Additional value Universal Music Finland has brought to followers

Rewarding the followers

When the environment supports the follower's needs, it is the base of getting the best out of people. Through these questions are to be found out if the follower feels that his or her knowledge is trusted and believed by the co-workers, and if the surroundings are matching the needs. The environment at the label breathes the values and thoughts of the leader, so they become a big part of the leading process. By feeling contented of the environment, the follower can concentrate fully on self-development and the actual tasks.

5.2 Analysing the Data

The interviews start with some basic questions about the interviewee's professional background before the current position in Universal Music, to see whether for example an earlier experience in leadership positions would have an effect on the answers of the questions. This might also have an effect on the employee characteristics. Every question gives a possibility to give long answers and open up the subject in a way the interviewee is the most comfortable with, but also gives the interviewer a chance to create follow-up questions.

For the consistency of the thesis, the results of the interviews are analysed under the same factors the questions of the interviews were formed earlier: employee, task and environmental characteristics. Answers are compared to the factors that guarantee the success according to the Path-Goal Theory, to see if there can be found any mismatches or any equivalence. Determining these in the early stages of analysing, supports the author's work when giving suggestions to the company. Most of the answers might fit under many characteristics, since all of them work closely together. As mentioned, these characteristics are important on the Path-Goal theory, as they are the factors which have an impact on the leadership choices.

Employee characteristics

The professional backgrounds of all of the interviewees are very different: some have had education to develop their current professionalism, but most of them have ended up in the industry just for the love of music. Two of the interviewees in leading positions mention, that they have had difficulties in letting go of the strings, and giving responsibilities for their followers. However both of them tell that they have worked quite hard for that to change, since the working environment does not function smoothly in any other way, and even in the industry does not promote for that. Other important factors in Universal Music Finland the leaders emphasize are inspiring, encouraging, listening, giving responsibility and leading everyone individually and especially knowing everyone personally. "The leading becomes more effective the more personal it is", says one of the interviewees in a leading position. If the support is there and the environment is created to be fruitful, the effectiveness comes automatically, according to one leader.

For every interviewee, the motivational factors are very clear. One of them mention that motivational factors are often discussed in the development discussions hold at least once or even twice a year. The interviewee brings up the possibility of these discussions making people think about their needs and motivation. One motivational factor rising up the

most is the enthusiasm towards the music, and what it can bring for the listeners, in this case for the customers. Also success for example in a project is a big motivational factor, and also if it is recognized somehow by a leader and/or co-workers motivates every interviewee. The motivational factors and the satisfaction at work are often linked to a good leadership in the answers: if the follower feels that the leader is listening and trusts him or her, and through that the leader gives the follower more responsibilities in decision-making, good feedback, possibilities to develop in a professional level and also space to work, those are seen as a big motivational factor. One interviewee mentioned, that his or her superior might not completely understand the work he or she does, and because of that the interviewee cannot get much support. One interviewee in the leader position emphasizes that with the freedom to work comes automatically more responsibilities. With the artists there has not been any discussions about their motivational factors, but they feel that the label already knows them. One of them also mentions, that often artists are thought to be motivated only from the fact that they can be artists. This thought is confirmed in one interview, where a person in a leading position explains that artists are motivated from being an artist.

One fact that also comes into discussion is that sometimes one interviewee feels that his or her work can feel a bit empty. The whole industry acts in such a narrow area at the moment, which leads to the result that the actual creativity is not able to break loose. In one way some artists are even seen as disposable in nature. This has an effect on the satisfaction of the work, even though, according to the same interviewee, it is just something you have to live with.

Task characteristics

The publishing process is clear for every interviewee. The working process is repeatedly mentioned to be very independent by every interviewee. "You have to be very entrepreneurial", says one of the interviewees. Pressure is often very high, and there are a lot of challenges, but most of the interviewees indicate it to be just a character of the job and the whole industry. One thing that combines all of the interviewees' answers are that they do not bother that being something unchangeable; some of them could use some more challenges, some of them think that the challenge is on the right level, and some think that you can make your tasks as challenging as you like. If the interviewee feels the challenge level was appropriate, he or she is also often not keen on developing himself or herself. In one case, the artist feels that the label does not have enough time to challenge him or her, even though that would be the need.

The tasks are always scheduled, but those schedules are hard to keep. Every interviewee says it is common part of the process, and that you have to always prepare to it mentally. This brings more pressure to the way of working, because it is something that cannot be forecasted, even though the problems that may rise up are talked beforehand. One interviewee in a leading position emphasizes that it is always important to keep the goal of the task very simple for everyone, and that nowadays for example a publication is tried to be made as ready as it can be, before the schedules for publishing is made.

Combining the business and the creativity is seen to be also a motivational factor, and it arises over and over again in every interview; depending on the interviewee's background and position, it varies if he or she thinks it is a challenge in the company. "Music is not born from numbers and statistics, and sometimes it can get hard to be able to work at peace", states one of the interviewees, "sometimes you might need to defend the content over the commercialism". Once it is also mentioned that personal opinion should not have an impact on the decisions you make, even though it has almost been the case sometimes. Some interviewees connecting directly to the artists say that they have been in situations where the decision he or she has made about something has been hard to communicate to the artists since the decision has been based mostly on commercialism.

An interviewee in a leading position explains, that goals of tasks have been tried to clarify more, and inside them has been created clear steps and sub-goals which are easier for everyone to understand. According to this interviewee, this has changed the functioning of the teams since they know why certain things are done, and as a result, resources given for any task have been easier to justify. If any blocks or problems are born, they are tackled through trying to understand the situation and using incentives rather than constraints.

Environment characteristics

If the interviewee mentions, that there has been discussions about his or her career goals, the interviewee has also some visions to share where he or she wants to go as career wise, or has at least some parts he or she would be keen to develop. Some feel that there has not been any discussions, but explain it with the fact that there are not ways he or she can be promoted within Universal Music Finland. Artists say that there has not been any discussions about the career development. One of them thinks, that the label might do those amongst themselves, but they do not communicate them to him or her at least, but he or she also feels that it would be uncomfortable to know about the plans, since it would create unnecessary pressure. Other artist says that he or she would enjoy making clear future plans. He or she would like it to be a comprehensive for example a five-year-plan,

since it would bring more effectiveness to the work when there would be someone who inspires. The same artist mentions that it would also create even more commitment to the label and a supported feeling. He or she often feels alone with the career development and all, since the industry is ever-changing, and also the artists need to find new innovations. In addition he or she says that when this wish is not completely implemented it is because a lack of resources, not because a lack of interest.

One interviewee mentions to him or her it is very clear in the environment that the company wants to be an innovator. The company is growing up fast, and in every interview the word resources is coming up, and especially the lack of them. Prioritizing is seen as sometimes challenging and there is overall a lot to do for every employee. Support from the environment is very important to everyone, and it is seen to always exceed the needs in a positive way, except with one interviewee's experience. The interviewee feels that she or he had trusted some vision too strongly, and that his or hers worries were not heard in that situation, but he or she just agreed quietly. Now afterwards the interviewee thinks his or hers own reaction should have been faster, and better resources in for example analyzing in the label might have changed the result drastically. The interviewees are used to sometimes bending over backwards for the creative environment to close a deal for example, and in those cases the co-workers are an important part in coping. The communication within such a small organization is direct and daily, and it is easy to understand where everyone uses their working hours. Inspiring one another is motivating, and is seen to increase the satisfaction at work. There are different and strong personalities within the company, and even though it can sometimes create conflicts, everyone knows each other's professionalism, and it is as fast forgotten that it is created. "You just have to be confident and know your vision", says one of the interviewees.

When asked about crisis situations, one interviewee explains that it is always a discussion with the CEO of the company on how to react. The CEO might give authorities to other persons to give comments, but the communication is at first always through him. Having a small organization like Universal Music Finland helps with the reacting. There has not been made any concrete plans, but the situations are taken case by case. One interviewee has once been in a situation within the company where his or hers work has been impacted negatively. He or she had then felt that the support was not completely there and the reacting of the leader to that crisis had been inadequate. This has happened with some other CEO, not with the current one, but the interviewee wants to mention this case to bring out the need of support of the environment. Other interviewee has an experience in a crisis situation of an own one, and would have needed more support from the company then. The interviewee mentions that he or she has spoken with the PR manager

about the situation, but did not get clear advices and felt as not being strongly supported at the time.

The rewarding from success is in most of the interviewees' opinion satisfactory, although one of the interviewees says he or she has not been rewarded once. Other say that success is rewarded and sometimes recognizing comes unsuspectedly. Two of the interviewees mention about a rewarding program created this year, others do not mention it or do not feel completely comfortable with it yet. The importance of a rewarding the whole team instead of just one member is mentioned by one interviewee.

According to one interviewee the future plans of Universal Music Finland and the goals for example a following year are brought to everyone in the annual kick-offs. Within the teams everyone is included in the decision-making. During the current CEO in charge, the communication of for example financial issues have been on the table more openly, from which one interviewee is thankful because it motivates to see that the company and the industry is doing well. For the artists knowing about the big picture would be interesting, and if there are some new innovations coming up.

All of the interviewees find that Universal Music Finland has brought positive additional value to them, some with the responsibility that has grown them professionally or some with the resources it has given. One mentions even as a value the possibility to work in his or her dream job.

5.3 Validity of the research

The validity of the research means the competence of the study, and how far it can be trusted. Other commonly used factor to explain how well functioning was a study, is the reliability of it. However, a reliability of a research is marked to be more valid in the discussion of a quantitative research: its purpose is to tell if the indicators used have been able to give the answers intended. (Virtuaali Ammattikorkeakoulu, 2016a.) Since the research conducted was not a quantitative research and it did not have any clear measurable indicators, the next chapter is going to focus more on the validity and the creditability of the study.

The goal of the research was to find out how do the leadership methods currently applied correspond with the needs of the followers in Universal Music Finland. Because of the small coverage of followers of the company in the interviews, the reliability of the research remains a bit open. If there would have been more interviewees, the author might have

been able to get a wider understanding of the situation, and in the best case, more development suggestions. Unfortunately, due to some schedule problems, this was not possible.

If the results show that the information given matches with the theory base, or that it improves it, the research can be indicated as valid. A research has to always start with a question about what you want to know – only after that the right method of the research can be chosen. A method itself cannot bring any answers, only the goal and the path to it can, and from the analyses it can be seen that the chosen research method was the right one. Since the interviewees were all very open to discussion, the author was able to find, with just a small scope, factors that should be further assessed. The questions were formed correctly to give the answers intended, and did not direct the interviewees to answer in any kind of way. To give a suggestion for the company to understand the situation furthermore, this kind of research should be conducted in a larger scale with more resources. (Virtuaali Ammattikorkeakoulu, 2016b.)

6 Conclusion

Uncertainty is part of the industry and it will probably always be. Even when analyzing the right leading process can be a bit tricky, Universal Music Finland has succeeded in creating an open environment, and the company's values have been communicated well. Being a small organization is helpful when trying to have a strong communication structure. All of the employees emphasize that they have always had the power to make decisions and being trusted while making them, they've been able to develop themselves and work more or less in a free environment inside the goals that they have to reach. The challenge facing the company in the near future, if the growth keeps accelerating, might be maintaining the current situation and environment, if and when the resources need to match the growing demand. When considering the Path-Goal theory and its supportive thinking, the leaders need to always be ahead of themselves when talking about the employees' tasks, understanding of them and clearing the obstacles. In a big organization this kind of groundwork might become more difficult to handle.

The employee satisfaction seems to be, according to the interviews done in this thesis, in a very high level. Everyone interviewed mentioned, that Universal Music Finland has clearly brought additional value to their careers. The employees feel that they have an important role in the company and that their knowledge is trusted. The career goals were taken well into discussion with those who are able to be promoted from their position inside the label. However, the leaders should remember that the followers still might have

career related goals outside the label, or the goals might be also about developing their current position. Satisfaction on its own is a great factor in creating effective results according to the Path-Goal theory: the ultimate goal is to through empowering and satisfaction increase the commitment to the company.

The leaders of the company have been successful for the most part in finding the right tools to be the leaders needed in every situation, since all of the behaviors are not effective with every employee. For leaders to be able to remove the obstacles creates trust within the work environment, and through that commitment to the label and also respect towards it. As discussed already, there is a concern of the Path-Goal theory pouring too much responsibilities to the leader. In Universal Music Finland, the supportive way of leading has brought employees more freedom to work for their own personal growth, which has increased their satisfaction. The leaders, being very entrepreneurial, do not mind the responsibility they are carrying.

Being acknowledged by a co-worker in day-to-day life brings joy for many interviewees and creates appreciating environment. Rewarding methods for the whole team are an easy way to keep the team spirit flowing, and according to the interviews those are also in request in addition to just one person being rewarded. The special rewarding program has been a great addition to communicating the goals to the employees and it has already had a significant impact on the operating profit. Some of the interviewees, mostly them who are not so much in touch with the numbers, have not internalized the program quite yet. Understanding it might be a challenge for the followers who are not motivated from the numbers, and because of that, the leaders should now have an interest to make those remaining ones truly adopt the importance of the program.

The pain point will always lie around combining the commercial and creative part of the industry, even though it is clearly also the key point of the industry. It takes a lot of courage and confident to defend something you believe in over someone else's opinion. Creative process has bumps and up and downs, which often creates pressure and stress. In these cases the leader has the power to change the thinking process and be the result the follower needs. If the leader succeeds, the result is desirable, or even exceeded.

There should be more conversations with the artists about their motivational factors, since the motivation is not necessarily dependent only on the fact that they can be artists or make a huge hit. Knowing your follower is also partly about being good in understanding the human nature, but have your trust only in that can be dangerous. What motivates them has a direct impact on the process of creation for example, which has an effect on

the effectiveness of the business, which in the end shows on the viability. For the leader to be able to be supportive in the process, it is crucial he or she understands the follower's needs, since someone can be motivated when given higher authority and responsibility whereas someone can be motivated from getting flexibility from the leader. If the support is not there or it's the wrong kind, it automatically decreases the motivation. Something that has an impact on the work motivation's effectiveness are usually factors about the leadership itself and how much the artist can trust on the label's support. The artist might also have some personal motivations outside the career which still have an impact to it. Understanding and being interested in them creates a sense of affiliation and commitment to the label.

Being creative is often combined to being delicate. That might be the case sometimes, but it is as dangerous to assume things about motivational factors as about characteristics things altogether. According to the interviews, it would be interesting for the artists to understand the bigger picture of the label, what kind of plans does it have, and what the label thinks is going to happen in the industry in the near future. Now when the open communication is so well handled in the employee level, there should be discussions on how to transfer the same environment to the artist level. At the same time the emphasis should be on the artists' needs, everyone being an individual. What one artist brings out is that there should be more support on the crisis situation, and that it would be important to have a clear pattern also for the artists to know how the label acts in those cases. There might come times, when even a professional of a crisis communication is needed for help, so the company should have at least some kind of a light plan for different kind of crisis, and particularly a people handling them with the artist. If the artist feels supported, the label can, again, gain commitment and trust from the artists.

What connected all of the people being interviewed, was the love for the music they had. Many of today's success stories are drawn on many contributions. That's why the Path-Goal theory emphasizes the importance of engaging — the right people, in the right time and in the right level. There are three key points that arise clearly from the interviews, and branch out to more diverse factors: the level of resources, the combining of creativity and commercialism and the right kind of leading, especially for artists. It should be noted, that these factors all effect on one another, and with the choices the leaders of Universal Music Finland make, have an impact on how well the pieces of the puzzle fall into place.

At the same time when the right kind of leading is a crucial success factor, passion for something is more valuable than nothing money can buy, and it cannot be taught. Universal Music Finland is a successful example of a creative industry, where that satisfaction

factor is easy to find. The company will continue to flourish, if they seek to find and nurture passion also in the future.

7 Discussion

The aim of the thesis was to find out if the needs of the followers matched with the leadership of Universal Music Finland, and what could maybe be done differently to create more effective and fruitful environment. The theory base was chosen carefully evaluating the fit one for a creative industry influencer, and the decision was to use the Path-Goal theory, because of its extensive consideration of different angles of leadership. In the theory, there are three factors effecting the most to the satisfaction of the followers: employee, task and environment characteristics. Based on these factors the author created interview questions and conducted a qualitative research. The questions were functioning as good guidelines for the interviewees, and did not steer the conversation into any kind of direction. The interviewees were able to offer material with their answers that was valid for the research in their own comfort zone. It was found out, that Universal Music Finland had been successful in creating an open and very well communicating environment, and most of the followers were more than satisfied about the leading and their own position in the company. Some mismatches were found among factors such as resources and the leading of the artists. The author suggested to the leaders to have more conversations with the artists about their needs, but also added, that the development area is fully connected with the resources available.

Even though there was some problems with the schedules and furthermore the scope of the research, the author succeeded in getting the most out of the conducted interviews, and found many things for the leaders to have a thought on. The interviewees were open for the discussion and development - because of the willingness, which also guaranteed the credibility, this kind of research should be conducted in a larger scale to easily gain more understanding. In the absence of resources, the company could also use a quantitative research for it, but then the level of going deep enough is being compromised.

Overall creating this thesis and making a research for it was a great learning process. During the process the level of understanding of creative leadership grew into a different level, mostly because of the qualitative research part, and all the measures making it required to take. What could have done better was the time scheduling. Since the most part of the thesis was done during the summer and therefore during the holidays, the whole thesis process slowed down. If the interviews for example had been conducted before the summer holidays, the process would have worked more smoothly for everyone.

The level of expertise of the creative leadership is noticeable in the company, and it is hard to find any kind of written quality material of it – because of that the process gave priceless tools to develop professionalism, but also left the hunger to learn more.

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Appendices

Appendix 1. Qualitative Research Questions

Directors

1. What is your professional background before your current position in Universal Music Finland?
2. How would you describe your leadership style? Do you feel you are giving a lot of space to your employees/artists, or are you easily controlling?
3. How does the publishing process work in Universal Music Finland in general? Does the artist come to the label with some ideas, or is the artist guided to create in a certain schedule?
4. Is for example a yearly plan and goals about publishing and career development made for every artist? How do you monitor them?
5. Based on the plans, are you analysing the path that takes to the goal?
6. Do you discuss with the artist or between managers and directors, what is motivating which artist/what is the need of guidance, or does this kind of knowledge grow throughout the years?
7. How do you motivate an artist to reach the best possible outcome in the most effective way?
8. How do you build the trust between the label and the artist?
9. Do you reward your artists and/or employees for their success or achievements? How?
10. Do you think that the goals created for creative people need to be simple or complex ones?
11. How do you motivate an employee to reach the best possible outcome in the most effective way?
12. How often do you discuss with the employees about their motivation and satisfaction at work?
13. Do you create for example yearly plans for the employees about their goals and career development?
14. How do you make sure that the employee has enough challenge (according to their needs) in their work?
15. If for example a planned publishing process does not proceed and the deadlines are looming – how do you react?
 - Based on incentives or constraint
 - Are the acts different in manager and artist level?
 - When was the last time you have been in this kind of situation?
16. Situations of crisis (concerning the label or the artist, affecting for example the image)

- Are there action plans that has been made for possible crisis which may occur?
- If the crisis is concerning an artist, is there a responsible person in charge (other than artist)

17. Decisions affecting the whole label: are the employees included in the discussion concerning the company's development and the current situation? Are the artists included?

Managers

1. What is your professional background before your current position in Universal Music Finland?
2. How would you describe your leadership style? Do you feel you are giving a lot of space to your employees/artists, or are you easily controlling?
3. How does the publishing process work in Universal Music Finland in general? Does the artist come to the label with some ideas, or is the artist guided to create in a certain schedule?
4. Is for example a yearly plan and goals about publishing and career development made for every artist? How do you monitor them?
5. Based on the plans, are you analysing the path that takes to the goal?
6. Do you discuss with the artist or between managers and directors, what is motivating which artist/what is the need of guidance, or does this kind of knowledge grow throughout the years?
7. How do you motivate an artist to reach the best possible outcome in the most effective way?
8. How do you build the trust between the label and the artist?
9. If for example a planned publishing process does not proceed and the deadlines are looming – how do you react?
 - Based on incentives or constraint
 - When was the last time you have been in this kind of situation?
10. Situations of crisis (concerning the label or the artist, affecting for example the image)
 - Are there action plans that has been made for possible crisis which may occur?
 - If the crisis is concerning an artist, is there a responsible person in charge (other than artist)
 - Is it clear to you how to act in different situations of crisis?
11. Decisions affecting the whole label: are the employees included in the discussion concerning the company's development and the current situation? Are the artists included?
12. What motivates you in your work?
13. Have you ever discussed with your superior about motivational factors and your satisfaction at your work? When was the last time?

14. Do you feel you are working more effectively, if you get clear boundaries, deadlines and goals, or in a freer environment?
15. How much does your superior direct your way of working?
16. Do you get or need support from your co-workers?
17. Have you ever discussed with your superior about for example your yearly goals? What about long-term goals? If not, do you feel this kind of discussions would be useful to you?
18. Do you know what is expected of you?
19. Has Universal Music Finland had a positive impact on your career development? What kind of additional value has it brought?
20. Do you ever feel that your working process has been disturbed, affected negatively or you have been put under unnecessary pressure? If yes, how, and when was the last time?
21. If your working process does not proceed, does it lead to measures from your superior? If yes, what kind of measures? Have you ever been in this kind of situation?
22. Do you feel pressure/responsibility about how does an artist succeed?
23. Have you ever felt uncertainty in your work? In what kind of situations?
24. Do you get the kind of support from your superior you need for your work? Is there something you would like to change?
25. Do you know when a new project starts, what you need to do to get to the desired outcome?
26. Do you feel like you and your knowledge is trusted?
27. Do you get enough challenge from your work, or do you feel you could have less challenges?
28. When working in Universal Music Finland, have you ever been rewarded from your success or achievements?

Artists

1. How long have you been publishing for Universal Music Finland?
2. How does the publishing process work in Universal Music Finland in general? Do you go to the label with some ideas or with a finished/unfinished product, or are you ever given schedules within which are you expected to create?
3. Have there ever been made yearly plans or goals about your publishing or career development? If yes, how have the success of these plans been monitored?
4. Do you feel these plans have been useful for you? How does it effect on your way of working?
5. Do you know what is expected of you?

6. Do you feel you are working more effectively, if you get clear boundaries, deadlines and goals, or in a freer environment?
7. How much is your way of working directed from the label? Has this changed over the years?
8. Do you get the kind of support from the label you need for your work? Is there something you would like to change?
9. Do you feel like you and your knowledge is trusted?
10. Has Universal Music Finland had a positive impact on your career development? What kind of additional value has it brought?
11. Do you ever feel that your working process has been disturbed, affected negatively or you have been put under unnecessary pressure? If yes, how, and when was the last time?
12. If your working process does not proceed, does it lead to measures from your superior? If yes, what kind of measures? Have you ever been in this kind of situation?
13. Do you get enough challenge from the label, or do you feel you could have less challenges?
14. What motivates you? Is it a finished product (a record, a song etc.), a good place in a ranking list, fans, the creative process, or something else?
15. Have you ever discussed with the label about your motivational factors and satisfaction? When was the last time?
16. When publishing for Universal Music Finland, have you ever been rewarded from your success or achievements? When was the last time?
17. Do you feel pressure/responsibility in your own work about how does the label succeed?
18. Have you ever felt uncertainty in your work? In what kind of situations?
19. Do you know how to act in a situation of crisis concerning the label or your own image?
20. Would you want to know more what happens inside the label? Would you like to be part of the decision making?