Knowledge-Intensive Companies and Leadership
– Two Empirical Case Studies

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Tabel of Content

Acknowledgement ................................................................................................................................. i
Abstract ........................................................................................................................................................ ii
1. Introduction ........................................................................................................................................... 1
   1.1 Background ......................................................................................................................................... 1
   1.2 Research Topic and Research Question ............................................................................................. 4
   1.3 Purpose ............................................................................................................................................... 4
2. Methodology .......................................................................................................................................... 6
   2.1 The Major Approach .......................................................................................................................... 6
   2.2 A Multiple-Case Study ....................................................................................................................... 7
   2.3 How to Create Knowledge ................................................................................................................. 8
   2.4 The Data Accumulated ....................................................................................................................... 9
   2.5 A Reliable Master’s Thesis ................................................................................................................ 12
   2.6 Criticism towards the Study ............................................................................................................. 13
3. Frame of Reference ............................................................................................................................ 14
   3.1 Knowledge-Intensive Companies ....................................................................................................... 14
   3.2 Knowledge Management .................................................................................................................. 18
   3.3 Human Resource Management ....................................................................................................... 20
      3.3.1 Human Capital Management .................................................................................................... 21
   3.4 Talent Management .......................................................................................................................... 23
      3.4.1 Criticism towards Talent Management ....................................................................................... 24
   3.5 A New Trend within Leadership? ....................................................................................................... 25
   4.1 Knowledge-Intensive Companies and the Crucial Knowledge .......................................................... 28
   4.2 Challenges for Knowledge-Intensive Companies when it comes to lead the Employees .................. 33
   4.3 Requirements and Needs Regarding the Leadership within Knowledge-Intensive Companies and the Convenient Leadership Style .................................................................................. 36
   4.4 This is the Way Knowledge-Intensive Companies Manage to Develop and Retain their Employees ................................................................................................................................. 40
   4.5 More or Less Leadership within Knowledge-Intensive Companies? .................................................. 44
   4.6 The Leadership within Knowledge-Intensive Companies .................................................................. 45
      4.6.1 What is given Priority? ................................................................................................................. 46
      4.6.2 Concepts Utilized .......................................................................................................................... 47
List of Figures

1 **Figure 3.1.1**: Primary Forms of Leadership orientations within organisations (Alvesson 2000, p. 147). ....18
2 **Figure 3.4.1**: Purpose with Human Capital Management (Baron & Armstrong 2007, p. 22). .................23
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Abstract

The overall topics within the research are Human Capital and Leadership and my aim has been to examine two knowledge-intensive companies and scrutinize in what way these companies practise leadership. The purpose has among other things been to examine which challenges arises when manage/lead the employees within knowledge-intensive companies, how the knowledge-intensive companies can develop and retain their employees and which needs and requirements exists regarding leadership within these. The empirical data has been collected through interviews, both personal interviews and telephone interviews; therefore, I have interviewed one manager and seven employees from two knowledge-intensive companies. The companies which have been scrutinized are two knowledge-intensive companies; accordingly two case studies have been conducted. The thesis partly consists of two cases and these two companies will be presented within the appendix of the thesis. Besides, the introduction chapter, the methodology chapter, the chapter which is called the Frame of Reference and a conclusion chapter, a fourth chapter consists of the empirical study, analysis and renderings. The empirical study is presented in a flowing text connected with the analysis and renderings.

My aim has also been to study literature and theory regarding knowledge-intensive companies since knowledge-intensive companies constitute a major part of my study. Moreover, the organisational structure called adhocracy has been examined as Alvesson (1995) portray, that it is a characteristic of knowledge-intensive companies and which seems to play a big role for how leadership is executed within these. Knowledge Management, Human Resources Management, Human Capital Management, Talent Management and some criticism towards Talent Management are four concepts as well as one important part regarding critique towards one of the concepts that has been scrutinized. Why I have chosen to write about these concepts is because I think these are suitable for my study regarding knowledge-intensive companies and leadership. Another concept that has been examined is whether there is a new trend within leadership according to what some authors promote. I have examined the issue and I have made a comparison between my collected empirical material and the studied theory. A figure that I have used is the figure illustrated at page 18, by Alvesson (2000) and by implementing the figure a comprehension and illustration can be set forth based on where the examined knowledge-intensive companies turn out to be positioned.

A fifth chapter contains the conclusions and the empirical findings reveal that a knowledge-
intensive company might encounter varying challenges as well as I state which leadership style is convenient within knowledge-intensive companies. The concepts of Knowledge Management, Human Resource Management, Human Capital Management and Talent Management are utilized within knowledge-intensive companies as the employees within these are rather autonomous. Social features as well as the outcome of knowledge-intensive companies are reflected, to sum up.

Knowledge-intensive companies are considerable in our society today as Seo et al. (2011) explain. Thus, I think it is crucial for potential leaders as today’s leaders and managers to gain an insight in what way leadership is practised within knowledge-intensive companies as these companies are composed of or made up by an immense part Human Capital. I, as well as many other people, hold competencies in the form of for example experiences and education and although these are valuable resources for a company, especially for a knowledge-intensive company, these companies can never own this kind of resources. This is consequently a fundamental issue within companies. Hence, my thesis aim is to support people with deep knowledge and interesting aspects regarding the research question, consequently I have endeavoured at creating a valuable thesis which can be of significance for me and for others. I want individuals to gain a deep knowledge and thereby enhance their knowledge about knowledge-intensive companies and leadership within these by reading my thesis, as I have.

1. Introduction

The thesis is concentrated on knowledge-intensive companies as well as management and leadership thus the leadership within these companies is different from other companies. Knowledge-intensive companies often consist of an immense part of Human Capital which can serve as a base for my study. Hence, the leadership within two knowledge-intensive companies is scrutinized.

1.1 Background

The leadership within knowledge-intensive companies diverges compared to other companies seeing that the leadership automatically involves a great amount of knowledgeable employees within these companies (Alvesson 2004). According to the author, the fact that leadership differs within knowledge-intensive companies compared to other companies should also be a representative apprehension regarding the issue. (Alvesson 2004) Employees/staff/personnel including numerous denominations are vital resources and assets particularly in these companies since assignments which call for specific knowledge are of great importance today (Seo et al. 2011). The employees can be seen as a company’s Human Capital and my assumption is that a company’s Human Capital is vital for its survival as well as for its success, which I will give further details about in the following text.

The year of 1961, the concept of Human Capital was born and as Baker (2008) writes; ‘The economists were in essence saying that accountants should treat investments in people the same as they treat investments in things; but we accountants never learned the lesson, continuing to this day to treat employees as nothing but expenses’ (Baker 2008, p. 108). I think that this quotation evinces the importance of employees and by reading the statement it is possible to discern their real import for a company. The fact that Human Capital within a company is of great significance is reflected through a statement by Presutti (2006); ‘Once staffers feel they are no longer able to exert control over their employment obligations, they lose motivation and initiative and their productivity decreases’ (Presutti 2006, p. 34). For a company’s prosperity, the employees are therefore essential and the statement proves my assumption that the Human Capital is crucial for a company.

Handling talents and Human Capital is an issue around the world. Grimshaw and Miozzo (2009) corroborate this when they mention that there is a challenge to lead/manage Human Capital, in
the form of knowledgeable personnel. This is significant since the achievements of an organisation are stated in relationship to the Human Capital, as mentioned previously, and it is the employees that might possess qualifications of considerable value and not the owner/owners of the company (Baker 2008). Therefore, companies need to keep their Human Capital in order to restrain brain drain since that could jeopardize companies’ survival and the economy of the country. Wong and Yip (1999) states; ‘Over time, brain drain could adversely affect the formation of human capital in a source country, and this could hurt the growth and other important variables of the economy’ (Wong & Yip 1999, p. 700). Since Human Capital is important for knowledge-intensive companies the issue is not only essential for countries and their economies, besides my assumption is that the issue is crucial for knowledge-intensive companies and their organisations. Therefore, it is important to consider how knowledge-intensive companies can keep their employees and in what way leadership is practised within these in order to manage and lead their Human Capital suitably. As well as, it comes natural to me to examine exactly which challenges there are when it comes to manage/lead employees within these companies. One issue is whether managers/leaders in knowledge-intensive companies, in order to manage/lead the Human Capital suitably, should possibly work with other things than micromanagement in order to gain the best out of their resources.

Consequently, my assumption is that the Human Capital is the most important resource within a company especially in a knowledge-intensive company thus it is the people at the lower levels in an organisation who most of the time is the ones who execute the labour, accordingly the Human Capital is a crucial element as well as a decisive element for a company’s success. Moreover, the Human Capital is also central for a company’s competitiveness in comparison with other companies. This being so, it is the people, who have the specific knowledge required to achieve the tasks within the companies, who are an interesting aspect for my study. As Baker (2008) also writes;

/…/ ‘all capital springs from the human mind’ (Baker 2008, p. 111)

Why I chose to write about knowledge-intensive companies is also because these are essential within these days (Alvesson 2004). In addition, their Human Capital is great and furthermore the leading within these are seen as not so vital, conversely these are /…/ ‘non-managerial’ (Alvesson 2004, p. 121). This means, as the author declare, that; ‘The basic idea of management, as conventionally understood, that of a separation between the planning and execution of a task, is
hardly at all a key feature’ (Alvesson 2004, p. 121) in these. Therefore it is optimal to examine in what way leadership within knowledge-intensive companies is practised.

Recruitment is also an important task within a company belonging to Human Resource Management although, from a leader’s angel it would be more important to develop and retain the existing staff within a company and therefore I have chosen to scrutinize in which ways knowledge-intensive companies can develop and retain their existing staff. Why this is such an important task for a leader is because the existing personnel already has the experience and knowledge of the line of business and for that reason I perceive that it is important for a leader to retain and develop the employees within a knowledge-intensive company. Again, the purpose is therefore to scrutinize which challenges arises when lead/manage the employees within knowledge-intensive companies, how the companies can develop and retain their employees and which needs and requirements exists regarding leadership within these.

Besides, Alvesson (1995) states that knowledge-intensive companies ones more protrude among other companies since a knowledge-intensive company’s organisational structure can be seen as an adhocracy. As a consequence, the approaches within knowledge-intensive companies differ from other companies’ procedures as well as the companies’ leadership. Moreover, as mentioned in the fifth paragraph of this chapter, knowledge-intensive companies is characterized by the fact that the ‘Human capital is the dominant factor’ (Alvesson 1995, p. 6). Hence, seeing that the Human Capital within knowledge-intensive companies and organisations are of high value it would be appropriate to examine whether the need for leadership has decreased or if leadership is about to change within knowledge-intensive companies. These speculations are in accordance with Mintzberg’s (2004) utterance since the author suggests there ought to be limits for how much leadership should be executed within companies. Mintzberg (2004) states; ‘The assumption is that every company with a problem needs new leadership, more leadership. But I think many have had too much leadership. They need less leadership, maybe even an older kind of leadership: just enough leadership’ (Mintzberg 2004, p.1). Schwartz (2010) strengthens Mintzberg’s (2004) statement by explain ‘the productivity paradox’ (Schwartz 2010, p. 1). The author elucidates and states that the company Sony Pictures Entertainment do not require as much of its employees anymore although the outcome is larger than before. Schwartz (2010) maintains that Sony Pictures Entertainment management where requested to /…/ ‘stop expecting people to operate like computers – at high speeds, continuously, running multiple programs at the same
time – and to recognize that human beings perform best and are most productive when they alternate between periods of intense focus and intermittent renewal’ (Schwartz 2010, p. 2).

Due to the preceding paragraphs, my purpose is to present interesting aspects regarding the issues which I just mentioned. As a reader of this thesis, I hope that you will attain a deeper insight of the importance of leadership especially in knowledge-intensive companies usually dealing with a great amount of Human Capital. Hence, knowledge-intensive companies are considerable in today’s society as Seo et al. (2011) states; ‘Knowledge intensive service activities have become to play a fundamentally important role in various industrial fields’ (Seo et al. 2011, p. 1917).

1.2 Research Topic and Research Question
It is vital for potential future leaders as today’s leaders and managers to know how to deal with their Human Capital in a correct course line of action. Hence, my vision is to elucidate the issue considering the leadership within knowledge-intensive companies and execute a description for how leadership/management is practised within two knowledge-intensive companies. I will confer the numerous terms employees/staff/personnel and their competencies a generic term and thus denominate the terms Human Capital within the thesis. The overall topics within the thesis are consequently Human Capital and Leadership. Two knowledge-intensive companies will be empirically studied due to the fact that the leadership is different within knowledge-intensive companies comparatively with other companies. Furthermore, these companies have become more and more common in today’s society (Alvesson 2004). Besides, I will not do any distinction between the terms management and leadership and thus I will apply the term leadership within the thesis, as the term will respond to both management and leadership.

I will also investigate how their Human Capital including talents is taken into consideration. Another issue is whether leadership has changed within knowledge-intensive companies or if there are indications interpreting that leadership should be reduced. These assumptions can be based on the insinuations that adequate leadership is sound within business regarding its Human Capital (Mintzberg 2004). Below, the research question is stated:

- In what way is leadership practised within knowledge-intensive companies?

1.3 Purpose
Since the leadership within knowledge-intensive companies differs from other companies the
purpose has been to scrutinize in what way leadership is practised within two knowledge-intensive companies. The Human Capital is plausible a great resource within a company, although not known within the balance sheet (Smith 2006) and therefore it is interesting to examine, as I have pointed out, possible challenges when manage/lead the Human Capital within these companies as well as how knowledge-intensive companies develop and succeed in retaining their Human Capital. Another purpose has been to scrutinize which needs and requirements exist regarding the leadership within knowledge-intensive companies as well as which leadership style is convenient within these. The study will also scrutinize, which was something that I even stated in the previous paragraph, whether a perceivable decreasing or change of leadership can be discerned. The purpose is therefore to bring forth conclusions and consequently enhance the knowledge of the leadership within knowledge-intensive companies.
2. Methodology

The methodology chapter will display which methods I have used in the procedure with this thesis and consequently which mode of procedure has been applied. I will also display methods that I have not used and explain why I have not utilized these. This mode of procedure is implemented so that the project is clear and structured and subsequently also so that you as a reader can determine the trustworthiness considering the thesis and its relevance.

2.1 The Major Approach

When conducting a research study there are three views a researcher can emanate from and which will explain how the researcher will structure the project and which mode of procedure will be applied (Arbnor & Bjerke 2009). Of these three, the systems approach is the most suitable for me, also considering my research and my research question. Furthermore, this approach is applied within my study because of, as Arbnor and Bjerke (2009) give an account for; ‘The systems oriented creator of knowledge more often works as a discussion partner to, and as an interviewer of, entrepreneurs in the study area than as an actor taking part in co-creating the future’ (Arbnor & Bjerke 2009, p. 40) but there is also other things which distinguish the three views and which explain why I have not utilized the two other views. By applying the analytical approach a person see the world as /…/ ‘filled with facts’ (Arbnor & Bjerke 2009, p. 36). Such as other peoples’ thoughts, for example, aiming at explain what has been scrutinized. If someone utilizes the same approach as I have chosen within my study a person would like /…/ ‘to gradually move forward to get better and better pictures of those real systems’ (Arbnor & Bjerke 2009, p. 40) a person utilizing this approach consider apparent. Eventually, utilizing the actors approach a person aim at /…/ ‘develop a language that will bring understanding and action when facing the study area’ (Arbnor & Bjerke 2009, p. 43). Notwithstanding, it is not possible to say which one of the three approaches is the most exceptional. Still, the systems approach is the major approach within my thesis and, for example, neither hypotheses nor dialogues have been executed. (Arbnor & Bjerke 2009) Instead interviews have been executed. This procedure is /…/ ‘often applied in case studies’ (Kvale & Brinkmann 2009, p. 117). As well as, within the systems approach, case studies are often constituted and therefore I have used this specific process within the thesis (Arbnor & Bjerke 2009). As Merriam (2009) write, by utilize the method of study cases the focal point is directed towards renderings and findings concerning the research, not towards hypothesis which would be either proved or falsified. Two knowledge-intensive companies have consequently been studied and several interviews have been conducted in order for me to get a deeper insight into
these companies. Hence, my attempt have been to detect what is actually occurring in the social reality and by applying the systems view the endeavour has been to support people with data that will make them understand the world better.

This is a study which is qualitative and Björklund and Paulsson (2003) convey that focus is resting on comprehension when conducting this kind of study. Hence, the purpose with the thesis has been to illustrate and describe the issues being studied and ultimately I have stated my renderings. Consequently, the project consists of a descriptive approach which means that the researcher, by that me, has some knowledge considering the area which he/she will study (Björklund & Paulsson 2003). I agree to some extent with this statement without meaning that my aim with my research has been to confirm something that I already knew; I was not ignorant within the area which I have studied. My aim has been to discover new things that I did not know something about, learn new things and find new dimensions. Therefore the aim has been to discover, not confirm presumptions and ideas. Accordingly, the research area has been rendered.

2.2 A Multiple-Case Study
There are different kinds of types regarding case studies a researcher can utilize when conducting the research and one of the types are ‘multiple-case studies’ (Yin 2009, p. 39). This method can also be seen as the most preferable (Yin 2009) and therefore this is the method I have use within my thesis. Inferences will be more ‘powerful’ (Yin 2009, p. 61) although it might necessitate a lot of resources from only one person (Yin 2009). For the reason, that the inferences would deliver more than from only one case study, I have studied two cases. The act of handling talents and Human Capital is, as mentioned in the beginning of the introduction, a global issue there is limitations drawn with the purpose to narrow the study within the thesis. The study will therefore focus merely on these two selected knowledge-intensive companies within the thesis. Accordingly, I will draw my conclusions upon these companies reflected through the renderings and the analysis. Although, I want to point out that I only have the perspective of the employees within one of my two case studies and not the perspective of a leader.

Kvale and Brinkmann (2009) consider that it is not appropriate to do any generalizations within a study like mine. Although this is something that Yin (2009) has an answer to, instead he says, the endeavour ought to arrive at ‘analytic generalization’ (Yin 2009, p. 39). The author explain analytical generalization by writing; ‘If two or more cases are shown to support the same theory, replication may be claimed. The empirical results may be considered yet more potent if two or
more cases support the same theory but do not support an equally plausible, rival theory’ (Yin 2009, pp. 38-39) therefore this process is not the same as execute generalizations which are statistic. (Yin 2009) By looking for patterns my aim has been to exhibit factors that have been protruding within my study and I have utilized this process in order to state my conclusions. In the following paragraph, the empirically studied knowledge-intensive companies are introduced shortly.

1. **KPMG**

KPMG is located in several countries ranging up to totally 150 including Sweden and the company is also at the front among companies regarding knowledge (KPMG 2011).

The year of 1971 KPMG in Kalmar was founded and within this knowledge-intensive company there are totally twelve employees working with different kinds of tasks (KPMG 2011). For example, KPMG in Kalmar work with advisory services regarding companies as well as auditing and tax advises also concerning companies and its owners. (KPMG 2011) For a more detailed description of the company see Appendix 2.

2. **Tieto**

Tieto is as well as KPMG located in several countries but Poland, the countries in the North along with Russia are the company’s core focus (Tieto Annual Report 2010). The company offers consultancy services along with research and development- and IT services (Tieto 2011) which classify the company as a knowledge-intensive company. For a more detailed description of the company see Appendix 3.

2.3 **How to Create Knowledge**

To be able to generate knowledge it is common to locate previous studies within the equivalent area as the researchers project and utilize existing frame of references as a base for own knowledge construction (Arbnor & Bjerke 2009). Seeing that the research within the thesis is constructed based on empirical material which has been gathered by other individuals than me, theory as well as new research, the abduction method is applied. The abduction method allows the researcher to vary among the prior theories and the new finding/findings and comparisons between the two can be executed. Consequently, the abduction method is applied within the thesis since it will support the conclusions following from the analysis linked with both my empirical data and prior; consequently the method has also allowed me to vary among the collected theory and the empirical material. (Arbnor & Bjerke 2009) The primary material has been collected by
means of interviews, as mentioned before, and these have resulted in an empirical material which is comprehensive (Trost 2010). This material will later be presented in the fourth chapter of the thesis. Also, the thesis reflects both my own thoughts, the view of the interviewees but also the thoughts and assertions considering the chapter of Frame of Reference based on theory.

2.4 The Data Accumulated

There are two types of data within the thesis and that is primary and secondary data (Arbnor & Bjerke 2009). By interviews the primary data is accumulated and by being aware of the crucial aspect during interviews considering influence, the level of objectivity is solid although a study will always include subjectivity depending on personal assumptions. In order to accumulate primary data secondary data, which have been gathered by someone else than me, has been utilized in my study as well as theory which was something that I mentioned in the previous paragraph. (Arbnor & Bjerke 2009) The interviews have been carried out both through personal interviews as well as through telephone interviews.

When accumulate qualitative data during an interview a researcher make observations although this kind of observation is indirect, however this occur only when the researcher meet the interviewee/interviewees in person (Arbnor & Bjerke 2009). In view of the fact that I have conducted interviews I have also made indirect observations during the personal interviews which have facilitated my own interpretations regarding the empirical material.

The technique which is applied within the thesis, as I mentioned previous, is the method of interviewing (Arbnor & Bjerke 2009). Within this technique there are several differentiating procedures for how to accumulate data and these procedures can be executed by telephone calls, a multiple meeting, and opinion polls or by interview someone personally. (Arbnor & Bjerke 2009) This thesis is constructed with a chapter where empirical data are accumulated based on face-to-face interviews as well as on telephone interviews. The questions being answered are standardized and open which allows the interviewee state his/her personal answers (Arbnor & Bjerke 2009). The specific name for the interviews being conducted is interviews which are structured (Trost 2010; Ghauri & Gronhaug 2005). By conducting structured interviews it allows me as a researcher to ask beforehand prepared questions to the respondents who all can state their answer however they want to (Trost 2010).
Although, there is one risk with face-to-face interviews, as mentioned before, since the data can be affected in a way that makes the data less objective if the interviewee becomes influenced by external circumstances (Arbnor & Bjerke 2009). Therefore, it is important not to lead astray the interviewee, and this is an important aspect to be aware of as a researcher and which is something I have taken under consideration. The empirical data accumulated through this technique, declared in the latter paragraph, are denominated data which are primary and vital when ‘creating knowledge’ (Arbnor & Bjerke 2009, p. 178). Interviews allow the researcher to observe and to be part of the interaction between the interviewer and the interviewee and for that reason I regard interviews which are personal as a high valuable method for collecting data. Besides, as a researcher one could also benefit from telephone interviews since the risk for influences decreases and this method is also appreciated by the fact that it normally does not require as much resources as a personal interview (Bryman & Bell 2005). Furthermore, Ghauri and Grønhaug (2005) point out that; ‘Interviews are often considered the best data collection methods. This can be done via mail, telephone or in person’ (Ghauri & Grønhaug 2005, p. 132). From the very start, the choice of interviews felt natural to me.

I have used a recorder when I executed the personal interviews although there are important aspects to be aware of regarding this method according to Bjerke (2007). The author state one benefit and one weakness when a researcher utilize a recorder during an interview by assert that; ‘The advantage is, of course, that you do not miss anything as a researcher and can listen to and contemplate afterwards what has been said. The disadvantage is that the respondent may not behave naturally’ (Bjerke 2007, p. 9). Furthermore, I have not recorded the telephone interviews because I did not have the technical means to do this and therefore I have written down notes during these interviews. After completing each telephone interview I wrote down everything I remembered as well as the notes taken during the interview into one text. By being aware of this I, as a researcher, indicate what is relevant for you as a reader to know when assess the trustworthiness of this thesis. Furthermore, within the first out of two knowledge-intensive companies I have interviewed five individuals out of eight in total, one leader and four employees which will be presented in the following list.

1. Leader A is the departmental head manager for KPMG in Mönsterås, Kalmar and Oskarshamn and she has been working within the company for one and a half year (Leader A KPMG Kalmar 2011). She has experience as a Chief Financial Officer at an international company (CFO), with its parent company located in Kalmar, where she worked with economy and espe-
cially leadership within administration and finance. Leader A has had different leadership positions approximately for 15 years. (Leader A KPMG Kalmar 2011)

2. Employee A has been employed for two years within the company (Employee A KPMG Kalmar 2011). This employee has worked previously with economy although today she works with accounting, principally as an audit assistant. The assistants work follow an auditor’s plan and the auditors are works managers during an auditing. (Employee A KPMG Kalmar 2011)

3. Employee B is an approved public accountant since the year of 2004 and he has worked at KPMG since the year of 1999 (Employee B KPMG Kalmar 2011).

4. Employee C is an approved public accountant and he has worked since fall last year within KPMG in Kalmar and has totally ten years experience from the line of business (Employee C KPMG Kalmar 2011).

5. Employee D is a chartered certified accountant and he has previous been a leader within different offices in the organisation (Employee D KPMG Kalmar 2011).

Within Tieto, I have interviewed three employees in total, presented in the list below.

1. Employee A is a business consultant for a system which include, among other things, purchase, stock-keeping and business management (Employee A Tieto 2011). Soon he has worked for the company for one year and he has studied the systems the company sells at the Royal Institute of Technology in Sweden. Employee A knows the system and works close to customers and to their business. (Employee A Tieto 2011)

2. Employee B has worked within the company approximately for four years (Employee B Tieto 2011). She has six years experience from personnel questions and she has also worked with organisational development of companies for several years. For one year Employee B has the global responsibility of the process Talent Management within the knowledge-intensive company. (Employee B Tieto 2011)

3. Employee C has education within IT and education related to personnel along with eight years experience as an IT technician (Employee C Tieto 2011). He has experience from being a con-
sultant leader and recruiter for approximately two years and has worked approximately for one year at Tieto where he is responsible for the recruitment. His title is an HR specialist and at the knowledge-intensive company he works with strategic questions as well as he support leaders regarding different questions at issue. (Employee C Tieto 2011)

2.5 A Reliable Master’s Thesis

Validity and reliability is furthermore two important conceptions and in the analytical approach are the experiments of high validity if the outcome corresponds to the fact (Arbnor & Bjerke 2009). The reliability verifies if the experiment illustrates the same outcome and the reliability gets higher the greater amount of experiments that show the same outcome. The researcher who apply the systems approach, as I have, obtain validity if the research is thorough accomplished which means that one method to control whether the /…/ ‘measurements are correct is to reflect the real system from as many angles as possible’ (Arbnor & Bjerke 2009, p. 188). If the thesis seems reasonable and logic in a ways that the researcher explain how the renderings has been generated and that it seems as a contribution to prior theory then the validity on a scientific level is attained. (Arbnor & Bjerke 2009) Although, Trost (2010) expound that this concept along with reliability are not appropriate denominations within my study. Moreover, reliability is not as common within the systems approach according to Arbnor and Bjerke (2009) as in the analytical approach since within the first-mentioned approach, as the authors state; ‘The important thing is what a measurement can be used for, not the way a measurement was made or its precision’ (Arbnor & Bjerke 2009, p. 186). Merriam (2009) states that /…/ ‘multiple cases is, in fact, a common strategy for enhancing the external validity or generalizability’ (Merriam 2009, p. 50). Therefore, by carry out two case studies the last-mentioned concepts has been enhanced within my study.

Furthermore, as Arbnor and Bjerke (2009) state; ‘Many actors researchers/consultants/investigators have said repeatedly that the only real validation is the extent to which the actors accept the results and interpretations made’ (Arbnor & Bjerke 2009, p. 188). To secure that the study is reliable it has been executed thoroughly, on the one hand by accumulate a great section primary data and on the other hand by examine secondary data. By this approach, I have examined the issues regarding my study from different angles and I have taken into consideration my own thoughts, the conceptions of the interviewees as well as the conceptions within prior theory regarding the chapter of Frame of Reference, as I mentioned in the previous text. I have also sent the thesis to both knowledge-intensive companies regarding my two case studies in
order for the companies to control the text and which is something that strengthens the validity of the thesis even more.

2.6 Criticism towards the Study
I want to point out two possible critiques towards some of the sources because there could be people who think that a researcher does not get the same outcome from a telephone interview as from a personal interview. As Bryman and Bell (2005) write that a researcher can not observe any body language through telephone interviews. Although, Yin (2009) assert that a researcher can /…/ ‘do a valid and high-quality case study without leaving the telephone or Internet, depending upon the topic being studied’ (Yin 2009, p. 15). As well as Bryman and Bell (2005) uphold an important benefit by utilize the method of telephone interviews. Since three out of eight respondents has not been able to see me, my person has not affected their view and their answers. (Bryman & Bell 2005)

Within one of my two case studies I have only the view of the employees within the company and not the view of a leader although one of the respondents has an experience being a consultant leader. Since my time writing this thesis is limited I have not been able to interview additional leaders and therefore I wanted to point out another possible critique in my study. As Corbin and Strauss (2008) write /…/ ‘there are always constraints of time, energy, availability of subjects, and other conditions that affect data collection’ (Corbin & Strauss 2008, p. 324). As a consequence I do not have a leader’s point of view in one of my two case studies and it could have been interesting to compare a leader’s/leaders’ answers with the employees’ answers in order to detect similarities or differences between the both categorise. I do not think that the result of my study has been affected in a larger extent since I have managed to gather a comprehensive material although I might have missed opinions about the subject.
3. Frame of Reference

Within this chapter, concepts will be presented and further details will be given about these in order to function as a structure for the study. The Frame of Reference is a chapter that will give weight for the purpose of the thesis and the material will subsequent be utilized for the renderings and the analysis of the study.

3.1 Knowledge-Intensive Companies

Today we experience an amplifying of knowledge-intensive companies as well as Alvesson (2004) state that these companies /…/ ‘are widely viewed as important’ (Alvesson 2004, p. 1). Therefore I wanted to scrutinize in what way leadership is practised within knowledge-intensive companies with appurtenant issues. Furthermore, consultancy companies are also becoming more and more common in today’s society and knowledge-intensive companies are expected to constitute a large part of the market in the future. (Alvesson 2004) Wang and Qin (2005) emphasize the importance of knowledge and that it has become significant in our days when they write; ‘In the new century, knowledge plays crucial roles in knowledge-intensive organizations. Both explicit knowledge and tacit knowledge are the most important factors which make the success of organizations. Therefore, knowledge management and knowledge integration mechanisms are the key mechanisms to make the organization more effective and efficient’ (Wang & Qin 2005, p. 475). Mann (2002) writes that companies which are composed by a large amount of knowledgeable humans have to suit oneself to these in order for the leadership /…/ ‘to cope with the age of knowledge’ (Mann 2002, p. 498). I am convinced that knowledge-intensive companies are vital in our society and therefore it is highly relevant to investigate how the leadership within these is practised.

According to Alvesson (2004) knowledge-intensive companies are characterised by the fact that highly-qualified employees work at these companies otherwise, the work might be executed with a rather unsatisfactory result. At the same time, Mann (2002) writes that; ‘People can no longer be plugged in to predefined organizational boxes and system interfaces; rather, organizational designs, processes, and systems must adapt to the individual competencies, priorities, and needs of the individuals that constitute the enterprise’ (Mann 2002, p. 498). My opinion is that since it is the humans within a company who possess the knowledge it is essential to care about these since without employees it would be harder to get the work executed. Alvesson (2004) writes that; ‘Jobs are not highly routine and call for some degree of creativity and adaption to specific circumstances’ (Alvesson 2004, p. 1) within a company which is knowledge-intensive and accord-
ingly, to a great number of individuals, knowledge is considered to be /…/ ‘the key to current and future business’ (Alvesson 2004, p. 5) as other authors has stated that knowledge is a contributory factor for a successful company (Wang & Qin 2005; Soini 2008; Evanschitzky et al. 2007). Therefore, again, a company’s Human Capital is a significant factor for a company and its prosperity. Since, as Larsen (2001) writes; ‘The knowledge base of firms is intrinsically linked to the knowledge of their employees’ (Larsen 2001, p. 81).

To make a distinction between companies where the tasks are habitual and other companies, these other companies are called knowledge-intensive since the tasks within these are not as habitual (Alvesson 2004). An excellent illustration regarding knowledge-intensive companies is made by Alvesson (2004) when he states; ‘Examples of knowledge-intensive firms include management and IT consultancies, and high tech and R&D based companies. Lawyers, accountants, consultants, engineers, and scientists belong to occupations involved in knowledge-intensive work’ (Alvesson 2004, p. 1). One central part within knowledge-intensive companies, as we have seen, is that the qualifications of the employees are crucial and something that is not unusual is that these are well-educated as well as experienced. Alvesson (2004) also mentions that a knowledge-intensive company employs individuals who are recognised as individuals who normally are /…/ ‘paid far above average salaries and have high status’ (Alvesson 2004, p. 18). Consequently, these are the companies greatest resources and by utilize the employees successfully a company can acquire an advantage compared to its competitors. (Alvesson 2004) Since Larsen (2001) point out that; ‘Without its employees a firm is nothing more than an empty shell’ (Larsen 2001, p. 100). Another important characteristic of knowledge-intensive companies is, as Alvesson (2004) mentions, that /…/ ‘leadership is probably a less important aspect’ (Alvesson 2004, p. 137). It is this aspect that I think is in accordance with the discerned leadership trend, therefore also this statement support that kind of leadership style. As well as the subjects within my study is up to date because as Alvesson (2004) state;

‘Business has simply become more knowledge-intensive’ (Alvesson 2004, p. 5)

It is common that the employees within a knowledge-intensive company have a large right of determination since the managers often are not directly involved in the employees’ tasks and consequently, it is hard for the managers to be familiar with every task which are to be executed (Alvesson 2004). I think this reason is a contributory cause why leadership is not as conspicuous in a knowledge-intensive company. Furthermore, it is therefore vital that the employees possess
knowledge and have the right to determine what is appropriate to do regarding their specific tasks (Alvesson 2004). Accordingly, ‘…’ means of ‘distance control’ such as rules or output measurements are often not so relevant’ (Alvesson 2004, p. 23). Alvesson (2004) explains this by alleging that ‘knowledge work often makes an organizational hierarchical structure flexible and sidestepped by knowledge-based authority’ (Alvesson 2004, p. 23). Another characteristic that makes this statement concrete is that a knowledge-intensive company is characterised by ‘self-motivated’ (Alvesson 2004, p. 24) and competent humans. (Alvesson 2004) Typical for a knowledge-intensive companies is also that these often are perceived as being adhocracies and Mintzberg (1980) describe this special organizational form as a flexible structure impressed of decentralization which means that the decision-making is spread around the company and not only stated at the very edge of the hierarchy. Alvesson (2004) illustrates that ‘…’ organizations are transformed into more flexible, ad hoc forms, greatly reducing hierarchy and allowing more space for the initiative and discretion of knowledge-able employees so that these ‘intellectual assets’ can be used effectively’ (Alvesson 2004, p. 6). The use of control is therefore not as apparent within a knowledge-intensive company. This is also something that goes together with Alvesson’s (2004) statement that individuals within a knowledge-intensive company possess the specific knowledge necessary for execute their tasks and therefore the composition of these companies are often flexible regarding hierarchy. (Alvesson 2004) All of the above stated show that the Human Capital within a knowledge-intensive company is of high relevance and significant within these and it is also therefore I have chosen the specific theories within this chapter. Song, Zhang and Shi (2007) write that; ‘Organizations possess numerous resources, but it is the resources that are unique, inimitable, and valuable that are central to gaining competitive advantage on the market, the organization’s knowledge base is one of them’ (Song, Zhang & Shi 2007, p. 1459). The individuals within a knowledge-intensive company, its Human Capital, are therefore the greatest of all resources within these companies and obviously significant to consider when execute leadership in order to make sure to retain these.

Yet, developing employees in prospect is a hazard within a knowledge-intensive company since employees, seeing that companies do not own them, can leave the company at any time (Miles et al. 1997). Though, some suppose a company will not be as susceptible for this as they are these days according to Alvesson (2004) by ‘making tacit knowledge explicit’ (Alvesson 2004, p. 172). This phenomena, I think, is thanks to knowledge management, which I will explain later in this chapter and which exactly manage this kind of challenge regarding individuals and knowledge-intensive companies. Although, Alvesson (2004) is critical about the previous statement since it is
not an easy task.

Alvesson (2004) mentions that knowledge-intensive companies, which he denominates knowledge-intensive firms, ‘are far from homogeneous in terms of management and organization; nevertheless, it is typically believed that management issues are different in most KIFs from those of many other firms’ (Alvesson 2004, p. 121). Why it is like this is because these companies are ‘non-managerial’ (Alvesson 2004, p. 121) as mentioned before, which means that a traditional model for leadership is not suitable when lead a company like this. But as Alvesson (2004) also mentions, leaders at the very edge of the hierarchy within knowledge-intensive companies have occasionally the possibility to influence the company as they want to depending on how much ‘the degree of knowledge-intensity’ (Alvesson 2004, p. 121) amount to. This reflects the inclination of the Human Capital and their assignments abating the leadership at the edge of the hierarchy according to the author. (Alvesson 2004) Why the leadership is different and even slighter within knowledge-intensive companies compared to other companies is something that Alvesson (2004) have an answer to. In knowledge-intensive companies, leadership is often inconspicuous and the author state that this consequently is because of; ‘Owing to the complexity of work, senior managers frequently do not understand what actually goes on and cannot rely on simple indirect, quantified performance indicators to manage the process’ (Alvesson 2004, p. 122). Although, Wang and Qin (2005) depict that; ‘Most executives or managers go through their work lives thinking about projects, goals, and perhaps financial data, but questions about how knowledge is used and shared in organizations are hardly ever raised’ (Wang & Qin 2005, p. 476). Consequently, many of the individuals working within a knowledge-intensive company are self-governing according to Alvesson (2004), and therefore ‘the space for key figures at the top is often limited’ (Alvesson 2004, p. 123). Moreover, even though the more traditional leadership specifications such as supervision and strategic decision-making are inconspicuous in knowledge-intensive companies, the author bring out a number of important aspects regarding the leadership within these companies:

- In a knowledge-intensive company the management of knowledge is important by encourage innovation.
- Developing employees and their competencies as well as ‘recruitment, motivation, retention, and mobilization’ (Alvesson 2004, p. 125) are important aspects.
- Promote distinctiveness for the company to which everyone within the company belongs to.
- Guard one’s clients/customers.
• ‘reinforcing common beliefs and values’ (Alvesson 2004, p. 124) as well as ‘develop organizational culture’ (Alvesson 2004, p. 124).
• Promote organizational consensus. (Alvesson 2004)

1

**Figure 3.1.1:** Primary Forms of Leadership orientations within organisations (Alvesson 2000, p. 147).

Within companies different types of leadership can be executed (see figure 3.1.1) (Alvesson 2000). A structural leadership style is common within companies whose business is about manufacturing or production. Institutional leadership concern the nature of the company, which absorb the individuals within the company who thinks that the company is something more than just a workplace and which serve as an institution of individuals. Exhort social relationships, work for a feeling of solidarity and an aim at managing to make all individuals feel satisfied within their position is important aspects of social leadership. Furthermore, there are also mixtures of the different styles as figure 3.1.1 demonstrates and therefore can this model be utilized in order to depict a company’s style of leadership and which aspects are most essential within it. (Alvesson 2000) Consequently, I can utilize this conceptualization in order to relate the case studies towards this and by that describe the purpose and the focus regarding the leadership within knowledge-intensive companies.

### 3.2 Knowledge Management

The first concept that I have wrote about in this thesis and which will structure and guide my study is the concept about Knowledge Management. Why I have chosen this concept is because
it is essential for the leadership especially in knowledge-intensive companies to handle the knowledge within the companies since the business world are continuously changing. Barabba, Pourdehnad and Ackoff (2002) depict that a time ago when industries were prevalent, individuals were stimulated ‘to think about managing businesses as if they were made of replaceable parts – like pieces of a jigsaw puzzle’ (Barabba, Pourdehnad & Ackoff 2002, p. 359). Although, this metaphor is not proper in present times it shows an alteration from that time until now. Furthermore, ‘complexity and an accelerating rate of change’ (Barabba, Pourdehnad & Ackoff 2002, p. 360) is more typically for our time which tells us that, leading a company is complicated.

The authors also state that the ‘intellectual assets’ (Barabba, Pourdehnad & Ackoff 2002, p. 360) within a company are precious although, it is not possible to account how much only one of these is worth, for example, for a company since these belongs to an organisation which forms a unity to which these jointly belongs to. (Barabba, Pourdehnad & Ackoff 2002) From this, an understanding for managing knowledge can be interpreted since ‘knowledge management is dependent on a firm’s human resources’ (Lengnick-Hall & Lengnick-Hall 2005, p. 37). It was natural for me to write about Knowledge Management because leadership and Human Capital, that is what it is all about.

Alvesson (2004) describes the concept of managing knowledge as it; ‘gives a particular perspective on how organizational resources – and especially the key one in the form of humans – are being managed, or at least how management tries to access and control them’ (Alvesson 2004, p. 166). Within knowledge-intensive companies, knowledge management is an essential domain and something conspicuous within these because of their reliance on human competence. (Alvesson 2004) This reason is also why I choose this concept seeing that it is an important concept regarding knowledge-intensive companies related to leadership and in what way it is executed.

Mårtensson (2000) give a fine explanation on Knowledge Management and why this concept has been created. Companies has been exposed to reductions in their workforces, consequently knowledge has to be managed within these so that they will not experience a type of brain drain. The author state that; ‘To exploit knowledge more efficiently organisations are now trying to codify and store the individual's knowledge, i.e. making tacit knowledge explicit and transposing individual knowledge into organisational knowledge’ (Mårtensson 2000, p. 212). From this follows that employees knowledge should, by this aid, be accessible for everybody within a company and if an employee leaves off his/her work and leave the workplace the knowledge will still remain in the form of information within the company. The knowledge management could also
function as a procedure for the company which nurse proficiency along all its employees. (Mårtensson 2000) Consequently, I think that Knowledge Management is something significant especially in a knowledge-intensive company whereas the knowledge and competence of its employees are of considerable meaning. Although, a leader/manager can not know if an employee are about to leave the company, I think the value of increasing their knowledge-base is bigger than the risk that someone leaves the company. The risk can, as shown within the preceding text, be reduced through applying Knowledge Management by trying to retain as much as possible of an employee’s knowledge within the company. An interesting aspect that I have taken under consideration is whether this concept is utilized within the empirically scrutinized case studies. The concept has proven vital within theory as well as it is executed in the empirically studied knowledge-intensive companies.

3.3 Human Resource Management
Another concept I regard as an important concept related to a company’s Human Capital is Human Resource Management. Since my aim has been to investigate in what way leadership is practised within knowledge-intensive companies Human Resource Management together with Knowledge Management, Human Capital Management and Talent Management take leadership and humans into consideration which are vital within a knowledge-intensive company. Alvesson (2004) explains why Human Resource Management is important within a knowledge-intensive company by elucidate that knowledge-intensive companies /…/ ‘stand out from most other organizations because of the extreme significance they place on the quality and motivation of their personnel’ (Alvesson 2004, p. 138). As Wang and Qin (2005) state that the assets in the form of individuals within a company is significant possessors of knowledge. By this follows that the concept is utilized for evolve a company’s staff in order to facilitate necessary ability for them to be able to accomplish the work which should be done within the company or with other words, the strategies within the company (Anthony & Govindarajan 2007). Human Resource Management is belonging to leadership and I think it is required to give an account for how this concept can be utilized in order to lead individuals within companies.

As I think, Burke (2005) also thinks that employees should be cared for in a good way so that they feel fine. Although, I can see a paradox here due to the fact that, as Burke (2005) states; ‘It is commonly believed that there is a conflict between what is good for an organization and what is good for people’ (Burke 2005, p. 25). Seeing that Mahy, Plasman and Rycx (2005) write this statement; ‘A performing worker has to be a worker that feels well!’ (Mahy, Plasman & Rycx
Yet Burke (2005) also writes that a company execute well if one take care of the employees. This strengthens the thoughts that an employee perform better if he/she have a sense of well-being and one thing that we can learn from this is that it is essential to look after the employees within a company. By applying Human Resource Management a company works with motivation regarding their employees and according to Burke (2005), by applying this approach talents are taking into consideration. If the company takes care of the employees and for example recompenses them, the employees are more willing to do a good work; consequently talents are more willing to stay with such a company. (Burke 2005) Human Resource Management can therefore be executed in order to get more out of the employees, with the aim of setting the return on a maximum level within the company (Mahy, Plasman & Rycx 2005).

3.3.1 Human Capital Management
I have placed the concept Human Capital Management as a subheading to the last-mentioned concept since I think the two are closely related which will be accounted for in the following text. As well as I regard the concept as important in order to in detail execute my study and answer my research question in what way leadership is practised within knowledge-intensive companies. By applying Human Capital Management within a company it can facilitate something extra to the company since Human Capital Management has the possibility to nurse the employees and at the same time it ‘can help to deliver added value’ to the company (Baron & Armstrong 2007, p. 2). Bassi and McMurrer (2007) state that individuals in an appointed position within a company often demonstrate that it is the staff within the company which is the crucial aspect within it and the most essential. Although, the authors think there is an ambiguousness regarding this issue since staff many times are considered only to be a cost for the company. Bassi and McMurrer (2007) regard this as ‘dangerous because, for many companies, people are the only source of long-term competitive advantage’ (Bassi & McMurrer 2007, p. 115). The authors therefore bring out the importance of the employees and that leaders should take these into their consideration when lead/direct the company. (Bassi & McMurrer 2007) All of this is because the authors understand the significance that the individuals within a company compose (Bassi & McMurrer 2007) seeing that it is the individuals who contribute to ‘the added value’ (Baron & Armstrong 2007, p. 5).

Processing facts is what the concept is about which concerns the individuals within the company and bring forth significant facts (Baron & Armstrong 2007). According to the concept, these individuals should be treated like assets and it is central to support and take care of the employees
so that they will develop and gain experience and education in order for the company to benefit from a possible outlay of money. The authors uphold that; ‘HCM provides a bridge between HR and business strategy’ (Baron & Armstrong 2007, p. 21). Therefore, on the whole one may say that Human Capital Management states the connection between companies’ approaches for how to execute duties within it and the concept of Human Resources Management. The concept also invigorates the assumption that humans are of value for a company and not solely something that a company must pay for. (Baron & Armstrong 2007) For that reason, Human Capital Management has proved to be related to Human Resource Management.

Baron and Armstrong (2007) state that the facts regarding the employees within the sphere to which knowledge-intensive companies belong to are essential since it is crucial for these companies to lead their greatest resource in a proper way, after all it is the individuals within the organisation who eventually have a large impact on the result of the company. Talent and superb work possessed and executed by the staff are eminent factors if a company wants to achieve a good result compared to its competitors. Baron and Armstrong (2007) elucidate that ‘one of the clear benefits arising from competitive advantage based on the effective management of human capital is that such an advantage is hard to imitate’ (Baron & Armstrong 2007, p. 26). A company has to distinguish itself from its rivals in order to get the biggest share of the market and by develop and invest in their human capital this scenario could be realized. (Baron & Armstrong 2007)

Besides, Baron and Armstrong (2007) also state that Human Capital Management is about processing facts in relation to their assets in the form of individuals within the company, as mentioned before, besides ‘business decision making’ (Baron & Armstrong 2007, p. 27) can be developed as well as the information towards the people who has a stake within the company if a company make use of the concept of Human Capital Management. The authors also declare; ‘Many organizations are beginning to understand that, in an increasingly knowledge-intensive environment, the key to good management lies in understanding the levers that can be manipulated to change employee behaviour and develop commitment and engagement’ (Baron & Armstrong 2007, p. 27). The processing of the facts, as talked about, is an aid for leaders to efficient have an overview of their personnel and also an aid for them so that they are able to act in an efficient and proper way. (Baron & Armstrong 2007) Jointly, employees/staff/personnel and their competencies including uncountable words for these terms is denominated Human Capital within the thesis. Furthermore, due to the fact that a company can not own its Human Capital, I
think it is important for a knowledge-intensive company to be able to successfully lead/manage its Human Capital in order for the company to retain and also increase its greatest resource by applying Human Capital Management.

In order to easier comprehend what I a moment ago with the help of theory illustrated, I will present a conceptualisation by Baron and Armstrong (2007). The process of Human Capital Management is depicted by Baron and Armstrong (2007) as follows;

![Diagram of Human Capital Management process]

As I mentioned, Human Capital Management can be more easily illustrated by a conceptualization and the concept is presented within my study since it is utilized to give structure for my study and since I also believe that Human Resource Management and Human Capital Management are closely related as mentioned in the beginning of this section. Therefore, I think that it is important to include and give further details about the concept in my study.

### 3.4 Talent Management

Talents are crucial for companies maybe more crucial for knowledge-intensive companies than for companies where the work do not require the same amount of knowledge in order to execute the labour. It is therefore appropriate to give an account for Talent Management in his study. According to Collings and Mellahi (2009) is the management of talent an essential concept and something that is up to date in our society today since they write; ‘Arguably the challenge of maximising the competitive advantage of an organisation’s human capital is even more significant in the recessionary climate of the latter part of the opening decade of the twenty first century’
I have realized that talents are crucial for a company and therefore a concept for how to lead talents within companies are imperative. Collings and Mellahi (2009) explain that the concept is a strategy for set out a ‘talent pool’ (Collings & Mellahi 2009, p. 304) within the company as well as to encourage to find talented individuals and to make them stay at the company. Furthermore, this strategy also promotes competitiveness due to the fact that focus lies on ‘the key positions’ (Collings & Mellahi 2009, p. 305) when execute Talent Management. Talented individuals can be found both inside and outside the company which can constitute a group of talents within the company as to execute the tasks which will eventually lead to the result of the company. However, the most vital roles within the company should preferably be occupied by the most ‘high performing or high potential employees’ (Collings & Mellahi 2009, p. 306) and to save money, less vital roles does not necessary have to be occupied by these. The interest concerning the management of talent ought to be directed exclusively on the first-mentioned. (Collings & Mellahi 2009) I think the procedure for saving money is a good idea which encourages the executing of Talent Management in knowledge-intensive companies.

As mentioned, this concept is a modern concept and there is a ‘growing popularity of talent management’ (Collings & Mellahi 2009, p. 304). Although, Collings and Mellahi (2009) declare what the difference is between the management of talent and the management of human resource by elucidate that the latter include everybody within the company while the first-mentioned approach only concentrate on talents within the company. By apply Talent Management the authors declare that they ‘expect that effective talent management will have an indirect positive relationship with organisational performance, mediated by work motivation, organisational commitment, extra-role behaviour acting separately or in combination with one another’ (Collings & Mellahi 2009, p. 309). They also mean that one have to concentrate on the humans within the company in order to gain a great outcome (Collings & Mellahi 2009) which correspond to Mahy, Plasman and Rycx (2005) statement when they elucidate that Human Resource Management also aim at make the profit as big as possible by understanding the importance of the humans within the company. The execution of Talent Management in knowledge-intensive companies is also promoted by this aspect.

3.4.1 Criticism towards Talent Management
As well as Collings and Mellahi (2009), Lewis and Heckman (2006) write about Talent Management as a popular concept in these days. Although, the authors are critical towards the concept and as Collings and Mellahi (2009) they stress that there are no occurrence of a ‘well-
defined area of practice supported by extensive research and a core set of principles’ (Lewis & Heckman 2006, p. 139) concerning the concept. (Lewis & Heckman) Therefore I think that it is essential also to give an account for the criticism regarding the concept. There are obscurities regarding Talent Management according to the authors (Lewis & Heckman 2006) although Collings and Mellahi (2009) have developed a definition of the concept today. Consequently, I think the concept of Talent Management is more developed nowadays than it was some years ago as displayed.

One important aspect regarding Lewis’s and Heckman’s (2006) critique is thus that they write; 
‘Talent, of course, can be categorized as valuable, rare, and hard-to-imitate but the specific pre-
scriptions regarding talent are not always clear’ (Lewis & Heckman 2006, p. 145). I think this is an 
important aspect to take into consideration since there are no guarantee for who is a talent and who is not.

3.5 A New Trend within Leadership?
I consider that a new trend within leadership is perceivable since there are several authors who assert that leadership should change. For example, Schwartz (2010) depict how he along with his project team succeeded in letting the company Sony Pictures Entertainment obtain better productivity within the company by prevail on an approach for the company which considered their employees. The employees well-being where consequently highly considered by the management, the focus was rather on the employees well-being than on pushing them to become hard-working staff. By lessen the demands, the management succeeded in attaining bigger earnings within the company. The employees well-being was accordingly prioritised which resulted in a greater profit because the employees become more committed and energetic at their workplace. (Schwartz 2010)

Besides, Birkinshaw and Goddard (2007) state that; ‘The bottom line for many is that business life would be more pleasant and efficient if it weren’t for the managers. We are convinced that management needs rethinking around one simple premise: less is more’ (Birkinshaw & Goddard 2007, p. 45). According to the authors is management to /…/ ‘providing direction, controlling decision-making, coordinating activities, and motivating employees’ (Birkinshaw & Goddard 2007, p. 45). Although there are other strategies to take into account in order to gain a greater outcome by ‘less management’ (Birkinshaw & Goddard 2007, p. 45). The authors illustrate and speculate upon one likely outcome where staff may be the ones who execute ‘major investment
decisions’ (Birkinshaw & Goddard 2007, p. 45) and they mean that; ‘We can already recognise the skeleton of a new model of management, but we cannot flesh it until more firms put their own experimental approaches in place’ (Birkinshaw & Goddard 2007, p. 45). As well as the authors also speculate whether, for example, contractors and clients of companies sometime will be part of the discussion of, for example, possibilities regarding the company in which they are involved instead of letting the management exclude them. (Birkinshaw & Goddard 2007)

Mintzberg (2004) also emphasises an incredible detection when he evaluates a situation within business. The situation concerns IBM’s former Chief Executive Officer Lou Gerstner thus he has been honoured for IBM’s success when he was the CEO of the company, although by doing quite little according to the author. Gerstner has been honoured for the affair that IBM entered the e-business within his time though the author ponder what Gerstner actually did that made the affair successful and how he executed his leadership. Mintzberg (2004) explains it like this; ‘Instead of setting direction, he supported the direction setting of others. He provided less leadership, but appropriate leadership. Just enough leadership!’ (Mintzberg 2004, p. 1). This kind of leadership is something that the author want to promote and he also convey ‘/…/ ‘the dysfunctional separation of leadership from management’ (Mintzberg 2004, p. 1) which he asserts is wrong. This, because of the assumption that managers should lead as well as leaders should manage since, as Mintzberg (2004) asserts; ‘We all know that mangers who don’t lead are boring, dispiriting. Well, leaders who don’t manage are distant, disconnected’ (Mintzberg 2004, p. 1). For instance, Bennis and Nanus (2007) divide management and leadership by assert that management, on the one hand, is usually executed by a human that has a certain task from where he/she obtain some kind of return, for example capital. As the authors declare regarding the task for a manager; ‘The result, at best, is compliance; at worst, you get a spiteful obedience’ (Bennis & Nanus 2007, p. 203). Although, leadership, on the other hand, regards empowerment since a leader usually succeed in helping ‘/…/ ‘employees generate a sense of meaning in their work and a desire to challenge themselves to experience success’ (Bennis & Nanus 2007, p. 203). Continuing with the first-mentioned, to promote this kind of leadership, Mintzberg (2004) thinks that managers/leaders need to be dedicated to what they do and he also think that it is appropriate that the adherents are the ones who decide on who will be the one who directs them. Mintzberg (2004) also expresses that this is vital within a company although he can only give one single example on a company which lets their adherents decide exactly who will direct them. The example confirms that the company, McKinsey, manage/lead the company in this manner. (Mintzberg 2004)
McKinsey belongs to the category of knowledge-intensive companies, since this company is a consultancy company regarding management (McKinsey & Company 2011). Therefore I think this is an exceptional example on a knowledge-intensive company which does something extraordinary. At McKinsey, according to Mintzberg (2004) do; ‘The senior partners there elect the managing director to a three-year term in a closed vote’ (Mintzberg 2004, p. 1) and he also ponder whether this advice is proposed to other companies seeing that it is better for a leader to not be superior within a company, given that as Mintzberg (2004) states; ‘A manager who sits on top of a network is out of it’ (Mintzberg 2004, p. 1). By this, the author wants to connect the two terms and not make any distinction between management and leadership, as I have done in this thesis, as well as he wants to promote a leadership style that a whole company would benefit from. Whereas every single human within the organisation can set a good example and lead which would be an approach that take advantage of all the ideas within an organisation either the idea is the manager’s/leader’s or an employee’s idea. (Mintzberg 2004) Respecting the utterances I think a new leadership trend can be discernible and within my empirical study it is examine whether this trend is perceptible in the case studies. For example, I asked the respondents if they possibly could discern that the leadership is decreasing or is about to change within their companies compared to earlier days. The results regarding the question will be presented in the next chapter.

The concepts that I have given an account for will all be presented in the following chapter regarding the empirical study, analysis and renderings. Therefore it is important for you, as a reader, to remember the concept of knowledge-intensive companies and what distinguishes these, foremost the leadership within these. Knowledge Management, Human Resource Management, Human Capital Management, Talent Management, the criticism towards the last-mentioned concept and the discerned leadership trend within theory are also essential concepts to remember when you now will continue to read the fourth chapter of the thesis. I have elucidated these concepts because they are important as I studying leadership in a certain context which is knowledge-intensive since my aspiration has been to gain a deep knowledge in what way leadership is practised within knowledge-intensive companies.
4. Empirical Study, Analysis and Renderings

Within this chapter I will present the research findings as well as the analysis and my renderings regarding the primary and secondary material. Interpretations are made after processing the different chapters within the thesis and consequently I state my renderings. Moreover, this is about sense-making and a search into the meaning of the collected material (Merriam 2009).

4.1 Knowledge-Intensive Companies and the Crucial Knowledge

During my study I asked my respondents what knowledge-intensive companies meant for them and the answers I got was that knowledge-intensive companies are of great importance as well as their Human Capital which is in accordance with Alvesson’s (2004) statement that these ‘are widely viewed as important’ (Alvesson 2004, p. 1) as I wrote in the introduction of the thesis. Although, it is important to;

/…/ see to so that the staff has the competence necessary so that we shall be able to meet different situations on the market (Leader A KPMG Kalmar 2011, translation author.)

For the knowledge-intensive company it means that they have to have employees who are motivated and that they recruit individuals who have the right competence (Leader A KPMG Kalmar 2011). Likewise, Wang and Qin (2005) state that is what it is all about within a company which is regarded as knowledge-intensive since knowledge is needed in order for these companies to succeed. Furthermore another respondent said that it is enormously important with the individuals who have the knowledge and it is common that a person learn things from the person that he/she works with during, for example, a commission and who has worked many years within the line of business (Employee A KPMG Kalmar 2011). That is the process for how the knowledge is mediated between individuals except regular courses within the knowledge-intensive company. Employee A has always worked within knowledge-intensive companies, among other things within the educational line of business where the individuals who has the knowledge mediate it to other individuals. Knowledge-intensive companies mean, according to Employee A, that a company mediates knowledge to others who will become stronger because of that. (Employee A KPMG Kalmar 2011) In addition, other respondents had the same answer on the question what knowledge-intensive companies meant for them. According to Employee B it means that the employees are of extra importance since all the knowledge exists within the employees (Em-
ployee B KPMG Kalmar 2011) which correspond to Alvesson’s (2004) statement. The author alleges that, within knowledge-intensive companies competent individuals are employed (Alvesson 2004). As well as the respondent continued, telling me that within a knowledge-intensive company, the employees are particular important since the work are not executed by machines as within an industry where the employees are taught easier (Employee B KPMG Kalmar 2011). The fourth respondent told me that every individual within a knowledge-intensive company, as the one he is working at, has their own area within which they are specialists and a knowledge-intensive company means to him that questions always can be answered and help can always be received (Employee C KPMG Kalmar 2011). Regarding the statements my interpretation is that it is plausible that the individuals working within a knowledge-intensive company are skilled. A company can not activate humans within a balance sheet since the humans can give in one’s notice at any time (Employee D KPMG Kalmar 2011). Corresponding to Smith’s (2006) utterance that humans are absent in financial reports. In knowledge-intensive companies there are two main processes in order to succeed; the recruitment process is a core process as well as the process to retain the employees together with the process of winding up Employee D said (Employee D KPMG Kalmar 2011). A challenge for many service lines of businesses is the process of retaining the employees positioned at a key position who are the once who drive the company. The core processes are crucial for the company to achieve the goals regarding growth, good economy and liquidity as well as the well-being within the company. (Employee D KPMG Kalmar 2011)

Another respondent told me that a knowledge-intensive company works on a broad and variable market and knowledge is also something that is needed for such a company (Employee A Tieto 2011), which correspond to Wang’s and Qin’s (2005) statement that ‘explicit knowledge and tacit knowledge are the most important factors which make the success of organizations’ (Wang & Qin 2005, p. 475). The respondent continue by allege that, for example, in a project there are different knowledge that is needed, therefore a project leader within the knowledge-intensive company he is working in should bring in the knowledge that is needed or if certain knowledge is missing it has to be brought in fast. It is also hard to know everything therefore it is also common to specialize within the IT line of business. Things change quickly and get old, therefore an individual must always be one one’s guard and to become better and to develop the knowledge all the time Employee A said. (Employee A Tieto 2011) The work is not perfunctory within a knowledge-intensive company (Alvesson 2004) and my interpretation is that one contributory factor is the changing surrounding world.
Besides, another respondent knew that a knowledge-intensive company is a company which handles a large quantity of information and knowledge every day (Employee B Tieto 2011). As well as a knowledge-intensive companies imply companies whose core business focus on knowledge and is characterized by variability likewise is knowledge a perishable foodstuff and must always be developed the respondent told me (Employee C Tieto 2011).

I wanted to hear what the respondents thought made the company they are working in a knowledge-intensive company. The first knowledge-intensive company wears this title because information is mediated to different clients Employee A said, which means, for example during an auditing, the employees need to explain things regarding the auditing and the clients business (Employee A KPMG Kalmar 2011). In words that the client does understand if there are things that the employees at the knowledge-intensive company want to comment on. (Employee A KPMG Kalmar 2011) As well as the company is a knowledge-intensive company since knowledge is sold two respondents mentioned (Employee B & Employee C KPMG Kalmar 2011). The employees within the knowledge-intensive company are business advisors and auditors and the thing they have is knowledge, no products (Employee B KPMG Kalmar 2011) and in order to sell knowledge and expertise the employees need deep knowledge to be able to execute the work; therefore the company also has to be knowledge-intensive (Employee C KPMG Kalmar 2011).

Why the second company within my thesis wear the title knowledge-intensive company is because, for example, an individual who has knowledge within the area of electricity might be needed within the area of finance therefore knowledge is picked from one area to another, or the company might have to employ new knowledge (Employee A Tieto 2011). Consequently, the company take care of internal knowledge by execute workshops and by individuals reading documentation in order to transfer an individuals knowledge into another area. The need emerge quickly and have to be solved quickly within the company and therefore it can be noticed that the company is knowledge-intensive Employee A told me (Employee A Tieto 2011). As well as another respondent declared that the company is a knowledge based company with a lot of consultants whose knowledge is the company’s service or virtual product (Employee B Tieto 2011) and since the company works within the IT line of business they also work within a knowledge-intensive line of business which is complex (Employee C Tieto 2011). Their business is also based on knowledge since they develop system solutions and new things always arise. (Employee C Tieto 2011)
I wondered then what is it that distinguishes the company from other companies which might not be so knowledge-intensive as well as how it can be noticed that the company is knowledge-intensive within the company. Many times companies have knowledge which makes them unique therefore a definition can be hard to distinguish thus many companies bear a uniqueness which requires competence Leader A told me (Leader A KPMG Kalmar 2011). Although, it can be noticed every day that KPMG in Kalmar is a knowledge-intensive company since, for example, news within the line of business are discussed between the individuals within the company as well as it is a lot of focus on education. (Leader A KPMG Kalmar 2011) As I said, Alvesson (2004) mentions that the work is not perfunctory within knowledge-intensive companies and the employees are /…/ ‘paid far above average salaries and have high status’ (Alvesson 2004, p. 18). The things that KPMG in Kalmar sells are services; therefore the customers do not obtain a concrete product another respondent told me (Employee A KPMG Kalmar 2011). It is the knowledge that the company informs which can be interpreted as words, instead of a concrete object, although the auditing report is a concrete document. As well as it is noticed that the company is knowledge-intensive by the fact that the employees are focused on their tasks, the work is intense likewise the customer is in the centre as in all companies. (Employee A KPMG Kalmar 2011) An amplifying of companies which are knowledge-intensive is prevalent (Alvesson 2004). As well as indicated by the empirical findings. Employee C thinks that every line of business, at least in Sweden, is becoming more knowledge-intensive although a lot of education is characterized for the company and that is also something that is crucial for the business, the employees are also encouraged to execute education as well as to learn new things. (Employee C KPMG Kalmar 2011) Consequently, Human Resource Management is executed within the company (Anthony & Govindarajan 2007). Another respondent declared that within for example a producing company they execute business as usual whereas within a knowledge-intensive company there have to be great communication and coordination, within Tieto focus is to find the right individual for the right commission; in other words, they have to find the knowledge (Employee A Tieto 2011). Within the company there are a lot of education and a focus on learning new things and the education can both be external as well as internal. Tieto is a matrix organisation divided into one selling organisation and one supplier organisation and between the two organisations knowledge transfer takes place since the sellers have to cooperate with the suppliers and vice versa. (Employee A Tieto 2011) Companies who for example sell a product differ from the knowledge-intensive company since they do not sell concrete products although the company sells services and a few virtual products to other companies (Employee B Tieto 2011) as for the second case study. The employees’ competencies are important and the company has to develop it in order
not to stagnate therefore it is necessary for the company to keep up with the development. Consequently, the company always works to develop the company and the employees which are the company’s greatest resource given that the company’s value lies within the knowledge of the employees. (Employee B Tieto 2011) This corresponds to Larsen’s (2001) statement that a company is zero if it were not for the individuals within it. Also the variability distinguishes the company from other companies which might not be so knowledge-intensive and a knowledge-intensive company must suit itself after a variable market as well as the company he is working in develops the line of business further (Employee C Tieto 2011). It is also high demands towards an employee who has to have great knowledge since the work is complex within Tieto. Within the company there is also a large focus on further development of the employees which is in accordance with Employee B’s and Employee A’s utterances. (Employee C Tieto 2011)

My interpretation is that it is essential that the companies which are knowledge-intensive retain employees which are talented and continuously develop these regarding their success which show that the Human Capital is critical. As Leader A said it is totally decisive that the company is knowledge-intensive otherwise the company could not survive (Leader A KPMG Kalmar 2011). As well as it is from that they get their earnings so they have to be good and with this follows that the employees within the company is selling their time, consequently, in order to survive they has to be good at what they do (Employee A KPMG Kalmar 2011). Besides, Employee C said it is totally decisive that the company is knowledge-intensive (Employee C KPMG Kalmar 2011). He explains that they can not make any error in their work since they need to retain customers and therefore, the knowledge is critical. (Employee C KPMG Kalmar 2011) The company has to be knowledge-intensive otherwise a continuing is not possible Employee D repeats and a knowledge-intensive company has to provide quality and that can be attained by recruit the right individuals and to retain the key individuals within the company (Employee D KPMG Kalmar 2011).

/…/ we are nothing without the personnel, we do not have anything else (Leader A KPMG Kalmar 2011, translation author.)

It is enormously important that also Tieto is knowledge-intensive since the market is variable and therefore everyone’s knowledge has to change concurrently with the market and the company has to suit the knowledge after the customers’ needs within the frame and direction of what the company does (Employee A Tieto 2011). The company’s whole business is built on the fact that the company is knowledge-intensive since the value lies within the knowledge of the employees
(Employee B Tieto 2011). It is also easier to replace employees within a producing company than within a knowledge-intensive company. (Employee B Tieto 2011) Another respondent asserted that it is very decisive and the company has to be in the front in order to handle the competition (Employee C Tieto 2011). Therefore, knowledge is critical as well as a company’s Human Capital and my interpretation is that it is simply because, as Alvesson (2004) illustrates that; ‘Business has simply become more knowledge-intensive’ (Alvesson 2004, p. 5).

4.2 Challenges for Knowledge-Intensive Companies when it comes to lead the Employees

During this study I have discovered various challenges for knowledge-intensive companies to handle and that was something interesting since I could not know whether or not there where any challenges. One challenge is to be more attractive than the competitors of the company and by that retain motivated employees since the principal aim is to make sure motivated individuals stay within the company; therefore this is seen as a challenge (Leader A KPMG Kalmar 2011).

My interpretation is that these companies find it challenging to retain the specific individuals which are competent and ambitious. This is important since as Baker (2008) state, the performance of a company is connected with its Human Capital. I think that the leader understands the importance of retaining the employees in order not to jeopardize the performance of the company by experience brain drain. It is also interesting since seven out of eight interviewees taking part of my study told me that it is very important that a knowledge-intensive company considering its success really is knowledge-intensive. Another aspect is that a knowledge-intensive company is made up by motivated individuals who possess competence (Alvesson 2004).

/…/ it is strong humans many times that choose these professions which are consult directed, accounting directed so there are a lot of strength within the individuals (Leader A KPMG Kalmar 2011, translation author.)

Naturally, a leader would want to keep these. Consequently this proves my assumption that a company need to keep its Human Capital in the form of for example employees and their competencies. One respondent told me that for the knowledge-intensive company she is working in it is vital to retain employees especially the right individuals since it is expensive to recruit new individuals (Employee B Tieto 2011).

/…/ all humans has a value as individuals (Employee A KPMG Kalmar 2011, translation author.)
Another challenge can be to lead employees whose employment has lasted for a long-term period and this challenge arise because of possible changes that might have aroused through the years (Employee A KPMG Kalmar 2011). The challenge occurs if an employee wants to execute things the same way as previously. The respondent also thinks that this is more common for employees who have been working within the organisation for a longer period than among employees who has been working for a shorter time since they have not yet been moulded for how things is interpreted. (Employee A KPMG Kalmar 2011) The utterance support Presutti’s (2006) statement that when employees lose control of their tasks their motivation decline as well as the outcome of the employees. An important aspect to be aware of as a leader of a knowledge-intensive company would therefore be to consider this challenge in order not to jeopardize the outcome of a company.

Furthermore, it could also be challenging for the leader of the knowledge-intensive company of one of my two case studies to lead other leaders of different commissions executed within it (Employee B KPMG Kalmar 2011). The employees who execute the work are knowledgeable, competent and are by themselves accustomed to lead therefore and this may possibly be a challenge. As well as a leader should be sure that an employee is clear about what he/she should do and this could be a challenge when an auditor shall lead his/her team members. The leader therefore needs to be clear so that everyone knows what to do and what is expected from an individual according to Employee B. To be clear is therefore important and an individual can not take for granted that someone knows what to do. For example, as a newly employed individual this individual might not dare to ask so much and therefore an experienced team leader can explain a little bit more for safety’s sake so that the employee really knows what to do. (Employee B KPMG Kalmar 2011) Alvesson (2004) argues that leadership might be ‘a less important aspect’ (Alvesson 2004, p. 137) and it is common that the employees handle their tasks by themselves within knowledge-intensive companies. As I mentioned previous, I believe this is an argument wherfore leadership is not as marked within a knowledge-intensive company. A counter argument is therefore, although it might be hard to lead leaders for different commissions it is not the task for a leader since as Alvesson (2004) writes, a leader is not involved directly in the assignments of the employees. For that reason, it would be better that a leader of a knowledge-intensive company allow the employees to make their own decisions at least regarding their own assignments (Alvesson 2004). My interpretation is that a leader of a knowledge-intensive company can convey the decision-making process for the employees although it is important for a
leader to handle the overall question of a knowledge-intensive company which I will come back to later.

Another vital leadership task is to follow-up, this can comprise goals for example and is essential to execute so that problems can be sensed in time (Employee D KPMG Kalmar 2011). Execute a follow-up is important and something a leader has to plan for as well as it is a core activity for a leader so that he/she can supervise in order to control that the goals are reached. A good process for follow-ups is therefore needed in order to detect possible problems as early as possible otherwise it might be real problems which can be critical for a company’s success. Consequently, follow-up is a keyword within the leadership processes as well as leadership is a core process within a knowledge-intensive company and possible problems should be solved immediately. By follow-up together with each individual there will be easier to sense possible issues since, at least in Sweden; it will be harder to execute a follow-up and detect any issues together with a whole group of people. (Employee D KPMG Kalmar 2011) I have realized the importance that a leader follow-up for example goals and also see to so that the employees feel good in order to correct if necessary and by that a leader would have a long-term perspective on the outcome of the company.

Within a global company leaders and employees can also work within different cities or different countries and to lead individuals far away from the leader him-/herself could be challenging as well as differences within individuals cultures and wills (Employee A & Employee B Tieto 2011). Therefore, the geographical spread could be a challenge since a leader within one city can have his/her leader in another and it could also be a challenge for a leader to manage a his/her group if the individuals are located at different places or even within different countries (Employee A Tieto 2011). Since the knowledge-intensive company three of the respondents are working in is global and many leaders are located far away from the employees, this requires a large responsibility from the employees and therefore it is essential that the employees take their own responsibility (Employee B Tieto 2011). By being aware of cultural differences many mistakes and errors can be managed more smoothly and I know that it is essential that a leader has the knowledge of other cultures if working with individuals from different cultures. I agree to what Employee B said when employees and their leader are separated at different work places, the employees have to accept they will have a large responsibility. However, according to Alvesson (2004) the employees within knowledge-intensive companies are autonomous. My interpretation is therefore
that the employees naturally will take their responsibility independently if they have a leader observing or not.

Another challenge is to make the employees comprehend for what reason a process is executed and the advantage it will bring; consequently to understand the benefit of a work process and why certain processes should be executed (Employee C Tieto 2011). A counter-argument for this statement is that the company Sony Pictures Entertainment managed to increase the outcome of the company by demanding less of its employees (Schwartz 2010). Schwartz (2010) depicts that individuals do best execute the work by periodically recovery. By letting the employees take their own responsibility and be responsible for their tasks I interpret that the employees will better perform their work as well as their well-being will be considered.

4.3 Requirements and Needs Regarding the Leadership within Knowledge-Intensive Companies and the Convenient Leadership Style

One quality that a leader should have is a keen ear, listen to the subordinates and their ideas, a quality that is highly required and needed (Employee A, Employee B & Employee C KPMG Kalmar 2011; Employee C Tieto 2011).

/…/ one expect that the leader should have a keen ear (Employee B KPMG Kalmar 2011, translation author.)

This aspect could be generalized for all knowledge-intensive companies since this was a factor that protrudes during my study. As I mentioned in the beginning of the thesis, the Human Capital is significant for a company’s outcome and it is also the employees who have the knowledge and who execute the work, therefore it is wise that a leader emphasize the employees and listen to them. This also correspond to Baker’s (2008) statement that it is the employees that probably has the knowledge required and not, for example the proprietor/proprietors. Another essential aspect is that a leader within a knowledge-intensive company set the direction although the employees shall be allowed to execute their tasks rather independently (Employee A KPMG Kalmar 2011). Alvesson (2004) also upholds that knowledge-intensive companies must see to so that everyone strives towards the same goal and this is an essential aspect about leadership and knowledge-intensive companies. By make the best uses of the employees a competitive advantage can ensue (Alvesson 2004) and since it is the employees who has the knowledge and whose services are sold to customers, my interpretation is that employees within knowledge-intensive companies
are willing to execute their tasks and assignments autonomously. Many of the respondents told me that the employees direct themselves in a large extent (Leader A, Employee B & Employee C KPMG in Kalmar 2011; Employee A & Employee B Tieto 2011), my interpretation is therefore that the work within knowledge-intensive companies is executed by letting the employees direct themselves in a large extent.

The needs and requirements of leadership within a knowledge-intensive company is consequently that a leader should gather everyone within the company so that they work together and do it effectively as well as the leader should be able to know what is happening within the company since, if everyone is working by their own there is a risk for double work and the respondent believes it is not effective (Employee A KPMG Kalmar 2011). As well as a supporting leader with whom the employees can exchange ideas and who take care of personnel questions, as new employments for example, are required (Employee B KPMG Kalmar 2011). Another respondent told me that the requirement is to obtain the resources necessary to execute the work, such as good software and a good environment (Employee C KPMG Kalmar 2011). A leader also needs to be able to suit the company after a variable market as well as to be able to manage individuals in various countries as well as to know how the leadership works within other countries according to one respondent working in one global knowledge-intensive company (Employee A Tieto 2011) Leaders should have a keen ear especially since the top management is located at a global level within Tieto (Employee C Tieto 2011). My interpretation is that the last-mentioned characteristic of a leader is the most important of all characteristics since it is, as I mentioned in the beginning of the paragraph, indicated by the empirical findings.

Furthermore, what a leader should think about when lead employees within a knowledge-intensive company is to have the right person, at the right place and at the right time according to Leader A (Leader A KPMG Kalmar 2011). A leader should also make sure that the employees has the right competence necessary to meet the different situation within the market as well as to have personal development discussions, therefore these things should be considered when lead employees within a knowledge-intensive company. These things are also things that the leader at KPMG in Kalmar considers. (Leader A KPMG Kalmar 2011)

/…/ the personal development discussion is important here and it is important at every other places
(Leader A KPMG Kalmar 2011, translation author.)
Additionally, a leader should think about the employees as individuals since everybody are different and have different needs in order to entice the best out of everyone (Employee A KPMG Kalmar 2011). Hence, some are individualistic and some are more collectivistic, everyone is different and everyone have different needs. (Employee A KPMG Kalmar 2011) A leader should also listen, have a keen ear and above all take in the employees’ point of views (Employee B KPMG Kalmar 2011). A leader should also think about not to lead too much but have the focus on so that everything run smoothly and function within the company. (Employee B KPMG Kalmar 2011) Moreover, set good goal numbers and follow-ups as well as being supportive are things that a leader should think about when leading employees within a knowledge-intensive company (Employee D KPMG Kalmar 2011). Another respondent have several factors a leader within a knowledge-intensive company should think about. First, a leader should think about to find the right individual for the right commission (Employee A Tieto 2011). A leader should also think about to see to so that the individuals within a group really is a group since knowledge is easier transferred with that being so. It is also easier to develop their knowledge with one another if the individuals feel they are a group. (Employee A Tieto 2011) It is important that the employees are engaged, a leader should also inspire and he/she should also see to so that the employees are pleased so that the employees stay within the company (Employee B Tieto 2011). A leader should also have a keen ear and listen to the needs of the employees and let the employees develop and also make sure the employees are pleased with what they do. (Employee B Tieto 2011) A leader should think about to value challenges in order for the employees to feel that they have possibilities to develop, for example by take a new role within the company and by that encourage employees to try out new role (Employee C Tieto 2011).

Overall issues are leadership tasks and a leader should solve possible issues (Employee B KPMG Kalmar 2011) besides setting goals, see to so that the company meets the needs of the market and follow-up are also leaderships tasks (Employee D KPMG Kalmar 2011). My interpretation is that Employee B’s statement is a typical task of Human Recourse Management and also one important aspect for a leader to consider since as Burke (2005) writes, a company performs good if the employees are cared for. As well as Mahy, Plasman and Rycz (2005) state that, an employee has to feel fine in order to do a good result. Employee A at Tieto thought that a leader should be able to be aware of possible problems in order to succeed (Employee A Tieto 2011) and this could be facilitated by processes for follow-ups I suggest since I have sensed that it is crucial to follow-up in order to notice possible issues. Leaders should also be trustworthy (Employee B KPMG Kalmar 2011), motivate (Employee B Tieto 2011) and arouse enthusiasm in the employ-
Employee C at Tieto means that it is varying factors that bring about a good leadership style (Employee C Tieto 2011). I agree to the statement and my interpretation is that that is the case regarding my empirical findings. One characteristic of a leader which has emerged through two interviews is that a leader should be easily approached (Employee A & Employee C Tieto 2011) as well as a third interview reveal that a leader should be supporting (Employee B KPMG Kalmar 2011). Setting the direction also seems to be an important leadership aspect, so that the employees know which direction the company is heading for (Employee A KPMG Kalmar 2011; Employee C Tieto 2011) and so that everybody strive at the same goal (Employee A KPMG Kalmar 2011). One respondent told me that she want a leader to set the direction but not to execute much leadership since it would not be as fun having someone controlling all the time (Employee A KPMG Kalmar 2011). Furthermore, as mentioned, the auditors execute control indirect within KPMG in Kalmar since they always control that everything is right which Employee A regard as something nice and secure. The leader does not need, as well, to control within the knowledge-intensive company and indirect the auditor is also a leader because of their responsibility towards the clients. (Employee A KPMG Kalmar 2011)

Encouraging (Employee A KPMG Kalmar 2011), coaching instead of management in detail is also a required leadership style (Employee B KPMG Kalmar 2011) or a leadership style which is more soft seeing that individualists working as consultants require freedom in their work (Employee C KPMG Kalmar 2011). As well as arouse enthusiasm in the employees and to be a plain leader is needed (Employee C Tieto 2011) along with a leadership style that engage the staff and inspire (Employee B Tieto 2011). It would be unnecessary if the leadership was characterized by management in detail one respondent explained to me (Employee B KPMG Kalmar 2011). Typically for a knowledge-intensive company is that leaders do not take part of the tasks of the personnel and therefore the personnel usually direct themselves (Alvesson 2004). As I mentioned in the previous chapter, I think this is a reason why leadership is not as conspicuous within these companies. Mintzberg (1980) also explains that adhocracies are characterized by decentralization rather than centralization. Less control is therefore a contributory factor why knowledge-intensive companies are seen as adhocracies (Alvesson 2004).
4.4 This is the Way Knowledge-Intensive Companies Manage to Develop and Retain their Employees

In-service training (Leader A KPMG Kalmar 2011) and education (Employee A KPMG Kalmar 2011) which might facilitates the motivation (Employee B KPMG Kalmar 2011) are ways for a knowledge-intensive company to develop and motivate the employees. Although Miles et al. (1997) discuss the paradox of developing the individuals within a company. A company can not own the employees and consequently they can be lost. (Miles et al. 1997) One way to recompense employees is by rewards. KPMG in Kalmar has a method for rewards, for example it is possible to gain a reward if an employee procures a new commission (Employee B KPMG Kalmar 2011). The employees also obtain a contribution devoted physical exercise. Employee B also point out that the company works for lying in the front edge all the time and to be an attractive employer. (Employee B KPMG Kalmar 2011) As well as another respondent tells me that the leader within KPMG in Kalmar is good at consider factors such as well-being and the engagement at the same time the leader is a role model for the team/group and the leader is good at making individuals go on well (Employee D KPMG Kalmar 2011). Education, for example courses, is protruding within my study as a way a knowledge-intensive company to develop and retain the employees and my interpretation is that this is the most common way for how a knowledge-intensive company works to develop and motivate the employees. As well as support employees change task or position within the company (Employee A & Employee C Tieto 2011) and contributions dedicated exercise such as health and wellness training (Employee B KPMG Kalmar 2011; Employee C Tieto 2011). As mentioned, Miles et al. (1997) write that employees can whenever leave a company; therefore a company can spend money on an employee who might not stay within it. I interpret that it is an important leadership task to make sure the employees within a knowledge-intensive company develop through education; it is not possible to foresee the future. Perceptibly this will also make the employees more willing to stay within a company (Employee A KPMG Kalmar 2011). Barabba, Pourdehnad and Ackoff (2002) state that the ‘intellectual assets’ (Barabba, Pourdehnad & Ackoff 2002, p. 360) are of considerable value. My interpretation is therefore that it is more important for a knowledge-intensive company to retain the existing employees than recruit new employees.

One of KPMG’s large intermediate goals is to have the most pleased employees; employees should get on well and appreciate working at the knowledge-intensive company (Leader A KPMG Kalmar 2011). KPMG is located in 700 towns around the world and one thing that is executed is a survey where individuals working at KPMG are asked about questions, for example, if they go on well within the company along with questions about their relationship towards lead-
ers among other things. The result may be an indicator that can display if there are things the leaders need to work with since they endeavour to have the highest point on all the questions. Consequently, KPMG endeavour to have the most pleased employees. (Leader A KPMG Kalmar 2011)

The climate within a company is also important so that the employees go on well one respondent told me (Employee A KPMG Kalmar 2011), salaries and rewards are other factors to facilitate development and motivation (Employee B KPMG Kalmar 2011). One of the respondents said she perceives education as something positive and consequently an employee feels that an investment is made and therefore an employee remain (Employee A KPMG Kalmar 2011). Personal development discussions are also executed (Employee A Tieto 2011) and that is a method I regard as valuable since my interpretation is that it is essential for a leader within a knowledge-intensive company to follow-up especially individually and therefore personal development discussions can serve as a good aid for leaders to be able to do this. My interpretation is also that personal development discussions could be repeated frequently in order to talk to every employee and find out things that might not have been perceived without a personal discussion. Another interesting aspect is that Tieto raise awareness of what is accomplished by the company in order to display that the company is an attractive workplace (Employee C Tieto 2011). Besides, ones a year the employees have a personal development discussion where, for example, different goals are settled, which courses and education the employee will execute in order to enhance his/her competence (Employee A Tieto 2011). Tieto also takes care of the employees by internal recruitment if there is an individual who feels that he/she has been placed at the wrong area, then the company exhorts a new role which might be more appropriate for the individual so that the individual will stay within the company and the company also encourages the employees to try out new roles within it. (Employee A Tieto 2011) Strengthen by the statement of Mahy, Plasman and Rycx (2005), as they write; ‘A performing worker has to be a worker that feels well!’ (Mahy, Plasman & Rycx 2005, p. 614). Every employee also has their own plan for development (Employee A Tieto 2011). Within the company, both leaders and employees are encouraged to change his/her work another respondent adds (Employee C Tieto 2011). As well as the company offer contributions for health and wellness training and raise the level of consciousness of what the company actually does and by that make the company attractive to work in. (Employee C Tieto 2011) Another way for a knowledge-intensive company to develop and retain the employees is by working with the development of employees so that they can grow both personally and professionally and that is what Tieto does (Employee B Tieto 2011). Besides, at this knowledge-
intensive company employees works together with professional colleagues within a global company which can be perceived interesting to work at and above all, the company provides challenges and interesting tasks for the employees. (Employee B Tieto 2011)

Human Resource Management is executed by the fact that the knowledge-intensive companies do develop their employees. The employees develop principally through education and by that strengthen the knowledge, one respondent said (Employee B KPMG Kalmar 2011). An employee also develop as an individual and as a person from being a newly employed to have been working for the company for ten years he told me. (Employee B KPMG Kalmar 2011) Through education, more advanced tasks, coaching towards new tasks and as a leader of commissions, Employee C endeavour that everyone should rotate and have different tasks and owing to that the employees develop (Employee C KPMG Kalmar 2011). The employees learn from each other within their project teams as well as they develop through external and internal education and courses (Employee A Tieto 2011). Tieto also works with mentors, coaching and new tasks which an individual has not done before in order to develop the employees as well as courses are ways for the company to develop the employees (Employee B Tieto 2011). As well as by role models by letting employees learn from other individuals. (Employee B Tieto 2011) If an employee wants to become a leader, for example, the individual can discuss the wish during a personal development discussion with his/her leader and there are possibilities to apply for an education to become a leader (Employee C Tieto 2011). Employees also develop through the projects within which they work and by ordinary education. (Employee C Tieto 2011)

Improvement of the development of the employees can be made by enhance the knowledge transfer beyond national boarders one of the respondents considered (Employee A Tieto 2011). As well as the company can improve the development of the employees by invest more time in the development as well as leaders have to encourage employees to develop and invest time for their development (Employee B Tieto 2011). Employee C thinks that the different possibilities of development towards the employees can be better communicated so that the employees know which possibilities there are for development (Employee C Tieto 2011). These are all examples of opportunities towards a knowledge-intensive company.

I also wondered what the employees thought about the fact that the companies develop the employees and Leader A declared that it is necessary to develop the employees (Leader A KPMG Kalmar 2011). Employee A thinks that the development of the employees works well within the
company and that it is good (Employee A KPMG Kalmar 2011). One positive thing when the employees at the company execute an education, their commissions terminate and the employees can fully concentrate on their education otherwise she guesses that the employees should not feel that they had the time to execute the education considering their everyday assignments. According to this is the individual more important than the task he/she executes. (Employee A KPMG Kalmar 2011) Employee B also thinks that it is very good that the company develops the employees and by that has the possibility to grow as humans (Employee B KPMG Kalmar 2011). Likewise Employee A think it is really good that Tieto develops the employees and also necessary so that the company can act within a variable market and by develop the employees the company can be more attractive than its competitors and many individuals want to develop therefore it would be a risk that an employee leaves the company if he/she do not develop (Employee A Tieto 2011). It is very good and essential that the company develop the employees according to the subsequent respondents (Employee B & Employee C Tieto 2011).

Another way for companies to retain their employees, as I mentioned before, is to utilize some kind of method for rewards and this is also something that the two knowledge-intensive companies within my two case studies utilize. KPMG in Kalmar do have methods for rewards depending on performance Leader A told me (Leader A KPMG Kalmar 2011). As mentioned before, the wages and education are different types of rewards and by procure a new customer there are possibilities to obtain a reward as well as travels are another type of reward another respondent declare (Employee B KPMG Kalmar 2011). Within Tieto the sellers do have a fixed salary plus a flexible salary depending on how much they sell (Employee A Tieto 2011). An employee can also be justified a bonus depending on for how long time he/she has been working for the company. (Employee A Tieto 2011) Consequently, the company utilizes different methods for rewards, for example, individual goals are connected to bonuses as well as an employee can be rewarded if he/she performs well and among other things contributions for health and wellness training are also provided by the company (Employee B Tieto 2011). As well as the system for bonuses differ depending on which position an employee has (Employee C Tieto 2011). By rewarding the employees and make them feel good the performance will get better and talents will be more anxious to remain (Burke 2005). My interpretation is that the knowledge-intensive companies understand the essence of adding new knowledge into the companies in order to enhance their competitive advantage by education.
4.5 More or Less Leadership within Knowledge-Intensive Companies?

A possible decreasing of the leadership is not conceivable since none of the interviewees perceived a decreasing leadership within their companies. On the contrary, without leadership a company consisting of knowledge ought to be divided (Employee A KPMG Kalmar). A strong leadership must always exist since it is necessary with leadership and typical for the leadership at KPMG in Kalmar is that the leader listens to the employees and motivates the employees as well as it is important for the leader that the employees feel that they direct their own reality (Leader A KPMG Kalmar 2011). The empirical findings tell against the theory and my interpretation is that we are not on the way towards a new trend within leadership. It might be possible that we are towards a new trend within leadership although this is not supported within my study. If there is no leadership within a knowledge-intensive company it would be divided and when one of the respondents started her work at KPMG in Kalmar they had no leader at all during a short while so the leadership has increased depending on this, nowadays the employees also receive more information through the leader (Employee A KPMG Kalmar 2011). Besides, another respondent told me that there has not been any change regarding the leadership (Employee D KPMG Kalmar 2011). Employee A do not experience any decreasing leadership although the leadership within the organisation continuously change because of a large reorganisation that takes place every second year and there are always small changes within the leadership since the requirements for the company changes owing to that the market changes all the time and therefore the company need to suit itself (Employee A Tieto 2011). Because of a temporarily reorganisation the company is somewhat more directed thus a decreasing regarding the leadership can not be discerned (Employee C Tieto 2011) further even another respondent support the last-mentioned statement when she said that it is not possible to discern that the leadership is decreasing (Employee B Tieto 2011). Although, authors uphold a change of leadership as preferred, for example, they emphasize that leadership ought to be decreased (Birkinshaw & Goddard 2007; Mintzberg 2004). Birkinshaw and Goddard (2007) state that /…/ ‘less is more’ (Birkinshaw & Goddard 2007, p. 45) and assert that companies would increase the company’s profit by diminish the leadership. Schwartz (2010) illustrates how a company managed to gain increased earnings by see to so that the employees had energy and felt comfort. Birkinshaw and Goddard (2007) write that it is possible to conceptualize a new leadership style. My interpretation is that leadership is important and will ever be as the empirical findings do not strengthen the thoughts that the leadership has decreased.

In order to emphasize whether or not there had been a diminishing of the leadership within knowledge-intensive companies I asked the respondents if they think that leadership is important
within the knowledge-intensive companies where they are working and the answer was unani-
mously since all the employees within the knowledge-intensive companies stressed that leadership
is important within a knowledge-intensive company. It is important according to Employee A,
referring to the period without a leader since there where no one to talk to if necessary and it was
a little bit confusing according to her (Employee A KPMG Kalmar 2011). Employee B thought
that it is rather important although he believed that it is not indispensable since the employees are
rather automatic (Employee B KPMG Kalmar 2011). Employee C also thought that leadership is
important within the knowledge-intensive company (Employee C KPMG Kalmar 2011). Since
there need to be a leader that sets plain goals towards the individuals within the company and
therefore the leadership is critical. In a knowledge-intensive company leaders are needed to bal-
ance the many wills considering talented individuals within it. (Employee C KPMG Kalmar 2011)
A functioning leadership is critical for the business Employee D elucidates (Employee D KPMG
Kalmar 2011).

Leadership is enormously important within the second knowledge-intensive company Employee
A told me (Employee A Tieto 2011). The leadership is important in order to keep every office
around the world together and to make sure the knowledge is spread across every country. (Em-
ployee A Tieto 2011) As another respondent elucidated that leadership is important within every
company (Employee B Tieto 2011). The third respondent also thought that leadership is impor-
tant since leaders are needed in order to set the direction for the company so that everybody goes
the same way, as mentioned previous (Employee C Tieto 2011).

4.6 The Leadership within Knowledge-Intensive Companies
As leadership is different in knowledge-intensive companies according to Alvesson (2004) I
wanted to examine what it is that differ and by processing the empirical material I will state my
answer. The Human Capital, of course, means everything for a knowledge-intensive company
and the humans and their competencies are valuable assets for a knowledge-intensive company
(Employee A, Employee B & Employee C KPMG Kalmar 2011; Employee A, Employee B &
Employee C Tieto 2011) which is strengthen by the fact that seven out of eight respondent told
me that they feel that they are important within their knowledge-intensive company (Leader A,
Employee A, Employee B & Employee C KPMG Kalmar 2011; Employee A, Employee B &
Employee C Tieto 2011). Therefore Alvesson (2004) has right when it comes to the fact that a
knowledge-intensive company is composed by competent individuals. Alvesson (2004) has also
right considering that a knowledge-intensive company should be /…/ ‘non-managerial’ (Alves-
son 2004, p. 121) since many of the respondents declared that employees determine by themselves during their own work (Leader A, Employee B & Employee C KPMG in Kalmar 2011; Employee A & Employee B Tieto 2011). This I think is another reason why leadership within a knowledge-intensive company is not as conspicuous since the employees has the ability and above all, the knowledge to execute the work which has to be done relatively independent. Although, I am critical towards that there should be a greater difference between a knowledge-intensive company and a company that might not be so knowledge-intensive, for example, a producing company within the paper line of business. Why I am critical towards this is because respondents within my study apprehend similarities between the companies such as delivering quality (Employee D KPMG Kalmar 2011) and a company’s need for great employees independently of what type of company it is (Leader A KPMG Kalmar 2011).

4.6.1 What is given Priority?
Regarding the figure illustrated by Alvesson (2000) on page 18, my interpretation is that the two empirical cases consider both social factors in the leadership as well as the outcome of the company. This emerged when I investigated what the leadership within the two knowledge-intensive companies gives priority for and what the purpose of the leadership is within these. Leader A at KPMG in Kalmar is a person who listen a lot and who tries to identify which needs and requirements there are, if there are desires and what is it that is not good (Leader A KPMG Kalmar 2011). Leader A upholds that there should be no negative conflicts within a workplace; therefore this is something that she deals with, if something like this arise. The leader at KPMG in Kalmar also functions as an information channel since the management is located at a different location, thus she describes herself as the link between the management and the employees at KPMG in Kalmar. (Leader A KPMG Kalmar 2011) Besides, the customer has to be satisfied with the service since, without customers there can be no company, consequently a customer has to be satisfied (Employee A KPMG Kalmar 2011). The respondent also thinks that the leadership aim at satisfy the customer and it is the customers that is prioritised as well as it is important that the employees feel good. (Employee A KPMG Kalmar 2011) The head of the office has the responsibility for the result of the company as well as see that the various goals within the company are reached, therefore one focus is the result and a large focus is that the employee shall go one well within the company (Employee B KPMG Kalmar 2011). This can be noticed for example considering the fresh premises the respondent declared. (Employee B KPMG Kalmar 2011) The leadership within the knowledge-intensive company is a good and active since the leader is also able to manage individuals to feel good which support the statement by the earlier respondent
The top management within Tieto has the focus on the overall strategies and the company works to be an attractive employer and to be popular (Employee A Tieto 2011). The line leader has the focus on his/her group and is responsible to pay the wages and to find projects for the employees whereas the project leader does not have any responsibility of personnel, he/she is responsible to arrange the resources necessary for the project, plan and they also have the responsibility for the result of the project. Moreover, every employee shall have their line leader located in the same country. (Employee A Tieto 2011) As well as the leadership within the knowledge-intensive company shall be based on the company’s four values, as mentioned before (Employee B Tieto 2011). To earn money and consider the shareholders are prioritised by adding value for the customers therefore the leader should bring out the best in the employees since it is their knowledge which is the service. (Employee B Tieto 2011) Focus is among other things on administration as well as the purpose is to focus on the employees and by that obtain motivated employees who want to stay within the company, consequently the quality of the work gets better (Employee C Tieto 2011). The businesses have to be executed well considering the competition within the market another respondent told me. (Employee C Tieto 2011)

### 4.6.2 Concepts Utilized

Knowledge Management, Human Capital Management, Human Resources Management and Talent Management is utilized within both knowledge-intensive companies which constitute my two case studies (Leader A KPMG Kalmar 2011; Employee A Tieto 2011) and Tieto apply Talent Management in order to find talented individuals (Employee B & Employee C Tieto 2011) as well as it is important to prepare which individual will succeed different key positions (Employee B Tieto 2011). The fact that both knowledge-intensive companies substantiate work (Leader A, Employee A & Employee B KPMG Kalmar 2011; Employee A & Employee B Tieto 2011) and execute knowledge transfer (Leader A, Employee A & Employee C KPMG Kalmar 2011; Employee A & Employee C Tieto 2011) demonstrate that there are ways for a knowledge-intensive company to retain knowledge within the company even if an employee disappears. Knowledge transfer can be executed for example by workshops or gatherings (Employee A Tieto 2011) although many of the respondents within my study are of the same opinion that some knowledge is hard to store within a company (Leader A, Employee A, Employee B & Employee C KPMG Kalmar 2011; Employee B & Employee C Tieto 2011). My interpretation is that it is important for a knowledge-intensive company to retain knowledge within it and that the cases illustrate that Knowledge Management is executed. My interpretation is that Human Capital Management is
also executed within the knowledge-intensive companies. Both cases illustrate that data considering the employees are analyzed (Leader A KPMG Kalmar 2011; Employee A, Employee B & Employee C Tieto 2011) as well as personal development discussions are executed (Employee B KPMG Kalmar 2011). In Tieto a follow-up is executed regarding all processes (Employee B Tieto 2011). The mode of procedure that protrudes among the answers during my study for how the companies develop there Human Resources were by education (Employee A, Employee B & Employee C KPMG Kalmar 2011; Employee A, Employee B & Employee C Tieto 2011). Another factor that emerged was that a knowledge-intensive company can also let employees try out duties which an employee might never have tried earlier and consequently the individual develop (Employee C KPMG Kalmar 2011; Employee B Tieto 2011). Mentors and role models are also ways for a knowledge-intensive company to develop individuals and by utilize these modes of procedures knowledge transfer can take place (Employee B Tieto 2011). One characteristic regarding the leadership within the knowledge-intensive companies is that the leadership succeeds in motivating the individuals within them (Employee B KPMG Kalmar 2011; Employee B Tieto 2011). All of the seven employees interviewed in my study regard leadership as important (Employee A, Employee B, Employee C & Employee D KPMG Kalmar 2011; Employee A, Employee B & Employee C Tieto 2011) and my interpretation is that leaders have an essential role and importance for knowledge-intensive companies.

Leader A knows that KPMG work with concepts such as Knowledge Management, Human Capital Management, Human Resources Management and Talent Management since the focus lies on the staff and what exactly the concepts imply are communicated throughout the organisation, consequently that is something they have to incorporate (Leader A KPMG Kalmar 2011). Leader A also believes that these concepts are typically to work with as a knowledge-intensive company. (Leader A KPMG Kalmar 2011) Accordingly, this is things that lie in the background of the work another respondent uphold (Employee A KPMG Kalmar 2011). Within the organisation is this something that is very important and is about retaining and developing the employees and this is something that the organisation is good at (Employee B KPMG Kalmar 2011). In a knowledge-intensive company, Knowledge Management and Human Capital Management have a lot in common and by providing good tools for individuals to work with, individuals will feel good (Employee C KPMG Kalmar 2011). The purpose with Knowledge Management is to share knowledge and that is something important another respondent said (Employee D KPMG Kalmar 2011).
Tieto also works actively with these concepts; Knowledge Management, Human Capital Management, Human Resource Management and Talent Management as well as the company has a large HR department which functions as a central support both towards the leaders and the employees (Employee A Tieto 2011). Two other respondents uphold that Talent Management is for example actively executed within the company (Employee B & Employee C Tieto 2011) which implies that the company identifies individuals with high potential which are individuals that has something extra and which are good at adding value for the customers (Employee B Tieto 2011). These individuals are particularly important for the company which execute successor planning for whom will take over key positions. (Employee B Tieto 2011) thus the company identifies talents and makes them stay within the company by not let the talents stagnate otherwise they might leave the company (Employee C Tieto 2011).

4.6.3 Features of the Leadership
I asked the respondents to describe the leadership within their respective knowledge-intensive company with only one word and the leader within KPMG in Kalmar described the leadership as perceptive (Leader A KPMG Kalmar 2011). This is supported by another respondent who told me that is characterised by communication which Employee A describe as two-way-communication since it is always possible to communicate with the leader as within a smaller company and not as a larger company (Employee A KPMG Kalmar 2011). The formal leader within the knowledge-intensive company is not as controlling besides there is possibilities for the employees to get their voices heard. (Employee A KPMG Kalmar 2011) Likewise Employee B told me that the leadership is informal (Employee B KPMG Kalmar 2011). That the leaders manage the direction of the business is something that Employee C think is important for every consultancy company (Employee C KPMG Kalmar 2011). Engagement characterizes the leadership a fifth respondent told me which is something that also rubs off on the other individuals within the knowledge-intensive company, consequently this facilitates that the goal numbers are reached and that everyone perform (Employee D KPMG Kalmar 2011).

Within Tieto the leadership is well structured according to one respondent and this is because the top management focuses on the overall strategies and the vision of the company (Employee A Tieto 2011). The operational management that is to say the mandate for the decision-making is placed far down in the organisation therefore, the leaders far down within the hierarchy has the responsibility for their own groups within the company and the top management do not decide on an individual level. The leader also knows which areas they have the responsibility for and
consequently the leadership can be seen as well structured. (Employee A Tieto 2011) The leadership within the knowledge-intensive company is also based on competence since the leaders are knowledgeable and have great competence another respondent told me (Employee C Tieto 2011).

Since the leadership can be perceived not as conspicuous within a knowledge-intensive company I wanted to scrutinize in what extent the employees within the two knowledge-intensive companies direct themselves and if the empirical findings was in accordance or not with the theory. Accordingly, the employees direct themselves in a large extent since the individuals are independent within KPMG in Kalmar which may be a consequence of the high level of competence within the company according to one respondent (Leader A KPMG Kalmar 2011) as well as the employees direct themselves in a large extent in Tieto (Employee A & Employee B Tieto 2011). It is not the leader who directs how the work shall be arranged within KPMG in Kalmar, that is something that the responsible auditor does and therefore the employees are incredibly independent the leader emphasize (Leader A KPMG Kalmar 2011). Alvesson (2004) declares that numerous employees are autonomous within knowledge-intensive companies which correspond to the last-mentioned statement. Furthermore, as an assistant Employee A do not direct herself much although she decide by herself which kind of education she want (Employee A KPMG Kalmar 2011). There is also a prepared matrix for which education she have to have but except from these she can determine which education she needs since she need knowledge to execute her work. Things are staked out although this is something that is seen as an advantage which means that, as an employee, this individual will continuing climbing on this ladder throughout different courses although as mentioned before some education is obligatory. This is something that is decided at the top of the organisation. Employee A elucidate that she as an assistant do not think she can direct so much but that was also something that she was aware of when she started working. As an assistant she does not know what the demands are as an auditor since she has never been in that position and therefore she thinks that it is good to have a matrix which shows which knowledge are needed in order to reach the position. Since Employee A can choose some education by her own she thinks she after all can direct a little bit otherwise it is controlled. (Employee A KPMG Kalmar 2011) To other respondent also told me that the employees within the company direct themselves in a large extent (Employee B & Employee C KPMG Kalmar 2011). Every auditor within the company directs themselves in a very large extent and every individual within an auditors team execute tasks relatively independently. Therefore, the employees direct themselves in a large extent, above all, when they have worked for a couple of years and an
individual have own commissions. (Employee B KPMG Kalmar 2011) As well as a fifth respondent declared that the employees have a large responsibility under freedom and that ratios are decided and these goals shall be achieved (Employee D KPMG Kalmar 2011). Furthermore, in order to display the leadership within knowledge-intensive companies I wanted to scrutinize if the employees have large latitude within the company regarding self-determination/decision-making for example. Leader A thinks that the employees have large latitude within the company regarding self-determination/decision-making (Leader A KPMG Kalmar 2011). On the contrary, Employee A do not think that the employees have large latitude within the company regarding self-determination/decision-making because the employees, for example, can not buy what they want (Employee A KPMG Kalmar 2011).

The employees direct themselves in a large extent within Tieto in Sweden and in Sweden and the Nordic countries the employees have a large authority and they also have the possibility to determine by there own considering questions regarding their own work one respondent told me (Employee A Tieto 2011). The leader has a supporting function since the employees can do their work by themselves. Within Sweden it is also a large need among the employees to make own decisions although it can be necessary to be helped by the leader to make a decision. Moreover, in Japan, for example, the leaders mange their employees hard according to Employee A. (Employee A Tieto 2011) A second respondent support the statement that the employees direct themselves in a large extent as well as consultants seldom meet their leader therefore the consultants direct themselves entirely (Employee B Tieto 2011). Besides, the employees are independent in the daily work although they have responsibility (Employee C Tieto 2011). At Tieto it is also accepted that the employees take their own initiatives (Employee C Tieto 2011). Yet, the majority of the empirical findings correspond to the inconspicuous of a traditional leadership which also is distinctive for a knowledge-intensive company according to Alvesson (2004).

An interesting aspect is that scorecards can be utilized and scorecards are utilized for the leadership within KPMG in Kalmar and the process to retain the employees can be facilitated through, not only by well-being, but also by economical incentives and development and which is also something essential for a service company (Employee D KPMG Kalmar 2011). A scorecard is the management method to show which direction they want someone to go under a large freedom and with a large responsibility (Employee D KPMG Kalmar 2011).
Typical for the leadership within the first of the two case studies is that, first of all, there are a little bit free reins if the work is executed right according to Employee A (Employee A KPMG Kalmar 2011). Consequently, the leader sets the direction and that is how she perceives the leadership within the company. (Employee A KPMG Kalmar 2011) Another respondent declared that the leader within the company is more of a coach than a leader and the leadership motivates the employees within the company (Employee B KPMG Kalmar 2011). Employee C thinks that the leadership within the knowledge-intensive company is soft and proactive including ideas for how to work in the future (Employee C KPMG Kalmar 2011).

The leaders are not afraid to execute radical changes within the second of my two case studies and it is rather demanded that the company quickly can suit itself within the market and therefore the leadership is energetic in Tieto according to Employee A (Employee A Tieto 2011). Another respondent thought that typical for the leadership within the company, for example, is that it motivates and inspires the employees (Employee B Tieto 2011). As mentioned before, the leadership is knowledge based since the leaders within Tieto are knowledgeable and the leaders are particularly about that the employees also should be knowledgeable and competent within the area they work (Employee C Tieto 2011).

4.6.4 Possible Differences between Knowledge-Intensive Companies and other Companies regarding Leadership

As mentioned, according to theory there are differences regarding the leadership within a knowledge-intensive company compared to other companies therefore I wanted to scrutinize what exactly the differences are between, for example, a producing company within the paper line of business and a knowledge-intensive company. One of the respondents has leadership experiences from both the paper line of business as from a knowledge-intensive company hence she thinks that she apprehend similarities everywhere since a company always have to have a good staffing (Leader A KPMG Kalmar 2011). Therefore, basically she did not think that the difference is large. Although, within their knowledge-intensive company the focus lies on further education since things change and therefore individuals have to be updated. Thus, a difference is that people need to follow the current continuously changing demands regarding rules and laws within Leader A’s line of business while it is important within the paper line of business to learn to understand the production and how the process looks like. (Leader A KPMG Kalmar 2011) Furthermore, it is easier to replace individuals within a producing company than individuals within a knowledge-intensive company since it is not machines that do the work within a knowledge-
intensive company compared to a producing company (Employee A KPMG Kalmar 2011). Employee A does not think that there is a greater need for leadership within a producing company or the reverse and she also think that leadership is needed in both companies. (Employee A KPMG Kalmar 2011) There are differences because these companies sell different things another respondent told me (Employee B KPMG Kalmar 2011). If a company sells paper pulp the focus lies on a product and Employee B believes that the employees are more indispensible within a knowledge-intensive company and therefore the leadership possibly becomes harder within a company in the paper line of business given that the employees might not be as important since they are easier replaceable. (Employee B KPMG Kalmar 2011) As well as in a company within, for example, the paper line of business it is another type of leadership seeing to the product since it is important to optimize the production and machine output whereas in a knowledge-intensive company it is important that the consultants feel good as well as having a good “toolbox” since the tasks and the output often vary (Employee C KPMG Kalmar 2011). The difference between the leadership lies in the ability to manage the last-mentioned statement. (Employee C KPMG Kalmar 2011) Although, both companies have to provide quality, among other things, therefore there are many similarities between them both another respondent elucidated (Employee D KPMG Kalmar 2011).

There are different needs within the companies and one of the respondents believes that within a producing company within the paper line of business the leader need to be better on soft personnel questions in order for the leader to make the employees feel good whereas within a knowledge-intensive company changes needs to be made quickly as well as to focus on the knowledge so that the knowledge develops and renews (Employee A Tieto 2011). The businesses are different and the companies make investments within different areas (Employee B Tieto 2011). The producing company within the paper line of business invests in machines and paper pulp and the value does not lie within the employees as in Tieto. Therefore different leadership is needed, for example it is extremely important to find the right individuals for the work and retain them within Tieto since it cost a lot of money to recruit new employees. (Employee B Tieto 2011) A leader within a knowledge-intensive company has to know in what direction the development is pointing at (Employee C Tieto 2011). As well as to see to so that the employees develop for future needs within the company, retain the employees and make sure they are satisfied and pleased so that they will stay within the company since there is always a hunting for competence another respondent adds. (Employee C Tieto 2011)
4.5.6 Organisational Structure

The organizational structures have also been identified and Leader A is, as mentioned before, the departmental head manager for KPMG in Mönsterås, Kalmar and Oskarshamn (Leader A KPMG Kalmar 2011). Furthermore, different areas of responsibility are structured so that there are individuals responsible for different areas, for example counselling within their company. (Leader A KPMG Kalmar 2011) Consequently, in KPMG in Kalmar there is only one leader although seeing to the whole organisation there are leaders who are superior others (Employee A KPMG Kalmar 2011). Followed by, the assistants and the auditors at the same level of the organisational structure. Indirect, the auditors are leaders since they decide what the assistants should do. (Employee A KPMG Kalmar 2011) The organisational structure for the knowledge-intensive company in Kalmar can be seen as an adhocracy since my interpretation is that the responsibility is decentralized rather than centralized which correspond to Mintzberg’s (1980) illustration of adhocracies.

Although, my interpretation is that the second knowledge-intensive company’s organisational structure is not an adhocracy since I do not render the structure as flexible as Mintzberg (1980) point out is typical for an adhocracy. Today the knowledge-intensive company is a 2D matrix divided into one sell organisation and one supplier organisation (Employee A Tieto 2011). The sell organisation is divided by country although the supplier organisation is common for all the countries where the company works. There are leaders at different levels of the organisation and lower down are the project leaders who has a line leader and he/she on his/her part has a line leader. Moreover, the top management has a global focus. (Employee A Tieto 2011) as well as the organisation has four business lines where the employees are located (Employee B Tieto 2011).

I have also scrutinized, apart from hierarchy who possible could be the leader within the companies and the respondents were unanimous. Leader A said that she is the leader within KPMG in Kalmar because of her employment as the leader (Leader A KPMG Kalmar 2011). Besides, at KPMG in Kalmar everybody has the will to say what they think and convey their opinions, which is positive according to one respondent, although it is the formal leader who executes the decision-making hence; it is the formal leader who leads the employees within KPMG in Kalmar which supports the last-mentioned statement (Employee A KPMG Kalmar 2011). Apart from hierarchy it is still the head of the office another respondent told me (Employee B KPMG Kalmar 2011). This is because the head of the office is in charge of the overall questions and the respondent can not perceive any informal leader. (Employee B KPMG Kalmar 2011)
Again, it is the head of the office who are the leader within the knowledge-intensive company although there are individuals who are the leader for a commission (Employee C KPMG Kalmar 2011). The employees subordinate themselves a leader, mostly because the leader does not control the daily work rather helping the employees have the resources in order to be able to execute their tasks. (Employee C KPMG Kalmar 2011)

It is the leaders who are the leaders within the company and it is the ones who take contact with different people, who see to so that things happen and who are the ones who solve problems (Employee A Tieto 2011). Although, if an employee has been assigned a task then it is the employee who has the responsibility at the same time as the leader is a support considering larger problems. (Employee A Tieto 2011) Within Employee B’s team there are no informal leader and the formal leader are the leader within her team (Employee B Tieto 2011). She believes there are no room for any informal leadership since everyone is working with different things. (Employee B Tieto 2011) The formal leaders at the top management are the once who are the leaders for the company (Employee C Tieto 2011). These leaders are of great importance for the company since they create security and it is their communication towards the employees that determines how the employees will apprehend the company therefore it is important how they execute the communication. (Employee C Tieto 2011)

4.5.6 The Importance of the Employees
All of the respondents within my study feel that they are important for the knowledge-intensive companies they are working which are supported by the empirical findings. Leader A believe she feels that she is important for the company because of the knowledge she possess, for example, because of the contacts she has and the confidence she built up (Leader A KPMG Kalmar 2011). Employee A also feels that she is important for the company along with Employee B (Employee A & Employee B KPMG Kalmar 2011). At KPMG in Kalmar an e-mail arrive, for example, when someone has done a good work if there is something extraordinary (Employee A KPMG Kalmar 2011). She is important for the company since she has a lot to do and since someone gives her work then someone obviously wants to work with her. On the whole, this is a feeling that she has and something that the leader makes a contribution to and they also try to have a positive feeling at KPMG in Kalmar. (Employee A KPMG Kalmar 2011) Employee C feels that he is important for the company since he believe he is a resource for the company (Employee C KPMG Kalmar 2011).
Employee A, Employee B and Employee C also feels important for Tieto (Employee A, Employee B & Employee C Tieto 2011) as one of the respondents actually earn money for the company (Employee A Tieto 2011). Employee A elucidate that a leader is only a cost for a company although a leader is important in order to lead the employees and to structure a project. (Employee A Tieto 2011) Another respondent feels important since many individuals think that she is competent and perform well and the process she works with is also seen as an important area within the company (Employee B Tieto 2011). Employee C feels important for the company since the role he has is needed within the company for Employee C is responsible for the recruitment within the company (Employee C Tieto 2011). The employees as well as the leader within one of the case studies feel important for the companies and my interpretation is that this is essential as Bassi and McMurrer (2007) write that ‘for many companies, people are the only source of long-term competitive advantage’ (Bassi & McMurrer 2007, p. 115).

One purpose with Knowledge Management is to try to remain individual knowledge within the company and not to make it disappear if an individual leaves the company (Mårtensson 2000). As mentioned before, Knowledge Management is utilized by the knowledge-intensive companies, evince that the employees are important. Although, things disappear if an individual disappears, for example, knowledge and contacts which is important since they sell services one respondent told me (Leader A KPMG Kalmar 2011). Each person is enormously important, Leader A mentions. Leader A also mentions that if someone leaves the company it is not possible to replace that individual’s brain although documentation exists. Individuals within the company also share knowledge between each other. (Leader A KPMG Kalmar 2011) When assistants work with the auditors, knowledge is mediated although something will disappear when an employee leaves his/her work dependently on for how long the employee has worked within the company according to Employee A (Employee A KPMG Kalmar 2011). Furthermore, she believes that KPMG in Kalmar has a good method to keep the knowledge within the company since the assistants work with other employees who has worked within the company for a long time. The auditors explain how things work and the assistant has the possibility to come up with questions and this is the knowledge-interchange Employee A said. Besides, everything that the employees do must be documented and this is the company’s system to store knowledge, although there are thoughts within the individuals minds which disappears. Therefore, Employee A thinks that certain knowledge will get lost since the individual thoughts behind the written text is not present within a document. (Employee A KPMG Kalmar 2011) Knowledge disappears if an employee leaves the company since the knowledge exists within the head of the employee although the
company retains all the work executed by an employee within their systems in the form of different documents (Employee B KPMG Kalmar 2011). Moreover, the knowledge about a particular company can be hard to replace if an employee leaves the company. (Employee B KPMG Kalmar 2011) The knowledge disappears according to Employee C although by teamwork knowledge transfer shall always take place to reduce the loss when a colleague leaves (Employee C KPMG Kalmar 2011).

At Tieto they try to retain the knowledge within the project or the company with the help of knowledge transfer (Employee A Tieto 2011). A knowledgeable individual can meet one or several individuals and execute workshops or have intensive periods with meetings. Everything that is executed within the company shall also be documented on a structured way if an new individual will take over the work, and by reading or meet individuals who has the knowledge, knowledge transfer can take place and it is very important for the company to retain knowledge Employee A said. (Employee A Tieto 2011) The knowledge disappears to some extent since experience and knowledge within a certain line of business are impossible to take away from an individual (Employee B Tieto 2011). Although work documentation can be executed, documentation of experience can not and therefore it is important to retain the employees. (Employee B Tieto 2011) Departments can be dependent on certain individuals and if these individuals disappear, knowledge disappears and therefore the company focuses on knowledge transfer (Employee C Tieto 2011). For example, within the HR department there are individuals which would be hard to replace. (Employee C Tieto 2011) Alvesson (2004) elucidates that Knowledge Management is vital in knowledge-intensive companies and the concept ‘/…/ ‘gives a particular perspective on how organizational resources – and especially the key one in the form of humans – are being managed, or at least how management tries to access and control them’ (Alvesson 2004, p. 166). My interpretations are that the leadership within the knowledge-intensive companies considers procedures such as knowledge transfer and documentation although knowledge will get lost if an employee disappears.

The concept of Human Capital Management sees individuals as something that is of significance for a company (Baron & Armstrong 2007) which also the respondents uphold. Leader A regards humans as valuable because the company would be nothing without the staff and for the leader it is obviously that the humans are valuable (Leader A KPMG Kalmar 2011) equally to Larsen’s (2001) statement. The author makes clear; ‘Without its employees a firm is nothing more than an empty shell’ (Larsen 2001, p. 100). The humans is a valuable asset according to Employee A.
Why she thinks that humans are a valuable asset is because of the fact that someone has to execute the work and every human has a value as an individual. Employee B thinks that the humans and their competence are valuable assets. It is the employees that have own relationships towards the customers and that is for example one thing why the humans and their competence are valuable assets. This is also shown by the company which does everything to retain the employees by making the employees feel good and make them feel valuable by giving them a reasonable wage and continuously education. The humans mean everything since it is the humans that drive the business and therefore humans are assets (Employee C). The humans are necessary for the company to attain success. (Employee C)

The humans and their competencies are important since the company is the humans and their competencies. Without it there would be no company and therefore it is valuable assets for the company. The company, as mentioned before, therefore tries to be an attractive employer, develop the employees and see to obtain new competence. How this is shown is often because of the fact that the humans are specialized within an area and therefore the individuals knowledge are appreciated since many within the company take contact with an expert within an area if they have questions. Everybody within the company has a competence and their competence is valuable (Employee A Tieto 2011). That the humans and their competencies are valuable is also something that other respondents agree with. Employee B told me that the humans and their competencies are the company’s most valuable assets (Employee B Tieto 2011). As Employee C told me that the humans and their competencies are enormously valuable assets for the company since it is their knowledge they live on (Employee C Tieto 2011).

Personnel data as well as in-service training is analyzed within the companies as KPMG do analyze personnel data throughout a system, and there are models where individuals can evaluate themselves and it is up to the individuals to assure they follow the plan for their development (Leader A KPMG Kalam 2011). Consequently Human Capital Management is executed as Baron and Armstrong (2007) illustrate that it facilitates the management of the employees. Employee A told me that a large questionnaire is executed regarding how the employees experience the organisation and every education is registered and this is done regarding the whole organis-
tion (Employee A KPMG Kalmar 2011). She experiences a benefit why something like this is done belonging to Human Capital Management because it is an investment in the employees. A company has to have competence if the company wants to be in the front and the line of business where company is working is a changeable line of business. It is also a way to assure that the employees follows rules and laws regarding the work. (Employee A KPMG Kalmar 2011) The company has a list of every employees courses executed by them (Employee B KPMG Kalmar 2011). The leaders also have a system where every employee’s goals are discussed each year through personal development discussions and by that a follow-up is executed so that everyone reaches their goals. (Employee B KPMG Kalmar 2011)

Within Tieto personnel data are analyzed, for example, the company has a database with every employees’ competence and it is the employees who set their own competence and to which degree (Employee A Tieto 2011). The employees also discuss with their line leader what competencies they have and within which area the employee shall have education for example. The database is also utilized when different competencies shall be found for different projects. As well as the employees can climb between different levels and reach goals at the same time as they have incitement to continue develop in order to raise the wage. Employee A experience a great benefit why this is done since different competencies for projects can be found quickly. There need to be a solution like this according to Employee A otherwise it would be hard to find the resources. It is also important that the employees get something and therefore the wages increase depending on how much an individual develop. (Employee A Tieto 2011) Likewise Employee B told me that personnel data is analyzed within each division and every process is followed-up on a central level to follow-up so that the leaders have executed, for example, personal development discussions with the employees (Employee B Tieto 2011). As a leader this individual is responsible to follow-up the goals of the employees. Employee B do absolutely think that it is a benefit to analyze and follow-up personnel data since competence is a perishable foodstuff and has to be developed in order to keep the value within the company. (Employee B Tieto 2011) Another respondent elucidated that there exist different systems for how to analyze and follow-up personnel data (Employee C Tieto 2011). For example, an employee assesses their own competence which through a personal development discussion is followed-up by the leader. Employee C experiences a great benefit why this is done since it is a requirement in order to retain the employees in the long run especially follow-ups and personal development discussions are needed. (Employee C Tieto 2011) The empirical findings clearly demonstrate that Human Capital Management is executed within the knowledge-intensive companies.
I wondered about whether key positions are developed within the company since it is a process of Talent Management and asked the respondents the same question. The leader within one of the two case studies believed that the leader has as key position at KPMG in Kalmar as well as the individuals who are an chartered accountant do have a key position since there are companies that have to have an chartered accountant, along with individuals knowledgeable in different areas (Leader A KPMG Kalmar 2011). The apprehension of Employee A is that everybody within the company is important (Employee A KPMG Kalmar 2011). The leader has its role although the employees are not less valuable, consequently every individual is equally valuable at KPMG in Kalmar. (Employee A KPMG Kalmar 2011) Also Employee C thought that the head of the office have a key position (Employee C KPMG Kalmar 2011).

Within Tieto investigations has been executed in order to discover which roles are important, and consequently more time has been invested in order to find the right individuals for these key positions one respondent told me (Employee A Tieto 2011). As well as the responsible individual for the deliveries has a key position according to Employee A. (Employee A Tieto 2011) Employee C confirm that key positions are identified within the company (Employee C Tieto 2011). Talent Management is executed actively within the knowledge-intensive company which strengthens the statement by Collings and Mellahi (2009) that there is a ‘growing popularity of talent management’ (Collings & Mellahi 2009, p. 304).

I also wondered whether or not it is important to recruit high performing and talented individuals for these positions. According to Leader A it is always important to recruit high performing and talented individuals for the key positions (Leader A KPMG Kalmar 2011). Since, it is important to be good in order to manage the work. (Leader A KPMG Kalmar 2011) In a smaller office, Employee A believes that it is more important that a person fits in than being a high performing individual although an individual needs to have the right prerequisites to be able to execute the work (Employee A KPMG Kalmar 2011). She considers the ability to develop as an individual as important as well as the personality within KPMG in Kalmar. (Employee A KPMG Kalmar 2011) A company need to have a talented leader with high social competence Employee C said (Employee C KPMG Kalmar 2011).

It is important to recruit high performing and talented individuals for these positions since the company has invested more time to find the right individual for key positions another respondent told me (Employee A Tieto 2011). As another respondent elucidated that it is important to find
these individuals within the company and to offer possibilities for development for the present employees as well as it is important to develop employees who will be able to take over key positions (Employee B Tieto 2011). According to Employee B, leaders have a key position and it is essential to have competent individuals on key positions, individuals who are extra competent in order to add value for customers. (Employee B Tieto 2011) It is important to recruit high performing and talented individuals for these positions although it is more important to recruit the right individuals for these however the individuals recruited for these positions are in general high performing and talented Employee C elucidate (Employee C Tieto 2011).

A few words that will conclude this chapter is that someone once told me that knowledge sometimes can be power although my interpretation is that people must see the benefit by sharing knowledge since it will then be transmitted throughout the whole company.
5. Conclusion

Within the conclusion chapter I will present the answer on my research question and appurtenant issues presented in the introduction chapter. My research question was in what way leadership is practiced within knowledge-intensive companies? In the following text I state the answer.

5.1 Conclusions

This is the last procedure of my thesis and is the natural finishing off the analysis, as Merriam (2009) write, the ‘analysis is the process used to answer your research question(s)’ (Merriam 2009, p. 176). In order to answer my research question, I will first of all present some special challenges for knowledge-intensive companies followed by, in what way the excellent leader ought to be. Furthermore, I will display how these companies can retain and develop their Human Capital, I will also state the answer regarding the issue whether leadership has changed and ultimately, the leadership within knowledge-intensive companies will be described.

5.1.1 Different Challenges within Knowledge-Intensive Companies

My empirical findings exhibit that there are special challenges in knowledge-intensive companies and the first challenge which were pointed out is that these companies might experience it challenging to retain individuals which are competent and ambitious. To succeed in retaining these individuals, a knowledge-intensive company has to be a more desirable employer compared to rival companies and consequently this is a challenging issue as well as it can be seen as a challenge for all companies. One conclusion is therefore that especially a knowledge-intensive company must prevent this kind of brain drain since its success and survival depends heavily on its Human Capital. Strengthen by my empirical findings which indicate that it is easier to find substitutes within certain producing companies than within a knowledge-intensive company. Accordingly, this challenge is decisive for these types of companies. Furthermore, the challenge may also be more important to consider regarding the leadership within knowledge-intensive companies than within other companies as regards the empirical findings.

Companies can also face challenges when leading individuals within it if these individuals have been employed within the company for a longer time. As knowledge-intensive companies are actors on a continuously changeable market, changes will occur. Therefore, leading individuals who does not want to change their own way of execute their work may be challenging within
knowledge-intensive companies. Although, something that has to be handled in order to cope with the changeable world we all live in as these companies live on their knowledge, development must always take place in order to keep up with a changing world. The leadership within knowledge-intensive companies must therefore pay attention to the development as the Human Capital is momentous within these.

Employees within knowledge-intensive companies often have responsibility or lead different processes and the like and these leaders may be accustomed to lead; consequently a superior leader might encounter challenges when trying to lead these individuals. It is here that the special characteristics required among leaders within knowledge-intensive companies fit, which I will conclude later on in the text. For example, a leader has to be gentle and listen to his/her subordinates in order for the leadership to turn out well. Consequently, leaders in knowledge-intensive companies might not necessarily have to lead the employees regarding every detail although a superior leader has to prepare towards what exactly the company is heading. For a leader within a knowledge-intensive company it is also important to be clear about what an employee is expected to accomplish. Which I perceive is an excellent thought in order to prevent eventual errors.

Within knowledge-intensive companies, leaders could encounter challenges if the employees are located in different cities or different countries. Therefore, geographical spreading of a knowledge-intensive company, diverse desires and cultural differences could be challenges according to my empirical findings. Naturally, to be conscious about these aspects is also worth mention. As well as, for a leader, making subordinates understand the benefit why, for example, certain procedures are implemented may possibly also be a challenge. Usually these are implemented since these will convey advantages for the company. This aspect could also be seen connected to the changeable world we live in and the challenge to succeed in implementing changes, which is something that a leader needs to be aware of.

5.1.2 An Excellent Leader
It is suitable if a leader within a knowledge-intensive company have a keen ear, is easy to approach and set the direction of the company according to my findings. Characteristics suitable for every company and these are the most characteristic features convenient for a leader within a knowledge-intensive company. Since the distance between the leader and the employees can be interpreted less within these companies, the dialogue between them can be seen as important. As also knowledge must be transferred in order to retain a high level of this within companies which
are characterized by the fact that they are knowledge-intensive. There is a lot that points towards that a gentle leadership style is appropriate within knowledge-intensive companies as individualists working within the consultancy line of business do not require management in detail. Individuals working within knowledge-intensive companies are rather independent because of their knowledge and skills. For that reason, a leader should have a keen ear which means that the leader should listen to the employees and be observant for overall questions within the company. Naturally, in order for the leader to listen to the employees, the employees must be able to easily talk with their leader. Leaders within knowledge-intensive companies should also, as I mentioned previous, determine the direction; in other words, indicate where the company is heading in order to fulfil consensus. Simultaneously, a leader should let the employees be rather autonomously. Although, there is a lot that points towards that varying qualifications create an excellent leader, which is displayed by the empirical study, analysis and renderings within my study.

5.1.3 The Developing and Retaining of the Human Capital
Education, supporting change of work tasks and contributions dedicated exercise are ways for a knowledge-intensive company to develop and motivate employees to stay and develop within it. Further education is one of the characteristic procedures for how knowledge-intensive companies develop and motivate employees, together with contributions for health and wellness training. Enhance the knowledge by further education is motivating, therefore further education could both enhance the Human Capital within the company as well as a synergy effect ensue, as further education would most likely improve the outcome of the company. Leaders in knowledge-intensive companies also support work task alterations in order for employees to stay motivated and remain which is eminent and confirm the significance of a knowledge-intensive company’s Human Capital and value. Knowledge and competence do not last forever, accordingly knowledge-intensive companies have to develop their employees, strengthen by my findings that knowledge-intensive companies do execute Human Resource Management.

5.1.4 It is Still Alleged that Leadership is Important
In the introduction of my study I declared that I also wanted to scrutinize whether there has been any change as a diminishing of the leadership within knowledge-intensive companies and my empirical findings do not prove that the leadership has decreased within these companies. Today knowledge-intensive companies are becoming more common than before and Alvesson (2004) points out that, within these companies /\.../ ‘leadership is probably a less important aspect’ (Alvesson 2004, p. 137). Individuals within knowledge-intensive companies are rather independ-
ent and, again, they do not need management in detail. As these companies are becoming more common, it is possible that the leadership in our society in general is perceived softer as the leadership is not as outstanding within knowledge-intensive companies. My interpretation was that, from the theory a new trend can be discerned. As Mintzberg (2004) stresses that a diminishing of leadership would be appropriate. However, my empirical findings do not prove any decreasing of the leadership within knowledge-intensive companies; consequently no trend can be verified based on my study.

5.1.5 The Leadership within Knowledge-Intensive Companies
Leadership is viewed as important within knowledge-intensive companies which is proved by the employees viewing leadership as essential, with the purpose of having a leader who is able to guide direction for example by setting goals. My empirical study slightly indicates that leadership can be perceived not indispensable within knowledge-intensive companies although the earlier statement is remarkable. Procedures such as Knowledge Management, Human Resource Management, Human Capital Management and Talent Management are practised within knowledge-intensive companies which exhibit that it is the humans, their competencies and knowledge; their Human Capital, which is important for these companies. As previously mentioned, are contributions dedicated to physical exercise and further improvement of the individuals procedures utilized in order to retain and develop the individuals within knowledge-intensive companies. The leadership within these also considers the employees, which are autonomous. Knowledge transfer is practised within knowledge-intensive companies and workshops are one example on a procedure for how knowledge is transferred between individuals. It is not an easy task to retain knowledge within a knowledge-intensive company seeing that a company, which I mentioned in the abstract of this thesis, can never own such resources as, for example, knowledge of an individual. Although, work is substantiated in order to keep knowledge within the companies. Personal career development discussions are also practised within knowledge-intensive companies which show that the leadership within these considers the employees and which through such procedure are cared for.

The empirical findings within my study reveal that employees within knowledge-intensive companies direct themselves in a large extent. In addition, the employees within knowledge-intensive companies exert self-determination which can be seen as a contributory factor why leadership is not as conspicuous within knowledge-intensive companies. Individuals within knowledge-intensive companies are independent owing to their knowledge and competence. Although, this
evince that traditional leadership might not be present within a knowledge-intensive company there are still similarities regarding leadership between a knowledge-intensive company and a company which might not be as knowledge-intensive. Accordingly, all companies have to perform by having the best employees and attain quality irrespective of the nature of the company.

An important issue for knowledge-intensive companies is consequently to retain employees, especially talents. A contributory factor is that some knowledge disappears if a knowledge-intensive company loses an employee and it could be costly to replace it especially since the business of a knowledge-intensive company largely relies on the humans and their knowledge.

Social aspects are considered within knowledge-intensive companies since their Human Capital is of great importance which is shown by the fact that employees within knowledge-intensive companies feel that they are important for the company they are working in, presented in my study. As well as, within knowledge-intensive companies, the result is naturally considered of the business in order to proceed. Moreover, scorecards are utilized within knowledge-intensive companies which might include these aspects and which can facilitate the execution of leadership within these.

Seeing that leaders play a fundamental role and are essential for knowledge-intensive companies it is important that leaders pay attention to the leadership, set goals, retain talented employees, find new knowledge as well as to see to so that the employees within knowledge-intensive companies continuously develop and recompenses. Follow-up is imperative and should be considered by leaders within knowledge-intensive companies.
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Interviews

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Employee B KPMG Kalmar 2011, interviewed 31 March, 2011, at 09:00, approx. 44,58 minutes.

Employee C KPMG Kalmar 2011, interviewed 31 March, 2011, at 10:00, approx. 36,40 minutes.

Employee D KPMG Kalmar 2011, interviewed 31 March, 2011, at 11:00, approx. 84,31 minutes.

Employee A Tieto 2011, interviewed 4 April, 2011, at 10:00, approx. 105 minutes.

Employee B Tieto 2011, interviewed 5 April, 2011, at 09:00, approx. 74 minutes.

Employee C Tieto 2011, interviewed 6 April, 2011, at 13:30, approx. 84 minutes.
Appendix 1

Field Investigation Survey

Knowledge-Intensive Companies

1. Berätta gärna om er själv (Position/Erfarenhet/Antalet år i organisationen).
2. Berätta gärna om ert företag.
3. Kunskapsintensiva företag - Vad betyder det för er?
4. På vilka grunder uteses en ledare/chef i företaget?
5. I vilken utsträckning styr anställda sig själva i företaget?
6. Vilka utmaningar anser ni uppkommer när anställda skall styras/ledas inom företaget?
7. Hur arbetar företaget för att anställda skall motiveras att stanna kvar och utvecklas i det?

Adhocracy

10. Hur ser er organisationsstruktur ut?
11. Om ni skulle bortse från hierarki, vem är då ledare i ert företag?

Knowledge Management

12. Anser ni känna er betydelsefull för företaget och i så fall på vilket sätt?
13. Försvinner individuell kunskap med den anställdes om någon slutar i företaget eller kan ni på något sätt se till att hans/hennes kunskap finns kvar i företaget?

Human Capital Management

14. Vad betyder människorna och dess kompetens för er? (Endast något som kostar pengar eller en värdefull tillgång?)
15. Analyseras personaldata såsom kompetensutveckling (HR strategier för att maximera prestationsförmågan hos de anställda) som sedan följs upp inom företaget?

Human Resource Management

16. Hur utvecklas de anställda i företaget?
17. Vad anser ni om att företaget utvecklar de anställda?

18. Använder ni någon typ av belöningssystem?

**Talent Management**

19. Är nyckelpositioner framtagna i företaget?

20. I sådana fall, är det viktigt att rekrytera högpresterande och talangfulla människor till dessa positioner?

21. I sådana fall, varför?

**Leadership Trend**

22. Vilken typ av ledarstil behövs i företaget?

23. Har de anställda en stor frihet i företaget vad gäller att fatta egna beslut och liknande?

24. Går det att skönja en minskning eller förändring av ledningen och styrningen av ert företag idag i jämförelse med tidigare?

25. Vilka är era behov eller krav på styrningen/ledningen av företaget?

26. Anser ni att ledarskap är viktigt i ert kunskapsintensiva företag?

Tack för er medverkan!
Appendix 2

KPMG

Leader A: KPMG is a company where they sell financial services of various kinds, for example auditing and consultation as counselling considering economy, consultation regarding taxes among other things (Leader A KPMG Kalmar 2011). Their economy service includes all kind of accounting regarding companies and which is also a service the company offer and other companies can also hire consultants from KPMG in Kalmar. (Leader A KPMG Kalmar 2011)

Employee A: KPMG is principally a firm of accountants but the company also includes taxes as well as services regarding economy and counselling (Employee A KPMG Kalmar 2011). KPMG is a large organisation although there are not so many employees in Kalmar which office is merged with another office in Oskarshamn therefore the total number of individuals employed amount to approximately 20 of which approximately ten are working in Kalmar. Most of them work with auditing, with positions as auditors or assistants. (Employee A KPMG Kalmar 2011)

Employee B: KPMG exist in the whole world and it is only one company in Sweden with several departments (Employee B KPMG Kalmar 2011). The company is a firm of accountants including counselling and consultation regarding for example accounting. (Employee B KPMG Kalmar 2011)

Employee C: Employee C point out that KPMG is one of the leading companies the world regarding auditing and counselling (Employee C KPMG Kalmar 2011).
Appendix 3

**Tieto**

**Employee A:** Tieto is an IT company active within a large quantity of lines of businesses (Employee A Tieto 2011). The company works with everything within the IT area; they have their own systems but also customize other systems and they also works with other companies’ computer systems in order to function as an operational and supporting company. Furthermore, the company remake systems which other companies buy therefore the customers receive customized systems. The focus is the Nordic countries and the company has approximately 17 000 employees. (Employee A Tieto 2011)

**Employee B:** Tieto is an IT company which offer services and virtual products to companies (Employee B Tieto 2011). The company develops IT solutions and is active within different lines of businesses for example within the area of finance where they have made internet banks for customers and a fund administration system. Also credit card solutions have been executed by the knowledge-intensive company. (Employee B Tieto 2011)

**Employee C:** Tieto is an IT company or consultant company which is one of the largest consultant companies in Sweden (Employee C Tieto 2011). Above all, the company works with large famous companies as well as IBM and Microsoft is two important partners for the company. (Employee C Tieto 2011)
‘The most competitive companies will be those that manage their employees like the assets they are’ (Bassi & McMurrer 2007, p. 123).
Linnaeus University – a firm focus on quality and competence

On 1 January 2010 Växjö University and the University of Kalmar merged to form Linnaeus University. This new university is the product of a will to improve the quality, enhance the appeal and boost the development potential of teaching and research, at the same time as it plays a prominent role in working closely together with local society. Linnaeus University offers an attractive knowledge environment characterised by high quality and a competitive portfolio of skills.

Linnaeus University is a modern, international university with the emphasis on the desire for knowledge, creative thinking and practical innovations. For us, the focus is on proximity to our students, but also on the world around us and the future ahead.