LEADERSHIP PRACTICES WITHIN THE STARTUP ENVIRONMENT: A RESEARCH ON THE IMPACT OF LEADERSHIP ON THE DEVELOPMENT OF TODAY'S STARTUPS

Dissertation to Universidade Católica Portuguesa to obtain a Master's Degree in Communication Studies, with a specialization in Communication, Organization and Leadership

by

Soraia Cristina Martins da Costa

Faculty of Human Sciences

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Abstract

Startups have become a familiar concept to most people, however there is still much to learn about this new reality and their business models. These new ventures live in an environment particularly unstable and volatile, which affects the experience that employees have. As teams are one of the most important success factors of startups, they deserve special attention, looking into practices that might be better for them. Leadership has been pointed out as crucial in a startup development. Even though the literature is not extensive on this subject, it can be stated that the establishment and growth of startups are inextricably linked to leadership. Therefore, leadership practices might also have an impact on a startup's environment and, consequently, provide a positive/negative experience to employees. Considering this, the present research gathers the insights of both followers and leaders from three different startups, through both interviews and focus group. In this way, within a previously presented revision of literature, it was possible to better understand how both leaders and followers were envisioning leadership practices within teams, as well as validate with each participant if the environment matched with the ones put forward by the literature. Our research suggests that not only the environment matches what it is claimed in general in the literature, but also that leadership practices have indeed a generally positive impact on startup's environment. However, leadership practices still relly very much on the leaders themselves, instead of being built into the startups DNA.

Keywords**:** leadership practices; startups; startup environment; unstable organizational environments; leadership in new ventures

Resumo

As startups tornaram-se um conceito familiar para a maioria das pessoas, porém há ainda muito a aprender sobre este modelo de negócio. Estes novos empreendimentos são “dotados” de um ambiente particularmente instável e volátil, o que afeta também a experiência dos colaboradores. Sendo as equipas uma das partes mais relevantes das startups, merecem uma atenção especial que procure estratégias que possam benefeciá-las. A liderança tem sido apontada como crucial no desenvolvimento de uma startup. Mesmo que a literatura sobre o assunto não seja abundante, pode-se afirmar que o estabelecimento e o crescimento de startups estão indissociavelmente ligados à liderança. Portanto, as práticas de liderança também podem impactar o ambiente de startups e, consequentemente, proporcionar uma experiência positiva/negativa aos colaboradores. Considerando isto, a presente pesquisa reúne o testemunho de seguidores e líderes de três startups diferentes, por meio de entrevistas e focus group. Desta forma, foi possível entender melhor como líderes e seguidores perspetivam as práticas de liderança no seio das mesmas equipas. Assim como validar com cada participante se o ambiente condiz com o preconizado pela literatura. A presente pesquisa sugere que não apenas o ambiente corresponde ao que vimos, mas também que as práticas de liderança estão de facto a ter um impacto positivo geral no ambiente das startups. No entanto, estas mesmas práticas de liderança estão a dependentes dos próprios líderes, ao invés de ser algo trabalhado no ADN das startups.

Palavras-chave: práticas de liderança; startups; ambiente das startups; ambientes organizacionais instáveis; liderança em novos empreendimentos

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Two years after beginning this Master's degree and 1 year after starting what became my, proudly, dissertation, the mood could be no other than getting nostalgic about what has brought me here. I have challenged myself to work and study at the same time. Although the path was not easy, I had the pleasure to have people by my side that motivated me to keep going.

Firstly, I would like to thank my family, especially my parents, Rosa and Marinho. They have been my top supporters my whole life, always encouraging me to go further and beyond. You are my role models of dedication and effort and I'm so grateful for being your daughter. Also, thank my grandparents, for without them I would not be able to value time and opportunities this much. Lastly, a big appreciation for my goddaughter, Kyara, as she motivates me to work every day towards being a good role model for her.

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Introduction

Startups have come in for the long run and the success cases that we contact every day, are a major proof of it. Startups have entered the “big boys table” and some have accomplished astonishing goals. So, it comes as no surprise that this business model is highly attractive to entrepreneurs and investors. However, not all startups attain success, a major part of them end up failing. Startups obey a particular context, and every action needs to take this into consideration. “For startups to come into existence, their founding top management teams need to create a vision for their firms and influence others to buy into their dreams in order to attract employees and acquire necessary resources for developing their new ventures.” (Pearce, Hmieleski, & Ensley, 2006). Besides, when startups are facing the initial stages of the creation process, top management teams tend to lead their startups under situations that could be characterized as “weak” rather than “strong” (Pearce, Hmieleski, & Ensley, 2006).

Furthermore, if startups are known for being companies that are testing hypotheses under the pressure of only being one failure more, it gets one thinking of what might be a help here. Teams are an important part of startups, they are the ones that get things to happen. Moreover, the way that teams feel about the startup and the startup’s environment might be relevant to keep them engaged and motivated. Startups are known to be fast-paced environments, where the major goal is to attain fast growth. This can also result in an unstable and unpredictable environment that does not provide a safe feel for employees. When facing situations such as these, good leadership management might be very relevant for a startup’s health.

Leadership is a broadly researched topic. There are an infinite number of articles that relate leadership to other topics. Leadership and politics, leadership and parenting, and leadership and communication are only some examples of it. However, leadership associated with the entrepreneurial world “is a fairly new field of research” (Cornelius, 2006). It ends up being surprised how startups - as business models that are so relevant for society and for economies (Daso, 2018) - have not been studied with leadership development. “Leadership is of high relevance for the success of start-ups. The foundation and development of start-ups are inevitably connected with leadership." (Baldegger & Zaech, 2017). Besides, "leadership development (LD) is a crucial success factor for startups to increase their human capital, survival rate, and overall performance." (Prommer, Tiberius, & Kraus, 2020). Considering this, looking at the impact that leadership practices can have on a startup might provide us with helpful insight. Therefore, this research wished to understand how leadership practices influence a startup's environment. Understanding how leadership is being implemented at startups and how people feel about it. In order to do this, listening to people will be crucial. Therefore, qualitative methods will take place: interviews and focus group.

This research is divided into three parts. The first one provides a contextualization of the research itself. It gathers matters such as the scientific approach that will be taken, the conceptual map, the process of building the research question, and the research goals. The second one, the theoretical framework, was created with the support of the conceptual map. This resulted in three major chapters: Startups; Leadership and Leadership in Startups. The first chapter explores the startup concept and characteristics, its lifecycle, failure rate, and lastly, startups in Portugal. The second one assembles the leadership concept and theories, alongside with looking at leadership development. The third one gathers both startup and leadership. When both concepts are combined, we are able to find entrepreneurial leadership; profiling of entrepreneurs and startup founders; and how it is to work at a startup.

Part I - Contextualization of research

1. Goals and Relevance

Ideas tend to come and go. An idea only becomes a reality when we start working towards it. So, the first step to turning this research into something real was to understand where we would go with the initial thought and what was the intention behind the idea. The first goal that has been identified bases itself on entering the startup environment and connecting with people that work on and for it on a daily basis; and analysing what their take on leadership is. The second goal wishes to acknowledge if startups that are currently growing at a good pace, or that are already considered successful, view and practice leadership in a different way from startups that are not experiencing such intense growth. Ultimately, the third and last one is to assess if it is possible for proper leadership practices to have an impact on a startup's environment and how.

However, it is easy to get thrilled with our own research and lose a broader vision. So, it becomes crucial at this stage to take a step back and understand how relevant this work may be from an outsider's perspective. In order to avoid this, two other questions became very relevant at an initial stage: why and to who is this research relevant? Startups are a business model that has been building a reputation for the past decades. Even though the chance of succeeding tends to be low, a good part of well-known successful companies nowadays started as startups. Furthermore, startups give hope to people that have great ideas and limited resources, since they can have as role model companies such as Facebook, which had its start in University. Once again, the idea that a successful startup, even if rare, makes an entire path of previous failed attempts worth it. Additionally, as the number of entrepreneurs grew, the number of incubators[1] also increased, providing more support to new venture businesses.

[1] Incubators - are organizations that support the first steps in the life of a company and provide specialized help - which distinguishes them from coworking spaces (Lisbon Municipal Magazine, 2022).

Besides, entrepreneurship became a concept that can be heard on a daily basis. Either for the new courses that appear in Universities and Institutes or for the different initiatives that focus on giving visibility to entrepreneurs' success stories (such as WebSummit).

Taking this into consideration and how attractive startups seem to young entrepreneurs, it is expected that this business model came in for the long run. Success stories are multiplying, and entrepreneurs are more and more drawn to bet on them. However, a good idea might not be enough to build a successful business venture. Startups tend to have a high failure risk since 11 out of 12 startups end up failing (Clominson, 2019). Amongst all the different reasons that can lead a startup towards failure (lack of product-market fit, finance problems, legal issues), problems related to teams represent a good share. Kotashev (2019) has identified team problems as the second most common reason with 18%. Which can easily be made sense since startups suffer a lack of human resources, which leads employees to accumulate functions and experience a lack of motivation or even burn-out. Even though some people might be more attracted to the startup environment, the truth is that this business venture still has a mixed reputation as a workplace. The lack of financial and human resources is a known challenge for startups to hire and retain talent (Men, 2021). So, it becomes common to see people constantly come and go, either for the lack of capability to retain or for being tired of a fast-paced environment, while having more than one job role. This situation ends up adding more instability to the already existing one, through new business creation conditions.

Taking all of this into account, it is common for employees to feel the pressure of this environment which also impacts their well-being and satisfaction. This is where leadership would act in its most important role, a supportive leader that is able to create a trustful relationship with the team. Would this be the solution for startup team problems? Or, at least, would it be the key to reducing them?

Leadership has already proved its worth in different scenarios (such as schools and bigger companies), however little was done to see the impact that it can have on new venture business models such as startups. So, as mentioned previously, all goals of this research are connected to understanding how leadership and startups can interact, as well as, understanding what benefits can come from this relationship.

Therefore, the first part of this research will look at both concepts and what has been done previously in both fields. While the second half of the research will be more focused on building and analyzing the relationship between startups and leadership.

2. Research Question, Conceptual Map, Research Design and Research Approach

Research question

Research questions tend to suffer changes along the way, and the one from this research was not any different from it. Each change that was done along the way came from a more knowledgeable perspective. The first research question that was created for this research was "How can a good leadership strategy affect a startup's growth?". This question was only a starting point and problems started arising almost instantly. For example, in "a good leadership strategy", it only took a few days of research to understand that the question was assuming that there was a good and bad leadership strategy for startups with no past research that could support this idea.

Other small changes were done here and there, for example, one of the latest versions was "How can Startup Leadership Development reduce the failure rate of Portuguese Startups?". This one seemed like the final question for a long time, however, "Startup Leadership Development" was, once again, trying to look at a specific part of the leadership field. Which was exactly the same problem that was seen before, this research needed to take a look at different leadership theories and not assume with no background which one would be better from the start.

A lot of smaller changes were made to reach the question that we have today and understanding what the goals of the research were, was the final step to reaching "the" question. Considering that our goals summarized are to enter the startup environment and understand how different companies, at different stages, practice leadership; the current question is: How do leadership practices influence a startup's environment?

Conceptual Map

Even though building a research question was already a more concrete step toward building the research, it still seemed vague on what the study would be exploring, and which concepts would be relevant. Considering this, building a conceptual map became essential to create a more defined path of what we wanted to tackle.

Out of the research question, there were 2 concepts that instantly became obvious that needed to be further explored: leadership and startups. The mix between these 2 concepts generates the idea of leadership in startups, the third concept that needed to be explained. Concerning leadership, since it is a concept where even researchers struggle to come up with a generally accepted definition, the best way to define it is by looking into its history and theories. The theories pointed out are only a few examples but were also the first ones that came to my mind. The great man theory, for example, was the first one to appear and it is crucial to see how the theories have evolved. On the other hand, the last one reminded me of the difference between managers and leaders.

The startup concept is also a tricky one, however, while the problem with leadership is to have too much information, the problem with the startup one is to have little information and information that still is not validated. So, I started by remembering the most common traits of startups, innovation, and growth. Accompanied by the risk of failure and instability, which tends to be something very intrinsic to this business model. This conducted me to also understand a startup's lifecycle, which has 3 different stages.

Finally, leadership in startups, which is a concept that is still in the developing phase, to be honest, and it also makes sense, since it's the core of my research. The main idea that came to my mind was to look for literature that has taken on how it is to work at a startup and what the profile of people that work at this business venture.

This process of designing a conceptual map, not only allowed us to have better visibility of what we already knew and what still had to be explored, but also provided major support in building a plan for each theoretical framework chapter.

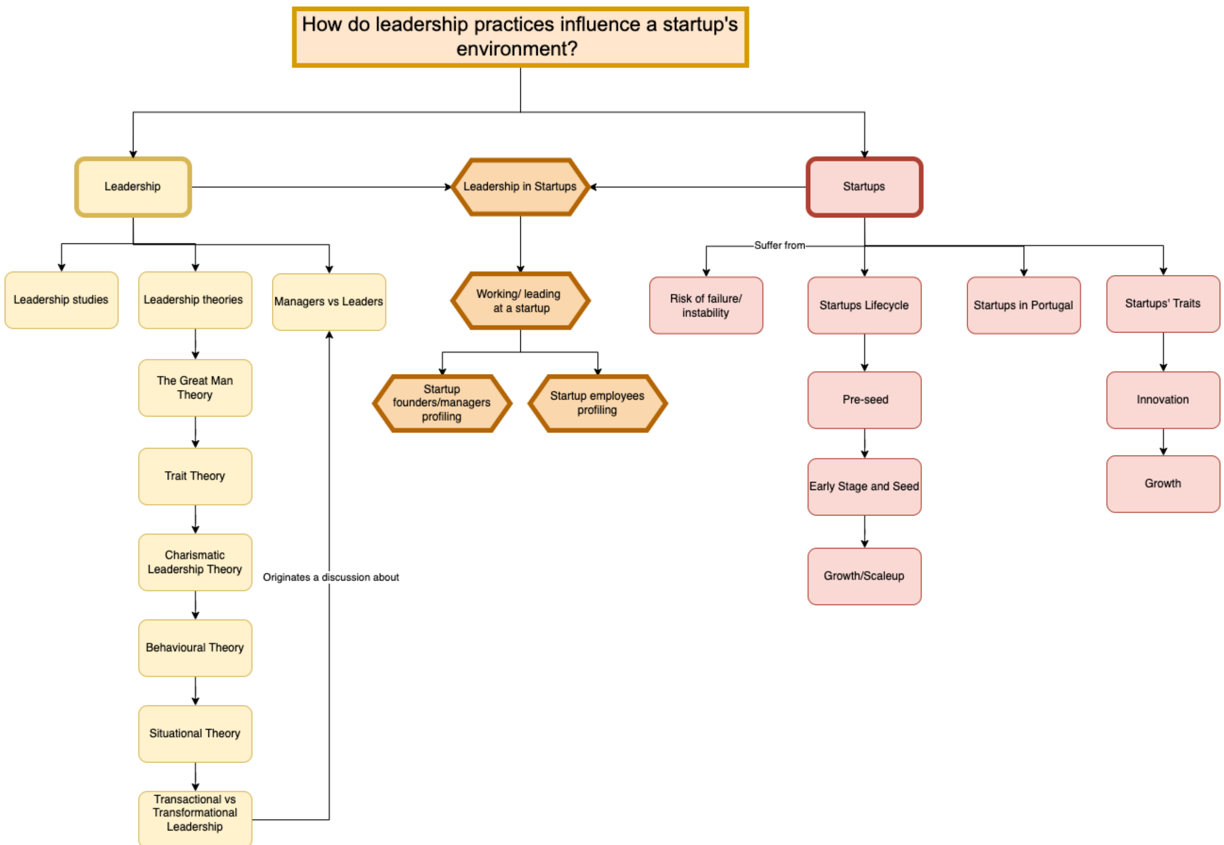

Figure 1. Conceptual Map. Source: Own diagram.

Research design

Once the question has been identified and the main concepts have been found, the following step was to understand the best way will be to answer it. Considered one of the most important parts of the project, since the question we have chosen to ask will dictate how we tackle our project as a whole (Thomas, 2017).

The research design must consider both our aspirations and surroundings (Thomas, 2017). In order to do so, there are some questions that need to be answered, such as "What are we attempting to accomplish?"; "What resources do we have?" and even "What level of exposure do we have to the person or circumstances we will be focusing on?" (Thomas, 2017). Considering each one of these questions, we understood that a more flexible and contextual design would be more suitable. Therefore we chose the interpretivist model. Not only because the qualitative methods already seemed a more reliable choice, but also due to the interdependency of stages.

Research Approach

Once we have idealized our research design, our next step will be to understand what research approach makes more sense to take on and why. As we have identified the goals of our research before, we can now think about how we intend to gather the data we need to. Considering that, the main purpose of our research question is to comprehend how individuals perceive their experiences with startups, and what significance are they assigned to their perceptions of leadership in their work environment (Merriam & Tisdell, 2015); it seems that an interpretivist approach would be more suitable.

So, the centre of this research is people and the way that they interact with the subject, which fits perfectly with interpretivism, since this approach looks at what individuals believe and how they develop notions about the universe; how they build their realities (Thomas, 2017). Besides, a qualitative approach provides us with richer descriptions of experiences, useful quotes, and participant interviews (Merriam & Tisdell, 2015). This becomes particularly interesting in this topic, our research question considers that each one of us can attribute a different meaning to similar events (Thomas, 2017). Furthermore, qualitative research tends to be more adaptable and receptive to dynamic changes in the ongoing study (Merriam & Tisdell, 2015). As well as, more incisive when choosing a sample, as in qualitative studies, sampling strategy is typically intentional, and smaller, as compared to the larger, more randomized sample in quantitative studies (Merriam & Tisdell, 2015).

This research envisions to better understand a complex phenomenon, leadership in startups, through understanding what the people currently living it have to say. The key here is truly understanding and listening to people, which conducted us to take an interpretivist approach, through qualitative methods.

Part II - Theoretical Framework

3. Startups

3.1 Concept and contextualization

The startup concept has become part of our daily lives, however, in the literature we do not have a generally accepted definition of this business model. Since it is also a relatively recent concept, there are still some doubts about what and how we should characterize a startup. Should it be identified by size? Through innovation measurement? Analyze growth? Consider age? The current chapter focuses on understanding how startups can be defined, their most relevant characteristics as well as the lifecycle that a startup goes through. Besides, we also look into the delicate subject of startup failure and end up with a brief context of this business model in Portugal.

Robehmed (2013), states that since revenues, profitability, and employee numbers vary dramatically between organizations and industries, there are no hard and fast guidelines for designating a startup. Considering this, looking at the most common startup characteristics would be the best way to explain what this business model is. However, there is a difference between the traits that people often associate with startups and what indeed are its characteristics, which reveals the need to go further and understand what indeed startups' attributes are. For example, although startups might be considered, by common sense, as relatively young companies, Paul Graham (founder of Y Combinator – a company that created a new model for funding early-stage startups) says that "A company five years old can still be a startup" (2012: n/a). Uniplaces, a Portuguese startup for student housing, was founded in 2010 and 12 years later remains under the startup category. So, this idea of startups being young companies ends up being misleading. Another example is technology, even though there is a general belief that a startup needs to work in technology, this ends up being another misleading idea since a company can be considered a startup and not work in this field (Graham, 2012). This commonly happens due to the fact that almost every company nowadays works with technology, which is understandable due to the context we live in nowadays. Besides, technology businesses tend to be more scalable[2], therefore it is common to see startups working in this field (Lisbon Municipal Magazine, 2022). However, working with technology and for the technological field – for example, developing a new software – are two different things (Graham, 2012). These examples show how tricky misconceptions can be when defining startups and identifying their characteristics.

However, there are some key attributes that most authors agree on, which lead the way to a startup definition. One of them is the unstable and unpredictable environment that startups tend to face. This is one of the key characteristics that rules startups and it is of easy association when discussing this business model. Tsai & Lan look at a startup's environment as lacking "determinacy, predictability, stability, and constancy" (2006: 3). Although it is expected for most companies, startup or not, to suffer from this lack of stability at an early stage, startups go even further in these traits.

Considering that this business model has a very strong innovation side, this uncertainty increases even more. Innovation and risk walk proportionally to one another when talking about startups. While regular businesses commonly repeat what has already been done before, startups tend to bring something disruptive that still has not been tried before, which leads to an increased risk of failure.

Furthermore, innovation reveals itself as a very present trait in startups. But what does this mean? Petkovska (2015) presents Joseph Schumpeter's idea by describing innovation as the launch of new items, new manufacturing processes, the expansion of markets, the discovery of new sources of supply, and the implementation of a new industrial organization, concluded "with market introduction." (Freeman & Engel, 2007: 1). That is why innovation is a mandatory

[2] A scalable business is one that is ready to respond quickly to an increase in demand without the costs being proportional to that growth. Tech companies, in general, have this capability, as the solutions can be easily replicated (Lisbon Municipal Magazine, 2022).

concept when talking about entrepreneurship[3]. Drucker (2015) goes even further and calls innovation "the star of entrepreneurship" (2015: 75). Entrepreneurs can use innovation to capitalize on developments, which can lead to new company ventures such as startups, or the introduction of new goods (Petkovska, 2015). Startups have historically played a key role in driving innovation (Ghosh & Nanda, 2010) and are an important part when it comes to innovation processes. Usually, they introduce new ideas to the market and get transformed into economically sustainable enterprises (Spender, et al., 2017).

When pursuing a successful path, while facing a lack of human and financial resources, innovation reveals itself as a crucial part of potential success. Besides, innovation is what distinguishes startups from established companies and what gives them an advantage in certain ways. "During the last few years (...), corporate efforts to reach out to the startup ecosystem seem to be on the increase." (Weiblen & Chesbrough, 2015: 67). So, established companies have good financial and human resources but less innovation, while startups have scarce human and financial resources but are strong in innovation. This innovation can lead a startup to successfully compete in today's globalized economy when presenting a disruptive innovation that really catches attention (Weiblen & Chesbrough, 2015).

However, it is important to note that even though entrepreneurship and startups walk alongside in various fields such as innovation, there still are some slight differences between a startup's founder and an entrepreneur. While "an entrepreneur wants to be their own boss. A startup founder wants to take over the world." (Riani, 2021: n/a). The motivation and the amount of effort that the entrepreneur is willing to take determines if he should go for a traditional business venture or for a startup. This could be noted as another one of startups' characteristics. Startups' founders usually have a will to be society's movers and shakers while being completely passionate about their idea and the challenges they want to tackle (Riani, 2021).

[3] Entrepreneurship is the act of establishing a new business when none previously existed. Entrepreneur is a term used to describe a person or a small group of people who are the founders of a new business. The word is also used to signify that the founders have a major ownership share in the company (rather than just being workers) and that their goal is for the company to develop and succeed beyond the stage of self-employment (Howell, 1972).

Adding to this, becoming a startups founder also requires taking a big risk, since startups themselves are usually “dynamic, nonlinear, and unpredictable” (Tsai & Lan, 2006: 6). Eric Ries, an entrepreneur known for developing the concept of “lean startup”[4], sums up this idea of unpredictability by saying that “A startup is a human institution designed to create a new product or service under conditions of extreme uncertainty.” (2010: n/a). This became something that can be observed daily. It is no surprise when a new disruptive idea comes to the market and is led by a startup. For example, Sword Health, an health industry startup that became a unicorn[5] recently, has created a “digital therapist” that allows people to do physiotherapy in their homes controlled by an app on their phones. Not only has this idea disrupted the health field, but also brought a new treatment option to 2 million people that suffer from musculoskeletal diseases (Pequenino, 2021). Therefore, innovation may represent instability for startups. However, when successful it can represent a huge win. “Innovation is essential for (...) growth” (Petkovska, 2015: 69), which is another key attribute that most authors agree on as being part of startups’ characteristics.

“A startup is a company designed to grow fast” (Graham, 2012: 1), a freshly formed business enterprise with the goal of building a viable business model that aims to address society's demands through continuous improvement and innovative solutions. (Al-Mubaraki & Busler, 2017). Fast growth is one of the most distinguishable characteristics of startups, which allows us to separate startups from small/medium companies. A lot of companies are created to fulfil a society’s needs and might experience some growth, but are they indeed fighting for fast growth? Although some people might consider restaurants or hairdressers to be potential startups, those are not designed to grow fast (even though there might be a few exceptions), while a groceries delivery app has growth and expansion as its main goals (Graham, 2012). As opposed to what common sense believes, “not every new small business is entrepreneurial or represents entrepreneurship” (Drucker, 2015: 25). So, although a small business might be risky, it does not necessarily mean that it will be a startup. Baldridge & Curry also point out that speed and growth

[4] A new business strategy that supports startups allocating their resources in a more efficient manner.
[5] Unicorn is the name given to startups that were able to reach the mark of $1billion in valuation in the unlisted market (Lisbon Municipal Magazine, 2022). The best-known case of a unicorn startup is Facebook.

are the key factors that distinguish startups from other companies, considering that “startups aim to build on ideas very quickly” (2021: n/a).

However, what characteristics do startups need to fulfil this rapid growth desire? Graham (2012) states 2 requirements for considerable growth: “(a) make something lots of people want, and (b) reach and serve all those people.” (2012: 1). Startups aim to “develop a unique product or service, bring it to market and make it irresistible and irreplaceable for customers.” (Baldridge & Curry, 2021: n/a).

Since startups are so focused on growth, it is relevant to understand what each stage of this growth can represent. Graham (2012) found 3 main phases:

1. The starting period, when there is small or even no growth at all. Usually, startups are still going through a building and adaptation phase.

2. During the second phase, the startup already finds its path and starts witnessing fast growth. At this stage, they enjoy a well-established vision of who is the potential target and how to reach it.

3. The last phase represents transition. When a startup is able to succeed and move to a big company.

Baldridge & Curry (2021) look at this third stage as the ultimate goal when a startup through rapid growth and innovation is able to go public. When a firm accepts public funding, it presents an opportunity for early investors to cash out and harvest their profits, a concept known as an "exit" in startup terminology. One example of a company that has reached this stage, was the Portuguese company Farfetch which entered the New York Stock Exchange, in September 2018 and, less than 10 minutes late, was already at a price of 27 dollars per share. Exits provide the startup with a new financial setting, allowing it to invest in entrepreneurial ventures or start new ones. This influx of capital stimulates the economy, which in turn generates more capital, and so on.

Another characteristic that distinguishes this business model is the way it fits into the Economy. These companies often look for a gap in society and develop their business model, this explains why startups fit better in developing economies whose main objective is to reduce poverty and generate sustainable wealth through innovative solutions that are able to solve industry-wide problems (Daso, 2018). Startups' founders look at different aspects of society and construct models to improve the country's wellbeing and performance based on those factors as the critical determinants of change. "The initial role of a startup is to draw wealth into a community, (...) they bring a high level of investment" (Zaborowski, 2009: 47), while creating new job opportunities.

Startups are a major contribution to innovation and job creation, especially among youth (Chien, 2014). Zaborowski agrees, saying that "Startups are responsible for many of our most important innovations and highest paying jobs" (2009: 42). When looking at job creation, many authors consider it to be a common factor among startups. As Haltiwanger, et al. (2010) stated "Startups and young firms are important sources of job creation" (2010: 3). Kane (2010) through a relatively new dataset from the U.S. government called Business Dynamics Statistics (BDS) goes even further and declares that startups are not everything when it comes to job growth, they are the main thing. Startups usually hire younger people and bet on their training to make them more experienced, instead of looking for the most experienced employees. This ends up being a great option for younger people that are looking to start a professional path and willing to put extra effort into their growth and the startups. While established companies experience job creation and job destruction, when looking at startups – as they are pursuing a growth path – it is observable that job creation is much more relevant. A startup "only creates jobs because it experiences no gross job destruction." (Kane, 2010).

Besides, as startups have fewer financial resources, they tend to hire employees for multiple functions and give more responsibilities to their employees. This can be incredibly beneficial for the startup, since "McGregor (1960) in his description of Theory Y, argued that most workers are inherently honest and intrinsically motivated to do what is right for the organization. As such, workers can be trusted to handle responsibilities that would otherwise be shouldered only by top management." (Ensley, et al., 2006).

However, a startup has different stages of development, and job creation, for example, comes at a stage where the entrepreneur has already moved forward with his idea. Considering this, all these characteristics that were mentioned can be observed at different stages of a startup's lifecycle.

3.2 Startup lifecycle

As mentioned, the startup concept is a relatively recent one and, as such, it is common for new research to appear constantly with the newest findings. This could be no different when we are talking about a startup's lifecycle. Although some studies present multiple stages, the most frequently adopted is the 3-stage model. And even if there are some slight changes when it comes to naming these stages, the content remains the same across different authors. With this being said, the first stage it's called Pre-Seed (IDC Portugal, 2021), Bootstrapping (Aidin, S., & Hiroko, K. K., 2015) or Pre-Startup (Paschen, 2017). The second stage can be referred to as the Early Stage (IDC Portugal, 2021), Seed (Aidin, S., & Hiroko, K. K., 2015) or Startup phase (Paschen, 2017). Lastly, the third stage is commonly called the Growth/Scale up stage (Paschen, 2017) (IDC Portugal, 2021), or the Creation stage (Paschen, 2017).

Pre-seed, Bootstrapping or Pre-Startup

At this stage, usually, the entrepreneur starts a series of operations to develop his or her idea into a lucrative business (Aidin, S., & Hiroko, K. K., 2015). Before moving on to the official start-up process and launching an MVP (Minimum Viable Product), they generally start by researching (IDC Portugal, 2021), determining the target market, partners, distributors, and rivals, as well as establishing a viable solution that answers a key consumer need through the development of an original idea or concept (Paschen, 2017).

On the other hand, the entrepreneur needs to consider a higher degree of risk or even uncertainty, and continue to work on the new enterprise concept, assemble a team, invest in personal finances, and seek investment from friends and relatives (Aidin, S., & Hiroko, K. K., 2015).

Even so that investors, at this stage, are called FFF - Friends, Family & Fools, in later rounds other interested parties enter the field (Lisbon Municipal Magazine, 2022).

This first investment stage is largely required for the testing of the product, the development of a business strategy, and the preparation of the enterprise for launch (Paschen, 2017). At this point, most businesses merely incur expenses and do not generate income (IDC Portugal, 2021).

Early Stage, Seed, or Startup phase

Group work, pre-production, market access, venture value, search for support systems such as accelerators and incubators, and average financing to build the business define this phase (Aidin, S., & Hiroko, K. K., 2015). At this point, the business has worked on the development of a service or product, however, it’s still working on improving it and looking for the industry fit (IDC Portugal, 2021) (Paschen, 2017). The first revenue model is now being developed into a feasible business strategy (Paschen, 2017).

During this period, a large majority of startups fail if they don’t get the mentioned support mechanisms for funding (Aidin, S., & Hiroko, K. K., 2015). On the other hand, a company that succeeds at this stage with the right support mechanisms is more likely to become profitable (Aidin, S., & Hiroko, K. K., 2015).

At this stage, funding is crucial to develop items for potential consumers to trial, recruit employees, manage operations, develop the position in the market, and carry out the marketing approach for product release (Aidin, S., & Hiroko, K. K., 2015).

Growth/Scaleup or Creation stage

When a startup has matured into a lucrative and efficient business, it enters this stage. The company is financially sound, has a significant market reach, and has demonstrated product and business viability (Paschen, 2017). Startup activities are centred on growing operations, procedures, and technologies in order to remain profitable, at the very least, but preferably to grow and make an above-average economic return on the resources used (Paschen, 2017).

However, for a startup to reach this stage, it must survive the second stage, in which a good part of startups ends up failing. It has been mentioned and it belongs to common sense that a startup has a high failure rate associated with it. So, the next subchapter focuses on disclosing this subject and gives a better perception of the motives that can lead a startup to failure.

3.3 Startup failure rate

The 2019 report of the Startup Genome claimed that 11 out of 12 startups fail, which represents 90% of new startups (Clominson, 2019). The Global Startup Report from 2019 even states that although "building a successful business is every entrepreneur's goal (...) only 1 in 12 succeed in doing so" (2019: 19). A startup is essentially a high-risk business venture trying innovative ideas. As a result, startups tend to be doomed to fail by default. They are putting hypotheses to the test, and it is extremely probable that those assumptions are incorrect (Cerdeira & Kotashev, 2021). As Krishna et al. state "The first success of a startup begins with a great idea which later turns into a great hypothesis." (2016: 798). Consequently, startups that are more disruptive and innovative, create a riskier hypothesis and end up being closer to failure (Cerdeira & Kotashev, 2021). It is no wonder that most startups fail when this new type of risk is added to the usual dangers of launching a business (Cerdeira & Kotashev, 2021).

New businesses face a potential failure rate of 20% in the 1st year and can increase up to 70% after the 10th year (Cerdeira & Kotashev, 2021). With startups, these percentages increase even more due to the hypothesis that is being tried out. Considering this, two of the most accepted characteristics of startups that were mentioned before, innovation and growth, are also what leaves a startup at great risk. "A startup is, in essence, a business experiment with potential" (Cerdeira & Kotashev, 2021: n/a), which easily leads startups to a failure predisposition. This explains why startups in the early stage of the startup lifecycle, are the ones that face a higher risk of failure. At this stage, not only are startups looking for the proper support mechanisms, but also looking for the Product-Market Fit, which is presented as one of the main reasons why startups may fail (Cerdeira & Kotashev, 2021) and will be explored later on. On the other hand, startups that are able to make it and survive, play a relevant role in economies (Aidin, S., & Hiroko, K. K., 2015) and become the hope and role model for fellow entrepreneurs.

However, this raises the question "What are the known causes for a startup to fail?". It is already known that "The more innovative the startup, the riskier the assumptions it is testing, the more likely it is to fail." (Cerdeira & Kotashev, 2021: n/a). But what end up being the recognized causes of startup failure? Kotashev (2019) was invited by Failory to do an interview about his experience as an entrepreneur that suffered from a startup's failure. However, being interviewed was not enough and he became invested in finding more about this topic. He analyzed more than 80 failed startup interviews and found out the most common reasons for startups to fail. Kotashev (2019) was able to identify 6 main motives:

1. Lack of Product-Market Fit (34%) and Marketing Problems (22%). This category represents a big share of startup failure. Which ends up not being a surprise, since "Founders overestimate the value of the intellectual property before product-market fit by 255%" (Cerdeira & Kotashev, 2021: n/a).
2. Team Problems (18%) are the second most common reason. As previously mentioned, startups are unstable environments, which can make them highly challenging in day-by-day life. "Startups are notoriously understaffed" (Cerdeira & Kotashev, 2021: n/a) and there is a general lack of resources that leads startups' employees to accumulate functions and experience a lack of motivation or even burn-out.
3. Financial Problems (16%). Considering that most startup projects start as self-funded or don't have any starting budget, Kotashev (2019) was surprised that this category didn't have a bigger share.
4. Technological Problems (6%). Although this category has a less relevant percentage when a tech problem happens there is a big chance that it might be fatal (Kotashev, 2019).
5. Operational Problems (2%).
6. Legal Problems (2%).

Considering all these motives and having in mind that startups have a high failure rate, it seems unreasonable that entrepreneurs still bet on this business model, so why do they keep doing it? “It’s because the successful startups make up for the unsuccessful ones.” (Cerdeira & Kotashev, 2021: n/a). The already mentioned unicorns are companies that compensate for the number of failures that an entrepreneur can suffer in his life before reaching this level of success. Besides, some of the current biggest companies started as startups, such as Amazon and Meta. These success cases are a real example of what they can achieve. Once companies like Meta (previously, Facebook) succeed, they are able to invest in new business ventures that can or not be related to the company’s goals and expand the entrepreneur’s goals. Meta, for example, recently bought a North American startup that stimulates working out with the support of virtual reality (Kafka, 2021). It is already the 6th company that Meta buys related to virtual reality. Since they are working on a project associated with virtual reality, it makes sense to invest in ideas that can aggregate something to the project. This shows the path that only one successful startup can take. Startup entrepreneurship has a high level of risk, but it also carries a high level of potential reward (Riani, 2021). And an entrepreneur that chooses to create a startup has his eye on the reward.

In short, even when facing fewer financial resources, instability, uncertainty, and a high risk of failure, startups are still an attractive business model to work on and study, mainly due to the phenomenon that happens when they succeed. However, an important part of a business’s success depends on the context in which the company finds itself, and it is no different with startups. This raises the need to understand what is the context that startups are living in today. Since this research has its main focus in Portugal, it is important to understand what this scenario represents in the country.

3.4 Startups in Portugal

After building a broader idea of what startups are and their characteristics, it is easier to understand how this business model is working in Portugal. It is no secret that entrepreneurship and innovation have been receiving more attention in the Portuguese scenario. In 2012, Portugal took an important step toward the startup environment, with the creation of Startup Portugal. Startup Lisboa is a business incubator that was founded in 2012 as part of the municipal Participatory Budget. It has now hosted over 400 companies with six affiliates, including the municipality, with the backing of a hundred partners and roughly 70 investors (63% Portuguese and 27% foreign, from 40 different nationalities) (Lisbon Municipal Magazine, 2022). 70% of these were successful, resulting in the creation of over 4,500 employees and an investment of over 330 million euros (Lisbon Municipal Magazine, 2022). In addition to the traditional tasks of an incubator, Startup Lisboa offers international entrepreneurs' temporary residency (up to 6 months) (Lisbon Municipal Magazine, 2022). It is now in charge of operating the Hub[6] Criativo do Beato. Besides, the Municipal Council also launched a project called "Made of Lisboa" in 2016, the same year that WebSummit had its' premiere in the city. Made of Lisbon is an entrepreneurship community that connects incubators, accelatarots[7], fab labs[8], coworking spaces[9] and potential new investors. The municipality acts as an aggregator and energizer of actors and economic initiatives (not to mention the areas of circular economy and social economy) through this platform and personalized follow-up, allowing the country and the world to learn about the potential of the city's business ecosystem (Lisbon Municipal Magazine, 2022).

However, Web Summit came to take these initiatives to the next level. The presence of WebSummit, for these past few editions, in Portugal has led The European Entrepreneurship

[6] A Hub is the concentration, in the same place, of several companies that can take advantage of the proximity to each other. Far from traditional office buildings, hubs are, as a rule, spaces with unconventional architecture that favor face-to-face meetings (Lisbon Municipal Magazine, 2022). They can form small "villages", where everyone knows each other and where each face is easily associated with an expertise and a company (Lisbon Municipal Magazine, 2022).

[7] Accelerators are companies that contribute to the rapid growth of startups through intensive and structured short-term support programs, helping them to obtain new investments, until they are able to pay their bills with business revenues (the so-called break-even point) (Lisbon Municipal Magazine, 2022). The accelerator can also invest a small financial amount, survival money and, in return, becomes a partner of the startup until the moment its participation is sold at a profit to investors or companies (Lisbon Municipal Magazine, 2022).

[8] The term "Fab Lab" is an acronym for "fabrication laboratory." As a general rule, these areas are suited to adapt to digital fabrication (Lisbon Municipal Magazine, 2022). Those with ideas may realize them, experiment with solutions, and run prototypes in a fab lab (Lisbon Municipal Magazine, 2022).

[9] Coworking spaces are structures or rooms in which a small business or freelancer can set up shop and share services with other coworkers (Lisbon Municipal Magazine, 2022). A concept that grew a lot during the pandemic.

Region to award Lisbon as the European City of Entrepreneurship in 2015 (EY Portugal, 2016). This opens space for innovation and entrepreneurship to be in the spotlight.

The first time that Portugal had contact with Web Summit, was in 2014 through a Portuguese startup that won the *Beta Award,* also called the *startups Oscars* (Diário de Notícias, 2018). In 2016, the conference arrived in Portugal and is predicted to stay until 2028, since the first two editions (2016 and 2017) went well for both Web Summit and Portugal. At the stage of the Web Summit, Portugal saw the number of startups in its territory increase. In 2016, Portugal had a total of 121 incubation rooms with 2193 startups, only one year later the number of incubation rooms increased, and 3004 startups were registered (Reis, 2018). This attracted more startups to establish themselves in Portugal and, consequently, forced the existing startups to aim for higher standards. Besides helping Portugal to attract new entrepreneurs and innovative business models and ideas, Web Summit also represents an economic return. Although the country invests 11 million euros in the conference, the return is more than 300 million euros (Reis, 2018).

Furthermore, in 2016 Portuguese people already had a predisposition to look at entrepreneurship from a positive perspective. Looking at the Amway Global Entrepreneurship Report from 2016 (AGER, 2016)[10], we find that 67% of Portuguese people have a positive attitude towards entrepreneurship, however, only 36% can see themselves starting a business. It is relevant to consider that this Report takes place in 2016, the same year that Web Summit came to Portugal. So, if we look at the Amway Global Entrepreneurship Report from 2018 (AGER, 2018)[11] we learn that 52% of Portuguese people consider that their country makes entrepreneurship easier through the technology that it offers. Besides, when asked if they considered starting a business as a desirable career opportunity for themselves, in 2016 only 45% of Portuguese people agreed in contrast with the 56% that agreed in 2018. Another question where we can compare the increase of entrepreneurial spirit was whether or not they believed that they possessed the necessary skills and resources for starting a business, whilst in 2016 only 39% of people agreed

[10] The AGER annual report from 2016 intends to identify how individuals around the world view entrepreneurship by questioning over 50 000 people from 45 different countries.
[11] The AGER annual report from 2018 interviewed almost 49 000 people from 44 different countries on their views on entrepreneurship.

(AGER, 2016), in 2018 its observable a 10% increase to 49% (AGER, 2018). Considering this, between 2016 and 2018 Portuguese people felt the impact of an increasingly innovative and entrepreneurial scenario.

Although the Portuguese ecosystem is rather recent, it has conquered 12t^{h} place in the "Top 100 Emerging Ecosystem Ranking Startup Genome" and also won the "12th most innovative EU Country Innovative Scoreboard EU". This ecosystem of innovation and entrepreneurship is showing its results, in 2021 Portugal counts 6 unicorn companies with Portuguese DNA: the already mentioned Farfetch, Outsystems, Talkdesk, Feedzai, Remote and, the also mentioned previously, SWORTH Health. And there are other companies pursuing the path to becoming a unicorn, such as Aptoide, DefinedCrowd, Unbabel and Uniplaces. Besides the 2 159 startups that were registered in Portugal in 2020, that employ an average of 8.8 people. Jesus Contreras, head of the European Institute of Innovation and Technology for the Iberian Peninsula (EIT)[12], believes that Portugal stands out in Europe as one of the countries with the best digital infrastructure, characterized by a "high intensity in digital innovation and in the creation of companies" (Rodrigues, 2021: n/a). Besides, although the Portuguese market being small could represent a weakness, this actually leads startups to look at international markets by design, ending up as a strength. This becomes a key distinction when compared to other environments with larger critical masses, where internalization occurs much later in the process (IDC Portugal, 2021).

But what is the environment that Portuguese startups are currently facing? Besides the common internal challenges that every startup faces, the external context is also important to understand. The COVID-19 pandemic represented and still represents a huge impact in all the different fields, such as political, economic, social, and technological. For example, on the political field, we have faced closed borders while faith and confidence in organizations and leaders are eroding (IDC Portugal, 2021). Accompanied by an economic recession and a disruption between demand and supply. Moreover, the shift to remote work came to change the way that all

[12] EIT Digital's parent business, EIT, is an independent European Union body whose mission is to promote innovation and technical evolution by assisting young enterprises and startups in a variety of fields.

companies were working for a long time. The pandemic has changed the way people think about disruption. The ability to shift — to move swiftly, adapt, take opportunities, and be ready for the next disruption — is linked to the survival of the fittest, not to size or strength (IDC Portugal, 2021).

The pandemic has proven that the survival of some businesses was only possible due to the capability of adapting to change. For example, EatTasty, a startup whose main focus was to deliver freshly made food to companies/offices (B2B approach), changed its business model to B2C, when the pandemic forced remote work into all of our lives. This ability to adapt to a new product market fit was what supported some startups to survive the pandemic. The ones that were not able to make a quick adaptation struggled to survive. Even though according to a study performed in Portugal, startups agreed that COVID-19 has had an impact on their business, primarily owing to a decline in sales and the postponement or delay of initiatives, it has also proven that the pandemic created new prospects for 42.3% of the companies polled. So, even though not all startups were able to survive, the ones that did, actually experienced some improvements in some areas of the business.

So, what we are able to conclude from this chapter is that startups are volatile businesses that by being innovative and focused on fast growth, are constantly in risky situations. They are companies that start with a good idea; that have an innovative solution to a problem or to a new market need. The ability to adapt to new contexts and make the necessary changes might support a startup when fighting for survival. Characterized as an unstable and uncertain business model, the environment that is offered to startup teams might not be suitable for everyone which as we have seen is the second most probable cause of failure. Even though the number of articles about this business venture seems to be growing, the path for research still looks long and the solution to team problems is still to be found. Furthermore, the next chapter will take a deeper look into what might be possible in startups for teams' sake.

4. Leadership

4.1 Concept and contextualization

Leadership is a subject that has piqued people's curiosity and is likely one of humanity's oldest worries (da Cruz, et al., 2011). Not only due to being commonly discussed, but also due to its presence in various fields. For example, several colleges say that their objective is to train leaders who will enhance society's well-being in their various professions, particularly in graduate programs in business administration, law, education, public health, and public policy (Nohria & Khurana, 2010). So, it comes as no surprise that leadership is presently one of the most discussed topics in business and organisations. It has become difficult to turn on the television, read a newspaper, or join a convention without hearing about leaders, leadership, and leading (Bolden, 2004).

However, despite the several studies, it seems to exist a lack of clear and unequivocal knowledge of what separates a leader from a non-leader, and perhaps more crucially, what distinguishes an effective leader from an inefficient leader (Jago, 1982). When one is asked what leadership is or what a good leader is, it can originate a ton of different answers. Something totally understandable, considering that each person has a different take on leadership. “Everyone has their own intuitive understanding of what leadership is, based on a mixture of experience and learning, which is difficult to capture in a succinct definition.” (Bolden, 2004: 4). But why does this happen? Although leadership is a well-known concept, there is not a generally accepted definition in the literature. Considering that leadership is both a diverse and complex concept, it justifies the struggle to define it (Day, 2012). “Leadership is one of the most widely talked about subjects and at the same time one of the most elusive and puzzling” (Wren, 1995: 27). One's theoretical perspective has a tremendous impact on how leadership is conceived and interpreted (Bolden, 2004). Some regard leadership as the result of a collection of attributes or features possessed by 'leaders,' whilst others regard leadership as a social process that evolves through group connections. Such diverse viewpoints will inevitably result in a disagreement regarding the essence of leadership (Bolden, 2004).

This idea of the leadership concept being something that struggles to build up a unique definition is also shared by many authors. Bass (1990) evidenced this by saying that "There are almost as many different definitions of leadership as there are persons who have attempted to define the concept" (1990: 11). Day (2012) compares the struggle that leadership researchers face to taking parts from many sets of jigsaw puzzles, combining them, and then requesting someone to fit the pieces together to form a cohesive image.

In today's literature, there are several explanations, classifications, theories, and definitions of leadership. A significant effort has been expended to identify and clarify many elements of active leadership, resulting in significant organisational and sociological studies of leadership styles and behaviours (Nawaz, et al., 2016).

However, many leadership scholars and researchers would probably agree, at least theoretically, that leadership can be described in terms of "(a) an influencing process (...) that occurs between a leader and followers, and (b) how this influencing process is explained by the leader's (...) characteristics and behaviours, follower perceptions and attributions (...), and the context in which the influencing process occurs." (Day, 2012: 5). For example, a leader, according to Bass (1980), is a person who has a purpose and acts in concert with the group members they lead to achieve that aim. A leader employs or applies particular tactics or styles during the leadership process so that his leadership serves as a dynamic force that inspires, stimulates, and coordinates team members in reaching the objectives specified (Verawati, 2020). For Robert and Hunt (1991), leadership is a method of influencing other people's behaviour such that they have a strong desire and passion to reach shared objectives.

In spite of not having a generally accepted definition, the relevance of leadership is well known and studied across different areas. It is possible for us to look for "the relevance of leadership" and find articles across distinct industries and purposes. Verawati (2020) based on Yukl (1989) found two reasons for leadership to be recognized as highly relevant: firstly, the changing of leaders frequently alters the functioning of a division or institution; secondly, the findings of the research indicate that one of the internal elements influencing organisational performance is leadership, along with the leadership process at all levels of the company, as well as the abilities and behaviours of the leaders in question.

So, even though there might be some characteristics that most authors agree on, the best way to have a general understanding of what leadership really is can only be done by looking at the study of leadership throughout the years and understanding the different theories that appeared. Theories support our understanding of the world by organising and summarising enormous amounts of evidence; however they may also give birth to unchallenged premises and ways of thinking (Bolden, 2004). According to leadership literature, ideas have been evolved and updated throughout time, and no theory is absolutely irrelevant. Furthermore, relevance is determined by the context in which it is used (Nawaz, et al., 2016).

4.2 Leadership Theories Overview

When looking at the beginning of the scientific study of leadership, we encounter the "great man" theory. It grew at the turn of the twentieth century and saw the formation of history through the prism of extraordinary individuals (Day, 2012). This theory is mainly associated with Thomas Carlyle, a writer that gave a voice to this theory through his book “On Heroes, Hero-Worship, and The Heroic in History” launched in 1841 (Spector, 2016). His language was recognized to have a deeply religious tone, and that can be observed at the core of the theory since it stated that certain personalities – mainly men – are God's gifts to the world, placed there to offer the spark needed to boost humankind (Spector, 2016). Another author, Spencer (1873) even hypothesised that the origins of the Great Man theory may be traced back to legends of brave warriors and wise leaders recounted over the campfire by savages.

There was agreement that leaders varied from their followers and that destiny or fortune had a significant role in determining the path of history (Organ, 1996). The great man theory claims that leaders are born, and only those people gifted with heroic capacity will ever become leaders, the idea that prevailed was that “great men were born, not made” (Nawaz, et al., 2016: 1). This premise was generally recognized, not just by academics, but also by those wanting to influence others' conduct (Organ, 1996). This idea “that a single, outstanding individual can emerge in a time of crisis and steer a nation to victory, or rescue a company from bankruptcy” (Van Vught, 2010: 28) can still be observed today in specific figures such as Jesus Christ (Van Vught, 2010). Thus, this theory centred on how – once again, often male (a lot due to the context that was prevalent at the time) – leaders rose to and held positions of power. The notion was that these people were innate leaders who would thrive only on the basis of their personalities (Bolden, 2004). Nonetheless, this theory seemed to be maladjusted when morality was brought to the table with figures such as Hitler (Nawaz, et al., 2016). Besides, some of these “great men” were ordinary and common men for most of their lives, only being considered heroes for a specific feat (Van Vught, 2010).

Furthermore, this theory has fallen and is often considered outdated (Organ, 1996). There was an obvious gender bias in his conception, combined with the historical context at the time, that leadership was an exclusive masculine attribute (Spector, 2016). And even though this theory is often overlooked for being “less a theory than a statement of faith” (Spector, 2016: 2), it is still relevant to look at for the development of further theories. This theory opened the door for the assumption that discovering and isolating a limited range of attributes that might be utilised to select and promote individuals to positions of leadership, would be possible (Bolden, 2004). The belief that greatness may in reality be defined by a set of character attributes such as honesty, intellect, and self-assurance (Van Vught, 2010), is what connects The Great Man theory to the trait theory that developed from it. Anyone with the necessary quantity of relevant attributes might be identified for leadership and not just a select few, which originated the next theory.

The trait theory defends that leaders were apart from non-leaders, through several physical and personality attributes (Nawaz, et al., 2016). Some of the traits identified at the time were intellect, extroversion, and drive (Van Vught, 2010). It was widely assumed that leaders must have higher potential that allows them to successfully govern and influence their people (Gehring, 2007). Social scientists expended substantial effort in the early half of the twentieth century seeking to establish links between personal features of strong leaders and differentiating traits between followers and leaders (Gehring, 2007). However, as time passed, the number of traits that people associated with leadership increased and not all leaders filled all the boxes (Van Vught, 2010). According to Jennings' (1960) study, a summary list of 79 leadership qualities had been created by 1940 from around 20 leadership trait investigations. In an exhaustive study of trait research made by Ralph Stogdill (1974), several attributes were discovered that emerged more frequently than others (Bolden, 2004). Such as a "strong drive for responsibility, focus on completing the task, vigour and persistence in pursuit of goals (...), self-confidence, sense of personal identity, willingness to accept consequences of decisions and actions" (Stogdill, 1974: 81).

However, were all of these traits genetic or could be developed over time? Two different categories of traits emerged: effectiveness traits and emergent traits (Nawaz, et al., 2016). Emergent traits were named after all the characteristics that are inherited, such as intellect and height (Nawaz, et al., 2016). On the other hand, effectiveness traits are based on knowledge or practice, such as charisma, commonly associated with leadership (Nawaz, et al., 2016). In the 1970s, a thorough review of characteristics and skills reduced the number of "leadership" qualities to a core set that included attributes such as "assertiveness, dominance, energy, self-confidence, persistence, alertness and ambition" (Van Vught, 2010).

Nonetheless, this theory also faced some critiques. Later studies showed that this theory missed the mark in two important areas (Gehring, 2007). Initially, it was discovered that none of the several pieces of research aiming to find similar personality traits, as well as physical and mental qualities of diverse or successful leaders, had been effective (Gehring, 2007). Secondly, it was realised that neither of the investigations was even capable of distinguishing leaders from non-leaders (Gehring, 2007). Which led to one of the biggest problems with this theory that, according to it, all leaders with the same traits would behave in the very same way, which is not the case since a politician would behave the same way as a kindergarten teacher. Thus, even though different lists of traits were created, the combination of them tends to be very long and it becomes difficult to find a consensus on which are the most important characteristics (Gehring, 2007).

Given the limitations of the trait research, leadership academics needed to look elsewhere for answers, so they began concentrating on leaders' behavioural styles in the 1950s (Day, 2012). Many studies have been undertaken, as per Robert & Hunt (1991), to investigate how behaviour is connected to criteria concerning leader effectiveness, such as follower satisfaction and productivity. Several additional scholars employ trials and field investigations to study how leader conduct affects follower motivation and productivity (Verawati, 2020). It became clear that many individuals, both leaders and non-leaders, had similar characteristics (Gehring, 2007). Furthermore, merely possessing a list of characteristics does not ensure leadership success (Gehring, 2007). Theorists concluded that various elements, including unique leadership circumstances, had a role in determining great leaders (Gehring, 2007). So, maybe looking at what leaders do could be the secret to success (Van Vught, 2010). “This line of research focused on the behaviours that leaders enacted and how they treated followers.” (Day, 2012: 8).

Contrasting with the previous theory, traits based, the behaviour theory defends that leaders can be made, and formed since it focuses on leaders’ actions and behaviours instead on mental attributes (Verawati, 2020). People may acquire leadership abilities, for example, from coaching or watching, according to this belief (Verawati, 2020). This implies that individuals who have received proper leadership mentoring and coaching will be able to lead successfully (Verawati, 2020).

This theory also had a closer approach to organisations and the function of a workplace. Considering this, two new leadership styles were identified: consideration and initiating structure (Day, 2012). The first one, employee-centred (Goff, 2003) lays on interpersonal behaviours and care for people, while the second one, job-centred (Goff, 2003), has a stronger task-oriented focus and concern for output and job performance (Nawaz, 2016). The first one, more oriented to the followers, is a leadership style that, rather than closely monitoring their staff, encourages managers to promote trust and understanding, compassion, and connection between the leader and the following (Verawati, 2020) (Goff, 2003). This leadership style is extremely attentive to the sentiments of his subordinates (Verawati, 2020). On the other hand, the task-oriented style is mainly concerned with meeting deadlines with extremely rigorous attendees so that their demands are fulfilled supported by monetary incentives, pressure, and a high formalisation (Goff, 2003) (Verawati, 2020). Good relationships with employees are neglected as long as subordinates work hard, are efficient, and arrive on time (Verawati, 2020).

Considering this, Yukl (1971) defines four essential leadership behaviours: 1. Achievement behaviour; 2. Participative behaviour; 3. Support behaviour; 4. Directive behaviour. The achievement behaviour establishes ambitious aspirations and seeks employee engagement to those ambitions. The participative behaviour pursues ideas and feedback to aid in decision making. Regarding support behaviour, caring, assistance, listening to followers, and providing relevant advice are all examples of it. The purpose of directing behaviour is to communicate objectives and aspirations, as well as to explain job practices.

However, similar to what we have seen happen with other theories, this also raised some constraints. Leadership research was once again embroiled in a new crisis as a result of inconsistent results linking behavioural "styles" of leadership to meaningful outcomes. “That is, there was no consistent evidence of a universally preferred leadership style across tasks or situations.” (Day, 2012: 8). Different leadership styles appeared to fit different situations, resulting in the creation of situational theory (Van Vught, 2010).

The Situational Leadership Theory (SLT) was first made public by Paul Hersey and Ken Blanchard in their article entitled “Life Cycle Theory of Leadership” in 1969. However, it was in 1977 when they presented the most explicit discussion of the theoretical basis behind their model's initial version (Graeff, 1997). According to situational theorists, great leaders arise as a function of place, circumstance, and time (Nawaz, 2016). “Successful leaders are those who can adapt their behaviour to meet the demands of their own unique situation." (Schermerhorn, 1997: 5). This theory bases itself on the notion that the sort of leadership necessary varies according to the situation (Van Vught, 2010). People in the area of management have been immersed in a search for the "best" style of leadership throughout the previous few decades. Although the "best" style of leadership seems a utopia, situational theory brought hope to the management world, since the model that was developed from it was created to be trained and taught to managers.

The model brought by Hersey and Blanchard focuses on four big dimensions: follower maturity, relationship behaviour, task behaviour and effective leader behaviour (Johansen, 1990). Task behaviour stands for the amount to which a leader participates in one-way communication by detailing what each follower is to do, as well as when, when, and how tasks are to be completed (Johansen, 1990) (Schermerhorn, 1997). Relationship behaviour refers to the amount to which a leader participates in two-way communication by offering socio-emotional support and enabling actions (Schermerhorn, 1997). The task and relationship behaviours vary from low to high, forming a matrix that distinguishes four main leadership styles: high-task/low-relationship (S1), high-task/high-relationship (S2), low-task/high-relationship (S3), and low-task/low-relationship (S4) (Johansen, 1990) (Hersey & Blanchard, 1982b: 95). Maturity or readiness, the model's third dimension, is described as people's desire and capacity to assume responsibility for controlling their own conduct, when solely in connection to a specific job to be accomplished (Johansen, 1990) (Schermerhorn, 1997). According to the model, when the follower's degree of willingness to do a certain task increase, the leader should begin to minimise task behaviour and enhance relationship behaviour (Schermerhorn, 1997). The Situational Leadership Model is presented as a valuable tool for managers to make a proper diagnosis of the situation and adapt to it (Hersey & Blanchard, 1997). "It is adapting the combination of directive behaviours and supportive behaviours appropriately to the readiness of others to perform specific tasks or functions" (Hersey & Blanchard, 1997: 7). This model defended that "successful leaders are those who can adapt their behaviour to meet the demands of their own unique situation" (Hersey & Blanchard, 1997: 5).

Bass (1995) also explored that the leadership style should be matched to the maturity of the followers. For example, in a situation where the followers are skilled experts and can contribute with strategies, a democratic leadership style might be a better fit. On the other hand, when a leader is taking the wheel of a group where no one has experience in a certain topic, he might feel the need to take on a more autocratic leadership style.

Although this theory brought a different perspective when compared to other theories such as The Great Man, defending that circumstances shape the man rather than vice versa, it still faced some criticism. The vagueness surrounding the conceptual notion of follower growth level is a serious complaint (Thompson & Vecchio, 2009). So, even though the situational leadership theory has received widespread acceptance in the field of management training, the theory has also received considerable criticism in academic circles due to a lack of convincing empirical backing.

However, the situational model is not the only reference to the situational/contingency theory era. The contingency model brought by Fiedler should also be taken into account. Even though they might seem quite similar, for both believe in the importance of situations, and they are apart themselves on the expectations of the leader. While, according to the situational approach, a leader should adapt himself to the situation, according to Contingency Theory, the proper leader should be matched to the correct scenario (Schermerhorn, 1997).

Fred Fiedler was, for many years, focused on interpersonal perception, which he studied first in terms of therapeutic partnerships and then in leadership (Fiedler, 2015). Fiedler's approach defends that effective leadership is dependent on the combination of leadership styles and advantageous settings for the leader (da Cruz, et al., 2011). Fiedler distinguishes between task-oriented and relationship-oriented leadership styles and advises relating these styles of leadership to various sorts of scenarios in order to determine what circumstances make one or the other style effective (da Cruz, et al., 2011). As per this theory, an individual's style of leadership is determined by the leader's fixed personality, and hence the proper style should be paired to the right scenario (Armandi, et al., 2003).

For defining scenarios, the approach offers three contingency variables: 1. Leader-member relations: the level of confidence, trust, and respect that subordinates have for their boss; 2. Task structure: the amount of bureaucracy and standardised operating procedures in work duties; 3. Position power: the leader's influence over power-based activities like recruiting, dismissing, disciplinary actions, promotions, and pay raises (Armandi, et al., 2003). These circumstantial aspects work together to define the 'favorability' of diverse circumstances in companies (da Cruz, et al., 2011). The most ideal conditions are those in which there is a good connection between the leader and the members, duties are specified, and the leader has solid legitimate power (da Cruz, et al., 2011).

For the leadership styles, Fiedler devised a scale known as the Least Preferred Coworker (LPC). This indicator is provided in the form of a survey, in which participants were intended to describe the colleague with whom they least enjoyed working, using a list of 16 bipolar descriptors on a scale of 1 to 8, such as (introvert – extrovert, uncooperative – cooperative, unfriendly – friendly) (da Cruz, et al., 2011). The responses to this measure are collected and averages are used to determine the LPC. If the least liked colleague is reacted to in a somewhat favourable manner, with a high LPC score, the style is classified as relationship orientated (Armandi, et al., 2003). If, on the other hand, the coworker is described negatively, with a low LPC score, the style is called task orientated (Armandi, et al., 2003).

So, the leader's effectiveness according to this theory depends on both scenarios and leadership style combined. Some other authors, such as Vroom and Yetton, and Tannenbaum and Schmidt, also performed an investigation and provided a proposal, suggesting that the most successful leadership style relied on the context (Nohria & Khurana, 2010). However, similar to other theories, some limitations appeared. One of the major criticisms goes to the LPC scale since respondents struggle to grasp how evaluations of another person on the scale match their own leadership styles (da Cruz, et al., 2011). Also, even when a major part of individuals agreed that the optimal leadership style was determined by situational contingencies, no one could agree on what those variables were (Nohria & Khurana, 2010) nor why people with a particular approach are more effective in some scenarios over others (da Cruz, et al., 2011).

After this theory, we enter what is called by some authors, such as Wu (2009), the new approaches to leadership. By the late 1970s and early 1980s, leadership theories began to separate from the distinct viewpoints of the leader, leadership setting, and followers and began to look toward approaches that focused more on the interactions between leader and followers (Nawaz, et al., 2016). This gave rise to the change-oriented leadership that has the studies of Burns, Bass, and colleagues – such as Avolio – as its ground (Groves & LaRocca, 2011). Both authors define leaders based on their behaviours and the influence their acts have on others (Kuhnert & Lewis, 1987). And even though different theories were brought to the test of leader effectiveness, two of the most prominent were the result of this change-oriented leadership – transactional and transformational leadership (Odumeru & Ogbonna, 2013). Adopting either transformational or transactional leadership styles contributes to an organisation's success (Zareen, et al., 2015).

Transactional leadership also called managerial leadership (Odumeru & Ogbonna, 2013), has traditionally focused on leader-follower interactions (Zareen, et al., 2015). This style of leadership is based on the mutual and causal connection that exists between a leader and his followers (Vito, et al., 2014). Transactional leaders drive followers toward performance targets by explaining role and job requirements (Armandi, et al., 2003) while monitoring them closely (Zareen, et al., 2015). Followers execute in accordance with what leaders have instructed – what they need to do and how it must be done – then leaders reward or take disciplinary action (Zareen, et al., 2015). The foundation for this focuses on a reward system that takes punitive procedures when the follower does not meet the goals or that implements admiration and praise when the subordinates satisfy the rules that have been set by leaders in order to achieve the set objectives (Zareen, et al., 2015). On the other hand, these types of leaders tend to be passive and only intervene when a problem arises (Vito, et al., 2014). Those who are captivating and innovative, on the other hand, may motivate followers to put the organisation ahead of their own self-interest (Armandi, et al., 2003). Epitropaki and Martin (2005) argue that transactional leadership is more transparent with followers, defining their roles, the activities that must be completed, the performance goals, and the rewards to the followers' self-interests for adherence.

This supports followers in understanding better what their role is at the organisation, which can make them feel more engaged in the general goals of the organisation (Zareen, et al., 2015) while acting in their own self-interest, reducing workplace stress, and focusing on specific company goals (McCleskey, 2014). Leaders and subordinates have significant influence and power in this view (Vito, et al., 2014). Transactional actively lead their followers in a mutually dependent relationship in which both sides' efforts are recognized and praised (Kuhnert & Lewis, 1987).

In summary, we end up with three different dimensions to characterise transactional leadership: "contingent reward, active management-by-exception, and passive management-by-exception" (Groves & LaRocca, 2011: 513). The first one, already mentioned, happens through the clarification of goals along with the recognition and rewards offered when goals are attained (Groves & LaRocca, 2011). Regarding the active management-by-exception, transactional leaders define the compliance criteria and penalties for transgression, as well as what defines inadequate performance (Groves & LaRocca, 2011). Lastly, according to passive management-by-exception, the leader only intervenes when standards are not met.

For Burns (1978), transactional leaders "approach followers with an eye to exchanging one thing for another; jobs for votes, or subsidies for campaign contributions. Such transactions comprise the bulk of the relationships among leaders and followers, especially in groups, legislatures and parties" (1978: 3). Bass (1995) has taken Burns's research and presented the transactional leaders as those who:

> *"(1) recognize what it was you wanted to get from your work and tried to see that you got what you wanted if your performance warranted it, (2) exchange rewards and promises of reward for your effort and good performance, and/or (3) were responsive to your immediate self-interests if these could be met by your getting the work done."* (p.469)

Bass (1985) took Burns' ideas and applied them to organisational management (Kuhnert, Lewis, 1987). He contended that these leaders "mostly consider how to marginally improve and maintain the quantity and quality of performance, how to substitute one goal for another, how to reduce resistance to particular actions, and how to implement decision" (Bass, 1985: 27). This form of leadership tends to be more helpful in times of crisis and emergency, as well as when projects must be completed in a precise manner, while being task-oriented and directed (Odumeru & Ogbonna, 2013). However, the biggest criticism of this leadership style is that followers are drawn into short-term trade ties with the leader as a result of these actions (McCleskey, 2014). These interactions are characterised by superficial, fleeting trades of enjoyment and frequently result in animosity among the parties (McCleskey, 2014).

On the other hand, the transformational leadership style primarily focuses on motivating people to change their beliefs and values while encouraging people based on their own interests for the sake of the company (Zareen, et al., 2015). This happens when leaders widen and elevate their workers' interests, raise understanding and acceptance of the organisation's aims and mission, and encourage their followers to think outside their own goals for the welfare of the team (Bass, 1990). Transformational leadership separates itself from the rest of the current and previous approaches by the participation of followers in procedures and methods linked to personal components towards the institution and a route that will produce certain higher societal dividends (Nawaz, et al., 2016). These leaders are committed to their followers' issues and developmental level, assist them to see issues from a new perspective and can encourage their followers to accomplish their objectives (Armandi, et al., 2003). They look to improve followers' commitment, confidence, and productivity through several techniques (Odumeru & Ogbonna, 2013). Consequently, they generate motivation and excitement to put forth an extra effort to attain mutual objectives (Zareen, et al., 2015).

Contrary to the transactional style, in the transformational approach, the basis is the emotional bond between the leader and the follower (Vito, et al., 2014). The leader uses the subordinate's confidence and loyalty in them to drive conduct, which allows for a shared vision (Vito, et al., 2014), a cause that they can rally Bass (1995). "Transforming leaders convert followers to disciples; they develop followers into leaders." Bass (1995: 467).

Transformational leaders are distinguished by four attributes: inspiration, individual concern, charisma, and intellectual stimulation (Bass, 1985). Inspiration conveys high hopes, uses symbolism to place more emphasis and defines significant goals in simple terms (Bass, 1990), inspiring followers to be optimistic about future objectives while offering to mean to current tasks (Odumeru & Ogbonna, 2013). According to individual concern, the leader pays particular attention to each individual, instructs and encourages them personally (Bass, 1990), serves as a mentor, and respects and values the individual's commitment to the organisation (Odumeru & Ogbonna, 2013). Regarding charisma, it offers a feeling of purpose and goal, and earns loyalty and confidence (Bass, 1990), the leader has a distinct set of ideals and serves as a role model for his or her followers (Odumeru & Ogbonna, 2013). Lastly, intellectual stimulation encourages knowledge, logic, and deliberate conflict resolution (Bass, 1990), encouraging and stimulating creativity (Odumeru & Ogbonna, 2013). These attributes are used by the transformational leader to encourage action (Vito, et al., 2014). Bass (1995) has defined transformational leaders as those who

> *"(1) motivated you to do more than you originally expected to do, (2) raised your level of awareness about important matters, (3) increased your level of needs from need for security or recognition to need for achievement or self-actualization, and/or (4) led you to transcend your own self-interests for the good of the team or the organisation."* (p.469)

Furthermore, transformational leaders are personally thoughtful, which means that they pay great attention to distinctions among their people and serve as tutors to those who need assistance in developing and growing (Bass, 1990). Managers who act like transformational leaders are much more likely to be perceived as fulfilling and effective leaders by their teammates and workers than those who act like transactional leaders (Bass, 1990).

However, this theory also faces some criticism, according to Yukl (1999), the theory does not adequately identify the effects of contextual factors on leadership effectiveness. He also finds a common issue with most leadership theories, the assumption of a heroic leader. It is thought that good management by a person, team, or institution is dependent on leadership by an individual with the ability to discern the appropriate way and encourage others to follow it (Odumeru &

Ogbonna, 2013). Even though the criticism exists, even Yukl (1999) recognizes that this theory's popularity has grown, and it can be found in studies that look at managers in different settings (Odumeru & Ogbonna, 2013). Over the last 30 years, this theory has been "the single most studied and debated idea within the field of leadership studies. From 2000 to 2010 an impressive total of 476 articles looking into transformational leadership were listed…" (Diaz-Saenz, 2011: 299).

On the opposite side of the spectrum, we can find laissez-faire leadership which experts recognize as a third dimension of leadership (Zareen, et al., 2015). "Laissez-faire leadership style is the one in which a leader delegates all the decision-making powers to followers." (Zareen, et al., 2015: 6). This leadership style offers little or no guidance and provides workers as much independence as possible, such that all responsibility is delegated to the employee, who must define goals, make decisions, and handle issues on their own (Sharma & SINGH, 2013), which allows followers to increase their influence and authority (Deluga, 1990). This entire flexibility to make decisions offered to followers is only achievable by giving them the essential tools and resources (Zareen, et al., 2015).

However, this leadership style raised a discussion on if this can have a negative or positive impact on followers. For example, Eagly, et al. (2003) in this instance, subordinates' expectations to develop solutions grow quite strong, but once they are in the process and eventually make a choice, the entire process becomes an excellent learning opportunity to create and understand important organisational tools. When followers are highly talented, dedicated, resourceful, and eager to achieve results on their own, a laissez-faire type of leader reveals to be more successful (Zareen, et al., 2015). This leadership style is also helpful when there are many considerations to be made but decision-making is simple, and followers must do regular jobs with fewer complications and less demanding criteria (Zareen, et al., 2015). The laissez-faire leader believes that his workers are knowledgeable, experienced, and well-educated and therefore exercises little control over them (Sharma & SINGH, 2013). He empowers others to make decisions since he believes they are equally qualified to do so and are not compelled to contact him before making a choice (Sharma & SINGH, 2013). This empowerment allows employees to feel more involved with the organisation and more motivated so that they remain part of the organisation (Zareen, et al., 2015). The role of the laissez-faire leader is to be a facilitator (Sharma & SINGH, 2013).

Furthermore, when employees are not as talented, knowledgeable, trained, or dependable, is when this leadership style is associated with negative results, such as demotivation and stress (Yang, 2015). For these researchers, laissez-faire leadership represents a lack of support and careless guidance (Zareen, et al., 2015), considered a type of leadership that is non-strategic or lacking (Yang, 2015). It makes sense that not all employees have the same need, some "require high relationship orientation with their managers and leaders; in these circumstances, laissez-faire leadership style fails, resulting in poor performance of employees in the form of off-track efforts and missed deadlines" (Zareen, et al., 2015: 6). So, although these two perspectives might seem contradictory, they key appears to be on the experience and readiness level of the followers.

The last and most recent leadership theory is the evolutionary leadership theory (ELT), that individuals have specific psychological processes for dealing with coordination issues via followership and leadership (Vugt & Ronay, 2013). The evolutionary leadership theory looks at leadership in the light of evolutionary psychology, which provides a distinct viewpoint on the challenges that must be solved in order to establish successful leadership and promote organisational well-being and employee happiness (Vugt & Ronay, 2013). Such revelations are grounded on a greater knowledge of how the conscious being operates and the essence of its developed roles (Vugt & Ronay, 2013). Evolutionary leadership theories offer assumptions based on Darwin's idea of evolution via natural selection (Van Vugt & von Rueden, 2020). Natural selection is the process through which genetic variations drop, are preserved, or expand in a population as a result of their effects on individual organism reproduction.

This theory seems attractive to study due to the different promising areas it appears to bring. To begin, evolutionary techniques have the ability to provide a more comprehensive knowledge of a certain leadership process or event. A more comprehensive explanation arises naturally from the field's theoretical and methodological heterogeneity by combining data gathered at multiple levels of analysis and at distinct timelines (Van Vugt & Ahuja, 2011). Furthermore, this evolutionary perspective on leadership can assist in overcoming prejudices and inadequacies in the research. Leadership in contemporary, large organisations such as firms, governments, and militaries seem to be the research focus (Van Vugt & von Rueden, 2020). However, an evolutionary perspective demonstrates that leadership occurs at all layers of society, encompassing communities, households, and other informal social connections (Van Vugt & von Rueden, 2020). Also, an evolutionary method may be utilised to generate a plethora of unique theories concerning current leadership issues, such as utilising evolutionary anthropology and studies on small-scale cultures to explore the levelling processes that groups use to resist extortion by rulers. (Van Vugt & von Rueden, 2020).

Some other possible topic for an evolutionary strategy is the rising digitization of workplace leadership, which enhances social distance (Van Vugt & von Rueden, 2020). This rapid transition to remote workers is a new experiment for the great array of organisations, representing a totally different style of operating (Ozimek, 2020). This new reality forced leaders to be adaptable and change-oriented (with an open mind and innovative) (Kane, et al., 2019). As teams increasingly find themselves in various locations and distinct time zones (as in international corporations), the question of how successful remote styles of leadership are in inspiring and educating people arises (Van Vugt & von Rueden, 2020).

Considering this, leadership theories allow us to understand what leadership might mean in different contexts theoretically. However, more practically research on leader and leadership development is still superficial.

4.3 Leadership Development

As we were able to see, leadership studies have a long history and their research dates more than a century, however, in contrast, the history of serious scholarly thought and study on the issues of leader and leadership development is rather brief (Day, et al., 2014). Leadership development has arisen as an ongoing topic of theoretical creation and analysis, giving a rather more scientific and evidence-based foundation to supplement the topic's long-standing practitioner interest (Day, et al., 2014). Leadership development looks to be at its peak, as the number of articles available about this topic increases, with many organisations recognizing it as a strategic asset and investing in it (Day, 2000).

Before getting into leadership development, it is important to distinguish it from leader development. Leader development is associated with the protection and improvement of human capital (Day, 2000). The emphasis in leader development is often on individual-based expertise, competencies, and skills connected with formal leadership responsibilities (Day, 2000). For example, self-motivation and self-awareness are two particular characteristics of interpersonal relationships competence related to leader development programs (Day, 2000). Considering this, leader development is concerned with the evolution of individual leaders, whereas leadership development is concerned with the evolution of a process that inevitably incorporates numerous persons (Day, et al., 2014). Unlike leader development, leadership development focuses on social capital, with an emphasis on developing networked ties across individuals in order to improve collaboration and resource sharing in the creation of organisational worth (Day, 2000). As a dynamic process, leadership development involves several people at multiple levels of analysis; the substance of this process includes a number of interpersonal issues (Day, et al., 2014).

Along with the development of this research, the best practices to pursue leadership development also arose: 360-degree feedback; executive coaching; mentoring; networking; job assignments; and action learning (Groves, 2007) (Day, et al., 2014). 360-degree feedback focuses on gathering impressions of an employee's skills from the whole circle of relevant viewpoints, including insights from colleagues, direct reports, managers, and, on occasion, external stakeholders such as suppliers and customers (Day, 2000). Executive coaches, on the other hand, focus more on one-on-one training and behavioural modification, while enhancing personal performance and fulfilment (Day, 2000). Regarding mentoring, it can either be formal or informal, the first one is usually monitored by the organisation, while the second one is encouraged but not managed by it (Day, 2000). Concerning networking, some organisations incorporate development activities aimed at establishing larger individual networks as means of breaking down boundaries across organisational functions (Day, 2000). On the job assignments side, the belief is that experience is crucial for leadership development, through duties, roles, and responsibilities that individuals may have faced at their workplace (Day, 2000). Many businesses recognize that the conventional, classroom training featured in most formal leadership training is only partially successful at educating leaders for contemporary challenges (Day, 2000).

Understanding the best practices to develop leadership already provides us with some insights on whether an organisation is pursuing a rightful path or not, which will be crucial for the discussion brought on in the next chapter.

5. Leadership in Startups

As we have acknowledged in the previous chapter, leadership has a long history. However, leadership applied to entrepreneurship is a relatively recent topic of research (Zaech & Baldegger, 2017). Emerging business ventures are often ignored in matters such as human resources, internal communication, and leadership, as it is not the primary concern. However, leadership practices within startups are critical for the new venture's progress - not just because workers are the foundation of the company, determining the startups' market edge, preservation, and growth – but also because startups face a widely known challenge in talent recruiting and retention due to a lack of human and financial resources (Men, 2021). Furthermore, we have seen, in the previous chapter, that both startups and startup founders face a very unique context, they are working under extremely uncertain conditions, facing the already mentioned lack of human resources and financial capital.

Considering this, it seems that startups have all the odds stacked against them, which makes it even more difficult to succeed and get people on board. Although sales and production rates are commonly at the centre of growth objectives in this business model, the number of employees should also be taken into consideration (Cardon & Stevens, 2004). This scenario raises the need to gather tools that will make startups an attractive place to work. It is no secret that startups have limited job stability to offer due to severe market rivalry and unpredictable outcomes (Men, 2021). However, teams can represent an important factor when it comes to startup success. As we have had the chance to see, a good number of failed startups faced adversity with team management, "venture capitalists[13] attribute between 60-65% of failures to problems within the startup team" (Brattström, 2019: 5). So, in order "to attract and keep and retain talented individuals, startup leaders have to treat employees better than established companies and resort to building long-term mutually beneficial relationships" (Men, 2021: 5).

[13] Venture capitalists are responsible for venture capital. An investment made in projects on which there is no certainty of significant profit. It also designates the investment made in small and medium-sized companies to grow, conquer new markets or take a technological leap. Whoever invests then receives a percentage of the gains resulting from their investment (Lisbon Municipal Magazine, 2022).

So, even if startup founders/CEOs are already aware that they need to go the extra mile to attract and retain new talent, what should they be doing? Prommer, et al. (2020) have recognized that leadership development is an important key element for this business model in terms of increasing human resources, chance of survival, and performance. “The foundation and development of start-ups are inevitably connected with leadership.” (Zaech & Baldegger, 2017: 3). Dvalidze & Markopoulos (2019) have also acknowledged leadership development as an important influential factor in a startup’s performance. However, Prommer, et al. (2020) also disclose that only a small percentage of new businesses actively look for leadership development, and research focuses much more on larger companies (Prommer, et al., 2020). Often due to the mistaken idea that startups do not need leadership-oriented actions, since most small/medium size startups have a much closer relationship between founders and employees (Men, 2021). In contrast to large, geographically distributed corporations, whose leaders must frequently rely on distinct channels, such as email and intranet, to reach workers, CEOs in the tight setting of startups may rely mainly on interpersonal communications to interact with followers (Men, 2021).

Startup teams are more concerned with transformation than with consistency (Brattström, 2019). Nevertheless, the unstable environment that startups have can be reflected in employees' satisfaction and well-being, which requires top leaders' support (Men, 2021). “When startup employees are treated by the top leader in a caring and responsive manner, they are more likely to reciprocate with a higher level of trust, satisfaction, and commitment in the relationship.” (Men, 2021: 5). So, the way that leaders treat staff can have a great impact on their ability to deliver their tasks. As Ensley et al. have stated “the performance of new ventures is highly dependent on the behaviour of their leaders” (2006: 244).

5.1 Entrepreneurial Leadership

Even though research is still being developed, leadership is rapidly becoming a component of founders’ and CEOs' scope of operations (Zaech & Baldegger, 2017). Currently, more than looking at the connection between leadership and startups, contemporary research has been analyzing the link between leadership and entrepreneurship, commonly referred to as entrepreneurial leadership (Zaech & Baldegger, 2017).

Entrepreneurship has been looked at from a broad number of perspectives, such as self-interested conduct, inventive pairings of resources available, ambiguity and risk-bearing actions, risk-avoiding or risk-minimizing behaviour, and prompt or opportunity-seeking behaviour (Gupta, et al., 2004). Furthermore, the key elements of entrepreneurship are identifying and capitalizing on possibilities, so when starting a new business, exploitation of a possibility appears as the first step (Ensley, et al., 2006). Nevertheless, equilibrium is crucial for performance: while seeking innovation, emphasis must also be paid to risk management (Gupta, et al., 2004). Some of these perspectives also encounter a considerable amount of topics within startups, such as “(a) number of start-ups, (b) growth of the firm, (c) growth of the economy, (d) individual mobility and (e) social transformation.” (Thakur, 1999: 285). Startups are viewed as a business subject that focuses on understanding the possibilities to build something innovative and how these are found or generated by certain individuals (Ensley, et al., 2006) in certain contexts. These individuals and their acts come under two categories: attempting to influence others and taking full advantage of chances (Vecchio, 2003).

Actions to persuade others and capitalize on opportunities can be justified if they are linked with the recognized domains of leadership and interpersonal influence (Vecchio, 2003). Across many aspects, the areas of entrepreneurship and leadership have followed similar growth paths (Ensley, et al., 2006), the intersection between these two academic fields is known as entrepreneurial leadership (Dvalidze & Markopoulos, 2019). Gupta, et al. (2004) have defined entrepreneurial leadership as “leadership that creates visionary scenarios that are used to assemble and mobilize a ‘supporting cast’ of participants who become committed by the vision to the discovery and exploitation of strategic value creation." (2004: 242). This emerging theory has been found to provide a rather more comprehensive knowledge of the complicated leadership processes involved in the formation and growth of new ventures (Dvalidze & Markopoulos, 2019).

Many of the early studies on the subject of entrepreneurship concentrated on finding qualities that distinguish entrepreneurs from non-entrepreneurs (Ensley, et al., 2006). The idea of entrepreneurial leadership at startups has been connected to innovativeness, as well as creativeness, and entrepreneurial leaders are seen as important driving forces of creativity and innovation (Dvalidze & Markopoulos, 2019). Several characteristics have been found as part of the entrepreneur profile, such as goals and strategy, offering chances, empowering individuals, retaining organizational closeness, and constructing a human capital infrastructure are all part of the process (Dvalidze & Markopoulos, 2019).

5.2 Entrepreneurs and Startup founders

The last few decades have seen the world's largest eruption of entrepreneurial behaviour. (Kuratko, 2007). "Entrepreneurs are now described as aggressive catalysts for change in the world of business; individuals who recognize opportunities where others see chaos, contradiction, or confusion." (Kuratko, 2007: 1). Entrepreneurs' perception of potential, ambition to create, and drive for achievement have become the benchmark by which free business is now assessed (Kuratko, 2007).

The role of the founder/entrepreneur in new venture building is highly relevant, particularly through the character traits of these people, such as leadership, self-efficacy, determination, risk-taking skill, and role transitions they encounter during venture emergence, has emerged as an arising area of study that is central to the notion of new businesses, including their growth performance and effectiveness (Cardon & Stevens, 2004). Specifically in startups, one of the most important attributes is being able to react, as scenarios constantly change, and they need to be capable of recalibrating their predictions along the way (Blumberg, 2020). Entrepreneurs will remain important producers of growth in the economy through their leadership, administration, creativity, productivity, employment generation, competitiveness, profitability, and the emergence of new industries (Kuratko, 2007).

Vecchio (2003) has explained 5 big characteristics that are connected to entrepreneurs and entrepreneurship: risk-taking propensity, need for achievement, need for autonomy, self-efficacy and locus of control. The first one, risk-taking propensity, translates into a decision-making attitude that favours embracing a higher risk of failure in return for a higher perceived benefit Vecchio (2003). The second and third ones, the need for achievement and the need for autonomy are easily correlated, both translate into the desire to be self-sufficient and self-directing Vecchio (2003). Self-efficacy is what allows entrepreneurs to see more possibilities in a particular circumstance, to feel better capable of dealing with potential barriers, and expect better results, whereas people with low self-efficacy might see more expenses and hazards Vecchio (2003).

The startup genome (Stangler, et al., 2021) has identified different mindset dimensions that are commonly associated with founders and how each one impacts a startup's path. Initiation, the first one, suggests a predisposition and amount of enthusiasm to begin new endeavours, to put ideas into action, which would be favourably connected with startup success (Stangler, et al., 2021). Also, breadth, characterized as a predilection for generalization, broad overviews, and "big picture" reasoning, is associated with new ventures' success (Stangler, et al., 2021). According to studies, it is more associated with startup failure, however, it is also favourably beneficial for later-stage enterprise builders (Stangler, et al., 2021). However, propensity for specifics, precision, and solid thought enters a dimension called depth and tends to be associated with startup success (Stangler, et al., 2021).

Startup founders carry a lot of weight on their shoulders. As we could observe, a small difference in their mindset can have a huge impact on the startup's outcome. This happens due to the role that the founder assumes both internally and externally (Men, 2021). Internally, startup founders and CEOs are the most important individuals and are in command of essential activities such as developing aspirations, objectives, and strategies, establishing the firm DNA, culture, and reputation, and motivating and inspiring staff (Men, 2021) (Ensley, et al., 2006). In order to recruit personnel and gain the required resources for establishing their new endeavours, they must build a vision for the startup and push people to achieve their ambitions (Baum et al., 1998) (Ensley, et al., 2006). As we have had the chance to see in our first chapter, startups often face delicate situations instead of strong ones. These precarious settings lack clear rewards, guidance, or normative standards for what defines proper action (Ensley, et al., 2006).

Entrepreneurs are leaders by definition, and the fact that they operate in a new setting makes them an intriguing subject to research (Ensley, et al., 2006b). Annually, millions of new businesses are established in economies all over the world (Reynolds, 1997). However, only a few succeed, which raises the strong notion that those launching new businesses are one-of-a-kind persons or in one-of-a-kind situations (Reynolds, 1997). As far as we know, entrepreneurs tend to be persistent, as they tenaciously seek their objectives, trust in their own strengths and are enthusiastic about the firm they are working to grow (Brattström, 2019). FedEx, for instance, was on the verge of bankruptcy but only survived thanks to its founder's perseverance (Brattström, 2019). They were losing millions during the company's initial years, prompting some investors to recommend that its original creator, Frederick Smith, stand away from operating (Brattström, 2019). Smith, on the other hand, persisted and finally turned FedEx into a huge success (Brattström, 2019).

Even though the founder/CEO is a crucial topic of discussion, he is not the only force behind successful startup stories (Ensley, et al., 2006). To build and expand new businesses, a diverse group of competent individuals is needed (Ensley, et al., 2006). Even if the founder/CEO is very resilient, he also depends on his team to operate effectively, members must stick together even when things go tough (Brattström, 2019).

5.3 Working at a Startup

As mentioned, the founder/CEO depends on his team, so it is logical that he shall create strategies to get maximum effectiveness and support from them. Startup teams have the chance to work very close to founders, something that is not seen in larger firms (Hull, 2016). The opportunity to work "alongside them, being in meetings where there is a personal connection - tends to motivate and inspire young staff. Early employees feel they belong to a special 'club'. " (Hull, 2016: 3).

Unlike bigger companies, where employees might feel like a little gear in a massive machine, startup staff feel that they can have a great impact on the company's path (Veem, 2019). This might seem attractive to younger professionals that are building a career since they get the chance to get closer to the centre of the action and feel like they are an important piece of the company. Besides, young firms, such as startups, give young workers a higher chance of earning more than they would in older companies (Ouimet & Zarutskie, 2014), as well as getting the chance to be promoted to higher positions (Veem, 2019). Even though new ventures face higher failure rates, when compared to older organizations, newer enterprises have greater average growth rates (Ouimet & Zarutskie, 2014), as well as more frequent changes that can open room for internal mobility (Veem, 2019).

Even so, what makes younger talents choose a new venture instead of a more established and older company? According to the company's interests, fledgling personnel may be a better fit for young organizations since they tend to be more risk tolerant (Ouimet & Zarutskie, 2014). Fledgling personnel with higher risk acceptance may be more ready to suffer the capital income and human resources risk of working for a young company or to embark on riskier initiatives inside the organization (Ouimet & Zarutskie, 2014). This also benefits a lot the venture, since they get someone technically trained and once employed, they are more inclined to choose riskier initiatives or jobs inside the organization, resulting in greater firm growth (Ouimet & Zarutskie, 2014).

On the employees' side, they are able to benefit from the startup environment too for different reasons. For example, as startups are often understaffed - they have limited financial resources - which allows employees to handle a broader range of tasks (Veem, 2019). This allows for less experienced workers to have a broader sense of different departments within the company, as well as overall business knowledge. It ends up being pretty common to see a brand manager, for example, being responsible for generating the content, copywriting, emails, operations, social media performance, and other duties (Veem, 2019). This allows startup workers to evolve both personally and professionally, benefiting from an intense and very broad learning curve. Ultimately, this will also allow young workers to be promoted sooner than they would be in larger companies (Veem, 2019), as they will have the opportunity to show results and knowledge through the different responsibilities that they were given. Besides, startups tend to have less hierarchical levels than bigger ventures, which also allows startup staff to go from intern to team leader a lot faster (Veem, 2019). So, one can benefit from being given a title at a startup and then continuing to pursue that same job title in other companies, similar to a new career level being unlocked.

We have already seen some of the most popular benefits of working at a startup, however, one externally noticeable is the flexible/fresh environment. Bigger companies usually have certain processes, dress codes, behaviour policies, and bureaucracies; while startups give people the opportunity to start a completely new project while working anywhere in the world (Veem, 2019). Bigger companies already had the time to establish themselves and create all types of processes, so new joiners just need to learn what is being done and continue it. On the other hand, startups are often creating new processes, and testing new options, which can be way more attractive to people that want to feel more ownership.

However, all of these responsibilities and ownership also come with great pressure. This business venture is often characterized by challenging times, where things need to be done at a much faster pace and everything can change from one day to the other, everything from the company planning to market segments, team charts to job descriptions is covered (Veem, 2019). As this business model often has a lot to prove, they tend to have high expectations of workers, which can lead to a toxic environment in the long term. Alongside, the startup staff does not get much direction or support, that when coupled with high expectations creates unrealistic goals that might be doomed to failure from the very beginning (Hughes, 2021). This reflects the unstable environment that has been discussed in the first chapter. And even though it might seem a bad option for some people that prefer regular steadiness, consistency, and reliability, for others, it is the perfect environment, as some may thrive more under pressure (Veem, 2019). That completes the justification of why young people are, usually, the ones that match startups more, as they look at startups as an opportunity to grow without much concern for the risks (Ouimet & Zarutskie, 2014).

Nonetheless, individual motives and ambitions are not the only stimuli to pursue a startup career, teams also play a very important role in a good experience. Research has found three stylized truths about startup teams and their operations (Brattström, 2019), which will help us to better understand teams' dynamics.

The first fact is that, generally, we can find homogeneity within startups' teams, which means that team members have common traits, talents, and attributes (Brattström, 2019). To achieve excellent team performance, a common entrepreneurial drive and shared strategic vision are essential (de Mol, 2019). Kim & Aldrich (2002) call this phenomenon of beings with similar characteristics being attracted, "homophily", which is pointed out as highly relevant for organizing startup teams. This can also be easily observed in founders' groups. Meta, for instance, was founded by a group of flatmates from Harvard. Another, already mentioned, example, EatTasty, a Portuguese startup, has been founded by two coworkers. Initially, this might seem a strange idea, since startups have such strong statements for pursuing innovation. However, the human desire to seek similar others is profoundly ingrained in human behaviour (Brattström, 2019). Besides, startup founders search for people that believe in the venture as much as they do, so it supports this idea of similar ambitions and values. This can be observable a lot in recruitment since at the initial stage entrepreneurs look for new joiners among their social networks, friends, and ex-coworkers, which can also make the process of leadership establishment and work relations (Brattström, 2019).

However, this homogeneity frequently allows the startup team to perform effectively since homogeneous teams are better at addressing complicated issues, have a lower failure rate, and have a greater degree of cohesiveness, which enables them to be better equipped to manage conflict effectively (Brattström, 2019). On the other hand, in unpredictable circumstances, a lack of diversity may potentially be a significant disadvantage (Kim & Aldrich, 2002), as homogeneous teams lose some characteristics that can also be important for growth and evolution, such as combining various talents, assets, viewpoints, and social network relationships. They might lack the adaptability to changing situations and may face duplication in the kind of sources of information available to them (Kim & Aldrich, 2002). As a result, while homogeneity may foster unity and trust, it may also inhibit dispassionate evaluations of a team's flaws (Kim & Aldrich, 2002).

The second stylized fact looks at the constant change that startup teams face, and often aggressive changes. The startup team must continually evaluate and change previously accepted preconceptions about the business and consumer (Brattström, 2019). Netflix, for example, started as a business that emailed DVDs to its clients, and nowadays it is a streaming platform that produces original content. When DVDs become outdated, Netflix could have just fallen into bankruptcy, however, they accessed and changed the business model to something that would keep up with the new technological advances. Launching and expanding a business is generally a lengthy process that requires many years (Brattström, 2019). Individual entrepreneurs' objectives and motives may vary throughout this period, as may their family status, health issues, or the accessibility coming from external possibilities (Brattström, 2019). When this occurs, it has an impact on the goals and actions of other teammates. So, it is expected that when, for example, a founder or CEO decides to leave the startup, it might have a strong impact on the entire team, as they might face restructuring and new responsibilities.

The third and last stylized fact takes into consideration what keeps startup teams together. As we have seen before, persistence, belief in the idea being implemented and passion for the venture, are highly important in new businesses. This persistence should be taken also towards teams so that even when things get difficult, the team is persistent enough to stay together (Brattström, 2019). Besides, the stress that startup staff is put under, can also be a major influence on how the team functions. These difficult times that startups face, along with stressful situations, and limited financial resources, all seem factors that would not contribute to staff retention. So, ultimately, what can bring a startup team together? “Emotions, such as passion, attachment, joy, and energy constitute an important glue that keeps the team together” (Brattström, 2019: n/a). The relationship that is built within a new business venture context is crucial for these times, which explains the concern that founders/CEOs have when building the startup’s identity and culture.

To summarize, teams are frequently homogeneous, which allows them to be nimble, but it also causes social and cognitive blind spots. They also labour in an environment of continual change, despite finding it unexpectedly difficult to modify jobs, connections, and benefits throughout time. Furthermore, they depend a lot on how committed the staff is, which may represent a problem in weird times. These outputs are crucial for a broader understanding of how startup teams work and are critical for entrepreneurs who want to put together the greatest team possible and grow that team to its maximum potential (Brattström, 2019).

Teams are a huge part of a startup’s success, as we have had the opportunity to see in our first chapter, problems within teams are a strong cause for startup failure. When evaluating startup teams, bear in mind that a fantastic résumé will not be enough to create outstanding results. Growing a business is a long and rocky journey; without entrepreneurial passion, persistence, and clear strategy, a brilliant résumé is just paper (de Mol, 2019). When a startup team is built having into consideration the three mentioned stylized facts and is able to reach membership stability, the startup will benefit from 1) increased likelihood of creating the essential cooperation and confidence for effective performance; 2) Increased communication benefits cohesive teams as individuals learn to understand each other effectively (Kim & Aldrich, 2002). When a startup is able to reach this cohesive and strong team, they will have higher chances of overcoming difficult situations and problems together.

Part III - Empirical Methodology

6. Methods

6.1 Interview

Once the approach was chosen and the literature was built, the next step was to define which methods within the discipline would be a fit. Since the main idea was to listen and understand people, interviews were the first logical choice. When people narrate stories, they choose specifics within their state of mind, which is the most adequate option for us to really get individuals' perspectives (Seidman, 2006). More than getting responses to the different questions, the basic goal is to comprehend other individuals' experiences and the significance they assign to them.

It is possible to find three subtypes of interviews: unstructured interviews, semi-structured interviews, and structured interviews (Thomas, 2017). Although all of these types require contact between interviewer and interviewee, they can be distinguished when looking at design and expectations. Starting with structured interviews, this model focuses on the pre-specified interview guide and leaves little or even no room for follow-up or extra comments (Thomas, 2017). On the other hand, an unstructured interview is closer to a dialogue where there is no guide, besides the broad interest in the subject (Thomas, 2017). This model allows interviewees to take more of the wheel while the interviewer focuses more on listening (Thomas, 2017). The third and last type combines both of the above, semi-structured interviews allow the interviewer to have a pre-specified list of subjects and questions while leaving scope to follow up and introduce comments when necessary (Thomas, 2017). Contemplating this, semi-structured interviews seem the best fit for this research. Although the main objective is to listen and understand people, allowing them to express their experiences; there are still some important matters that will need to be discussed during interviews and that need to be pre-established. Therefore, a combination of having a guide and still being able to enrich it with follow-up questions fits better this research.

For this study, we carried a total of 8 interviews[14]. The criteria to select participants were to be over 18 years and professionally connected to one of the three startups selected. Out of these 8 interviews, it is possible to divide them into 4 groups, as we selected a follower and leader from the same teams to interview, which allowed us to have two perspectives within the same context. Besides, another important criterion was to select teams that had, not only different work fields but also that we had a variety of working systems: remotely, hybrid or presential. Each participant was contacted and explained the study's purpose. All of them had the opportunity to ask any question they might have, and anonymity was reassured during the entire process. The confidentiality of the replies enabled us to shield the participants from potential harm while also obtaining more data and specifics (Kaiser, 2009). Following the Confidentiality Convention, protecting participants' anonymity strengthens their trust and permits the research process to maintain ethical standards and integrity (Kaiser, 2009).

Due to the context that we currently live in, where working from anywhere is becoming the new normal, a major part of the interviews was conducted online and took between 25 to 45 minutes. The order of questions was the same for all interviews, however, leaders, in general, went deeper into each question. As the chosen method was semi-structured, we had some space to explore outside the previously defined questions, which was revealed to be very helpful, not only because it allowed for the interview to flow as a conversation, but also to go deeper into some matters that were relevant for the research.

6.1.1 The interview guide

At the beginning of each interview, we opened, once again, space for the participants to ask questions and to make sure they felt safe and knew the purpose of the study. Although each participant got a summary of the study once they were invited, it was still reinforced at the beginning of the interview that they were protected by a confidentiality agreement as well as the guarantee that they were in a safe space. It was also highlighted that this research had only

[14] Due to the topic's sensitivity and to gather honest responses, it was agreed with the participants not to include the full transcript. Therefore, only quote will be shown.

academic purposes and they would be given full anonymity. Since some questions were directed to the organization they work for, it was important to make sure that they felt comfortable enough, to be honest.

As the chosen method was semi-structured interviews, it had 10 initial questions for followers and 11 questions for leaders (Appendix A). These initial questions can fit into 4 different macro-topics: leadership within their team, leadership within their company, team relationship, and company context.

On the followers' side, the main intent was to understand their view on both their leader and their relationship, not only with the follower himself but also with the entire team. So, a major part of the questions was to understand how their leader would behave in certain situations, what they thought of that, and what could be improved. Then, it was also relevant to gather their view on leadership and what they valued as followers. The last question intended to leave a reflection on how it would be to put themselves in their leader's shoes. Besides these leadership-focused questions, for contextual purposes, there were also some questions that envisioned understanding how the company's environment was and how they felt about it.

On the other end, the leader's interview guide planned to learn how the participant actually behaved or believe that he would behave in the same situations that had been put to the follower. The main idea was to understand if there was a difference between how the leavers viewed themselves and their behaviours and what they were really doing or managing to deliver to the teams. Furthermore, their last question was also intended to leave them with some reflection on how they behave as followers. Similar to the followers' script, leaders also had some contextual questions in order to understand their perspective towards the company and how it affected their leadership practices.

Considering this, the guide as a whole intended to get across two sides of the same coin, presenting the same scenarios to two different individuals in order to get their perceptions of the same dynamic. In order to do so, and according to what was said previously, the role of the researcher was to listen and only intervene to ask questions or to encourage the participant to keep going.

6.1.2 Participants

As mentioned previously, three startups were selected, so we invited at least one pair from each organization. All three startups were from distinct sectors and different growth stages. All startups had their headquarters in Lisbon, however, only one of them worked fully presential, and the other too had hybrid or remote working systems.

Out of the 8 individuals chosen: 50% were female (n=4) and the other 50% were male (n=4), with ages between 19 and 35 years. Nationalities vary from Italian, Brazilian and Portuguese. All respondents had higher education.

6.2 Focus Group

Once the first method was established, the step that followed was to dwell on whether a second method was required or not. Since our research will be extremely focused on people and their experiences, focus groups appeared as a good option to retrieve more information from people that might feel more pressure in a one-to-one interview or that might feel less engaged in sharing their experiences. As well as get a second validation of what was said in the interviews. Thomas (2017) has stated that "People behave differently in groups: particular individuals may become more talkative or less talkative; some people take the lead, while others follow; some will tend to be 'stroppy', others helpful." (2017: n/a). This would allow us to reach the free dialogue that the interview will not allow so much. In the interviews, the researcher assumes a much more controlling role, where participants are only replying to the questions asked. On the other hand, focus groups allow the researchers to become moderators of discussion between participants (Thomas, 2017). Considering this, the researcher takes a step back and allows himself/herself to take on a more observant role while letting the participants interact. Naturally, there are still some topics that, as researchers, we make comments on, and add a question that leads the discussion (Thomas, 2017). Besides, all participants would have the startup world in common, so they would feel a mutual understanding and common knowledge to share experiences. Reinforcing this idea, Hennink (2014) has stated:

> *"Perhaps the most unique characteristic of focus group research is the interactive discussion through which data is generated, which leads to a different type of data not accessible through individual interviews. During the group discussion participants share their views, hear the views of others, and perhaps refine their own views in light of what they have heard"* (2014: 2-3).

Furthermore, since the goal will be to gather stories and testimonies about the participants' professional lives, it is expected to have more successful feedback than it would have if they were asked to share intimate/personal stories.

6.2.1 The Focus Group Guide

Similar to the interviews, at the beginning it was, once again, explained the purpose of the study, reinforced anonymity and explained the logistics of a focus group, so all could get familiar with the dynamic. Contrary to the interviews, the focus group had a more exposed ambience; we could all see each other's faces and names, so the need to make participants feel safe was even higher. Therefore, similar to the interviews, it was agreed to only include quotes and not the full transcript. It was also reiterated that this research was just for academic reasons and that they would be kept completely anonymous. Furthermore, there was also the need to show participants that we were all there for the same reason, therefore they could trust all participants.

Eight questions were drafted for the focus groups (Appendix B). Two engagement questions, to set up the tone for the focus group and show participants what they had in common. These two questions were more generic and were intended to make participants more comfortable. The following five questions, for exploration, were more specific and the focus of the research. The eighth and last question, the exit one, was focused on seeing if anyone had anything to add or if there was anything missing in the discussion.

As mentioned, focus groups are intended to gather valuable intel that an open discussion brings. So, the main goal was to complement interviews with the data retrieved from the focus group. In order to do this, we had to take a step back and let participants argue between themselves.

6.2.2 The participants

Out of the three startups that were selected for the interviews, we chose at least one person from each one to be present in the focus group. 6 people in total were invited to take part in the focus group. Out of the 6 individuals chosen: 50% were female (n=3) and the other 50% were male (n=3), with ages between 19 and 26 years. Nationalities varied from Portuguese, Brazilian, Italian and Spanish, therefore the discussion was conducted in English. All participants had higher education and worked for a startup. Differently from the interviews, in the focus group leaders and followers were not separated. This decision was made to provide a richer discussion that could cover more perspectives.

7. Data Analysis

7.1 Interviews

After collecting data, the next step was to analyze and organize it all in order to validate it and, then, proceed to conclusions. To better conduct the analysis each recorded interview became a transcript. The pre-analysis step of these transcripts, which included a thorough review of the interviews, was where observations and notes were made to each answer. The second level of the analysis allowed us to look at all notes and observations and build different categories for followers – 1. Company Context; 1.1 Leaders filtering; 1.2 The Ideal Leader at the Organization; 2. Relationship with the Leader; 3. Relationship with the Team; 4. How they would be as Leaders. And a set of categories for leaders – 1. Company Context; 1.1 Leaders filtering; 1.2 The Ideal Leader at the Organization; 2. Them as Leaders; 3. How they perceive the Team's view; 4. Relationship with the Team; 5. Them as followers. These categories were thought out considering both the interview guide's initial structure and the answers that were given by the participants.

The first category, common to both leaders and followers, gathered all responses that mentioned company processes, environment, and characteristics and it is highly connected with the Startup chapter that was developed in the theoretical framework. This category generated two subcategories that are also common to both groups: leaders filtering and the ideal leader at the organization. Leaders' filtering includes all quotes that show the work that leaders do in order to "protect" and "shield" team members from actions that might come from above. Although this is something that was not contemplated at the beginning, it was mentioned by all participants, so it required analysis on its own. The other subcategory, the ideal leader at the organization, was common to both groups and it came from a specific question ("In your opinion, what are the best attributes that a leader should have to work at your company?") included in both guides. Through this category, it was possible to retrieve different perspectives on the ideal leader and how each interviewed leader was related to it.

The last category that both groups share is their relationship with the team. This category gathers all answers that mention the teams' dynamics and processes. However, this category offers two different perspectives, followers look at the way that the leader interacts with the team and how they feel in it; leaders look at how they interact with the team as a whole and what dynamic they have created.

Then, we can find categories that are exclusive, although related to each group. Looking at followers' categories, we can find relationships with the leaders and how they would be as leaders. The relationship with the leader category assembles all answers that approach how the leader behaves, interacts and manages this particular participant. This is where they are also provided with characteristics, qualities and flaws that they can find in their leaders. The second and last one, how they would be as leaders, congregates the reflection (mentioned previously) that the last question intends to do; to get them to think about how they would be put in a leadership position as the person that they were just talking about was.

On the leader's side, we can find 3 other exclusive categories: them as leaders; how they perceive the team's view and them as followers. Them as leaders is a highly relevant category to compare the perception that leaders have from themselves with the perception that followers delivered. So, this category is what allows us to analyze if, at the end of the day, leaders are being able to put their message through, to reach their followers in the way that they desire. Furthermore, this category gathers all responses that relate to the way that the leader believes to behave and sees himself. The next category, how they perceive the team's view, tries to assemble, in the first phase, whether they think that they are being able to deliver the kind of leadership that they want to the team or not. This category asked leaders to try to reach an outsider's perspective and reflect on how they were seen through the team's eyes. The last one, them as followers, follows the same logic from the followers' last category. It reunites all answers from a final reflection on how they behave as followers. The major difference here is that leaders have been followers once and are still followers of someone within the company. So, it was particularly interesting to have a space where we can analyze how different or similar a person can behave when put into two different positions.

Even though each answer, along with its observation, was fitted onto one of these categories, it still was too broad and it required the next level of depth analysis. We, then, created topics that fitted each answer within each category. So, for the first category, common to both leaders and followers – Company Context – we found 10 relevant topics: Fast Pace Environment; Limited Resources; Unstable and Unpredictable Environment; Accumulation of Tasks; Increased Responsibility; Relationship with Management; Pressure; Homogeneity within Teams; Aggressive Changes; What Glues Startups' Teams. These topics were created by looking at both the answers and the theoretical framework that has been created before. Identifying each one of these topics became relevant to provide a more incisive data treatment where all answers had both a category and topic. Each topic was thought out under specific criteria:

- Fast Pace Environment: as we have seen startups tend to be "dynamic, nonlinear, and unpredictable" (Tsai & Lan, 2006: 6), so the overall environment focuses on making it happen, reaching a certain goal/objective. Furthermore, this topic gathers all answers that mention a dynamic and fast environment at the participant's workplace.
- Limited Resources: either financial resources or human resources, startups tend to lack one or even both at the same time. So, the present topic focuses on all answers that identify this lack of resources.
- Unstable and Unpredictable Environment: Tsai & Lan look at a startup's environment as lacking "determinacy, predictability, stability, and constancy" (2006: 3). Moreover, it is no surprise that a dynamic environment such as a startup, also faces instability. The topic in question reunites all answers that share this unpredictability perspective.
- Accumulation of Tasks: Startups are notoriously understaffed" (Cerdeira & Kotashev, 2021: n/a) and there is a general lack of resources that expose startup employees to accumulate tasks. So, this topic focuses on all answers that mention or show task accumulation by participants.
- Increased Responsibility: Along with task accumulation, responsibility also increases. As seen in the literature, one single person might have three job titles (Veem, 2019), which also represents a huge take when a person leaves the company. Considering this,

all answers about increased responsibility and its consequences can be found on this topic.

- Relationship with Management: Startup teams have the chance to interact extremely close with founders, which is not common in bigger organizations (Hull, 2016). The literature mentions this mainly as a positive thing, so the main intent of the topic is to gather insights on whether this is truly a positive feature of startups or not.
- Pressure: All of these obligations and ownership that we discussed, come with a lot of pressure. This business venture is sometimes defined by tough moments when things must be done at a much faster speed and everything might change from one day to the next (Veem, 2019), which might have a strong impact on an employee.
- Homogeneity within Teams: In the literature, we observed that to attain the best team effectiveness, a shared entrepreneurial passion and strategic vision are required (de Mol, 2019). So, teams that have common traits and a shared vision are where we can find this homogeneity (Brattström, 2019). This topic envisions to validate if the interview teams have this homogeneity and the impact it might have.
- Aggressive Changes: We already know that startups are dynamic, unpredictable and unstable, adding to this, they tend to go through aggressive changes that can have an impact on teams and on the environment of the organization. These changes can go from a change in the focus of the company to internal restructuring. Either way, this topic looks at scenarios that the participants might share where they felt these major changes.
- What Glues Startups' Teams: Lastly, it has been mentioned above how homogeneity within teams might bring them together. However, there are some other scenarios that might glue a team and some others that might put teams to the test. This particular topic looks at challenging times that teams went through and what kept them together.

As all the remaining categories were connected to leadership, the topics chosen were leadership concepts that have been explored in the second chapter of the theoretical framework. Looking at both the first two analyses of the answers and the theoretical framework, we defined as topics: Transactional Leadership; Transformational Leadership; Leader development; Leadership development. This allowed us to group each answer into each topic and see which were more relevant. Similar to the topics related to startups, these also fit specific criteria:

- Transactional Leadership: Transactional leaders are characterized by motivating followers to meet performance goals by clarifying position and job criteria (Armandi et al., 2003) while continuously monitoring them (Zareen, et al., 2015). The basis for this is built on a reward system that employs disciplinary processes when followers fail to accomplish goals or that employs appreciation and praise when subordinates obey the rules established by leaders in order to achieve the specific goals (Zareen, et al., 2015). So, all answers that indicated the presence of this leadership style were grouped on this topic.
- Transformational Leadership: The transformational leadership style, on the other hand, focuses on pushing individuals to alter their ideas and values while empowering people to act in their own self-interest for the purpose of the firm (Zareen, et al., 2015). This occurs when leaders broaden and elevate their employees' interests, increase awareness and acceptance of the organization's goals and mission, and inspire their followers to look beyond their personal interests for the sake of the team (Bass, 1990). In contrast to the transactional technique, the emotional relationship between the leader and the follower is the foundation of the transformational approach (Vito, et al., 2014). As a result, all answers indicating the presence of this leadership style were classified under this issue.
- Leader Development: As an important part of this research wishes to understand how leaders are being developed in startups, this topic takes particular interest in that. Leader development is linked to the preservation and enhancement of human capital (Day, 2000). Individual-based knowledge, abilities, and skills associated with formal leadership tasks are frequently emphasized in leader development (Day, 2000).
- Leadership Development: Besides looking at leaders' development, this research also considers if and how leadership is being developed at startups. Leadership development concentrates on social capital, with an emphasis on building networked links between employees to increase cooperation and resource sharing in the production of

organizational worth (Day, 2000). Furthermore, this topic was created to assemble all answers that might discuss leadership development.

This second categorization into topics was extremely relevant to group answers and analyze them considering both the category and topic that was related to each one. Besides, tagging each answer with a topic, it allowed us to have a more quantitative perspective on the subjects that were mentioned the most. This will be further explored in the results.

7.2 Focus Group

Similar to the interviews, the focus group recording became a transcript. The major difference is that this transcript also included reactions and expressions that the participants would do. As this was a more interactive scenario, it happened a lot for participants to nod, laugh and change tone according to both the person they were talking to and the subject they were talking about. The pre-analysis done on this transcript revealed that the answers given could also be fitted into categories. The same categories that were used for the interviews were tested here, however, as the focus group had fewer questions than the interviews, we ended up with 4 categories in total: Company Context – similar to interviews, it gathered all intel that participants were given on the company's environment, processes, strategies and improvements; The Ideal Leader – differently from the interviews, focus group's participants were asked how the ideal leader, in general, was supposed to be, and only then, if they were able to find those leaders at their organization; Relationship with Leader – similar to the interviews, this category assembled all answers that mentioned the relationship with their direct leader; Relationship with the Team – the last category, also alike to the interviews, collected all answer that was related to the teams' dynamic and relationship.

Once the categories that were staying for the focus group were defined, and each answer, along with its observation, was fitted onto one of these categories, it still persisted the need to go deeper. Moreover, we retrieved the topics from the interviews to also analyze the focus group. The biggest advantage here would be to have a fair term of comparison, so have the same criteria for both methods and retrieve significant results from it. Besides, the focus group was intended to validate or challenge the interviews. Therefore, it made sense to keep the same topic list and analyze which ones have been mentioned and what was said about each one. Later, we will be able not only to compare the results of both methods but also to aggregate them.

8. Results and Discussion

8.1 Interviews

Although the evaluation of results was still an intensive process, the calculation of topics explained in the data analysis was a major help. As mentioned, it allowed us to understand which topics were indeed more relevant and which one's were not that much explored. The main objective was to not rely on the researcher's perception of what are the most discussed topics while giving a guide on where to look with more depth. So, the topics were counted for followers' and leaders' answers separately and then assembled to provide the overall results. Initially, we started by looking at all the topics from the first category – Company Context – and turned the sum of the qualification into 3 tables. Below, we can see how each table ended up looking. The three of them were done through excel.

Followers		**Leaders**		**Total**	
Relationship with Management	10	Relationship with Management	9	Relationship with Management	19
Unstable and Unpredictable Environment	4	Limited Resources	8	Limited Resources	11
Homogeneity within Teams	3	Unstable and Unpredictable Environment	5	Unstable and Unpredictable Environment	9
Limited Resources	3	Increased ResponsIbility	4	Homogeneity within Teams	6
What Glues Startups' Teams	2	Accumulation of Tasks	4	Accumulation of Tasks	5
Accumulation of Tasks	1	Pressure	4	What Glues Startups' Teams	5
Fast Pace Environment	1	Fast Pace Environment	4	Fast Pace Environment	5
Increased Responsibility	0	Homogeneity within Teams	3	Increased ResponsIbility	4
Pressure	0	What Glues Startups' Teams	3	Pressure	4
Aggressive Changes	0	Aggressive Changes	0	Aggressive Changes	0

Table 1. Interview answers grouped by topic. Source: Own Table.

The answers that fit the category “Company Context” addresses all quotes that mention company environment, people, management and processes. As we can observe, the most mentioned topic in this category was the relationship with management for both leaders and followers. However, contrary to what we have seen in the literature, the participants had a less positive take on the management, bringing to the table some issues that may arise with time. The most common flaw that participants have identified and pointed out to management is a lack of transparency. For example, one of the followers has shared that “What I would like is clarity and transparency in what is decided (from management).” and rates his management team with a 3 out of 10 for the “lack of transparency, organization, lack of follow-up (...)”. Another participant also calls out for the lack of organization and contrasts it with her leader’s attitude “My manager doesn’t let the disorganization that comes from above get to us. She organizes everything beforehand.”. On the leaders’ side, they show that the proximity that management has with the teams, might not always be beneficial, one of the leaders mentioned that “For the team itself: with the heavy workload, (...) they couldn't take the pressure anymore, the number of messages and daily requests they were receiving.”. This shows an example of a team that was getting requests directly from management, which generated a great amount of pressure, since there were other requests going on at the same time and the leaders were not having the chance to filter them before they got to the team. This also matches with the subcategory “Leader’s filtering”, reassuring how important it is for leaders to filter information and requests before getting to followers. This filter is relevant, not only to protect followers from more operational issues but also to shield them from misinformation or volatile information. All leaders have admitted that they wait for information from management to be secure and confirmed before passing it on to the teams “So the best thing is not to scare people, not to give all the information you get. Because you get a lot more information as a leader. And that information changes day by day, so it's better to take the right things, and structure and show the team, to make them calmer with more concrete things. Because the rotation of information can cause anxiety and sometimes it doesn't even make sense.”.

On the other hand, some leaders have expressed that management can not reply to some of their needs, a lot due to the lack of resources that is also an identified topic “I think what could be improved are some issues related to what the company can offer. I would like to be able to offer them some better things that I don't have because the company doesn't give me that support.”; “I saw that with our tools and budget…this specific tool is something that management doesn’t want to give us, and it would save us 70% of our time, but they want to save money thinking it will…be worth it enough and that’s it.”. As we can see, limited resources were the second most discussed topic among leaders, coming in fourth place for followers. Moreover, leaders are the ones that usually identify teams’ needs and share them with management, these are the ones that can either hear a “no” when resources are not available. So, it makes sense that leaders give it more attention than followers do.

One of the most evident is the lack of human resources, which relates to the accumulation of tasks and increase of responsibility also identified as topics. One of the leaders states that “In a startup, this is extremely complicated, because, as I was saying, knowledge and functions are very focused on the people who are working. And normally, what happens in startups is to assign tasks without division between people, so it is very focused on one person, only he knows the details, and even with documentation, something is always missing.” He shares that besides accumulating tasks, this lack of human resources causes the replacement of someone to be a very delicate subject since a single person can have the acknowledgement of an entire project by herself. Besides, lack of financial resources is also mentioned. As seen in the literature, startups are fighting for growth, so they try to optimize all costs, which may mean that team might lack tools that they believe it would improve their work “So, in the end, if the management itself after providing numbers, feedback and whatever, doesn’t allow me (...), because I don’t have enough budget to make it possible.”.

Lastly, leaders recognize that lack of time to do certain tasks jeopardize processes that need to be improved: “I would like to have a little more time and availability for each one to train them better and make them more autonomous. Or at least manage to put a little more speed on this issue. We ended up being able to train everyone, however, it takes a while that I don't think is ideal.”. On the followers’ side, they recognize the lack of human resources and consequently, the consequences of it “A lot of people left, and things got really messed up to the point where as people left, no one came in to take over these tasks. So, there's an accumulation of tasks, so whoever is staying can't know how far our tasks go, it's kind of messed up.”. Besides this task accumulation, lacking human resources also means that some job descriptions might not be covered, such as HR people – which is, usually, not startups’ priority, so it is only hired when startups reach a higher number of employees. This might mean that startup employees lack matter that are usually delt by HR, such as career development plans (“Career development plan is also something that the company is lacking.”) and not developed/ not built individual meetings: “These are issues (one-to-one meetings) that, before being part of the team, should be of the company itself, of distribution. It would even be a matter of administration and HR. Because it doesn't make sense to have this if there's not going to be a result, an action, something.”.

Overall, the third most discussed subject – second for followers and third for leaders – is the unstable and unpredictable environment that startups tend to have. This instability can be verified by how volatile a startup team can be. As we have seen in the theoretical framework subchapter “Working at Startups”, not all people fit this business model, therefore, teams need to be prepared for possible exits at any time: “We always need to be prepared for a possible exit”. Alongside the lack of human resources, one’s leave might cause disorganization within both a team and the entire company, so this is another aspect that is related to the instability and unpredictability of startups “The company, in general, should be more organized than they are now. I noticed a little sign of disorganization.”. Besides, the path to try and find this organization is not easy, and there are several moments where teams feel lost and without clear guidance: “We're kind of breaking dishes, there are days when we do things from one job title, days when we do things from another. Processes we don't even know about. And no one gives us clear guidance.”. So, teams that feel this volatility the most, tend to have an extremely unpredictable day: “In one day we left heaven, went to hell and returned to heaven. The opposite can also happen!”. Such an environment does have an effect on people and they recognize it.

Considering this, the next most mentioned topic overall – eighth for leaders and third for followers – homogeneity with teams is relevant to understanding how important it is for teams to be aligned. Even though they seem to be too apart on the tables, leaders and followers have mentioned the same amount of times. As the pairs interviewed had different working systems, at least one working presential, one remote and one hybrid, this was the topic where they brought it up. One of the followers has mentioned that “(...) people remotely distance themselves a lot. It's a little further away, they don't have the same affinity as being together every day.”; and another one has stated that “Starting a new job remotely was difficult.”; “Yes, but in person, it is different. Because now I’m at the office, so when I have a doubt, one of them is nearby so I can ask directly.”. Furthermore, here we see the importance that followers give to having everyone in the same space, so, in a sense, this homogeneity of a physical location to work. Besides this, leaders have also noted that being a team that focuses more on a specific subject rather than a team that gathers people with very distinct job titles, also helps both the relationship and productivity: “The relationship is much closer, due to age and proximity. Also, because we are a very specific team, which benefits from this greater proximity than the other teams that are more dispersed by other subjects.”. One of the followers that benefits from both being presential at the office and working at a team where all tasks are similar shares that this allows his team to be more united when problems arise: “We had a problem last week. But among the team, we got together and managed to find a solution. I believe it was one of the points that made our team come together, unite more and solve problems together.”.

The fifth most mentioned topic overall was the accumulation of tasks, already discussed throughout the analysis of the results. Although accumulation of tasks is implicated in other topics, one of the followers has actually expressed how the accumulation of tasks alone has affected him “A lot of people left, and things got really messed up to the point where as people left, no one came in to take over these tasks. So, there's an accumulation of tasks, so whoever is staying can't know how far our tasks go, it's kind of messed up.”. Leaders have shown that this is both a reality and concern, particularly the leader that matches this specific follower “For the team itself: with the heavy workload, (...) they couldn't take the pressure anymore, the amount of messages and daily requests they were receiving.”. Another leader also shows that there is a difference between taking more tasks out of free-will and taking them because they have too “Automatically, each person who stays will be overloaded until they manage to make this change, carry out a hiring, put someone in the position who is trained for that and then go back to the processes that we think are important. (...) there's a very fine line between sacrifice out of will, out of motivation and a sacrifice out of obligation.”. This opens a reflection on which is the real issue, if the task accumulation or if getting it against will. Startup employees that accumulate tasks against their will can also accuse pressure, as we have seen in the literature.

Related to team homogeneity, what glues startups’ teams is the next most discussed topic. Both topics are very similar and assemble what gathers a team in a more cohesive form. However, what team homogeneity does not cover is the interpersonal relationship and friendships that can be built among leaders and followers. Although all leaders mentioned having a great relationship with their teams, one of them summarized it in the best way “The team is more united so we also have an interpersonal relationship outside, right? A ‘not-so-close’ but slightly close bond helps us to be more true to each other. It doesn't go beyond the barrier of respect (...)”. So, he points out how this slightly close relationship and respect, helps the team to be more sincere and, consequently, open across various situations.

Another topic that is also connected to one that has been analyzed already is the fast pace environment. The seventh most discussed topic, related to the unstable and unpredictable environment of this business model. Besides the risk of people leaving the company and the volatility within one single day; startups see operational processes also happening at a much higher speed or, at least, that is what they intend to “Even more in startups, where things happen so fast, there are so many projects that nobody understands where they are going.”. It comes as no surprise that a business model that has a lot to prove and not many resources to do it, feels the need to fight and fight fast. It can represent a constant readjustment that reinforces the unpredictability of the model “one thing that we are still working on is organizing the tasks, but that's not even about him, it's more about the context of the company and how it was a quick change.”.

The topic that follows, increased responsibility, also mixes and finds common answers with the accumulation of tasks. However, different from the accumulation of tasks, this topic was only discussed by leaders. This increased responsibility idea goes further than task accumulation, it looks at the extra effort that leaders need to take in order to keep their followers from feeling and knowing certain situations. So, it ends up being a topic where leaders realized how they have to manage both task accumulation and the relationship with management without jeopardizing followers. It is interesting that one of the leaders admits that, sometimes, he is the one taking responsibility for decisions so the followers do not get overstressed: "They don't have a complete understanding of the budget situation. So, sometimes it may look that it's me who doesn't want to do it… so this can happen and it's part of the game… unfortunately."

The next topic is also felt by leaders and not so many followers, pressure. This matches with the idea of leaders being filters for the followers since they try to shield followers from more delicate situations. Therefore, they feel that the pressure that comes from certain demands from management can not pass directly to followers: " I feel that sometimes, because the company demands very specific results and I know all the needs, sometimes we can ignore people and it is very serious. Excessive pressure, and demand, can make us blind to see people and it's very bad. I think I always need to be alert to this, in order to improve.". One of the leaders had to go through a particular situation, which was already mentioned, where management was too close to the team and without this filter, they started accusing too much pressure "For the team itself: with the heavy workload, (...) they couldn't take the pressure anymore, the amount of messages and daily requests they were receiving.".

The last topic, aggressive changes, although it was part of the organization's context, it has not been openly discussed. It was only implicit by some answers, given on both fast-paced environment and unstable and unpredictable environment topics, that changes within the company were felt and in some cases had negative impacts.

Then, the analysis proceeds to the topics from the remaining categories, all connected to leadership. Even though the first category is essential for contextualization and building the scenario we are working on, the categories associated with leadership are the ones that look to answer our research question. Therefore, the topics have also been associated with all answers and grouped in order to get a more visual element of what was discussed. Once again, we have three tables, one for followers, one for leaders and one that gathers both, done through excel:

Followers	
Transformational Leadership	22
Transactional Leadership	1
Leader development	0
Leadership development	0

Leaders	
Transformational Leadership	35
Transactional Leadership	8
Leader development	6
Leadership development	0

Total	
Transformational Leadership	57
Transactional Leadership	9
Leader development	6
Leadership development	0

Table 2. Interview answers grouped by Leadership topics. Source: Own Table.

Overall, the first and most identified theory was the transformational leadership one. As we have had the chance to see, this theory focuses on aligning followers with the company's purpose through the construction of an emotional connection between leader and follower. This topic was assigned to an answer, when the four attributes that Bass (1985) has identified – inspiration, individual concern, charisma, and intellectual stimulation – were perceived in these leaders. In general, all followers had nothing but wonders to point out to their leaders, which proves that managers who operate as transformational leaders are significantly more likely to be viewed as gratifying and effective leaders by their colleagues and employees (Bass, 1990). Openness, companionship, care, empathy, patience, availability, and understanding, are only a few of the adjectives that have been used when followers were referring to their leaders "Organization, dialogue, companionship, and care."; "Efficient, open-minded, understanding, empathic, fresh and young.". Overall, it does show that leaders have been able to create a meaningful connection with their followers.

In general, all followers pointed out that they felt comfortable enough to present their leader with any question/issue that may arise, they felt heard: "I'm really enjoying it, especially the openness we have with each other to talk about problems that arise from time to time. He always tries to take the points we put to the people above."; "If I'm stressed, if I have a problem, I talk to him without having to schedule a formal meeting."; "Yes, it gives us a lot of freedom to talk even when we don't understand something and see that it's going to be complicated."; "We talk about everything that happens in our lives. So, when someone has a problem in their personal life, we help each other. We give each other time to recover. We often cover the person.". Besides, they also note that there were situations where they felt this individual concern and care from their leaders "He told me this and it shows that he cares about the team too and I thought that was great. This interest he has for our well-being."; "She trusts me a lot, and when I made the mistakes, I felt so disappointed, but I noticed that the manager really trusted me as a person and a professional. I think it's very important to have a leader who trusts us and to assure us a good environment within the team. Also, to support our mental health.". Overall, all followers seem to have a great perception of their leaders. They all had issues identifying an improvement point on their leader and some even pointed out that they would like to be similar leaders one day: "A 10, I don't see points to improve, he's my leadership role model."; "Hum, I would say the same from my manager, to be open-minded, efficient, organized, and understanding.". Some others that envision a leadership position in the future say that their leaders are helping them find things to improve and working on them alongside them: "(...) I think about it later with myself and share it with my leader.". So, even though most followers recognize that the company has its challenges, the environment is not the easiest one and the relationship with management is not always great, they seem to appreciate and feel inspired by their direct leaders.

On the leaders' side, we will see that even when it is required for them to practice a leadership style closer to the transactional one, they seem to have a transformational leadership goal. All of them mention that people should always come first, as well as listening and understanding people that they work with: "Listen. The first thing is to listen and to see. That's the most important thing. because, as I said, it's not about numbers, business is done by people and if you don't understand them, it's difficult to do business. I think that it's the key to the business itself."; "Organization, first ever. Beware of people, beware of the team and a good risk manager, in the sense of a conciliator."; "The thing is, people are not numbers. Sometimes you reach a very bad result in terms of numbers, but you have to look at what happened with people.”. Besides, all leaders understand how important it is to build an emotional connection with their teams, in order for them to feel enough trust to share anything: “I think they know that I’m sensitive and I’m super open. Whenever they want a moment, I’ll give them, whenever they want to speak, I’m available to do so. Hum, I mean, so far, they know they can have a complete conversation with me, a safe space.”; “But because of their proximity, they had the freedom to talk about it with me, we worked together before I was the team leader. So, I already had a little more intimacy with them, which I think is even beneficial.”; “My relationship with them is very horizontal, so they are completely open to talking to me about any subject, anything.”; “I think that I’m a really open manager. And especially, I would say that my strength is to understand people or at least trying. As a manager, I think it’s the most important thing you have to do.”. So, all of them demonstrate to be available for their followers, which can be helpful not only for team performance but create transparency within the team: “As a manager, transparency is all that I look for.”; “At the end of the meetings, or a little earlier in the daily’s, I come in and we talk if we need anything, or if I notice anything. But our team is very transparent. We talk about problems very openly among ourselves, among our team. So, there are issues that are passed between the three, there is mutual support.”; “So, I think it’s really transparent as a relationship.”; “(...) so what I want, as I always tell them, is transparent communication.”. This transparency can also be useful for when someone is not feeling so connected to the company or even considering leaving: “That's why it's good to feel your team, because people won't just tell you a month before they're leaving, they can even give signals beforehand.”, which can also help to avoid task accumulation and the feeling of instability. Overall, leaders seem to be delivering what they want to their followers. There is a good match between what followers observe and what leaders say to be delivered to them.

The following topic, the second most identified one, is transactional leadership. Even though this one is right behind transformational leadership on the table, it is a big difference, being mentioned only 9 times in total against the 57 from the previous topic. Leaders are the ones that have mentioned it more frequently, a lot due to what they feel that is expected from them. The company, as it is fighting for growth, tends to have clear metrics and goals, so it becomes easy to make this the main focus, which can jeopardize people's relationships, and as we have seen in the literature, turn those relationships onto superficial ones (McCleskey, 2014). One leader in particular, who has a team that depends on a lot of processes and results has explained this issue really well: “I feel that sometimes, because the company demands very specific results and I know all the needs, sometimes we can ignore people and it is very serious. Excessive pressure, and demand, can make us blind to see people and it's very bad. I think I always need to be alert to this, in order to improve.”. So, it would be easy for leaders to focus on metrics, goals and results; however, from what we have seen, that is not the kind of leadership they wish to put into practice.

The next topic, leader development, has only been mentioned by leaders, a lot due to a question that inquired them about their leadership education and past experiences. This allowed them to reflect on their current experience and compare it with previous ones. Most of them admit to being constantly on a learning curve, and although they have learned a lot working in such an unstable environment, there is still space to grow and learn: “I have always been managing people or teaching. I think my concern about being calmer with people is knowing that no one knows everything, not even me. So, it's more a matter of making people as calm as possible so that they can develop and feel a pleasant working environment, even more so in these company transitions that are extremely stressful.”; “The challenge here was also much bigger, more unstable, the more unstable the harder it is. So, it's not that I feel I'm better, but I think I'm more mature now to manage these more volatile things.”; Obviously, training is what helps the most here too. The fact that we go through ups and downs all the time, ends up giving us a very fast decision-making flow.”. Furthermore, part of their development as leaders has been to find improvements and create mechanisms to be better leaders: “I've developed an outside view of things, so I never put myself in front of situations, ever. So, I always look from above, not out of arrogance, but to have a vision of what is happening. When you control yourself a little more, you breathe and try to understand what is happening, if it is momentary, if it is more definitive. You can balance the ‘game’, looking higher and not straight ahead. Not your straight vision, go up a little bit and watch the movement of the pieces.”; “I think what I need to improve is that the paths to achieving certain company results go through the way people are going to execute the process and not exactly through the process. So, sometimes, this management of people with me, gets a little weakened. In the sense that the result is very important, the company needs it, but people individually have different needs to achieve that process. So, a point to improve and that I have already tried, is this, to be as close as possible, to understand the greatest difficulty/limitation of that person.”.

So, all leaders have had the chance to reflect on their leadership and look for leader development through the enhancement of their human capital. However, they have done this individually, taking into consideration their skills and competencies connected to their current leadership experiences. When the topic changes to leadership development, we are not able to find any mention of it. Leadership development, as we have seen, takes social capital into consideration. It has a focus on building networked links among individuals to facilitate cooperation and resource sharing in the production of organizational value (Day, 2000). Furthermore, it could be something that they feel that the company was doing, or even encouraging them to do; however, it was not the case. Considering this, from the data that was collected in the interviews, leadership development is being overlooked.

8.2 Focus Group

Since the focus group was evaluated with the same topics as the interviews, we were able to also retrieve a table that shows which topics have been more discussed and which ones have not been discussed at all, along with the reason for it. As mentioned before, keeping the same evaluation standards allowed us to have a fair comparison and to keep the idea of not relying on the researchers' perception. So, the topics were, once again, all counted then assembled to provide the overall results. There was no need to divide followers from leaders since the focus group reunited participants from both positions. However, to keep the fair comparison we have been mentioning, topics were still divided into categories: the ones from the first category – Company

Context –, and the remaining ones – The Ideal Leader; Relationship with Leader; Relationship with the Team – connected to leadership. Starting off with the Company Context topics:

Focus group	
Limited Resources	4
Unstable and Unpredictable Environment	4
Fast Pace Environment	4
Homogeneity within Teams	4
What Glues Startups' Teams	4
Accumulation of Tasks	3
Relationship with Management	1
Increased ResponsIbility	1
Pressure	1
Aggressive Changes	1

Table 3. Focus Group answers grouped by topic. Source: Own Tables.

As we can observe, the numbers are considerably lower than the ones from the interviews. However, as these answers were longer and had a less question-answer dynamic, it does not come as a surprise. Similar to interviews, Limited Resources was one of the most discussed subjects. One of the first resources that participants identified was lacking the human one: "Startups environment for me it's mainly projects for few people and it's always confusing documentation."; "I think that the dimension of the company, budget, time, there are several factors that influence not building this. There are some factors that, when you're a small company you see as secondary, and they are really not.". This second quote also includes the lack of financial resources, which has already been identified as one of the major challenges for startups: "If we had budget, there is some equipment missing that would facilitate our lives a lot, but like a lot. Sometimes I see that there is not a long-term perspective in this sense.".

The next topic was also one of the most mentioned in interviews, Unstable and Unpredictable Environment. Overall, all participants stated that even though the environment is good and dynamic, it can also get messy and unstable: “I mean, I would say that it’s a mess, but I don’t know if that’s a good thing to say (laughs). Hum, well, I would just say that it’s really dynamic, a truly dynamic environment.”; “I agree with all of you. I think it’s a really big mess. I like it though, I don’t mind it, I think it’s fun.”. However, what seems fun and challenging for some, might also lack clarification for others: “The company doesn’t clarify the next steps, which also jeopardizes us.”.

Related to this topic and with common quotes, we can find the next topic: Fast Pace Environment. This topic is commonly the reason why the environment might be unstable and lack clarification might appear. Things tend to happen at such a fast pace that sometimes there is a lack of time to stop and reflect on what has been done so far, and where we stand: “I think it’s really necessary to clarify the needs of some projects. Because sometimes in startups people ask for things that are not necessary, so they don’t value it as much when it’s delivered. Our time and sweat for nothing. Also, documentation, it’s essential for companies to have good documentation.”; “To be on top of things and sometimes it’s really hard. I guess you guys know it as well (laughs). But I think it’s really a different rhythm from other kinds of companies.”. Therefore, it confirms, once again, that startups are onwers of a very specific scenario and employees perceive it.

The following topic, homogeneity within teams is, sometimes, what motivates employees to keep thriving in a challenging environment. As we have seen in the interviews, teams are a really important part of a startup employee’s experience. The entire team connected for a common purpose and interest seems to be something that participants quite enjoy and recognize as crucial for a good environment: “You’re building altogether, and I enjoy it. So, it’s a really dynamic environment. Everybody that has an idea on how to improve something or to create something is heard.”. Besides, working in the same area and sharing knowledge about the same subjects is also something considered helpful. On the other hand, when it does not happen, the opposite may happen: “(...) we have different areas, so he doesn’t have so much knowledge about what I do. So, it’s not good for planning (...)”. We can also observe the consequences of teams not being completely aligned between them: “I think that better communication between leaders of the different teams. Because most of the time, I don’t understand how smaller companies like ours lose communication. We do something in one team and the other team doesn’t know anything about that.”; “I think that communication and more attention to specific details and processes that are happening can also help. Sometimes I’m working on something, and I don't have anyone to ask, it feels lonely sometimes.”.

Although the following topic – What Glues Startups' Teams – was not as explored at the focus group as it was in the interviews, it was still mentioned a few times. Overall, all participants stated to have a good relationship with their team, much due to the fluent communication and understanding that exists between them: “Yes, I have a really good relationship with my team, good conversations, I understand the problems they have.”.

As we have seen previously, lacking resources can also open the door for task accumulation, and employees may have to take on different responsibilities, which can end up being attractive for some people: “I think the environment itself is really good for people to learn new things every day for different areas. A new challenge every day, which can be a good thing.”; “It’s not always the same job, I guess you can try new things, you do different things. For example, I work with bigger companies, and I feel that the environment is more strict and I don’t like it as much, I get bored easily in those jobs. Here, it’s more fun. We have days when all goes well and some days where… Everything is really harsh.”; “I just wanted to add that, of course, it’s fun. For me, at least, it was my first job, so I got to learn a lot of different stuff. It was so versatile, one day I was doing this, the next day I was doing something else (...)”. Even though the participants have shown a much more positive perspective on task accumulation, they also state that it might not be for everyone nor for every stage of their careers: “It depends on the phase of your life. If you’re looking for something more stable, more grounded, I think this is not for you. But, if you like the mess and to thrive in the mess, it’s fun.”; “Once you start your career, it’s great to start in startups, because you really learn a lot. But once you get older and more tired of this dynamic, “I can’t continue to work with everything needing to be delivered asap”, that’s when it stops being a good thing. So, when you're younger it’s a really great thing, once you get older, it’s a different story. You need to calm down.”.

Even though Relationship with Management was such a discussed topic in the interviews, in the focus group it was less explored. Due to it being a more sensitive topic and people not being so predisposed to discuss it publicly, it was not included explicitly in the questions. However, relationships with management were mentioned within the scope of startups allowing employees and CEOs to have closer interactions. Similar to what we have observed in the literature, startup employees have the opportunity to work extremely closely with founders, which is not common in bigger organizations (Hull, 2016). The opportunity to work "alongside them, being in meetings where there is a personal connection - tends to motivate and inspire young staff. Early employees feel they belong to a special 'club'." (Hull, 2016: 3). What one of the participants has mentioned meets this idea: "You talk to people and even online you can create connections. So that's something good about the company, you can reach people despite their job title, so the CEO or a big person within the company.".

The next topic, Increased Responsibility, was indirectly spoken about within the accumulation of tasks topic, however, it was only directly perceived in one specific quote: "Completely, I feel like sometimes it's a roller coaster. Sometimes it's an up and down, up, and down. You have a lot of freedom; however, much freedom can also backfire. Because you can make a lot more mistakes, right?". It is no secret that startups provide employees with a broader range of tasks to handle (Veem, 2019), and along with it, responsibility and ownership increase. As this participant has stated, employees have a lot more freedom to work on their projects and create new things, however, the risk of making a mistake is also much higher. The stakes, in general, are higher. This can also increase pressure, knowing that there is the possibility of making mistakes there and it is easy to do them when one has so much responsibility. Therefore, the topic Pressure is also associated with this quote.

Lastly, Aggressive Changes, also tends to be a sensitive topic due to it being part of internal matters that startup staff are not so comfortable exposing. However, one of the participants has shared: "(...) we are going through a delicate process. These are confusing times and perhaps it’s not the best time to evaluate.” This quote matched with what we have seen before that startups might go through some changes that affect the entire dynamic of the company.

Once all topics from Company Context were covered, the focus was shifted to the leadership-related topics. Similar to the interviews were also the ones that covered more answers:

Focus group	
Transformational Leadership	14
Transactional Leadership	0
Leader development	0
Leadership development	0

Table 4. Focus Group answers grouped by Leadership topics. Source: Own Table.

Nevertheless, contrary to what we saw in the interviews, the focus group participants only matched one topic: Transformational Leadership. Similar to what happened in the interviews, the participants shared the existence of an emotional connection between leader and follower, as well as the identification of the four attributes that build this leadership theory – inspiration, individual concern, charisma, and intellectual stimulation. Once again, empathy, ability to listen and good communication were highly mentioned: “I would say that one of the main things for a leader is the capability to be empathic and to understand the followers. Of course, he had to have the capability also to listen, that I would say it’s one of the most important things.”; “(...) for me I think I look as a leader, someone who is inspirational to me and that has empathy, as she said. Good quality feedback that they are able to communicate to me. Feedback that is given to me without being mean or talking down to me, like real communication. Also, good communication skills so we can have a conversation and have questions, they are open to teach me or to find my way.”; “Maybe a good leader can also make a good filter for the people he works together with, and the feedback is also something that is good for the team, to keep them motivated and provide good communication, which is essential for the entire team. For followers not to be “afraid” of the leader or stuff like that.”; “I want a leader that is a good person and nice. So, if I need to go to a doctor’s appointment, I want him to be understanding and not strict (...).”. Besides, when they were asked what was the first thing that came to their mind when they thought about their direct manager, replies also matched a transformational leader attribute: “The first thing that came to my mind is honesty. My direct leader is completely honest, she is the type of person that is very reliable. And she cares for me.”; “I can say… like the very very first word was disorganized, but also charismatic.”; “In my case, it’s honest too and confident. I think these are the words to describe him.”; “(...), she is honest but also very transparent. Like she includes us, she shares her thoughts, she is very direct and transparent with us.”.

Transactional Leadership has not been mentioned, even though the discussion left space for it. However, it also ends up making sense, since the participants from the interviews mentioned transactional leadership as something that only leaders felt that was being asked of them. Transformational leadership was the main focus, so when we gathered leaders and followers, they talked about what they identified and valued the most.

Regarding leader development and leadership development. The first one was not discussed, as participants were exploring more the perspectives they had in common. The second one, even though it was part of the script, was discarded by participants for not being something they identify at the company, therefore, they did not feel the need to explore it.

Moreover, the focus group allowed us to have a broader perspective on how participants responded to the topics when in a shared conversation. Overall, the ideas were the same, however, focus group participants seem to have a much more positive perspective than the interviewees had. Perhaps for the nature of interviews being something more private and not as exposed, participants felt more comfortable exploring sensitive topics. Either way, results have shown that both the perspective towards the environment and the leadership practised were common. We will explore it further in the next subchapter.

8.3. Discussion

The present research was initiated with the idea of understanding how individuals perceive their experiences with startups, and what significance they assigned to their perceptions of leadership in their work environment. Therefore, the entire practical part was built to answer our research question: “How do leadership practices influence a startup's environment?”. It was perceived from the start that, even though we were able to gather literature about startup environments and characteristics, we still have to put this into practice and understand if the startup we were inquiring about had the same attributes. Furthermore, choosing startups from different sectors and sizes was crucial to have a broader and richer sample.

Both the interviews and focus group results agreed on most topics, even if some were more mentioned than others. As we had the chance to validate, the dynamic, unstable, unpredictable and fast-paced environment was confirmed across all participants. However, similar to what we have seen in the literature, some feel that they were made to thrive under these conditions, while others admit that it might not be for everyone nor for every stage of their professional careers. Furthermore, the lack of resources that were also identified in the literature was proven to be part of the participants’ realities. The lack of human resources was revealed to cause task accumulation, increased responsibility and, consequently, pressure; which was also proven to affect both the employee and the environment. On the other hand, lack of financial resources not only affects all of the above but also jeopardizes and conditions initiatives the leader may have to benefit the team.

Overall, the different topics and quotes from the methodology matched or even intended what we have seen in the literature review. The only exception was the relationship with management. Whereas the literature presented the proximity with management as a benefit for employees, interviews have shown a different side of this proximity, where it may also represent increasing pressure and task accumulation, as they were being asked for things directly instead of going through the team leader to the first filter and then organize priorities.

On the leadership side, the goal was mainly to identify what was the leadership style being practised and if it was something that startups were being responsible for. However, what we were able to observe was that there was a clear difference between the leadership that managers were delivering and the one that the environment and management pushes them to. So, even if leaders have the initiative to behave differently with their teams, they are still limited due to the fact that the company does not find it a priority. Some things that leaders were able to identify as lacking go from established career development plans to building one-to-one meetings, all things that would support their leadership and would allow creating an environment conducive to developing future leaders. Teams seem to be creating their own leadership practices, which can also be a risk if they are not aligned between themselves. As we have seen, homogeneity within teams is an important factor for it to work.

Leaders, overall, are assuming a very important part in a startup’s employee satisfaction. They are not only able to deliver the kind of leadership they wish but also conquering followers' empathy and respect. However, as it is, leadership is completely dependent on each leader's style and goals. Even though most results presented were positive, it being so subjective might create some issues too. We have seen the example of a participant that was intimidated by a previous leader within the same company. So, within the same company and area, he had two completely opposite experiences. As a result, it seems more like a matter of luck for followers instead of being something that matches the company’s values and intentions. Moreover, what this research has shown is that leaders are practicing on their own.

Therefore, leaders are the ones, independently, trying to have a good impact on both the followers and the environment. Startups themselves are still not looking at leadership as a priority, moreover, there are no initiatives to promote leadership practices across the entire organization.

Conclusion

Once this stage is reached, the feeling might be that the work was done, however, it is far from it. This stage is not only crucial to understand what has been concluded from the results, but also to do a retrospective on what was done and what were its limitations. Alongside this, it is also the right stage to reflect on what future research can add to this one.

The question that started this research was “How do leadership practices influence a startup's environment?” and the path to answer it was long and challenging. The literature represented a highly relevant stage that allowed us to understand what had already been done and what we wanted to pursue and validate our methodology. Therefore, although we knew right away from the literature that startups are fragile and volatile environments, it was very important for this research to understand if that was really how people felt. The truth is that this unstable and resources lacking aspect of startups was confirmed. So, this already validated that the startup environment is, indeed, something to keep an eye out for and to work on how to improve. Something that has not been so explored and that might help future startups to behave and differently. This business model is still very fresh when compared to other enterprises. So, it is no surprise that some things still need to be improved on. Moreover, what this research wished to do from day 1 was to contribute something that could help startups.

After all, what we were testing out was leadership practices and how impactful that could be for a startup’s environment. Of course, there are several improvements that any business model can make, and usually, people always look at financial ones. However, this research ambitioned to take a step out of that scope and look at what leadership might do for such an environment. Therefore, the literature was important to provide an informed analysis. Understanding the shapes that leadership may appear in theory, was mandatory to understand how they were appearing in practice. We started the research looking for how leadership was or could be impacting a startup and we found out that leaders themselves are, actually, a great part of this process. So, leadership at startups is being practiced and developed by each leader individually rather than being something that is part of the company’s identity and goals.

We perceived that the current leadership practices are having a positive, meaningful impact overall. So, leaders are being able to deliver what they intend to. However, the examples that we were able to analyze do not mean that all leaders are able to do so. And, as we have seen in the discussion, one of the followers provided an example of a leader within the same company that provided a very distinctive experience. Therefore, it is a highly subjective matter, it is fully dependent on each leader, which might mean that the environment and the experience might vary according to the leader that each team/individual has. This means that leadership practices do have an impact on a startup's environment, however, the nature of this impact is fully dependent on each leader.

Even though this research has both time and resource limitations, it opens a door for future researchers to look at a bigger number of leader-follower relationships within startups and understand further which dynamics are more common. Or even to look at startups that are already at a level where they consider these matters a priority and assess whether they are having an impact or not.

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Appendix

A. Interview Script

Leader
How’s your relationship with your team? What would you improve?
Can you recall a situation where your team/company went over a crisis and how the situation was dealt with?
How do you approach a teammate that may seem demotivated? Or not on its best day?
Let’s picture that the company was going through a mass firing and your team was showing concerns towards their futures. How would you approach the situation?
Two of your team members have left the company in the past month. Would you take any specific actions with your team?
Do you take o2o’s with your team? How frequently? Do you consider them helpful?
How would you describe yourself as a leader? What would you improve in your leadership?
Imagine that one of your team members is having some trouble in completing a task and the deadline that was given to you is across the corner. What do you do?
How would your two most recent staff describe your leadership
style/abilities? Is that any different from how you would describe it?
Have you ever had any leadership education? If yes, from where? If no, would you like to do it?
In your opinion, what are the best attributes that a leader should have to work at your company?
How do you view yourself as a team member; a follower?

Follower
How’s your relationship with your manager? How would you improve it?
Can you recall a situation where your team/company went over a crisis and how the situation was dealt by your direct manager?
Do you recall any situation where your manager showed concern for your well-being/mental health? What did he/she do to support you?
Let’s picture that the company was going through a mass firing and, evidently, you are feeling concerned about your future at the company. How do you believe that your manager would approach the situation? And how would you like for that approach to be done?
Two of your teammates have left the company in the past month. How does this affect you?

Do you have o2o's with your manager? How frequently? Do you consider them helpful?
How would you describe your manager's leadership? What possible improvements do you see?
Imagine that you are having some trouble completing a task and your deadline is coming to an end. What behavior do you expect from your manager?
How would you describe your manager's leadership
style/abilities?
In the current environment that you work in, which are the attributes you find essential for a leader to have?
How do you see yourself as a leader? Actual or future leader?

B. Focus Group Script

Engagement Question	What's an ideal leader in your opinion?
Engagement Question	How is it to work at a startup?
Exploration	What are some characteristics you associate with good leadership? Do you seem them at your work environment?
Exploration	How would you describe your company's environement?
Exploration	What feelings como to mind when you think about your direct manager?
Exploration	How important do you think it is to put employee's well-being first and do you think your organization does it?
Exploration	What are some things your company could improve in leadership?
Exit Question	Is there anything you feel that should be covered or spoken more deeply about?